

15 February 2013

**MEARS TECHNOLOGIES, INC. AND K2 ENERGY LIMITED MERGER
UPDATE AND TIMETABLE**

K2 Energy Limited (ASX:KTE) (“K2”) is pleased to advise that significant progress has been made in relation to its proposed merger with MEARS Technologies, Inc. (“Proposed Merger”).

One of the conditions to the Proposed Merger is approval by MEARS shareholders, and the process to obtain that approval is now underway.

Fosters Stockbroking Pty Limited, the sole Lead Manager and Bookrunner to the proposed placement will be conducting investor presentations commencing 25th February 2013 and a copy of the Investor Presentation will be released to ASX prior to this date.

As a result, K2 is now postponing its General Meeting of shareholders, from 20th February 2013, until 9am on 20th March 2013 at Level 21, 25 Bligh Street, Sydney NSW 2000.

Shareholders eligible to vote at the postponed meeting will be those shareholders registered as at 7pm (Sydney time) on 18th March 2013 and the revised time for the return of the proxy forms is now 18th March 2013 at 9am (Sydney time).

Shareholders who have already lodged a proxy form who choose to do nothing (ie. do not lodge new forms or revoke old forms) will have their original proxies counted as received for the purposes of the postponed General Meeting.

Completion of the Proposed Merger and the issue of the K2 shares under the Proposed Merger and the proposed placement is anticipated to be prior to the end of March 2013.