

8th August 2016

UPDATE ON ATOMERA, INC. ("ATOMERA")

The Directors of K2 Energy Limited (ASX: KTE) ("K2") are pleased to advise that Atomera, Inc. listed on NASDAQ on 5th August 2016, with its stock code being ATMR.

Due to strong interest in the IPO, Atomera decided to increase the number of new shares issued from 2,400,000 to 3,200,000 at an issue price of USD 7.50 per share. Upon completion of Atomera's listing K2's convertible note and accrued interest thereon in Atomera were converted to 340,943 shares of common stock in Atomera. Following this conversion K2 now owns 508,838 shares of common stock in Atomera, representing 4.5% of that company.

The closing price of Atomera on NASDAQ on Friday 5th August 2016 was US\$8.08, giving it a market capitalisation of approximately US\$90m.

ABOUT ATOMERA, INC.

Atomera (NASDAQ: ATMR), a semiconductor materials and intellectual property licensing company focused on deploying its proprietary technology into the \$350+ billion semiconductor industry

Atomera has developed Mears Silicon Technology™ ("MST"), which increases performance and power efficiency in semiconductor transistors. MST™ can be implemented using equipment already deployed in semiconductor manufacturing facilities and is complementary to other nano-scaling technologies already in the semiconductor industry roadmap. Atomera was known as Mears Technologies, Inc. until January 2016. Atomera's headquarters are located in Los Gatos, California.