



Shareholder Update

Elko Energy Inc. ('Elko') is pleased to provide this further regular update on the ongoing development of the Elko business.

Business Update

1) Netherlands

Elko have met with the Dutch Ministry of Economic Affairs (MEA), who regulate the Dutch offshore exploration licenses, and the MEA are satisfied with the significant progress that has been achieved by Elko on blocks P1 and P2. The MEA have agreed that the date when the work program commitment has to be made for the second phase of the P1/P2 exploration licenses, can be postponed until October 1, 2010.

The reprocessing of previous 3D seismic to Pre Stack Depth Migration (PSDM) on block P2 is now complete and shows greatly improved seismic definition and imaging over the existing discoveries and previously identified prospects. Subsequent remapping of the eastern part of the block has revealed several large undrilled structures, each with a high geological chance of success.

Elko believe that the potential for these new prospects to have a lower CO₂ content than on the P1-FA discovery (which contains over 30% CO₂) makes the P2 block an attractive farm in opportunity. Elko are continuing constructive discussions with several industry parties about participating in the next exploration phase on blocks P1 and P2.

Elko have commissioned an independent Competent Persons Report on the existing discovered gas reservoirs and identified prospects on blocks P1 and P2 in order to quantify the hydrocarbon resource base.

2) Denmark

Elko have met with the Danish Energy Agency (DEA), who regulate the Danish offshore exploration licenses, and the DEA have agreed that the date when the work program commitment has to be made for the third phase of the 02/05 exploration license, can be postponed until July 2010.

Following the remarketing of our 02/05 Danish license Elko are now in discussions with industry parties about participating in the next exploration phase on the license which will require a well to be drilled by October 2011.

Elko have commissioned an independent Competent Persons Report on the recently identified Chalk prospect and previously identified Rotliegendes sandstone prospects on license 02/05 in order to quantify the hydrocarbon resource base.

Given the positive developments outlined above, I remain optimistic that the license areas in Denmark and Netherlands can be progressed to the next phase.

Peter Moir
President, April 21 2010

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

We have made forward-looking statements in this President's Message that are subject to significant risks and uncertainties. These statements concern Elko's plans, expectations and objectives for future operations of Elko's licenses in the North Sea.