



Shareholder Update

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

Elko Business Update

Denmark

Following the reprocessing of approximately 3,000 km of seismic data over our 02/05 Danish licence, Gaffney Cline and Associates (GCA) have now completed an evaluation of the Chalk interval. The evaluation has identified a large Chalk channel some 90 km long by 10 km wide across the 02/05 licence. It has the potential to be a good reservoir quality sediment and also a possible conduit for hydrocarbon migration. The Chalk channel has the potential to hold a considerable volume of hydrocarbons which in a moderate case scenario could be 375 million barrels of recoverable oil.

This new Chalk prospect is in addition to the previously identified deeper Rotliegendes sandstone prospect and the opportunity now exists to evaluate both the Chalk horizon and Rotliegendes sandstone horizon by drilling a single suitably designed well. Marketing of the Danish opportunity with the focus on the GCA Chalk evaluation has commenced within the industry. Ahead of entering the next phase of the exploration licence in April 2010, an optional commitment to drill a well has to be given to the Danish Energy Agency. The current estimate 100% cost of drilling a well capable of evaluating both horizons is US\$15 million, excluding production testing (based on quotations from Well Management consultancies). Elko holds an 80% interest in the 02/05 licence.

Netherlands

The reservoir modeling of the P1 Block, P1-FA field has concluded that the optimal development plan will required five long reach horizontal wells to sustain a plateau production rate of 120 mmscf/d. An appraisal well location has been identified and a well proposal is under preparation for submission to the Dutch state authorities.

On the P2 Block, reprocessing of previous 3D seismic is ongoing and will be complete by 2009 year end. Early fast track data has been analyzed and shows improved imaging over the existing discoveries and prospects. Also an additional new prospect has been identified.

Elko continues to hold discussions with a number of potential new financing partners to replace Oyster via a promoted farm out of a percentage of Elko's working interest in Blocks P1 and P2.

Securing a financing partner ahead of entering the next phase of the exploration licences on both Blocks P1 and P2 remains a priority for Elko. The date for this optional commitment to drill an appraisal well on P1 and a well on P2 is February 2010. It should be noted that Elko previously secured an eight month extension on the P1 licence first exploration phase from June 2009 until February 2010. The current cost estimate of drilling two wells on P1 and P2 is US\$55 million (based on quotations from Well Management consultancies). Elko holds a 60% interest in the P1 and P2 licences.

Licence Commitments

Further details of Elko's licence commitments and guarantees can be found in note 17 of the Company's Audited Consolidated Financial Statements for the year ended December 31, 2008.

Peter Moir
President
November 11, 2009

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.