



April 30 2009

Shareholder Update

Elko Energy Inc. ('Elko') is pleased to provide this further update on the ongoing development of the Elko business. We also note below an announcement from Elko's major shareholder.

Elko Business Update

Developments in the business have been in line with the expectations set out in the previous Shareholder Update of February 19, 2009.

Business Planning Conference March 2009

The Board together with all members of the management team met for a full day to discuss Elko's progress and future plans. Highlights are summarized below.

Netherlands

An integrated block development concept for the discoveries and prospects on Blocks P1 and P2 was prepared during the first quarter of 2009. The concept provides for the offshore removal and underground storage of CO₂ contained in gas within the P1/P2 discoveries. Despite the recent softening of wholesale gas prices in the US and Europe, the P1/P2 assets continue to be economically attractive when future gas price projections are taken into consideration. The development strategy for the Netherlands assets will be presented to shareholders at the Elko AGM scheduled for 10 am on June 12th in Toronto at the Toronto Board of Trade.

Technical studies covering enhanced seismic interpretation, reservoir modeling and drilling engineering are progressing as planned. These studies are required to select a well location on the P1-FA discovery and will be completed within the second quarter of 2009. We anticipate drilling an appraisal well in mid 2010.

Elko is seeking a new financing partner to replace Oyster via a promote farm out of a percentage of Elko's working interest in Blocks P1 and P2. In exchange, the new partner would fund the next stage of development work on the Dutch assets. A number of potential new partners have been contacted and discussions are progressing.

Discussions with pipeline infrastructure owners are also planned for the second quarter. These discussions will determine capacity and commercial terms to take gas to market.

Our Dutch state partner EBN has been fully involved at all stages of this process and has endorsed our actions and our plan.

Denmark

Enhanced seismic processing of the Chalk prospects in the Danish acreage continues. The results will be part of a planned marketing initiative aimed at securing an additional financing partner or partners. We have designed a low cost exploration drilling initiative that will further de-risk our future work on the Danish asset. These plans have been favourably received by our Danish state partner and the Danish Energy Agency because of the lower risk scenario they offer as we exploit the asset's exceptionally high potential.

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.



Future partners

Elko intends to progress its core assets in Denmark and the Netherlands by securing financing from industry partners via promote farm-in deals. This offers an efficient way to manage the capital risk of exploration and appraisal drilling and will also conserve Elko's capital. In addition we are talking to external financing organizations to test the appetite for funding of capital developments.

Elko's Board of Directors has endorsed these plans and has encouraged management to push ahead rapidly with the marketing of these increasingly attractive assets to potential partners.

Change of Major Shareholder

Elko notes the regulatory announcement made on April 28, 2009 by its principal shareholder, Xtract Energy Plc ("Xtract") on the London Stock Exchange AIM market. Key points from the announcement are:

- Xtract has entered into a conditional agreement with Lysander Minerals Corporation (TSX-V: LYM) ("Lysander") under which it will acquire 35 million common shares of Lysander and 17.5 million warrants at an exercise price of \$0.20 per share exercisable for a period of three years in exchange for 35 million shares in Elko Energy Inc. ("Elko"), representing all of Xtract's 35% interest in Elko.
- The acquisition of Xtract's interests in Elko will represent the second transaction arranged by Lysander under their policy of expansion into businesses with potential for high returns.
- It is expected that Andy Morrison, CEO of Xtract and a director of Elko, will join the board of Lysander. John Conlon, a director of Xtract and of Elko, is also a director of Lysander.
- The unaudited book value of Elko in Xtract's accounts as at December 31, 2008 was £4.0 million. The market price of Lysander was C\$0.18 per share at the close of business on April 24, 2009.

Shareholders should note that the proposed arrangement has a number of conditions so that it will come into effect only once those have been satisfied.

For further information on Lysander or Xtract and the full text of the announcements please visit their web-sites www.lysanderminerals.com and www.xtractenergy.co.uk.

This development is not expected to have any immediate impact on the development and operations of Elko.

Peter Moir
President
April 30, 2009

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