



ELKO ENERGY Inc.

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Shareholder Update

Following yesterday's announcement of the appointment of Peter Moir as CEO of Xtract Energy PLC (Xtract), the following additional information is released today by Xtract and Elko.

Peter Moir's responsibilities for Elko and Xtract have enabled the two companies to agree to form a joint task force to identify the strategic options open to both. The end goal is to unlock the optimum value for all shareholders in both companies.

Elko shareholder agreement will be sought to any recommended outcome.

Jeremy Kane
Chairman
July 6, 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.