



Shareholders update October 20 2023

Dear Shareholders,

I am pleased to provide you with an update on the recent developments and future prospects of Ecoteq Energy ASA ("Ecoteq"). The past few months have been marked by significant activity, following the successful completion of the reverse takeover of Valkor Environmental LLC. Our subsidiary, which holds the Utah parcels extraction rights, has been rebranded as Ecoteq Energy USA LLC.

We are taking strides to secure the working capital necessary for our operations and are currently in the process of organizing our teams both in Norway and Utah. These efforts are being conducted in close collaboration with key partners and local government authorities, and I am pleased to report that the project planning is proceeding smoothly and according to our established timeline.

In August, I had the privilege of spending ten days visiting and inspecting facilities and land just outside Vernal, Utah. During this visit, I engaged with our partners, regulatory bodies and other stakeholders critical to the success of our project. The overwhelming support and enthusiasm we received reaffirmed our belief in the strength of our relationships with key officials and corporate entities, and we are confident that we will continue to receive the necessary support as we establish our presence. I remain enthusiastic about our environmentally disruptive production plans.

Our Chairman of the Board, Dr. R Gerald Bailey has commented: "As Chairman I want to express my appreciation and support for our CEO Mr. Bengtsson for his dedication and diligence in the work he is doing to move the company forward. He has a broad range of energy and financial experience to give us excellent leadership. I am working closely with the CEO to achieve the goals and objectives, and, I am very pleased with his work. As a former President of Exxon of the Arabian Gulf region, I have a career in the energy industry in all aspects, our experience should give shareholders and investors the confidence that Ecoteq will do well and has an excellent future."

I remain confident about Ecoteq's trajectory and look forward to providing further updates to our shareholders as we achieve key milestones.

Finally, I would like to extend my heartfelt gratitude for your unwavering support, dedication, and shared vision. Your belief reinforces our mission to deliver substantial value to all stakeholders.

Sincerely,

Lars Erik Bengtsson
CEO Ecoteq Energy ASA

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Highlights

Partnerships.

Our primary partner, Valkor LLC ("Valkor"), is a vertically integrated project development company specializing in Oil, Gas, and Minerals, that develops and executes projects aimed toward making hydrocarbons greener and socially beneficial. We are currently in discussions to secure a long-term agreement for the successful implementation of our project, including engineering, construction, and operations of the 500 barrel per day plant. Valkor has great experience and success rate in these kinds of projects.

We are in negotiations with local and adjacent-state companies for offtake agreements for both bitumen and sand.

Operational Development

Ecoteq owns the working interest for bitumen production on 800 acres of land in Utah's Vernal West project. We are planning two phases of oil sands extraction, with the first phase featuring a 500 barrel per day facility and the second phase expanding to a 5,000 barrel per day facility. The environmentally friendly Clean Oil Recovery Technology (CORT) is a unique and adaptable method that eliminates the need for water during the extraction process, resulting in no tailing's ponds or wastewater.

We are maintaining our strategy of maintaining a small organization, with key partners involved in design, construction, and operations. Organizational development is underway in Norway and Utah. A new CFO is expected to be announced shortly and a small organisation reporting to the CEO has been implemented. Furthermore, we are making changes to our Board of Directors to ensure proper oversights and guidance for the Utah project. A new member of the Board is expected to be proposed for the General Assembly shortly.

Financing and Capital Requirements

Ecoteq currently operates with a small organization and low operating costs. We are in discussions with existing shareholders and potential new investors to secure long-term funding for the company. The estimated capital expenditure for our initial 500 barrel per day facility is USD 20 Million, which can be financed through a combination of equity and debt. Our management is diligently working to secure the required financing for this first phase.

Way Forward

We are in the final stages of negotiating an agreement with Valkor to ensure a safe and sound path forward, including the engineering phase for the 500 barrel per day facility and offtake agreements for our products. Improving share liquidity remains a priority, and the company is making necessary preparations for an up-listing of the company's shares once financing of the 500 barrel per day facility is secured and market conditions are deemed favourable. We look forward to providing further information as our strategy solidifies with our Board and Advisors.

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About Ecoteq Energy ASA

Ecoteq is a forward-thinking clean tech energy company with a steadfast commitment to advancing environmentally responsible, locally sourced energy solutions. Our mission at Ecoteq is to blend the economic advantages of conventional energy initiatives with the ecological merits, all in pursuit of extracting bitumen from surface tar sands in the state of Utah. In parallel, we engage in a rigorous soil remediation process aimed at restoring the land to its pristine natural state. Our holistic approach to energy extraction and environmental restoration ensures that we achieve a near-zero carbon footprint, eliminate waste production entirely, and operate with absolute water efficiency. At Ecoteq, we stand at the forefront of sustainable energy practices, striving to set new industry standards for a greener and more sustainable future.

Disclaimer

This new release contains forward-looking statements. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially because of factors discussed in the management discussion and analysis section of our interim and most recent annual financial statements or other reports and filings with the Euronext NOTC Exchange and applicable Norwegian securities regulators. We do not assume any obligation to update any forward-looking statements, other than as required by securities laws.

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