



DRILLING RIG MOBILISING TO SOUTH GOBI

- **Drilling scheduled to commence within a week at the Gurvantes XXXV Coal Seam Gas Project in Mongolia**
- **Drilling rig currently being mobilised to site**
- **Camp under construction and initial drilling location surveyed**
- **Initial program consists of 4 wells (minimum) targeting known coals seams within CSG depth window**

TMK Energy Limited (**ASX:TMK**) (“**TMK**” or the “**Company**”) is pleased to announce that the drilling contractor and the TMK team have commenced mobilisation to the Gurvantes XXXV Coal Seam Gas (“**CSG**”) Project in the South Gobi Basin of Mongolia, in preparation for the initial drilling program.

The initial drilling program is scheduled to commence within the next week and will comprise of at least 4 full tested cored holes within the western portion of the Gurvantes XXXV license in an area known as Nariin Sukhait. The Nariin Sukhait area is known to contain two thick, high quality, coal seam groups and historical coal seam gas data acquired from a series of 5 wells indicates high gas contents. The drilling program has been designed to intersect these thick coal seams at suitable depths for coal seam gas development.



Setting up camp and the drill site for the initial drilling program at the Gurvantes XXXV CSG Project in the South Gobi Basin

The initial drilling program is the first step in the process of converting the independently certified 5.96 TCF (2U risked) Gross Prospective Resource¹ into Contingent Resources. This will be a major milestone in the potential establishment of a world class gas project adjacent to one of the world’s largest gas markets, China.

The drilling program will be funded by TMK’s partner Talon Energy Limited (**ASX:TPD**) under an existing farm out agreement. TPD has the right to earn a 33% economic interest in the Gurvantes XXXV Production Sharing Agreement by funding the first US\$4.65 million in expenditure via a two-stage farm-in.

TMK's CEO, Mr Brendan Stats, is currently on site at Nariin Sukhait to supervise the commencement of what may be a potentially transformational time for both TMK and Mongolia's transition toward a cleaner, secure, and more reliable domestic energy source.

For the purposes of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

Mr Brendan Stats, TMK's Chief Executive Officer commented:

"Operations are moving ahead on schedule, and we are looking forward to the drilling rig arriving on site in the next few days and commencing the initial drilling phase of this project. The initial drilling program is designed to deliver the key data we require to significantly increase our confidence in the potential of the Nariin Sukhait area and convert some of our Prospective Resources to Contingent Resources.

I am confident that with the team we have in place and the extensive data set we have to work with that we will be able to deliver results that significantly advance our Project and allow us to demonstrate the commercial viability and scale of the Gurvantes XXXV CSG Project."

Note 1: Please refer to the Company's previous announcement dated 16 December 2021 for further information about the Independent Prospective Resource and the Cautionary Statement with respect to the Prospective Resource estimates.

ABOUT TMK ENERGY LTD

TMK Energy Limited is listed on the Australian Stock Exchange (ASX:TMK) and holds a 100% interest in the Gurvantes XXXV Coal Seam Gas Project located in the South Gobi Basin of Mongolia. TMK also holds 20% interest of the Talisman Deep Project, which contains the Napoleon structure. TMK is led by an Australian and Mongolian team bringing together the expertise and experience to develop of the Gurvantes XXXV Project.

TMK's key focus is the development of the Gurvantes XXXV South Gobi Natural Gas Project located in the South Gobi basin of Mongolia.

TMK are committed to responsibly developing this Project into a world class producing gas field on behalf of and for the benefit of Mongolia.

For more details on the Company please visit www.tmkenergy.com.au

Disclaimer: This announcement may contain forward looking statements concerning projected costs, approval timelines, construction timelines, earnings, revenue, growth, outlook or other matters ("Projections"). You should not place undue reliance on any Projections, which are based only on current expectations and the information available to TMK. The expectations reflected in such Projections are currently considered by TMK to be reasonable, but they may be affected by a range of variables that could cause actual results or trends to differ materially, including but not limited to: price and currency fluctuations, the ability to obtain reliable gas supply, gas reserve estimates, the ability to locate markets for CNG and hydrogen, fluctuations in gas and hydrogen prices, project site latent conditions, approvals and cost estimates, development progress, operating results, legislative, fiscal and regulatory developments, and economic and financial markets conditions, including availability of financing. TMK undertakes no obligation to update any Projections for events or circumstances that occur subsequent to the date of this announcement or to keep current any of the information provided, except to the extent required by law. You should consult your own advisors as to legal, tax, financial and related matters and conduct your own investigations, enquiries and analysis concerning any transaction or investment or other decision in relation to TMK. \$ refers to Australian Dollars unless otherwise indicated.

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