

TESTING SUCCESSFULLY COMPLETED ON UPPER COAL SEAM AT SNOW LEOPARD - 02

- Testing successfully completed over 70 metres of gassy coal intersected in the upper coal seam at Snow Leopard – 02 (SL-02)
- Preliminary Drill Stem Test (DST) and IFOT (Injectivity Fall Off Test) data from SL-02 indicate superior test results compared to testing at Snow Leopard – 01 (SL-01) with analysis of the data underway and results imminent
- Gas desorption testing for SL-01 and SL-02 is ongoing with results to date indicating the coal seams contain consistently high gas contents
- SL-02 currently drilling ahead at a depth of 378 metres and to target potential lower coal seam

TMK Energy Limited (ASX:TMK) (“**TMK**” or the “**Company**”) is pleased to advise that a DST and IFOT test of the upper coal seam at SL-02 were successfully completed with preliminary data indicating a far superior test result than that achieved at SL-01, where several operational challenges were experienced. The analysis of the data from the testing is currently being undertaken and is expected to be available shortly.

SL-02 intersected approximately 70 metres of gassy coal in the upper coal seam from a depth of 167 metres. Coal core samples from SL-02 are being subject to gas desorption testing and preliminary results indicates that the coal has high gas contents as was seen and confirmed in SL-01.

A further 17 of the remaining 41 gas desorption samples from SL-01 have now been taken offline and transported to Ulaanbaatar for Q3 (residual gas) and coal quality analysis with the remaining samples from SL-01 and all the samples from SL-02 continuing to produce gas at the laboratory on site.

Drilling at SL-02 is currently at a depth of 378 metres and is drilling ahead to target a deeper coal seam interpreted to exist at this location. SL-02 is planned to be drilled to a depth of approximately 600 metres and is targeting the same coal formations intersected in SL-01.

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

Mr Brendan Stats, TMK Energy’s Chief Executive Officer commented:

“The drilling and testing of the upper coal seam in Snow Leopard – 2 has gone very well and it is especially pleasing to get a good DST and IFOT test away that should give us a reliable data point for measuring permeability of the upper coal seam at this location.”

With drilling ongoing in SL-02, we look forward to potentially identifying a deeper coal seam at this location, even though this well has already surpassed our expectations with preliminary data suggesting high gas content, good permeability in a thick, gassy coal seam at a relatively shallow depth.”



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 a 20% interest in 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 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.

Talon Energy Limited (ASX:TPD) is earning a 33% Working Interest in the Project under an existing US\$4.65 million two-stage farm-out agreement executed in February 2021. Initial funding of US\$1.5 million is allocated to the current four well drilling and testing program. The second stage of funding, being US\$3.15 million, is currently budgeted towards the pilot well program being planned for later this year, should TPD elect to proceed with the second stage of the farm-out.

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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