

THIRD HIGH IMPACT WELL COMMENCES IN MONGOLIA

- Drilling has commenced on the Snow Leopard-3 (SL-03) well at the Gurvantes XXXV Coal Seam Gas (CSG) Project in Mongolia
- SL-03 is the third of four wells in the initial exploration program targeting thick coal seams within the CSG window
- Gas testing results from SL-01 and SL-02 are delivering consistently high methane contents from all coal samples
- Pilot well “proof of concept” being fast tracked following drilling success to date

TMK Energy Limited (ASX:TMK) (“**TMK**” or the “**Company**”) is pleased to announce that drilling has commenced on the third well (Snow Leopard – 3 or SL-03) of the high impact maiden drilling program within the Gurvantes XXXV CSG Project in the South Gobi Basin of Mongolia.

Permeability testing of the lower seam intersected at SL-02 was successfully completed and the results are currently being analysed. Following testing of SL-02, the rig underwent regular maintenance before being mobilised to SL-03, which is approximately 3km west of SL-02. Drilling commenced at SL-03 on 16 May and the well is currently at a depth of 30 metres and drilling ahead.

SL-03 is planned to be drilled to a depth of approximately 650 metres and is targeting the same coal formations successfully intersected in SL-01 and SL-02. The results from SL-03 will provide yet another important data point in the overall delineation of the resource and the gas characteristics of the coal seams.

Detailed planning for the pilot well program is underway with commencement of operations expected to be underway later this year.

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:

“We are pleased to announce that drilling is underway on the third of four wells to be drilled in the current program. The excellent results from the first two wells Snow Leopard – 1 and Snow Leopard – 2 give us a high degree of confidence in our geological understanding of the Project and our ability to continue to prove up the potential of the highly prospective Gurvantes Coal Seam Gas project”.



For personal use only



Figure 1 - 2022 Drilling Program Drill Hole Locations

ABOUT TMK ENERGY LTD

TMK Energy Limited holds a 100% interest in the Gurvantes XXXV Coal Seam Gas Project located in the South Gobi Basin of Mongolia and a 20% interest in the Talisman Deep Project, which contains the Napoleon structure.

Talon Energy Limited (ASX:TPD) is earning a 33% Working Interest in the Gurvantes 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.

TMK Energy Limited
ABN 66 127 735 442
ASX : TMK
Australian Registered Address
1202 Hay Street, West Perth,
Western Australia, 6005

For further information, please contact

Brendan Stats
Chief Executive Officer
info@tmkenergy.com.au

Dougal Ferguson
Chief Commercial Officer
info@tmkenergy.com.au

Directors

Stuart Baker	Non-Executive Director
Gema Gerelsaikhan	Non-Executive Director
Brett Lawrence	Non-Executive Director
Tim Wise	Non-Executive Director

