

# ASX ANNOUNCEMENT

4 August 2023



## AWARD OF EQUITY INCENTIVES UNDER TMK EMPLOYEE INCENTIVE SCHEME

TMK Energy Limited (**TMK** of the **Company**) advises that it has awarded equity incentives for employees and key consultants pursuant to the TMK Employee Incentive Securities Plan approved by Shareholders on 11 February 2022. The equity incentives are subject to Key Performance Indicators (KPI's) and certain vesting conditions.

The award of equity incentives totalling 61,000,000 unlisted options over Shares exercisable at \$0.025 per share expiring 30 April 2026 (Options), and 77,000,000 Performance Rights expiring at varying times, represent in total approximately 2.75% of the Company's current issued capital.

The Remuneration Committee has together with management, developed a remuneration framework that includes an equity incentive component which is split approximately 50/50 between Short Term Incentives (STI) and Long Term Incentives (LTI). The KPI's associated with the STI and LTI components are designed to incentivise, measure and reward high corporate and individual achievement and to deliver a safe operation which meets the strategic short term and long term objectives of the Company.

The KPI's include a strong focus on safety and developing a Health Safety and Environment (HSE) Management Plan that caters for the Company's needs as it moves from solely an exploration focussed company to also a company with appraisal, development, and production operations.

The STI component is split between HSE, operations and corporate KPI's and performance against the KPI's will be measured on 30 June 2024. The LTI component will be measured periodically and expire on 30 June 2026, with the KPI's being a mix of 2P Reserves of not less than 100BCF of gas, the execution of a Gas Sales Agreement for not less than 10TJ/day with the final component being the Options, which are a measure of share price appreciation and total shareholder return.

Out of the total equity incentives awarded, Mr Brendan Stats, the Company's Chief Executive Officer, will be awarded 25,000,000 Options and 22,500,000 Performance Rights convertible into fully paid Shares subject to KPI's and on satisfaction of the vesting conditions. In addition, effective 1 July 2023, Mr. Stats' total fixed remuneration (TFR) was increased to \$350,000 (including superannuation) bringing it more in line with his peers.

The Board recognises the need to appropriately pay and incentivise its employees in the current highly competitive market and believes this recently developed remuneration framework delivers an appropriate balance between cash remuneration and equity incentive remuneration, always with a strong focus being placed on HSE.

Further details on the remuneration framework and its components will be provided in the Company's Remuneration Report forming part of the Company's Annual Report.

This announcement has been authorised for lodgement to ASX by the Board.

For more details on the Company please visit [www.tmkenergy.com.au](http://www.tmkenergy.com.au)

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### Directors

<b>Gema Gerelsaikhan</b>	Non-Executive Director
<b>Brett Lawrence</b>	Non-Executive Director
<b>Tim Wise</b>	Non-Executive Director
<b>John Warburton</b>	Non-Executive Director

