

EXPLORATION LICENSE AWARDED FOR GURVANTES XXXV

- Exploration Licence for the Gurvantes XXXV Project awarded by Mongolian Ministry of Mining and Heavy Industry
- Licence awarded ahead of expectations and is further evidence of Mongolian Government support in challenging times
- An important milestone that enables EIS to be completed and program on track for drilling to commence as planned

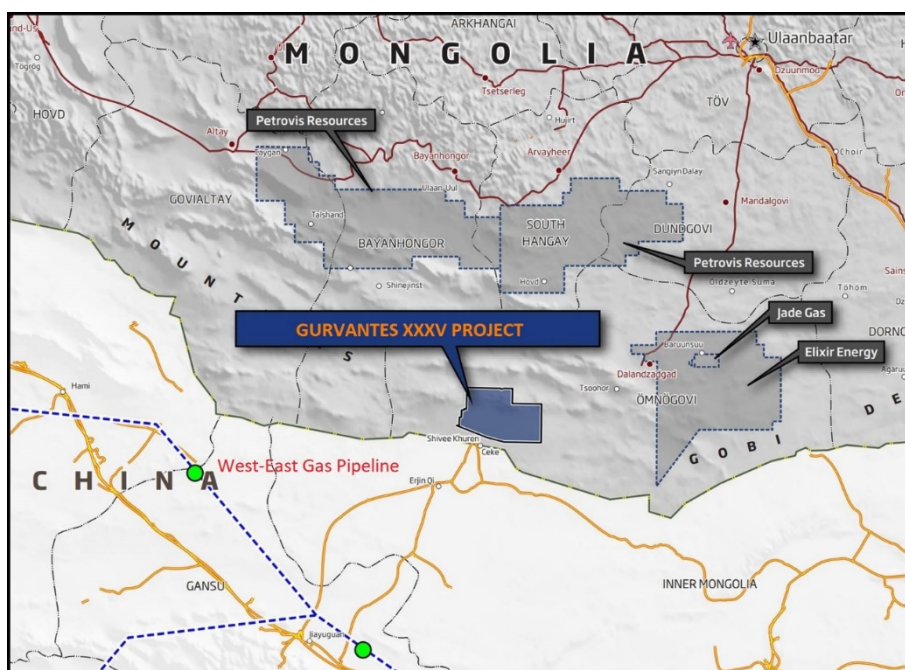
Talon Energy Ltd (Talon or the **Company**) is pleased to advise that the Exploration License for the Gurvantes XXXV Coal Seam Gas Project in Mongolia was awarded by the Ministry of Mining and Heavy Industry on the 9th of September 2021. The license has an initial term of 10 years and may be extended a further 5 years. The granting of the Exploration License is an important step in progressing activities to enable field operations to commence as anticipated.

Following the grant of the Exploration License one of the main focuses will be the completion of the Environmental Impact Study (EIS) which will facilitate the commencement of exploration activities on site. The EIS is well advanced, which should see the exploration program on track to commence next quarter.

Talon's Managing Director, David Casey said: "This is an important next step and sees another milestone ticked off ahead of expectations. It is yet further evidence of the desire of the Mongolian government to support the emerging coal seam gas industry in Mongolia, and augers well for Talon and Telmen to book what I believe will be a significant maiden contingent resource early next year"

Gurvantes XXXV Overview

The Gurvantes XXXV PSA covers a significant area of 8,400km² and is in, what is considered one of the most prospective coal seam gas basins globally. Gurvantes XXXV is situated less than 20km from the Chinese-Mongolian border and close to the extensive Northern China gas transmission and distribution network. It is also proximate to several large-scale mining operations with high energy needs. Gurvantes is therefore ideally placed for future gas sales to satisfy both local Mongolian, as well as Chinese, energy requirements.



This Announcement is authorised for lodgement by the Managing Director.

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