

## 2D SEISMIC SURVEY AND OPERATIONS UPDATE

- **Two 10km 2D seismic lines acquired across discovered coal deposits in the northern and southern regions of the Gurvantes XXXV Project**
- **Additional 2D seismic data will assist with the mapping of the coal seams exposed at shallow depth within highly prospective areas outside the 1.2TCF 2C Contingent Resource drilled in the 2022 exploration program**
- **Pilot Well Program progressing well with design, engineering work and tendering nearing completion**

TMK Energy Limited (ASX:TMK) (“**TMK**” or the “**Company**”) is pleased to provide an update on the activities at the Gurvantes XXXV CSG Project in the South Gobi Basin in Mongolia.

### **2D Seismic Acquisition**

TMK recently completed the acquisition of two 10km 2D seismic lines within the Gurvantes XXXV Project to further define future exploration locations to continue to de-risk the significant 2U Prospective Resource already independently assessed by Netherland, Sewell and Associates (NSAI) (see ASX announcement dated 16 December 2021).

The seismic lines were acquired over areas where coal seams are exposed at shallow depth and will aid in the planning of future exploration drilling programs. The first 10km 2D seismic line was acquired across the Noyon Syncline field in the north of the Gurvantes XXXV Project area, where coal units have been mapped on both the north and south limbs of a broad syncline striking east-west for over 80km.

The second 10km 2D seismic line was acquired in the Khukhuzokh field targeting coal units exposed at surface, interpreted to be an extension of coal units from the Nariin Sukhiat field which was the focus of this year’s successful drilling program which delivered a 2C Contingent Resource of approximately 1.2TCF (refer to ASX release dated 10 November 2022).

### **Pilot Well Program**

Preparation for the upcoming Pilot Well Program is well advanced with design work complete and tendering for contract services nearing completion. The Pilot Well Program will include the drilling of up to three production wells in proximity to the location of the Snow Leopard-02 (SL-02) well. The results from SL-02 provide a high degree of confidence in achieving a successful outcome from the pilot well program.

Subject to Talon Energy Limited (Talon) exercising its option to proceed to Stage 2 of its farm-in agreement with the Company, the Pilot Well Program will be primarily funded by Talon. Talon is required to exercise its option to proceed to Stage 2 on or before 25 December 2022 and has advised the Company that it expects to do so. Drilling of the pilot production wells is expected to commence mid Q1 2023.



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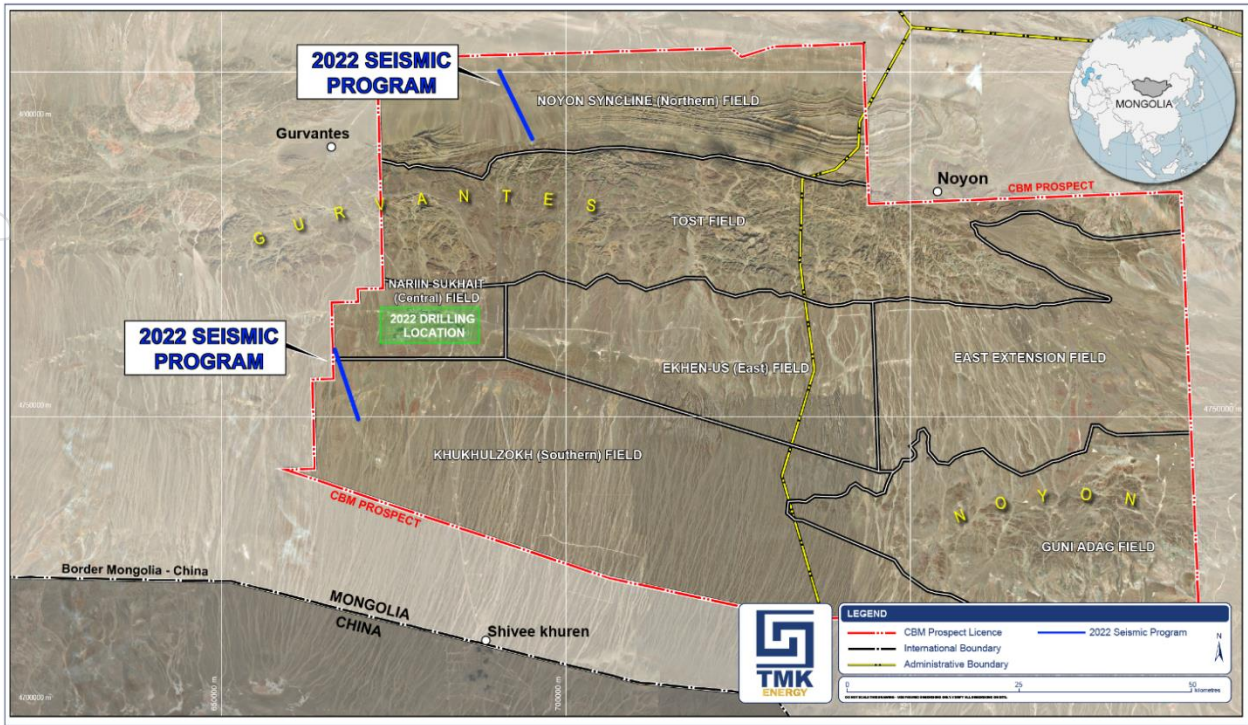


Figure 1 – Gurvantes XXXV, 2022 Seismic Survey Locations



Figure 2 – Gurvantes XXXV Project, 2022 Seismic Survey in Progress



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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:**

*"Following the outstanding results achieved to date and the delivery of an initial 1.2TCF in contingent resources from the 2022 exploration drilling program, we are already planning for the 2023 exploration program with the completion of this small but targeted seismic acquisition. This new seismic data will help us refine our future drilling locations targeting the already significant prospective resources already independently assessed by NSAI.*

*Our immediate focus is the finalisation of the engineering, design and tendering for the pilot well program which we expect to commence in early 2023 and is designed to demonstrate our proof of concept by flowing gas to surface at commercial rates.*

*The 2023 exploration drilling program, to be completed in parallel with the initial pilot well program, aims to continue to demonstrate the vast potential and scale of the Gurvantes XXV Project."*

## 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 and a 20% interest in the Talisman Deep Project, in the Barrow-Dampier sub-Basin. TMK is led by an Australian and Mongolian team bringing together the expertise and experience to develop the Gurvantes XXXV Project.

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](http://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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<b>Brett Lawrence</b>	Non-Executive Director
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