



DRILLING UPDATE

- **First well (LF-05) drilling completed to a depth of 480 metres with slotted liner successfully installed, now waiting on completion**
- **LF-05 intersected approximately 60 metres of net coal, on prognosis and consistent with the existing three surrounding pilot production wells**
- **Second well (LF-06) commenced drilling early morning of 20 October and currently drilling ahead in 12-1/4th inch top hole section**
- **The additional pilot wells will be completed, commissioned and placed on production immediately following conclusion of the drilling program**
- **Entitlement Issue remains open to eligible shareholders to subscribe to on or before 5.00pm (AWST) Friday, 25 October 2024.**

TMK Energy Limited (ASX: TMK) (“**TMK**” or the “**Company**”) is pleased to announce that the first of the three additional pilot production wells at the Gurvantes XXXV Coal Seam Gas (CSG) Project, being drilled as part of the 2024 drilling program, has been successfully drilled to a total depth of 480 metres and has intersected approximately 60 metres of net coal, which is as per prognosis and consistent with the existing three surrounding pilot production wells.

The initial well (LF-05) was drilled trouble free and with no geological surprises being encountered in the primary objective, the upper coal seam, further validation of the current geological model. On conclusion of the drilling and successful installation of the slotted liner (casing), the rig was moved to the next location, being LF-06, and is currently drilling ahead in the 12-1/4th inch top hole section.

On conclusion of the drilling activities, completion and commissioning of the wells will commence and the wells are currently scheduled to be on production in late November 2024, with the expectation that the additional pilot wells will provide the extra pumping capacity required to reach the critical gas desorption pressure faster and accelerate a material uplift in gas production rates from the Pilot Well complex within a much shorter timeframe than would otherwise be the case.

The objective of the program is to prove that commercial rates of gas can be produced from the upper coal seam at this location and gather more data from the very thick productive zones within the upper coal seam through the installation of the Distributed Temperature Sensing (DTS) technology.

The Company would like to take this opportunity to remind shareholders that its current Entitlement Issue (Offer) **remains open to Eligible Shareholders for acceptance until 5.00pm (AWST) this Friday, 25 October 2024**. The Board strongly recommends Eligible Shareholders seriously consider the current Offer which is at a very attractive price point and is at a stage of the Company's development that is anticipated to demonstrate that coal seam gas can be produced at material and potentially commercial quantities from the Company's already significant 2C Contingent Resource.



Mr Dougal Ferguson, TMK Energy's Chief Executive Officer commented:

"The TMK Energy team and Major Drilling are doing an excellent job executing the drilling program and having drilled the first well safely and on time, we are confidently looking forward to the successful delivery of the 2024 work program."

The completion of the current drilling program, together with the implementation of the DTS technology, will be pivotal moment for the Company and we fully expect that the results from this program will help drive our forward program in 2025.

We continue to remind all existing Eligible Shareholders that the opportunity is still open to participate in the current funding round through an Entitlements Issue up until 5.00pm (AWST) on Friday 25 October 2024, which provides all our existing and loyal Eligible Shareholders to be able to maintain or increase their leverage to a successful outcome from this drilling program."

– ENDS –

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

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About TMK Energy

TMK Energy Limited is an oil and gas exploration company listed on the Australian Stock Exchange (ASX:TMK). TMK holds a 100% interest in the Gurvantes XXXV Project in the South Gobi Desert of Mongolia which is highly prospective for coal seam gas (CSG).

TMK is focussed on the responsible development of the Gurvantes XXXV Project and establishing itself as a key supplier of cleaner energy to support Mongolia's development and address the significant domestic issues around energy security, reliability, and independence. The Gurvantes Project XXXV is also strategically located less than 20 kms from the Chinese border and close to existing gas infrastructure in northern China, presenting a significant advantage to supplying the world's largest energy market.

