

ASX ANNOUNCEMENT

11 February 2026



STRATEGIC GAS-TO-POWER STUDY INITIATED WITH MONGOLIA'S MINISTRY OF ENERGY

- **TMK and Mongolia's Ministry of Energy enter in an MoU to jointly study the acceleration of natural gas as a fuel source for Mongolia's future power generation needs**
- **Study to evaluate inclusion of Mongolia's vast Coal Seam Gas resources into national medium and long-term energy policy**
- **Initial workstream is to expedite a Baseline Study on the use of natural gas for peak load power generation**

TMK Energy Limited (ASX: TMK) ("TMK" or the "Company") is pleased to announce that it has entered into a Memorandum of Understanding (MoU) with the Ministry of Energy of Mongolia (the "Ministry") to study the acceleration of domestically produced natural gas as a fuel source.



From Left Baldorj.M – Senior Specialist, Policy and Planning Department, Ministry of Energy; Yren-Ulzii.B – State Secretary, Ministry of Energy signing with TMK Energy representatives

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

"This MoU represents a significant step forward for TMK and the Mongolian Government and recognition for the nascent CSG industry in Mongolia. It signals further recognition by the government that natural gas remains a viable alternative to coal to further improve the long-term energy security of Mongolia and diversify its domestic energy sources.

Natural gas has the potential to provide a cleaner, efficient and highly responsive energy source that can complement existing and future generation infrastructure and reduce reliance on imported electricity. This initiative also supports the broader objective of integrating domestically produced CSG into Mongolia's medium and long-term energy policy framework.

Overall, the Mongolian government publicly state that it is seeking to diversify its energy mix and source cleaner, reliable and affordable energy. Natural gas continues to play a key role in helping to fulfil that objective as the world continues to transition away from coal."



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The Ministry is responsible for developing, managing, and regulating Mongolia's energy sector. Its primary responsibilities and objectives focus on ensuring Mongolia's energy system supports national development, is reliable, efficient and aligned with modern needs.

As electricity demand continues to grow, particularly during peak winter periods, the need for additional flexible and dispatchable domestic power generation has become increasingly important. The initial Baseline Study on the use of natural gas from CSG to fuel peak load power supply is the first step in assessing how Mongolia's vast domestic natural gas resources can be utilised to support reliable, on-demand power generation.

TMK and the Ministry intend to cooperate in expanding the opportunities to utilise natural gas derived from coal seam gas (CSG) as a domestic energy source based on advanced and environmentally friendly technologies, enhancing the reliability of energy supply, and supporting the sustainable development of the sector.

Mongolia's electricity system periodically faces supply constraints, particularly during peak demand periods in winter months, when consumption increases significantly due to heating requirements and industrial activity. At such times, existing generation capacity and ageing infrastructure can be insufficient to fully meet demand, resulting in heightened reliance on imports, operational stress on power plants, and an increased risk of supply interruptions. These challenges highlight the importance of developing additional, flexible and dispatchable domestic generation sources to strengthen energy security and ensure a stable and reliable electricity supply during periods of peak load.

As a priority under this MoU, the parties have agreed to initiate work on the "Baseline Study on a Methane Gas Source for Peak Load Power Supply." This is of significant importance in assessing the potential for utilising domestic resources and, subsequently, in creating the conditions to ensure continuous and reliable electricity supply during peak demand periods using methane gas power generators, as well as in establishing a diversified domestic energy mix.

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

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