

GAS FLOWS COMMENCE FROM NEW WELLS

- Initial gas flows from the three new pilot production wells (LF-04, LF-05 and LF-06) has commenced in line with expectations
- Coupled with the original three pilot wells (LF-01, LF-02 and LF-03), total field gas production has more than doubled in recent days with all six pilot production wells now flaring gas
- Water levels continue to be slowly reduced in the new wells (LF-04, LF-05 and LF-06) with continuing high water production rates

TMK Energy Limited (ASX: TMK) (**TMK** or the **Company**) is pleased to report that all three of the recently drilled pilot production wells at the Gurvantes XXXV Coal Seam Gas (CSG) Project, have commenced producing gas and that all six wells at the pilot well project are currently flaring gas.

Water levels continue to be slowly reduced in the new wells (LF-04, LF-05 and LF-06) in accordance with the reservoir management plan. Gas breakthrough occurred late last week as water levels in the new wells was further reduced, and the wells commenced flaring gas once sufficient volumes were being produced to sustain a flare. This is in line with expectations and accordingly, total field gas production has more than doubled with double the number of wells now producing gas. It should be noted that current gas flows are “pre desorption” and are not yet considered commercial.

Water levels in the new wells continue to be reduced towards the desired level and will continue to be reduced over the next few weeks, at which point all six wells will be at their design water levels. At that time, the wells are expected to begin working together to continue to decrease the reservoir pressure towards the targeted pressure drop required to reach the critical desorption point, which based on the Company’s current internal estimates, is expected to occur in late Q1 or early Q2 2025.

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

“It is pleasing to see the new pilot production wells producing gas which occurred at a time broadly in line, if not slightly ahead of our expected timeframe. As expected, the total field production rate has more than doubled and we are clearly seeing the original three pilot wells being positively affected by the new wells now on production.”

It is another positive affirmation for the Project and very pleasing to see yet another box ticked following the highly successful drilling campaign. It is a very exciting time for the Company, its staff and our shareholders and we look forward to seeing real progress towards reaching the critical desorption pressures required for a material increase in gas flow rates over the coming months.”

– ENDS-

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





Figure 1: Gurvantes XXXV Project under light snow cover with gas flares from new wells

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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.



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