

# ASX ANNOUNCEMENT

18 May 2026

## POWER PROJECT PARTNERING AGREEMENT

- **TMK signs agreement to partner with one of Mongolia's leading gas infrastructure and energy companies, Dashvaanjil Group LLC, to advance its first gas-to-power generation project**
- **Initial agreement contemplates power generation of up to 1MW, utilising produced gas from the Gurvantes XXXV Project, supplemented by Dashvaanjil LPG products, providing a dual fuel solution**
- **Agreement sets out a detailed framework comprised of three stages:**
  - **Engineering and Design – to commence immediately**
  - **Procurement and Construction – subject to Commercial Framework and Feasibility Study**
  - **Commissioning and Power Generation – targeting end Q3 2026**

TMK Energy Limited (ASX:TMK) (“**TMK**” or the “**Company**”) is pleased to announce that it has entered into a Memorandum of Understanding (MoU) with Dashvaanjil Group LLC, Mongolia's largest LPG import and distribution company, to implement the first gas-to-power generation projects at the Gurvantes XXXV Pilot Well Project in Mongolia, providing not only an uninterrupted power supply to TMK, but also a reliable power supply to local energy users.

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

*“This is another milestone agreement for TMK which cements our relationship with a highly experienced local energy partner and is a major step forward in advancing our pathway for future commercial gas sales.*

*Dashvaanjil's team have demonstrated to us that it has a very strong safety culture and the operational capability, infrastructure footprint and technical expertise to deliver this important proof-of-concept project in a timely and cost-effective manner.*

*The Power Project will be designed to provide TMK with a reliable long-term power solution for its Pilot Well Project, while also demonstrating the broader potential for natural gas to contribute to other domestic energy users.*

*Engineering and design work has already commenced, with Dashvaanjil undertaking detailed engineering studies for the downstream elements of the project at its own cost and TMK undertaking all upstream field work. Engineering and design is expected to be completed by the end of Q2 2026, with construction, commissioning and first power generation targeted for completion by the end of Q3 2026.”*





***TMK CEO Dougal Ferguson and Dashvaanjl Group Vice Director Sarangerel Byamba signing the milestone agreement in Ulaanbaatar, Mongolia's capital city.***



***Mr. Orkhon Batnyambu, Dashvaanjl Group's Director of Business Development providing a tour of Dashvaanjl's LPG import and storage facility adjacent to its offices in Ulaanbaatar.***

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The execution of the MoU represents the next step in TMK's strategy to advance the early commercialisation of the Gurvantes XXXV Project through practical and scalable gas utilisation initiatives. By partnering with an established Mongolian energy group such as Dashvaanjl, TMK is seeking to leverage off Dashvaanjl's experience and deep understanding of the downstream elements of the Mongolian energy market, including permitting and access to the local power grids.

The MoU framework allows both parties to quickly advance the Power Project by each undertaking its own work at its own risk and cost. Dashvaanjil will initially undertake all the engineering and design work, whilst TMK will undertake the field works required to commingle the gas into a central point at which time it can be conditioned (if necessary) before being fed into a gas fired power unit.

The initial agreement is for up to a 1MW power plant to be placed nearby the Pilot Well Project, to be fuelled by the gas TMK is currently producing. The Power Project will be supplemented by Dashvaanjil's own LPG imports until such time as the gas being produced by TMK's Pilot Well Project is sufficient to fully fuel the 1MW power unit. The Power Project will be designed to be modular and scalable to allow for excess gas to be utilised in the future.

A key element to this agreement, is to ensure that TMK has a reliable, cost-effective power supply for its Pilot Well Project, which can be backed up by Dashvaanjil's LPG fuel supply, but also the electrical grid TMK currently accesses. Maintaining a long term, reliable power supply is key to allowing TMK to continue to increase gas production and expand operations at the Pilot Well Project.

Following the initial engineering and design work, the Parties can elect to move to the next stage of the MoU which is the execution of commercial framework agreements. These agreements will set out the detailed commercial arrangements between the Parties, with the principal being a fair return on investment considering the commensurate risk taken by each Party.

It is expected that the Power Project will generate more energy than is required by TMK and the excess can then be sold to local customers, most likely local industrial customers such as the local coal mining operations. With the local grid being 100% reliant on Chinese electricity imports, the Power Project is expected to attract significant local interest from energy users, both large and small.

Power is scheduled to be produced and available for consumption by the end of Q3 2026.

### **About Dashvaanjil Group LLC**

*Established in 1992, Dashvaanjil Group LLC, is Mongolia's pioneer Liquefied Petroleum Gas (LPG) company and a major contributor to the country's gas industry development, including safety standards and infrastructure. Operating across all 21 provinces and a strong presence in Ulaanbaatar and around 600 employees, the company imports and distributes LPG nationwide and provides services including autogas, heating systems, engineering, delivery, and gas equipment retail.*

*Dashvaanjil also operates a certified LPG training centre, has trained thousands in gas safety and operations, and runs Mongolia's first LPG delivery network with around 50 trucks and 24/7 support. The company additionally manufactures "Blue Flame Gas" camping products and works with international organisations including EBRD and WLPGA to support cleaner energy solutions in Mongolia.*

**– ENDS –**

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

For more information [www.tmkenergy.com.au](http://www.tmkenergy.com.au) or contact,

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