

March 2026 Quarterly Activities Report

- Record daily gas rate of >1,350m³/day (~47,800scfd) achieved on 21 March 2026, before production curtailed for operational and safety measures to be implemented
- Fast acceleration of gas rates proves gas is now desorbing in the reservoir, most likely up-dip in the structure which will be accessed by the most up-dip wells in the first instance (e.g. LF-07)
- Memorandum of Understanding signed with Mongolia's Ministry of Energy to jointly study the use of natural gas as a fuel source for Mongolia's future power generation needs
- TMK's 2026 budget and work program approved by the regulator MRPAM, clearing the pathway for drilling up to three additional pilot production wells as well as the use of produced gas for on-site power generation
- \$6.0 million oversubscribed placement with cornerstone investment by CSG industry professionals, which will fully fund the 2026 work program and provide additional funding for a partnering process which has recently commenced

TMK Energy Limited (ASX:TMK) (TMK or the Company) is pleased to provide the following quarterly activities report for the three months ending 31 March 2026 ("Quarter").

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

"This has been one of the most important, exciting and pivotal periods in the Company's history, with a number of key milestones being reached during the quarter, the most important of which is the demonstration that the coals at our Gurvantes XXXV Project can be de-watered and de-pressurised sufficiently to allow desorption of gas to occur and potentially deliver commercial gas rates.

This achievement attracted significant interest from investors and greatly assisted the process of raising further capital to allow us to progress what is a now fully funded 2026 work program, which includes the drilling of up to three additional pilot production wells in the core area of our Pilot Project.

During the Quarter, we have also strengthened our engagement and alignment with the Mongolian government and regulatory bodies, laying important foundations for the Project's future success, which will ultimately benefit and support Mongolia's future energy security and prosperity."



Executive Summary

During the quarter, TMK enjoyed further success at its 100% owned Gurvantes XXXV Coal Seam Gas (CSG) Project in Mongolia, highlighted by a step-change in gas production and confirmation that critical desorption has been achieved in the vicinity of the LF-07 wellbore.

Gas production increased materially during the Quarter, with total gas production rising approximately 48% from the December 2026 quarter, culminating in a record daily gas rate of 1,353m³/day (~47,800 standard cubic feet per day (scfd)) achieved on 21 March 2026.

The LF-07 well appears to be the first well to have produced desorbed gas from the reservoir. Further testing is now underway to determine the nature and extent of the gas being observed, with production curtailed for necessary operational measures to be implemented.

During the Quarter, the Company signed Memoranda of Understanding (MoU's) with both Mongolia's Ministry of Energy and the regulator, Mineral Resources and Petroleum Authority of Mongolia (MRPAM), strengthening its relationships with key government stakeholders and further demonstrating the Government's ambition to create a secure domestic natural gas industry.

During March, the Company undertook a heavily oversubscribed fund raising resulting in the injection of a further \$6.0 million (before costs) which is sufficient to fully fund the now MRPAM approved 2026 Work Program, which consists of up to three additional pilot production wells.

Subsequent to the end of the Quarter, the Chief Executive Officer, Mr Dougal Ferguson agreed to an extension of his contract on an ongoing basis. Mr. Ferguson, together with other key staff, were awarded a performance rights package linked directly to share price, ranging from \$0.25 to \$0.35 per share, strongly aligning management and staff to share price growth.

More recently, the Company also kick started its partnering process with an initial presentation made at the SEAPEX conference in Manila, an industry farm-out and technical forum. Early interest has been received from several parties, especially following the recent

operational successes the Company has been enjoying.

As at 31 March 2026, the Company had approximately \$6.3 million in cash with no debt.

Production Operations

During the Quarter, the Company produced a total of 61,536m³ of gas (~24,100 scfd), up ~48% over the December quarter's production of 42,551m³ of gas (~16,300 scfd).

The rapid increase in gas rates seen in late March, reflects the achievement of critical desorption within the reservoir at or near to the LF-07 wellbore. The acceleration in production observed during the quarter is consistent with the expected production profile of coal seam gas reservoirs once desorption pressure is reached.

Following the achievement of record production rates, output was temporarily curtailed to implement operational and surface facility enhancements to ensure safe and sustainable long-term production. Gas rates have since resumed an upward trajectory, with production being carefully managed to optimise reservoir performance and maximise recoverable volumes over time.

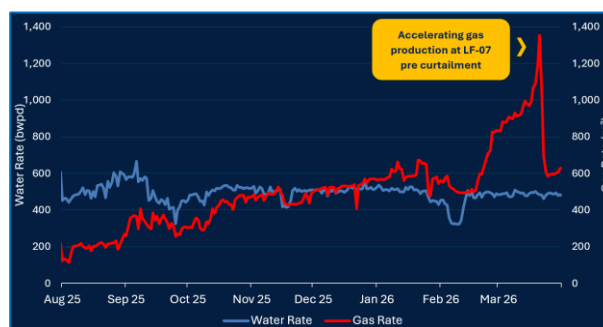


Figure 1 – Pilot Well Project gas and water production up to 31 March 2026

Reservoir Pressure Monitoring

Reservoir pressure data continued to be collected during the Quarter and further evidences the reduction in reservoir pressure, with pressure build-up tests at LF-01 and LF-04 confirming continued depressurisation in line with simulation modelling.

Reservoir pressures recorded continue to align closely with TMK's simulation modelling, providing strong technical validation of the development strategy.

This alignment between observed data and modelling reinforces confidence in the predictability of reservoir behaviour and supports expectations of continued increases in gas production as additional wells reach desorption pressure.

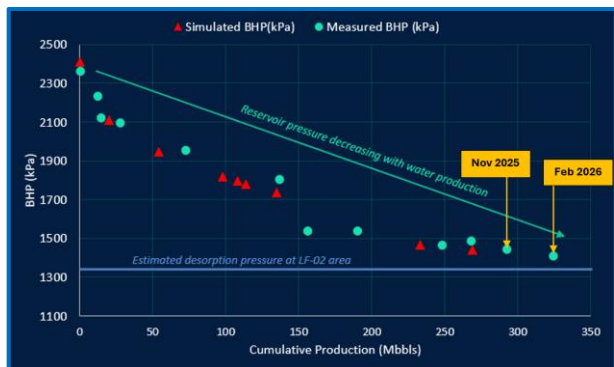


Figure 2 – Reservoir pressure and simulated pressure versus cumulative water production

2026 Work Program

During the Quarter, MRPAM approved the Company’s 2026 work program and budget, providing a clear pathway for the next phase of project development.

The approved program includes the drilling of up to three additional production wells at the Pilot Well Project during 2026. These wells aim to build on the success of LF-07 and further accelerate reservoir depressurisation and gas production across the field.

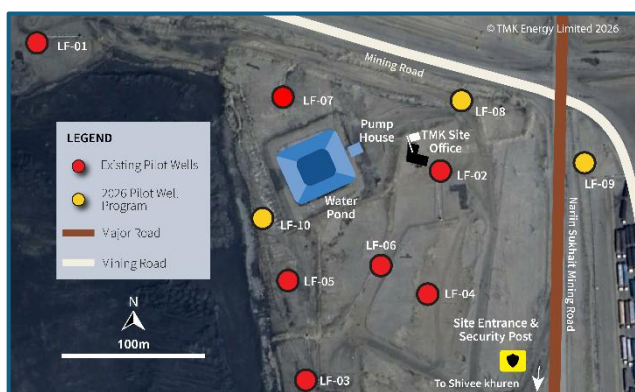


Figure 3 – Location map of the proposed 2026 Pilot Production Wells

The addition of new wells is also expected to enhance the scalability of the project and accelerate the planned transition towards gas-to-power generation.

As part of the MRPAM budget approval, the Company signed a milestone MoU with MRPAM which amongst other things,

establishes a clear framework for the utilisation, rather than flaring, of produced gas for power generation ahead of the grant of an exploitation licence. In addition, it provides guidance on progressing the conversion of discovered resources within the Production Sharing Contract (PSC) area, into an exploitation licence.

This understanding represents a significant step forward in demonstrating Mongolia’s natural gas can be used as feedstock for power generation and in enabling the development of a domestic gas industry within Mongolia.

Commercialisation and Partnering Process

During the Quarter, the Company also executed an MoU with Mongolia’s Ministry of Energy to jointly study the role of domestically produced natural gas in supporting the country’s future energy needs.

The study is focused on accelerating the adoption of natural gas as a cleaner and more flexible energy source, including its integration into Mongolia’s medium- and long-term energy policy framework. An initial workstream has commenced to evaluate the use of natural gas for peak load power generation, targeting improved energy security and reduced reliance on imported electricity.

Additionally, the Company formally commenced its project partnering process, initiated at the SEAPEX conference in Manila. At the conference TMK presented its vision and strategy and confirmed that a virtual data room is available for access by potential partners.

With the increased focus on regional energy security issues and recent operational achievements by the Company, there has been increased interest in the Gurvantes XXXV Project from both regional and local energy investors.

Corporate

Changes in Capital Structure

During the Quarter, the Company raised \$6.0 million (before costs) by way of a heavily oversubscribed placement (Placement). The Placement included a cornerstone investment from CSG industry professionals, with interest from Emerging Market and institutional funds both offshore and domestic, as well as strong

support from many existing major shareholders of the Company.

Pursuant to the Placement, the Company issued 50,000,000 new fully paid ordinary shares in the capital of the Company, with a further 666,667 shares to be issued to certain directors, subject to shareholder approval at an upcoming Annual General Meeting to be held on 27 May 2026.

The shares (other than those to be issued to directors) were issued on 30 March 2026 pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

Contract Extension of CEO

Following the highly successful fund raising, the Company announced the extension of Mr. Dougal Ferguson's contract as Chief Executive Officer. Mr. Ferguson, who has been with TMK since its acquisition of the Gurvantes XXXV Coal Seam Gas (CSG) Project, has been undertaking the role of Chief Executive Officer (CEO) since 1 July 2024 and agreement was reached to extend his appointment as CEO, effective 1 April 2026.

During his tenure as CEO, Dougal has led TMK through a period of strong operational and strategic progress. His appointment reflects the Board's confidence in his leadership and his clear vision for advancing TMK's world-class Gurvantes XXXV CSG Project in Mongolia toward commercialisation.

ASX Listing Rule 5.3.3 Tenement Summary

At 31 March 2026, the Company held the following interests in tenements and/or licenses:

Project	Percentage Interest	Number of Tenements
Gurvantes XXXV	100%	1

Related Party Payments

During the quarter ending 31 March 2026, the Company made payments of \$58,530 to related parties and their associates. These payments relate to non-executive Directors' fees.

Authorised for release to ASX by the Board of Directors. For more information www.tmkenergy.com.au or contact,

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

TMK Energy Limited

ABN

66 127 735 442

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter (3 months) \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	(226)	(226)
(d) staff costs	(281)	(281)
(e) administration and corporate costs	(246)	(246)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	12
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(741)	(741)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(354)	(354)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(354)	(354)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	6,000	6,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(384)	(384)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	5,616	5,616

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,816	1,816
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(741)	(741)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(354)	(354)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,616	5,616
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,337	6,337

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,337	1,816
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,337	1,816

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	59
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	741
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	354
8.3 Total relevant outgoings (item 8.1 + item 8.2)	1,095
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,337
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,337
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.79
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: n/a	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: n/a	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: n/a	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2026

Authorised by: Board of Directors

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.