ASX ANNOUNCEMENT

26 August 2026

WORK PROGRAM TO COMMENCE SHORTLY

- **Drilling contract signed with Major Drilling allowing for the drilling of up to three pilot production wells**
- **Initial commitment for at least one additional pilot production well (LF-08) at Nariin Sukhait, which is being drilled in an optimal location and with a new wellbore design, and expected to be an early gas producer**
- **Re-completions of three of the current seven existing production wells (LF-02, LF-03 and LF06) planned to commence in September**
- **Manufacture of most long lead items completed and currently being despatched from China to Mongolia, with some residual equipment still to be transported from Australia**

TMK Energy Limited (ASX:TMK) ("**TMK**" or the "**Company**") is pleased to announce that it has executed a drilling contract with Major Drilling and committed to the drilling of at least one additional pilot production well (LF-08), in addition to signing a purchase order for the re-completion of three of the seven existing production wells at the 100% owned Gurvantes XXXV Pilot Well Project.

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

"TMK continues to make progress on its 2026 Work Program with the signing of a drilling contract with one of our key contractors, Major Drilling, in addition to committing to the re-completion of the first three (of up to seven) pilot production wells, with Major Drilling also contracted to commence that work in September.

*The objective of the 2026 Work Program is to **increase gas production** from the Pilot Project and demonstrate the **commercial viability** of the enormous, 100% owned, discovered gas resource at Nariin Sukhait.*

The month-on-month increase in gas production that we report is clear evidence that the coals in our pilot are capable of sustained gas production and that the pressure in the reservoir continues to decline. These key facts, together with continued good water production rates (which are a proxy for permeability), are the key ingredients of a successful coal seam gas (CSG) project.

The addition of at least one production well in an optimal location, drilled in a manner consistent with our best performing well (LF-07) and completed for production in a more optimal manner, should demonstrate the final piece of the puzzle, which is the Pilot Project can produce gas in commercial quantities.

With a highly experienced CSG exploitation team now in place, we look forward to executing the 2026 Work Program safely and efficiently and delivering great outcomes for shareholders."

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Drilling Contract Signed

Final preparations for the drilling of LF-08 are underway with operations expected to commence in late September 2026. The drilling tender was awarded to Major Drilling in June for up to three pilot production wells. Since the original tender was undertaken, the Company has undertaken a review of the initially proposed three well drilling program and has reduced the number of wells to focus on increasing gas production from our existing gas producing wells.

Whilst the contract remains flexible to drill up to three additional pilot wells, the initial commitment and plan is to drill one new pilot production well (LF-08) which is being drilled as a potential early gas producer given its up-dip location. LF-08 is employing a more optimal engineered wellbore design for producing gas while continuing to dewater and depressurize the reservoir. The objective of drilling this well will be to further improve on the success of LF-07, which has been the best performing well and is the only well at the Pilot Well Project that has been produced pursuant to the revised reservoir management plan adopted in August 2025.

Figure 1 Major Drilling T130 drill rig to be mobilised to Gurvantes XXXV Site

Well Re-Completions

The re-completion of three of the current pilot wells (LF-03, LF-2 and LF-06) remains on track with the equipment required to commence these re-completions currently being transported from China to Mongolia and expected to arrive on site in the coming weeks.

A contract is in place with Major Drilling to undertake this work and a purchase order for the first three of these well re-completions has been placed with Major Drilling. The Company has ordered sufficient equipment to undertake the re-completions of the remaining exiting production wells should the initial three well re-completions be successful.

The drilling of LF-08 and the re-completions of three of the existing production wells is expected to meet TMK's 2026 work program commitments for the Gurvantes XXXV license.

– 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 or contact,

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About TMK Energy

TMK Energy Limited is a 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 XXXV Project is 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.