

September 2026 Quarterly Activities Report

- Record current gas production averaging ~1,000m³/day (~35,300 scfd) over the last seven days, 15% above September's daily average rate of ~872m³/day (~30,800 scfd)
- Record quarterly gas production, with average daily gas production during the September Quarter of ~819m³/day (~28,922 scfd), a 17.5% increase over the prior quarter
- 2026 Work Programme commenced with the workover rig mobilised to site and drilling rig expected to be mobilised to site next week
- LF-08 drilling to commence following rigging-up and crew mobilisation
- Formal Declaration of (Gas) Discovery approved by the regulator post the end of the Quarter, allowing the Pilot Project to move from exploration to appraisal phase and the first step towards initial reserves booking and a production license
- TMK fully funded for the 2026 Work Program with long lead items already paid for and \$3.84 million in cash with no debt at Quarter end

TMK Energy Limited (ASX:TMK) (TMK or the Company) is pleased to provide the following quarterly activities report for the three months ending 30 September 2026 ("Quarter").

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

"The steady increase in gas production throughout the Quarter is another strong indicator that the Pilot Well Project is moving closer to becoming a commercial operation. Gas production continues to increase with current gas production rates ~1,000m³/day (~35,300 scfd) pointing to another record month being achieved in October.

*With 1.2TCF of contingent resource to exploit, the learnings from this Pilot Project will allow faster more efficient appraisal and development to occur, and the first step in that process has begun with our **formal declaration of a gas discovery being accepted by the regulator, MRPAM.***

The 2026 Work Program has commenced with the workover rig on location and the drilling rig to be used for LF-08 expected to be mobilised this week, with the new well design (for LF-08) and the re-completions aimed at further increasing gas production at the Pilot Well complex.

This kicks off an exciting two months for the Company as we lead into the planning phase for a significant appraisal program in 2027."



Executive Summary

The Quarter delivered another record three months of production at the Company's 100% owned Gurvantes XXXV Coal Seam Gas Project.

Average daily gas production was 17.5% higher than that of the June Quarter, with current gas production now ~1,000m³/day (~35,300 scfd) with multiple wells now producing at record gas rates.

Water production remains relatively stable but on a steady decline, which demonstrates good permeability, but also confirms there are no active aquifers replenishing the water that is being produced from the reservoir.



Figure 1: Workover rig on location at LF-03

The focus during the Quarter was finalising arrangements for the 2026 Work Program, including acquiring and importing the long lead items, tendering and executing the various supplier and rig contracts.

Discussions continued with our partner on the proposed 1MW Gas to Power Project, with final

design and costing work nearing completion. Commercial negotiations continued in Ulaanbaatar on the most recent management visit to Mongolia, with the project subject to final agreements and investment decisions.

During that same visit, there was active engagement with the Mongolian government and relevant authorities, which subsequent to the end of the Quarter, resulted in a formal Declaration of Discovery being lodged and accepted by the regulator, MRPAM.

This is a significant step forward for the Project and paves the way for the Company to apply for an exploitation, or production licence.

As of 30 September 2026, the Company had approximately \$3.84 million in cash with no debt.

Production Operations

Gas production from the Pilot Well Project continued to increase throughout the Quarter and has increased further subsequent to the Quarter end, building on the sustained reservoir depressurisation and gas desorption being achieved under the revised Reservoir Management Plan (RMP).

Average daily gas production increased from approximately 697m³/day (~24,614 scfd) in the June Quarter to 819m³/day (28,922 scfd) in current Quarter, being a 17.5% increase quarter on quarter. September reached a record monthly average of 872m³/day (~30,800 scfd) with current production approximately 15% higher at ~1,000m³/day (~35,300 scfd).

Water production remains relatively stable, but on a steady decline, averaging 434 barrels of water per day (bwpd) for the Quarter, down 5% from the June Quarter.

Importantly, production improvements were observed across multiple wells, with LF-02, LF-05 and LF-06 achieving individual record gas production rates during September. These, together with periodic production spikes at LF-07 and continued gas flow during brief pump shutdowns, provide further evidence of expanding gas desorption beyond the immediate wellbore and into the surrounding reservoir. Reservoir pressures continued to decline, supporting the effectiveness of the dewatering process and the ongoing

progression towards sustained commercial gas flow rates.

Declaration of Discovery

The Company made a Declaration of (Gas) Discovery on 2 October 2026 pursuant to the Petroleum Law of Mongolia, covering wells LF-01 to LF-07, which covers the entire Pilot Well Project. The Declaration of Discovery was subsequently accepted by the regulator on 15 October 2026, and this now allows the Company to progress the next phase pursuant to the Petroleum Law which is to lodge and agree an appraisal program within 90 days.

Following acceptance of the appraisal program by the regulator, the 180-day test production period commences, during which time the Company will commence the preparation of its initial reserves report and plan of development (PDO). The final step in the process is the award of an exploitation or production license.



2026 Work Program

During the Quarter, the Company finalised preparations for its 2026 Work Program, comprising the re-completion of three existing production wells (LF-03, LF-02 and LF-06) and drilling of a new pilot production well (LF-08).

The 2026 Work Program is designed to increase gas production during the test

production period (see above), supporting the potential booking of initial reserves and progression towards a production licence.

Subject to successful results from the 2026 planned re-completions, the Company intends to extend the re-completion program to the remaining existing wells during 2027. The new LF-08 well to be drilled this year will incorporate an optimised wellbore design and apply the revised RMP from inception, with the objective of replicating and improving upon the strong performance achieved at LF-07.

Procurement of long-lead equipment was completed during the Quarter, with importation of the equipment commencing in September. Subsequent to end of the Quarter, the workover rig and associated equipment arrived on site, with operations commencing shortly thereafter at LF-03. The drilling rig for LF-08 is due to be mobilised to site next week.



Figure 2: Work underway on LF-03 production well

Planning for the 2027 Work Program has commenced, which will primarily be focussed on the appraisal program due to be lodged

within the next 90 days as per the Declaration of Discovery.

In addition to the appraisal program, the 2027 Work Program is expected to include additional drilling activity to grow production, reserve definition and development and appraisal of the significant 1.2TCF of contingent (2C) resources.



Figure 3: Lucky Fox-07 flare

Commercialisation

The Gas to Power Project (GPP) remains a priority for the Company to minimise future flaring of gas but also provide a reliable power source for the Company utilising its own gas production.

During the Quarter, senior management met with the Company's project partner, Dashvaanjil Group LLC, to finalise the costings and engineering and to progress commercial discussions. The project remains subject to finalisation of commercial arrangements and a final investment decision by both parties.

The GPP represents an important step towards commercialisation, providing an initial gas

offtake pathway while improving power reliability and reducing gas flaring at the Pilot Well Project.

Corporate

ASX Listing Rule 5.3.3 Tenement Summary

At 30 September 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 30 September 2026, the Company made payments of \$45,281 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, please visit the 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")

30 September 2026

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (9 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	(178)	(621)
	(d) staff costs	(235)	(744)
	(e) administration and corporate costs	(308)	(847)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	36	96
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	(685)	(2,116)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(57)
	(d) exploration & evaluation	(867)	(1,465)
	(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 (9 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	(867)	(1,522)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,081
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	-	(419)
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	-	5,662

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,392	1,816
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(685)	(2,116)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(867)	(1,522)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	5,662
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,840	3,840

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	3,840	5,392
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)	3,840	5,392

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	45
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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)	685
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	867
8.3 Total relevant outgoings (item 8.1 + item 8.2)	1,552
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,840
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,840
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.48
<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: 26 October 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.