

## MONGOLIA – GURVANTES XXXV UPDATE

- Community consultation process completed with very positive feedback and local support
- Gurvantes XXXV Environmental Impact Assessment completed and submitted for final approval
- Drilling on track to commence mid-first quarter 2022

**Talon Energy Ltd (Talon or the Company)** is pleased to advise that Telmen Resource LLC (**Telmen**), its partner in the Gurvantes XXXV Coal Seam Gas project located in Mongolia, have finalised the public consultation process with communities located in the Project's exploration area, and subsequently finalised the project's Environmental Impact Assessment (**EIA**). As such, the EIA has now been lodged with the Mongolian Ministry of Nature, Environment and Tourism for review, and approval is expected late January – early February 2022, which will facilitate the commencement of field work at the Project.

Throughout November and December 2021 Telmen's representatives travelled to the project area in order to undertake the community consultation process associated with the EIA, and to attend a number of local government meetings, with feedback and support for the Project from local stakeholders being very positive.

Drilling remains on track to commence in the current Quarter, with the drilling program to include the completion of 4 fully tested core holes which will be used to assess the Coal Seam Gas potential of the Coal resources in the Nariin Sukhait area of the South Gobi Basin. Preparations for the drilling program are well advanced and on schedule.



Community meeting in Gurvantes Soum(district)

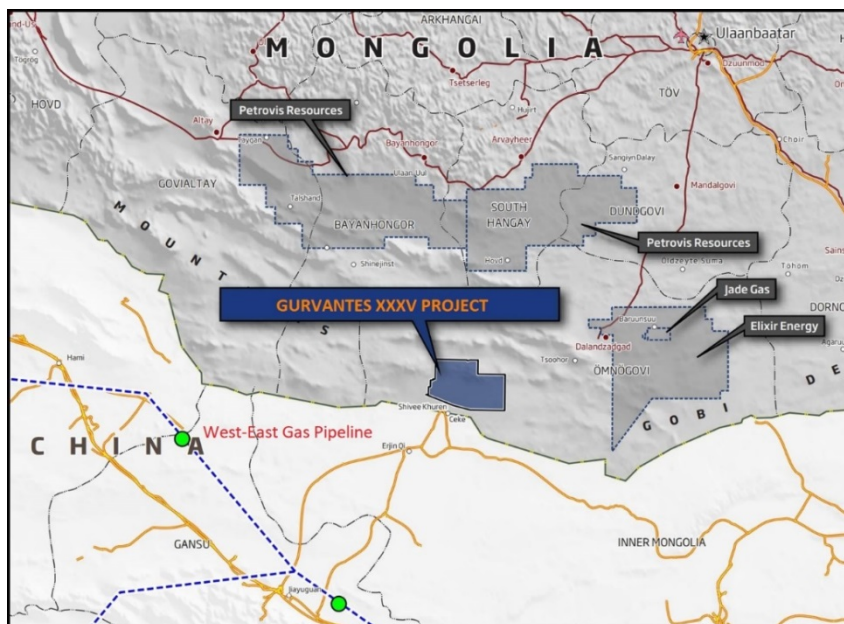


Gas desorption laboratory under construction in preparation for the drilling program

**Talon's Non-Executive Director, David Casey said:** "This is a very important and final step in the approvals processes, and it has been very pleasing to see the level of local support for what I feel will be a regionally, if not nationally significant resource project. I would like to take this opportunity to congratulate everybody involved in achieving this significant milestone, given the very challenging circumstances that we have all faced of recent with respect to COVID-19 and the associated travel restrictions. With drilling expected to kick off in February, we are well placed to book what I believe will be Mongolia's largest Contingent Resource before the middle of 2022."

### **Gurvantes XXXV Overview**

The Gurvantes XXXV Production Sharing Agreement (PSA) covers a significant area of 8,400km<sup>2</sup> and is in, what is considered one of the most prospective coal seam gas basins globally. Gurvantes XXXV is situated less than 20km from the Chinese-Mongolian border and close to the extensive Northern China gas transmission and distribution network. It is also proximate to several large-scale mining operations with high energy needs. Gurvantes is therefore ideally placed for future gas sales to satisfy both local Mongolian, as well as Chinese, energy requirements.



**This Announcement is authorised for lodgement by the board of directors.**

For further information, please contact:

#### **Talon Energy Ltd**

David Casey  
Non-executive Director  
+61 8 6319 1900  
[david@talonenergy.com.au](mailto:david@talonenergy.com.au)

#### **Talon Energy Ltd**

David Lim  
Company Secretary  
+61 8 6319 1900  
[cosec@talonenergy.com.au](mailto:cosec@talonenergy.com.au)