

DISCOVER **TMK ENERGY LIMITED**

*Developing the South Gobi's Giant Natural
Gas Resources*



 www.tmkenergy.com.au

September 2022

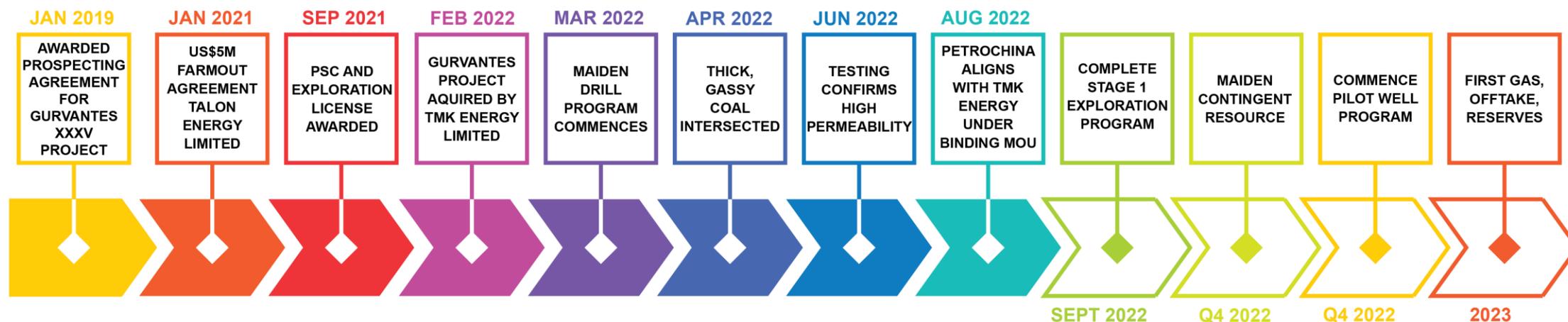


ABOUT TMK ENERGY LIMITED



Giant Gas Discovery on The Doorstep of The Largest Energy Market

CORPORATE SUMMARY		PROJECT LOCATION 	PROJECT SUMMARY	
Company Name	TMK Energy Limited (ASX:TMK)		Project	Gurvantes XXXV South
Ordinary Shares	3,520,781,250		Location	South Gobi Basin, Mongolia
Market Cap (at 1.1c)	\$38.7M		Tenure	PSC, Exploration License
Cash Position	\$3.4M		Tenement Size	8,400km ²
CEO	Brendan Stats		Resource	5.96 TCF (2U) Coal Seam Gas



SOUTH GOBI NATURAL GAS PROJECT - SNAPSHOT



- TMK acquired the 'Gurvantes XXXV' Project in **February 2022**
- Coal Seam Gas (CSG) Project covering **8,400 km²**
- Significant existing dataset from coal exploration (~2,500 drillholes)
- NSAI certified Prospective Resource (2U best case) of **5.96 TCF**
- Ideally located **adjacent to China** and existing border crossing
- Established **operating team in Mongolia** to drive the project timetable
- Maiden Exploration Program **March – September 2022**
- Work program **100% funded** by farm-in partner Talon Energy (for 33% WI)



Gurvantes XXXV CSG Project - Gross (100%) Prospective Gas Resources (TCF)*

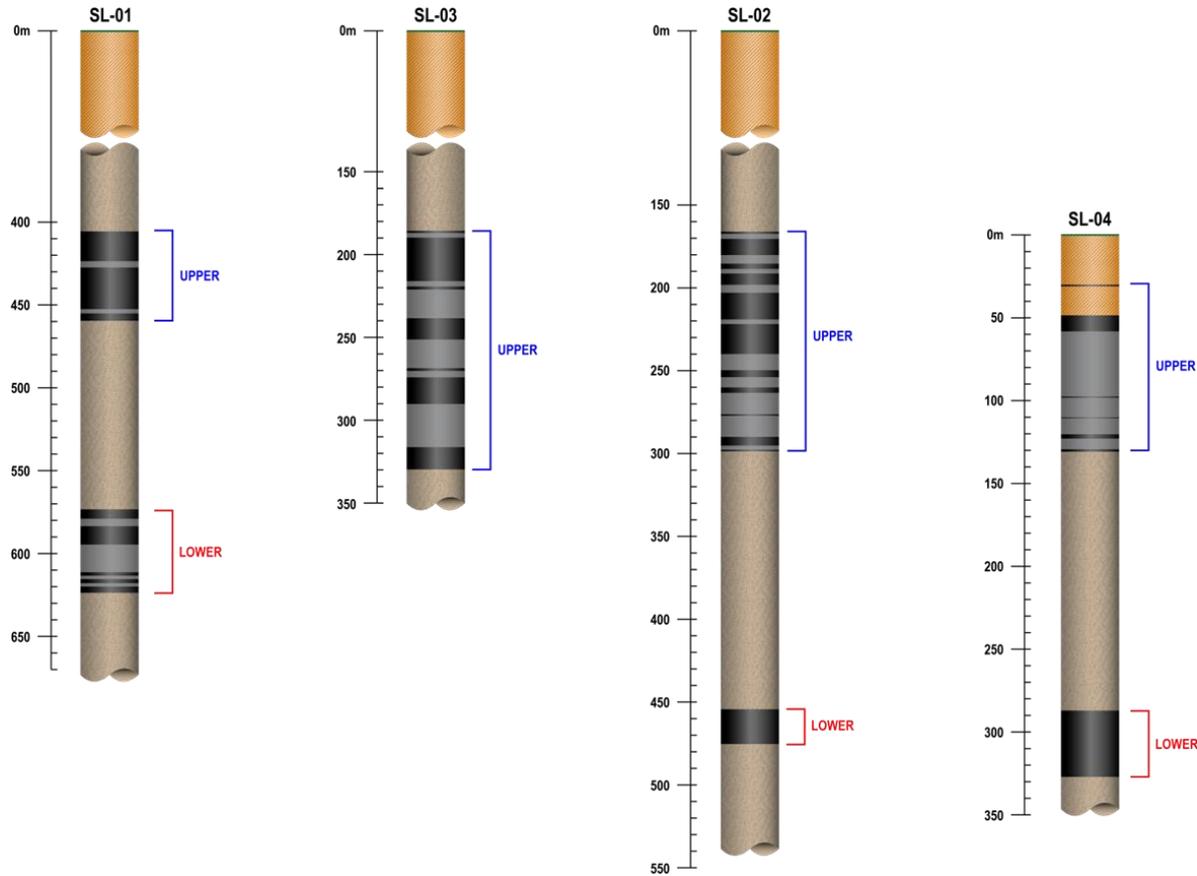
Region	Unrisked Prospective Resource (TCF)			Risky Prospective Resource (TCF)		
	1U (Low)	2U (Best)	3U (High)	1U (Low)	2U (Best)	3U (High)
Prospect Area	1.30	2.02	3.38	1.17	1.82	3.04
Lead Area	6.89	17.94	38.24	1.95	4.14	8.21
Total	8.19	19.96	41.62	3.12	5.96	11.25

*Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially moveable hydrocarbons.



EXPLORATION RESULTS – 100% SUCCESS

West ← 10km → East



Objective	Results				Assessment
	SL-1	SL-2	SL-3	SL-4	
Coal Thickness	60m	91m	60m	56m	✓
Coal Rank Quality	Bituminous				✓
Gas Content (ar)	13.2m ³ /t	9.3m ³ /t	9.8m ³ /t	Mod/High	✓
Gas Composition (CH ₄)	96%	97%	95%	tbd	✓
Permeability	0.1mD	47mD	20mD	tbd	✓

WORLD CLASS DISCOVERY

- ☒ Technical Parameters **equal to or better** than most existing CSG fields
- ☒ The geology favours relatively simple and **inexpensive development, high operating margin**
- ☒ **Size and scale**
- ☒ Very few surface constraints
- ☒ Strong **support** for Project
- ☒ Access to **Markets** (location, location, location)
 - Local - Onsite market
 - Domestic – Strong political desire
 - Export – Chinese energy market

Country	Basin	Coal Rank	Coal Thickness (m)	Gas Content (m3/t ar)	Permeability (mD)
US	San Juan Basin	Sub/Bituminous	1 - 13 m	<3 - 25	<10 - 100mD
	Powder River Basin	Sub-bituminous	1 - 75 m	0.1 - 4	1 - 1000mD
Canada	WCSB	Sub/Bituminous	1 - 4 m	0.8 - 2.3	3 - 5mD
Australia	Bowen Basin	Bituminous	1 - 30 m	1 - 11	0.5 - 13.6mD
	Surat Basin	Sub/Bituminous	3 - 4 m	1 - 8	0.07 - >500mD
China	Qinshui Basin	Anthracite	1 - 15 m	15 - 20	0.01 - 3mD
	Ordos Basin	Bituminous	1 - 11 m	4 - 23	1 - 5mD
Mongolia	Gurvantes XXXV	Bituminous	60 - 91m	9.3 - 13.2	0.04 - 47mD

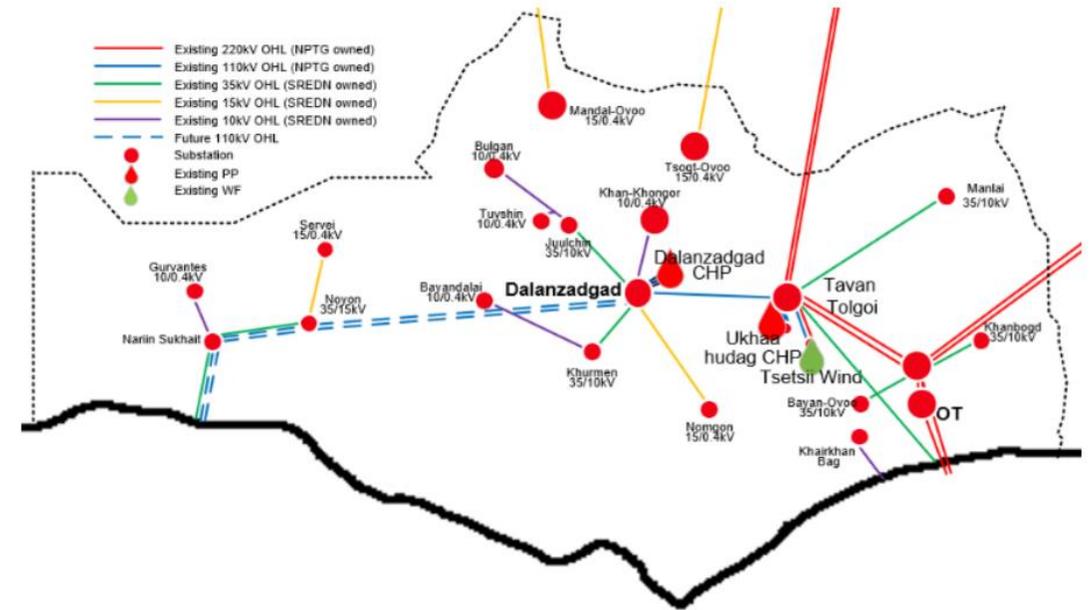
*Flores R.M., 2014 Coal and Coalbed Gas Fuelling the Future

“China has a huge appetite from energy, and with the Gurvantes Project located 20km from Chinese border, close to existing gas infrastructure in northern China, TMK is well placed to capitalise on Chinese demand for gas.”



DOMESTIC ENERGY MARKET

- ☒ Mongolia currently has no gas production
- ☒ Strong political desire to develop natural gas industry to **reduce pollution** and address **energy security, reliability, and independence**
- ☒ Mongolia **imported US\$67 million worth of natural gas products in 2019**. Huge growth potential for domestic consumption from local production.
- ☒ Mining Projects account for **40% of Mongolia's energy consumption**
- ☒ Large Mining Projects located in South Gobi Region
 - Oyu Tolgoi (Rio Tinto)
 - Tavaan Tolgoi Coal Mines
 - **Nariin Sukhait** (60MW – 70MW forecast demand)



“ Domestic gas industry could address the significant issues around energy security and reliability within Mongolia and the support the growth and the transition of domestic energy market.”

EXPORT GAS MARKETS

CHINESE ENERGY MARKET

- ☒ Chinese **natural gas demand rising** continuously for last 20 years.
- ☒ Chinese **gas demand estimated to double** by 2040*
- ☒ Forecast **supply deficit** of between 2.0 TCF/pa and 7.6 TCF/pa**

TMK WELL POSITIONED TO CAPITALISE ON CHINESE ENERGY DEMAND

- ☒ Gurvantes XXXV close to **existing gas infrastructure** in northern China
- ☒ Mongolian-China existing trade partners
- ☒ Mongolian gas to have a **significant cost advantage** over current suppliers to China
 - Productions costs low
 - Much lower cost of delivery

MoU WITH PETROCHINA SUBSIDIARY

- ☒ PetroChina has **expertise** with exploration, development, infrastructure, markets
- ☒ Petrochina owns and **operates gas infrastructure** in northern China



“ Being able to introduce a subsidiary of PetroChina to the Project at such an early stage is extremely encouraging and a validation of the excellent technical results we have had to date and talks to the quality and size of the overall Project. ”

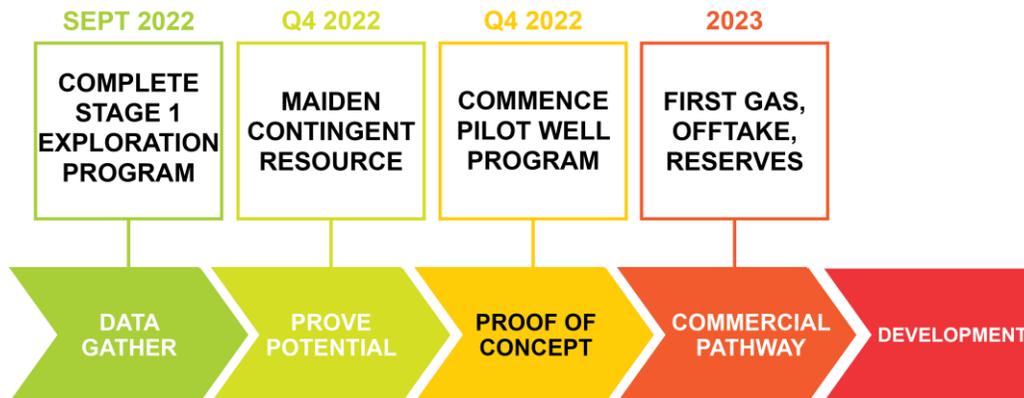
*Shell's LNG Outlook 2020

**International Energy Agency's (IEA) 2019 World Energy outlook



KEY DELIVERABLES

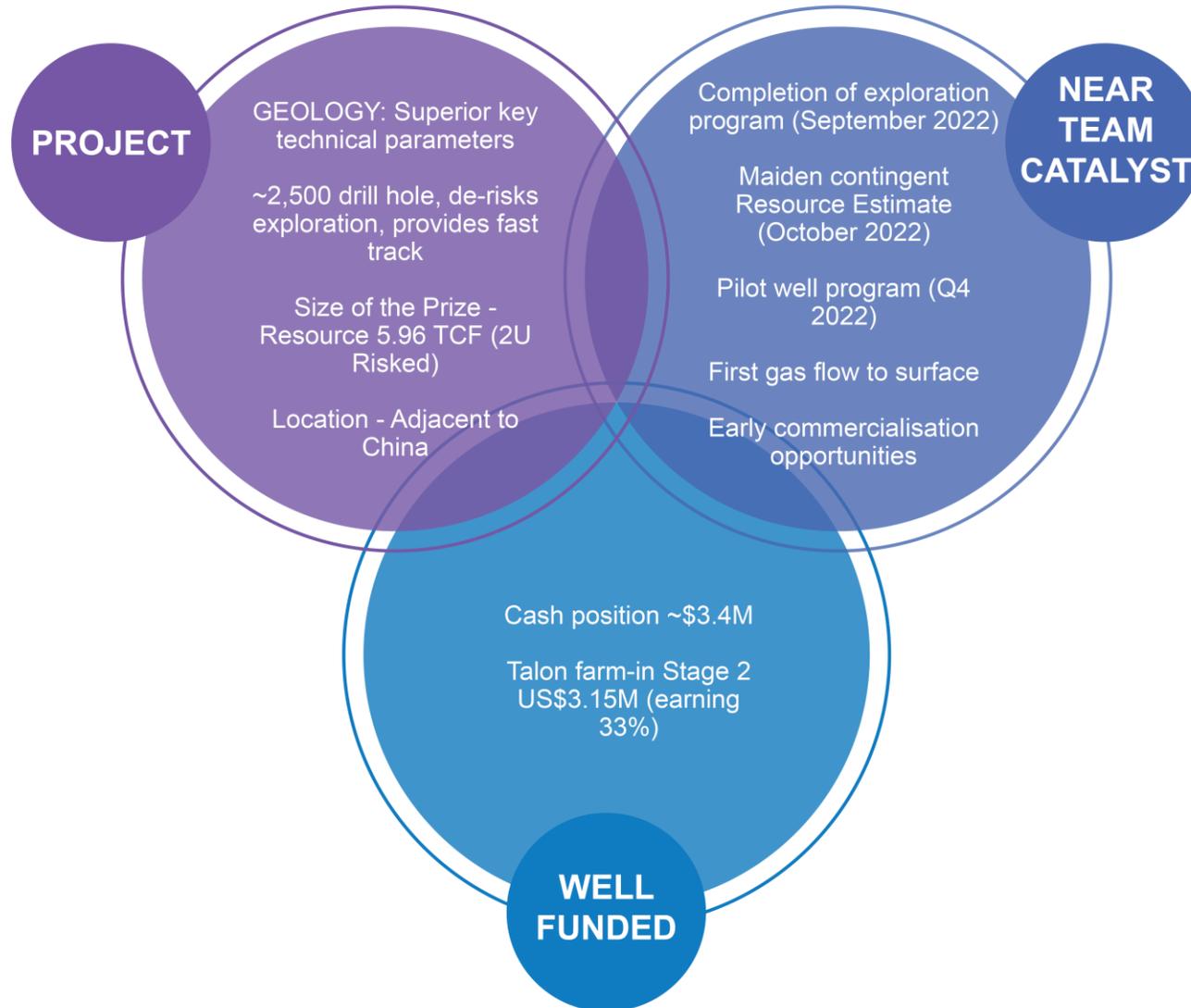
- Low exploration costs that deliver **high value outcomes**
- Advanced nature of project and successful exploration allows for **advancing project quickly**
- Fast track to **early commercialisation**



ACTIVITY	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Environmental Impact Approval								
Exploration Drilling								
Desorption Testing								
Maiden Contingent Resource								
Pilot Well Program								
Reserve and Feasibility Studies								
2023 Exploration Program								
Production Well Program								
Exploitation License								
First Gas Plant								



TMK INVESTMENT OPPORTUNITY



“It is a truly exciting time in the exploration and evaluation phase of the Gurvantes CSG Project, with the drilling program delivering what we believe is a world class CSG project right next door the largest growing energy market in the world, China.”



CORPORATE SNAPSHOT



MANAGEMENT

Brendan Stats – Chief Executive Officer
 Ganzo Vanchig – Chief Operating Officer (Mongolia based)
 Dougal Ferguson – Chief Commercial Officer
 Tsetsen Zantav – Advisor to the Board (Mongolia based)

Ordinary Shares	~3.52 Billion
Shareholders	~1,000
12 Month Price Range	\$0.007 to \$0.019
Market Capitalisation (at 1.1c)	\$38.7M
Average Daily Liquidity (6 mths)	~4 Million
Cash on Hand	\$3.4M
Debt	Nil

BOARD

Brett Lawrence – Non Executive Director
 Stuart Baker – Non Executive Director
 Gema Gerelsaikhan – Non Executive Director
 Tim Wise – Non Executive Director

TMK Share Price and Volume – 2022 Year to Date



DISCLAIMER



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