



LUCKY FOX – 3 DRILLING COMPLETED

- **Pilot Well Drilling program at the Gurvantes XXXV Coal Seam Gas Project in Mongolia completed safely, on time and on budget**
- **Lucky Fox – 3 intersected approximately 68 metres of gassy coal, the thickest intersection of the three pilot production wells**
- **All three production wells secure all having successfully run production casing (slotted liner) over the production interval**
- **Installation of pumps and remaining surface facilities to occur over the coming weeks before commencement of the production testing**
- **Major drilling rig being demobilised from site**

TMK Energy Limited (**ASX: TMK**) (“TMK” or the “Company”) is pleased to provide an update on the current Pilot Well Drilling Program at the Gurvantes XXXV CSG Project (TMK 67%, Talon Energy 33%) in the South Gobi Basin of Mongolia.

Mr Brendan Stats, TMK Energy’s Chief Executive Officer commented:

“The drilling component of the Pilot Well Program has been a tremendous success. It is a credit to our Mongolian and Australian team that they have delivered three successful wells meeting all technical objectives, safely, on time and on budget.

Intersecting over 60 metres of gassy coal in each well, which is exceptionally thick for a CSG project, demonstrates one of the unique qualities of the Gurvantes Project and bodes well for the upcoming production testing.

I am extremely pleased with the results to date and look forward to the final stages of the Pilot Well Program being completed over the coming weeks prior to turning the pumps on and commencing the dewatering process.”

Drilling has been successfully completed on the third and final well in the current drilling program, with the Lucky Fox – 3 pilot production well intersecting the thickest coal interval of the three wells of approximately 68 metres of gassy coal. The drilling was completed safely, on time and on budget. Major, the drilling contractor, has commenced demobilising the rig from site.

The next stage of the pilot well program involves the installation of pumps and the remaining surface facilities including metering skids and flare lines, which is expected to be completed in early July. The pilot well pumps will then be commissioned, and the dewatering process will commence in a controlled manner with the first gas breakthrough expected within one or two months following the wells being placed on pump.

The data gathered from the pilot well drilling will now be integrated into the geological model over the coming weeks in order to optimize the pilot well program.





Figure 1 – Aerial view drilling operations at Lucky Fox - 3, the final well at the maiden Gurvantes XXXV Coal Seam Gas Pilot Well Program

The Pilot Well Program is being primarily funded by Talon Energy, TMK’s partner in the Gurvantes XXXV Project. Talon elected to enter Stage 2 of the Farmout Agreement in early December 2022 and is paying the first US\$3.15 million towards what is budgeted to be approximately US\$3.5 million, with TMK and Talon paying their proportionate share of further costs over and above US\$3.15 million.

For the purposes of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

ABOUT THE GURVANTES XXXV PROJECT

The Gurvantes XXXV Project (TMK Energy 67%, Talon Energy 33%) covers an area of 8,400km² and is in what is considered one of the most prospective coal seam gas basins globally. Gurvantes 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 to satisfy both local Mongolian, as well as Chinese, energy requirements.

ABOUT TMK ENERGY LIMITED

TMK Energy Limited is listed on the Australian Stock Exchange. TMK is led by an Australian and Mongolian team bringing together the expertise and experience to develop the Gurvantes XXXV CSG Project. For more details on the Company please visit www.tmkenergy.com.au

