

OPERATIONS REVIEW – MARCH 2025

- Record volume of gas produced in March 2025 with new record daily gas volume achieved during the month
- First occurrence of gas “slugs” in both LF-04 and LF-06 implying pilot well program heading toward critical desorption pressure
- Final Distributed Temperature Sensing (DTS) analysis provides validation that most of the water is being produced from the coal seams, not from adjacent aquifers or non-coal bearing zones
- Planning underway for the drilling of at least one additional production well to boost production capacity

TMK Energy Limited (ASX: TMK) (TMK or the **Company**) is pleased to report that during the month of March 2025, the Gurvantes XXXV Coal Seam Gas (CSG) Project once again set a new monthly record for total gas produced from the Project and further positive signs are being observed implying the overall depressurisation of the reservoir is progressing.

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

“The Project continues to show encouraging signs with many of the pilot production wells delivering record monthly gas rates together with the first evidence of gas slugging from the coal seams, indicating we are progressing towards critical desorption pressure.

We will conduct another pressure buildup test on LF-02 during April to compare the results with the pressure readings taken approximately 12 months ago. This will show how much progress has been made towards reaching the critical desorption pressure and the impact that the new wells are making.

With all these positive signs and completion of the final analysis of the DTS data, we have started planning for at least one additional pilot production well in mid-2025 to boost the production capacity and potentially gas sales from our core area.”

The Pilot Well Project produced over 10,000m³ of gas during the month of March 2025, up approximately 10% from the previous monthly record set in February 2025. These record rates have been achieved despite substantial downtime on one of the best gas producing wells to date (being LF-05) due to the need for a workover. LF-05 is the only well that is not currently producing with remedial actions being undertaken to bring the well back in production.

During March, the pilot wells located in the centre of the pilot project, being, LF-02, LF-04, LF-05 and LF-06 all achieved record monthly gas production including short term fluctuations in gas rates. Furthermore, the final analysis of the DTS data strongly indicates that the water being produced from the pilot wells is indeed coming from the coal seams, which is a strong indicator of the coal seam permeability.

These are highly encouraging signs and strong indicators that the reservoir is approaching the critical desorption pressure in the central portion of the pilot project area. Accordingly, it has been determined appropriate to conduct a further pressure build up test in April using the LF-02 well which can be directly compared to the pressure build up test undertaken approximately 12 months ago on the same well. This should provide definitive readings of the reservoir pressure and represents a key data point as to where the current pressure sits compared to the inferred critical desorption pressure being targeted.

Planning has also commenced for at least one additional pilot production well in the immediate vicinity of the existing wells. The drilling of an additional pilot well will not only meet our license commitment for the year (with respect to additional pilot wells) but will also add to the overall production capacity of the pilot well complex and potentially increase gas sales into the power generation project that is currently being planned to be operational in late 2025.

With many of the long lead items already on hand, it is estimated that the drilling of an additional well can be undertaken before the end of Q2 2025. It can then be quickly tied into the existing facilities and add to the overall production of the pilot well complex and potentially, add to the gas volume intended to be sold under the gas sales agreement with Jens Energie LLC.

The Company will continue to provide monthly operational updates on the performance of the pilot well project or immediately as material changes to the performance become apparent.

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

For more information www.tmkenergy.com.au or contact,

Dougal Ferguson
Chief Executive Officer
+61 (8) 6319 1900
dferguson@tmkenergy.com.au

