

June 2025 Quarterly Activities

- **Drilling contract signed with Major Drilling Group to drill and complete the LF-07 production well, which spudded (commenced drilling) on Sunday, 27 July 2025**
- **All wells back on production after successful remediation work undertaken at LF-05 and planned shutdowns to undertake pressure build up tests on LF-01, LF-02 and LF-03**
- **Second Independent Technical Review (ITR) by industry experts concludes that “progress made so far with the Nariin Sukhait pilot well program is considerable and encouraging”**
- **Technical and commercial partnerships being advanced to assist in the sourcing of project funding partners to accelerate field development plans**
- **Appointment of experienced industry executive Mr Glenn Corrie to the Board as a non-executive director**

TMK Energy Limited (ASX:TMK) (TMK or the Company) is pleased to provide the following report for the quarter ending 30 June 2025 (“Quarter” or “Reporting Period”).

Activity during the Quarter was focussed on the planning and execution of the 2025 drilling program as well as field operations at the Company’s 100% owned Gurvantes XXXV Coal Seam Gas (CSG) Project.

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

“We have made further strong progress this quarter with our 2025 pilot well drilling program now underway. It has also been pleasing that the remediation work on LF-05 has been successfully completed, and we now have all six existing production wells on pump, producing gas and contributing towards continuing to reduce the reservoir pressure.

During the quarter, we started a process to formally engage with both technical and commercial partners to assisting in the sourcing of project funding partners or strategic investors with the starting point being China. Our visit to Beijing confirmed our understanding that there is a huge demand for natural gas in China and with the strategic location of our Project, we expect to see continuing interest as the Project advances.

Finally, it is a pleasure to welcome Mr Glenn Corrie to the Board as a non-executive director. Glenn has a proven track record in the industry and has already contributed an enormous amount through his extensive contacts in the Southeast Asian region. I have no doubt Glenn will be a fantastic asset to the Company moving forward.”



Executive Summary

The focus for the Company during the quarter was preparation and planning for the 2025 Pilot Well Drilling Program and maintaining production operations from the current production wells.

The Company signed a drilling contract with Major Drilling Group in early July and recently commenced drilling of the LF-07 pilot production well. The drilling of LF-07 not only contributes to the minimum 2025 work commitments under the Production Sharing Contract but also will add to the overall production capacity of the existing pilot well complex.

Pressure build-up tests were conducted at LF-02, and subsequently at LF-01 and LF-03, which confirmed a steady reduction in reservoir pressure across the pilot area which is an encouraging signal of strong connectivity and ongoing reservoir depressurisation.

These positive results align with the findings in the second Independent Technical Review conducted in May 2025, which concluded that “progress made so far with the Nariin Sukhait pilot well program is considerable and encouraging.”

Following a recent visit to Beijing, discussions have advanced with several parties to develop technical and commercial partnerships. These relationships are key to identifying and securing project funding partners to accelerate field development plans and are expected to be formalised in the coming weeks.

During the quarter, the Company finalised the sale of its legacy asset, the Talisman Deeps Prospect for a \$1.0 million contingent payment. The sale releases the Company from any further funding obligations with respect to this asset.

The Company held its AGM on 31 May 2025 and Mr. Glenn Corrie who had been appointed to the Board on 19 May 2025, was elected. Mr Corrie has direct experience with onshore Chinese gas producers and brings a wealth of knowledge to TMK as the Gurvantes XXXV Project transitions toward development.

2025 Pilot Well Drilling Program

On 8 July 2025, the Company signed a drilling contract with Major Drilling Group (“Major”) – a

large international Canadian listed drilling company which has successfully drilled the six previous pilot wells for the Gurvantes XXXV Coal Seam Gas (CSG) Project.

LF-07 commenced drilling on Sunday, 27 July 2025 and is designed to complement the existing six pilot wells in the Nariin Sukhait area, which have been effective in reducing reservoir pressure over the past two years, as confirmed by recent pressure build-up tests.

Positioned up dip from LF-05 and along strike from LF-01 and LF-02, (**Figure 1**) LF-07 will help refine the pilot project’s well pattern, improve gas production, and gather additional subsurface data. It will also help determine whether the pressure declines observed in nearby wells extend to the LF-07 location.

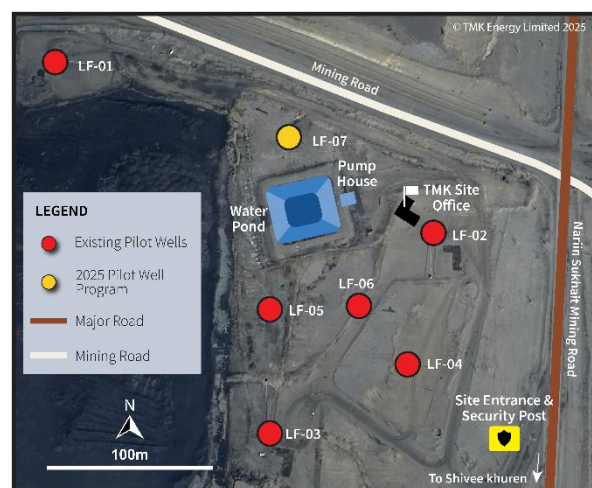


Figure 1: Lucky Fox Pilot Well Program ariel view

The vertical production wells in the current pilot well project remain the primary focus of the Company as it seeks to prove commercial gas flows can be achieved from the upper coal seam.

Pressure Build up Testing

During April 2025, a pressure buildup test was conducted at LF-02 and was shut in for around 10 days, during which period it continued to produce gas unassisted. This indicates that parts of the coal reservoir have reached critical desorption pressure, allowing gas to flow without the need for pumping.

The test results showed that pressure had increased to a stable 2,200 kPa during the shutdown, representing a reduction of approximately 450 kPa since the last test and about 900 kPa since pilot operations began in July 2023. (**Figure 2**)

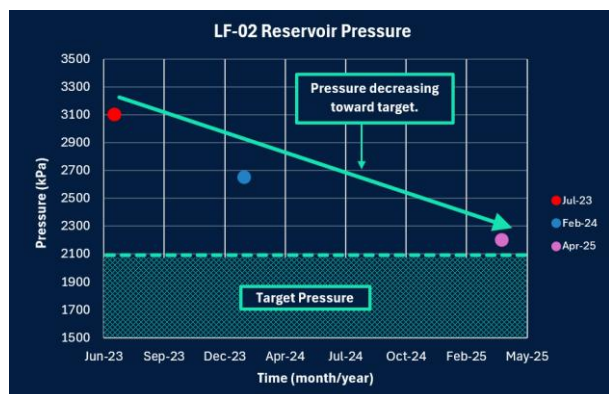


Figure 2: Lucky Fox-02 reduction in reservoir pressure since inception with predicted critical desorption pressure required for likely material increase in gas flows

In May 2025, further pressure buildup tests were carried out at LF-01 and LF-03 to verify the results seen at LF-02. These tests confirmed consistent pressure declines across all three wells, demonstrating good connectivity and suggesting a wider area of reservoir depressurisation.

The ability to decrease the reservoir pressure is critical to a successful CSG pilot well program and therefore these results are significant and very encouraging. It is expected with further dewatering, the reservoir pressure will continue to reduce which is expected to result in further increases in the gas production rates over time.

Independent Technical Review (ITR)

During May, the Company completed a second Independent Technical Review (ITR) of industry experts with Cipher Consulting Pty Ltd compiling a summary report to the Company.

Key points derived from the ITR included:

- Experts recommend continuing production from the pilot wells,
- Although material gas breakthrough is yet to occur, this is typical for early-stage CSG projects,
- The project is being well-managed, especially given the remote location; and
- Drilling a new pilot well (LF07) was well supported and the proposed location is considered suitable.

The ITR made several more technical recommendations with respect to potential improvements that could be introduced with

respect to drilling and completion operations, production techniques and technical studies and some of these have been implemented for the current drilling program.

Production Operations

During May and June, the focus has been on returning LF-05 back to production. Several remediation operations were undertaken with delays being experienced through lack of off the shelf equipment being available in Mongolia.

Following sourcing and importation of the appropriate equipment, LF-05 has recently been remediated and is back on production and already producing gas after only a few days of being back on pump.

Gas and water production from all other wells continued uninterrupted with volumes in line with expectations.

2025 Exploration Drilling Program

Following the drilling, completion and commissioning of LF-07, the Company is planning to undertake a relatively inexpensive, but potentially high impact 2025 exploration drilling program with a target of demonstrating the regional continuity of the play and adding to its already significant 2C contingent resources in the region.

Project Partnering Discussions

The formal process to introduce a project partner was significantly advanced during the quarter with early interest being shown by several parties.

A recent visit to Beijing (enroute to Mongolia) was productive and highly encouraging, with several meetings undertaken with potential project partners. The significant interest being shown is a strong validation of the Project and its significant and real potential to be a material producing gas field in the future.

In parallel, the Company is pursuing strategic commercial and technical partnerships with select experienced service providers. To date these candidates are primarily domiciled in China. They have a proven track record and extensive CSG field development expertise and access to the equipment that will allow for developing the lower, coal seams which to date, has not been the focus of the Company.

Corporate

Board Changes

On 19 May 2025, Mr Glenn Corrie was appointed to the Board as non-executive Director. Glenn brings over 25 years of energy sector experience, including as former CEO and MD of Sino Gas & Energy, which was acquired for ~A\$530 million. He is currently CEO and Managing Director of Hazer Group (ASX:HZR). Glenn's expertise will support the Company as the Gurvantes Project moves from appraisal to development and commercialisation, including strategic partnerships and potential offtake agreements.

Following Glenn's appointment, and as part of an orderly transition, Mr. Tim Wise advised that he will step down from the TMK Board effective 30 September 2025.

Tim has served on the TMK Board since 4 November 2019 and has been an integral part of the transition of TMK (formerly Tamaska Oil and Gas) from a junior exploration company to a company with a significant operation in Mongolia.

Results of Annual General Meeting

The Company convened an Annual General Meeting that was held on Friday, 30 May 2025, at which several resolutions were put to Shareholders, including adoption of the remuneration report, resolution to ratify or approve placement securities, and re-election and election of board members.

All resolutions were passed on a poll.

ASX Listing Rule 5.3.3 Tenement Summary

At 30 June 2025, the Company held the following interests in tenements and/or licenses:

Project	Percentage Interest	Number of Tenements
Gurvantes XXXV	100%	1

On 16 May 2025, the Company executed an agreement to dispose of its 20% non-operated indirect interest in the Talisman Deeps Project.

The Company held an indirect interest in Talisman Deeps via a 20% shareholding in Skye Napoleon Pty Ltd. TMK, as a shareholder of Skye Napoleon, has consented to Skye Napoleon relinquishing its rights to Talisman Deeps in return for a deferred consideration to TMK of \$1.0 million.

The deferred consideration is subject to transfer restrictions and is payable within 90 days upon the commencement of production of oil and/or gas from a commercial development in the Talisman Deeps, which is defined as rights to offshore petroleum license WA-8-L below 2,700 metres. The assignees are Kato NWS Pty Ltd and Kato Amulet Pty Ltd which hold the rights to WA-8-L at or above 2,700 metres. The sale removes any potential exposure or risk associated with future work programs and ensures TMK has no further financial obligations in relation to Talisman Deeps.

Related Party Payments

During the quarter ending 30 June 2025, the Company made payments of \$29,661 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 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 June 2025

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (6 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	(152)	(244)
	(d) staff costs	(193)	(395)
	(e) administration and corporate costs	(335)	(512)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	13	24
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	(667)	(1,127)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(700)	(1,370)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (6 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	(700)	(1,370)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,303	2,303
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	(96)	(96)
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	2,207	2,207

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	862	1,992
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(667)	(1,127)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(700)	(1,370)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,207	2,207
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,702	1,702

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	1,702	862
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)	1,702	862

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	30
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)	667
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	700
8.3	Total relevant outgoings (item 8.1 + item 8.2)	1,367
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,702
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,702
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.24
<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: The Company has commenced drilling of its seventh pilot well and the long lead items capital costs of that well are included in this quarter's cash flow. The Company expects to incur similar levels of expenditure this quarter and has the necessary cash resources to fund that expenditure.	
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: The Company continually reviews its capital requirements in line with forecast expenditure in future quarters, which is not always directly aligned to spending in prior quarters. The Company has been successful in the past at raising appropriate amounts of capital when required.	
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: Yes, the Company expects to be able to continue to fund its operations through partnerships and/or additional capital as and when required.	
<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: 30 July 2025

Authorised by: Board of Directors

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.