June 2026 Quarterly Activities Report

- **Gas production increased month-on-month throughout the quarter extending a continued upward trajectory with a record volume of gas produced during the June Quarter**
- **Current gas production from the Pilot Project at ~28,000 scfd, further demonstrating increasing near well bore gas desorption**
- **2026 Work Program optimised following Independent Technical Review to focus on increasing near term gas production and utilising existing well bores through re-completions**
- **Fully funded 2026 Work Program with TMK ending the quarter with $5.4 million in cash and no debt**
- **Recent appointments of a Chief Operating Officer (announced in July) and Production Manager strengthen management and technical team ahead of execution of the 2026 Work Program**
- **Memorandum of Understanding signed with Dashvaanjil Group LLC, Mongolia's largest LPG importer and distributor, to advance an initial 1MW gas-to-power generation project, with engineering and design nearing completion**

TMK Energy Limited (ASX:TMK) (TMK or the Company) is pleased to provide the following quarterly activities report for the three months ending 30 June 2026 ("Quarter").

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

"Following the successful fund raising completed during the March quarter, we have been able to rapidly move forward on both the planning and implementation of the 2026 Work Program, which has since been appropriately modified to focus on increasing gas production.

The modification to the 2026 Work Program followed an Independent Technical Review completed in April and the advice of two highly experienced operations personnel who have now joined the TMK's technical team. Both Mr. Steve Skinner, our recently appointed Chief Operating Officer and Mr. Danny Chong, a CSG specialist production operations manager, with over 10 years' experience with Origin and Santos, have made strong recommendations that the Board have endorsed.

With the addition of both these highly experienced gentlemen as the backbone of the new technical team, the Company has the full complement of individuals required to execute the 2026 Work Program and deliver on both our short term and long-term objectives."

Executive Summary

During the Quarter, TMK continued to focus all its resources on advancing its 100% owned Gurvantes XXXV Coal Seam Gas (CSG) Project in Mongolia.

Gas production from the Pilot Well Project continued to increase throughout the Quarter, with average daily rates increasing month on month. The June quarter was a record quarter of gas production for the Company with total gas produced of over 2.2 million standard cubic feet produced (~24,630 scfd).

The Company completed its third Independent Technical Review (ITR) in April, engaging independent experts with CSG experience in Australia and internationally. The ITR supported the current reservoir management plan, in addition to suggesting well optimisation techniques such as well re-completions, which have now been adopted as part of the 2026 work program.

During May, TMK signed a Memorandum of Understanding (MoU) with Dashvaanjil Group LLC (Dashvaanjil) to advance an initial 1MW gas-to-power generation project at the Pilot Well Project. Engineering and design work has been ongoing, with construction, commissioning and first power generation targeted for the commencement of winter in Mongolia.

The Company recently strengthened its operational capabilities with the appointment of Mr. Steve Skinner as Chief Operating Officer (COO) and Mr. Danny Chong as Production Manager, both bringing decades of CSG experience, with Danny spending over 10 years optimising major Australian coal seam gas (CSG) assets with Origin Energy and SANTOS.

As of 30 June 2026, the Company had approximately $5.4 million in cash with no debt.

Production Operations

Gas production from the Pilot Well Project increased consistently throughout the Quarter, building on the reservoir depressurisation progress and confirmed gas desorption achieved during the March quarter.

During the Quarter, the Company produced a total of 63,460m³ of gas (~24,630 scfd), a ~3% increase over the March quarter's production of 61,536m³ of gas (~24,100 scfd). Production during the Quarter was higher than the previous quarter despite LF-03 being offline through May and June awaiting a pump replacement, LF-02 being temporarily shut-in for a pressure build-up test, and the significant gas build up, and gas spike recorded in the previous quarter (see Figure 1).

During June, a second gas production spike was observed at LF-07, which recorded its first spike in production during March 2026. These gas production spikes indicate continued progress towards greater gas desorption around the wellbore at LF-07. By the end of the Quarter, LF-07 gas rates were ranging between 14,000 and 15,000 scfd.

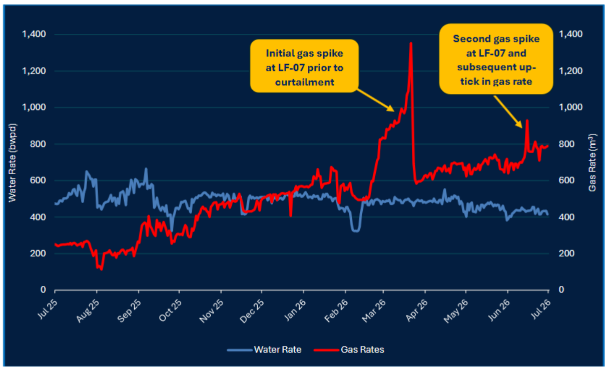

Figure 1 – Pilot Well Project gas and water production up to 30 June 2026

The data collection from the pressure build-up test conducted at LF-03 during May, continues to support the Company's reservoir simulation modelling, with pressure recordings showing a further reduction in reservoir pressure which closely matches to the model (Figure 2).

Reduction in reservoir pressure is crucial to achieving increased levels of desorption and materially increased gas rates. As demonstrated below, the current measured reservoir pressure is approaching the estimated desorption pressure.

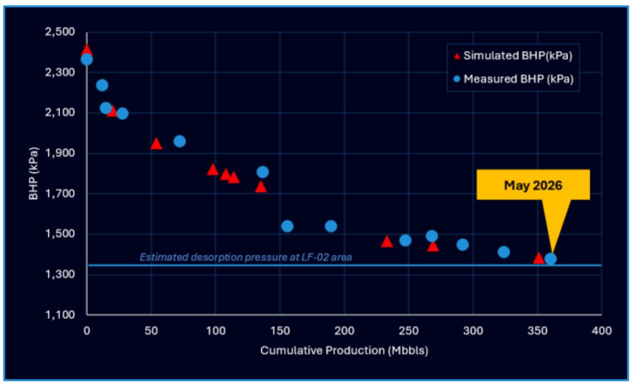

Figure 2 – Modelled reservoir pressure versus actual reservoir pressure decline

Figure 3 – Pond maintenance completed.

During the Quarter, the Company completed a significant maintenance project ahead of the 2026 Work Program, being the replacement of the pond liner with a more permanent structure. The original temporary pond liner was fit for purpose in the early stages of the Pilot Well Project, with the new liner being more robust and anticipated to have a significantly longer life span.

2026 Work Program

During the Quarter, the regulatory drilling tender process was completed in June, with Major Drilling selected as the successful tenderer. Final contract negotiations are underway, with execution and well spud dates expected to be finalised in the coming weeks.

Long lead equipment has been ordered with equipment beginning to arrive in Mongolia throughout July and August 2026. The modified work program is now expected to consist of at least one additional pilot production well (LF-08) and up to six well re-completions designed to improve long-term production performance. LF-08 will be drilled in an up-dip location and is expected to be an early gas producer.

The drilling contract is being negotiated to allow flexibility to drill an additional pilot production well if warranted.

The key objective of the 2026 Work Program is to increase gas production in the near term and deliver a gas rate from the Pilot Well Project that demonstrates commerciality to allow booking of initial reserves and ultimately the award of an exploitation/production license.

Planning for next year's 2027 Work Program has already begun, which will focus on both increasing gas production and booking additional reserves, and also defining additional 2C resources outside of the existing contingent resources already booked in the Nariin Sukhait area.

Commercialisation Activities

During the Quarter, the Company signed a MoU with Dashvaanjil to implement the first gas-to-power generation project at the Gurvantes XXXV Pilot Well Project.

Dashvaanjil, established in 1992, is Mongolia's largest LPG import and distribution company, operating across all 21 provinces with approximately 600 employees.

The initial agreement between TMK and Dashvaanjil contemplates a power generation project of up to 1MW, located adjacent to the Pilot Well Project and fuelled by a combination of gas currently being produced by TMK, and LPG to be supplied by Dashvaanjil.

As gas production increases from the Pilot Well Project, LPG fuel will be backed out until there is sufficient natural gas to fully fuel the 1MW power unit. The facility is designed to be modular and scalable to accommodate future increases in gas production and meet local demand.

The MoU framework comprises three stages:

- Engineering and Design – nearing completion
- Procurement and Construction – subject to Commercial Framework and Feasibility Study
- Commissioning and Power Generation – targeting end Q3 2026

The Power Generation Project achieves two key objectives for the Company. Firstly, it will provide a reliable, uninterrupted power supply to the Pilot Well Project which is necessary to maintain continuous water production and reduce reliance on diesel generators during power outages. Secondly, utilising produced gas for power generation mitigates the need to flare gas and provides an offtake for the gas which will facilitate the Company's first booking of reserves.

The Project also provides a proof of concept that coal seam gas is an economically viable fuel for power generation, particularly in remote mining operations and off-grid locations.

Project Partnering Process

TMK's CEO, Dougal Ferguson, presented at Energy Council Singapore 2026, a leading Asia-Pacific energy conference bringing together senior industry leaders, investors and policymakers. The event provided an opportunity to strengthen existing relationships and develop new strategic partnerships to support the Company's partnering process.

With gas production increasing and a fully funded 2026 Work Program, the Company is fielding additional enquiries from potential funding partners, whilst also more broadly promoting the partnering opportunity through traditional avenues. This process remains a priority for the remainder of 2026.

Corporate

Key Personnel Appointments

Subsequent to the end of the Quarter, Mr. Steve Skinner was appointed as Chief Operating Officer (COO) of the Company.

Steve is a Petroleum Engineer based in Denver, Colorado, and brings over 25 years of oil and gas experience from the US, including working in the San Juan Basin, one of the world's pioneering CSG producing basins.

Steve's appointment adds another layer to the technical capability within the Company and will free up a significant amount of time for the CEO to progress the commercialisation, the project partnering process and general promotional activities of the Company.

Another key hire made during the Quarter was the appointment of Mr. Danny Chong as Production Manager. Danny holds a Bachelor of Science in Petroleum Engineering (with Honors) from the Colorado School of Mines and brings more than 10 years' experience in the coal seam gas industry. Most recently, he served as a Senior Petroleum Engineer at Origin Energy, following over seven years with Santos GLNG in progressively senior engineering and production optimisation roles.

During the Quarter, Ms Elsa Gallina, was appointed as Joint Company Secretary. Elsa has been with the Company for over three years and has recently completed the Governance Institute of Australia's Certificate in Secretarial Practice Essentials.

Results of Annual General Meeting

The Company held its Annual General Meeting on Wednesday 27th May 2026, at which several resolutions were put to Shareholders, including adoption of the remuneration report, resolution to ratify or approve placement securities and re-election of board members.

All resolutions were passed on a poll.

Shareholder Communications

The Company has recently initiated a rollout of the Relait shareholder communication platform. Further details will be provided to shareholders in the coming weeks which will allow shareholders to sign up to the Relait platform and utilise its enhanced shareholder communication platform.

ASX Listing Rule 5.3.3 Tenement Summary

At 30 June 2026, the Company held the following interests in tenements and/or licenses:

Project	Percentage Interest	Number of Tenements
Gurvantes XXXV	100%	1

Related Party Payments

During the quarter ending 30 June 2026, the Company made payments of $57,571 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, please visit the 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	Quarter ended ("current quarter")
66 127 735 442	**30 June 2026**

	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	(217)	(443)
	(d) staff costs	(228)	(509)
	(e) administration and corporate costs	(293)	(539)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	48	60
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**	**(690)**	**(1,431)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(57)	(57)
	(d) exploration & evaluation	(244)	(598)
	(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**	**(301)**	**(655)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	81	6,081
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	(35)	(419)
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**	**46**	**5,662**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	6,337	1,816
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(690)	(1,431)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(301)	(655)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	46	5,662
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**5,392**	**5,392**

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	5,392	6,337
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)**	**5,392**	**6,337**

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	58
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	**Financing facilities** *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.*	**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)	690
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	244
8.3	Total relevant outgoings (item 8.1 + item 8.2)	934
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,392
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,392
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	5.77

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.

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: n/a

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: n/a

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: n/a

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.

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: 29 July 2026

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.