

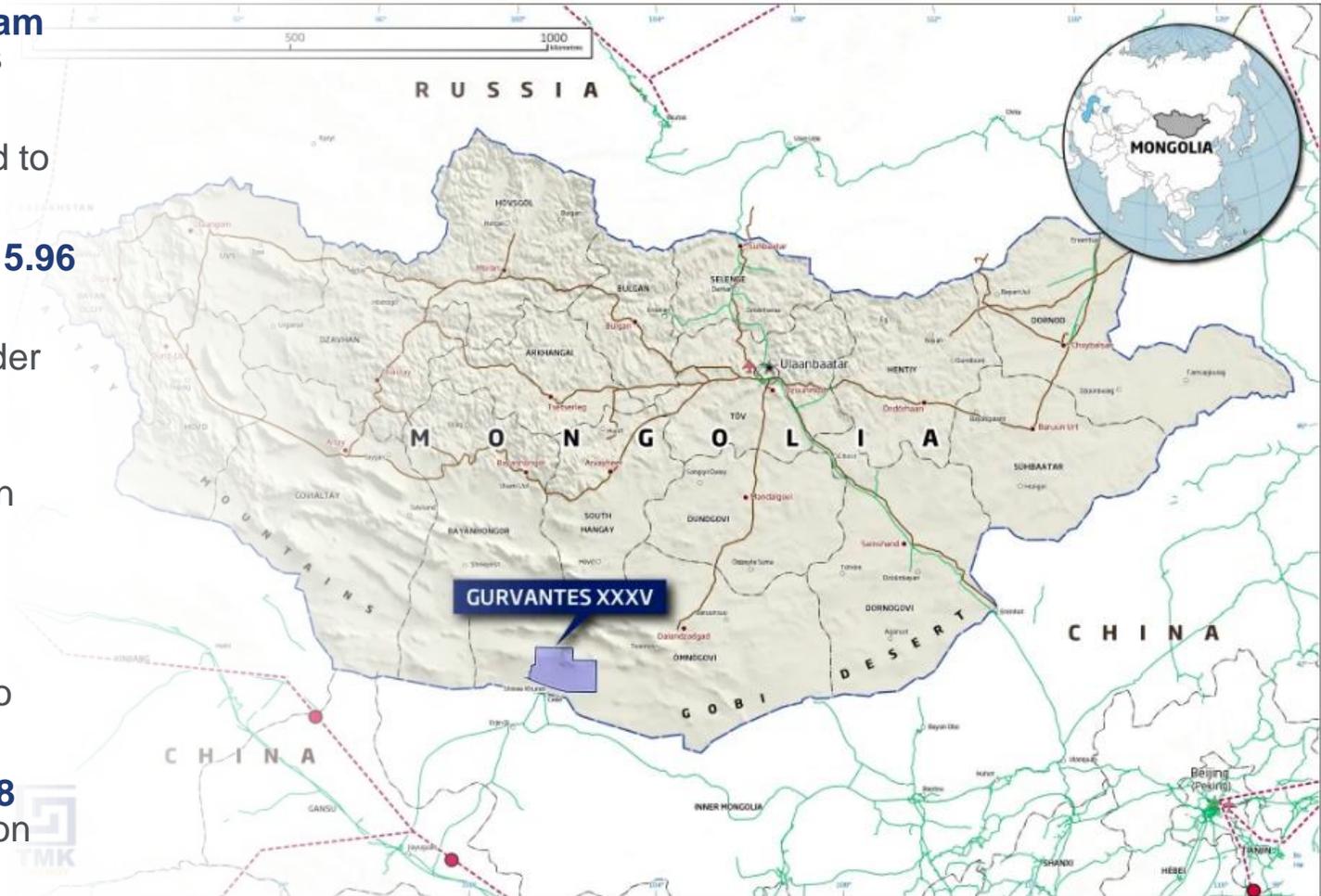


Gurvantes XXXV Coal Seam Gas Acquisition South Gobi Basin Mongolia

February 2022

WORLD CLASS CSG ACQUISITION

- Material acquisition of **highly prospective coal seam gas (CSG)** 'Gurvantes XXXV' Project in world class South Gobi Coal Basin **covering 8,400 km²**
- High impact **multi-well drilling program** scheduled to **commence early March 2022**
- NSAI certified Prospective Resource (best case) of **5.96 TCF**
- Ideally located **adjacent to China** and existing border crossing
- Stage 1 exploration program underway with first **US\$1.5M funded** via farm-out agreement with Talon Energy
- Stage 2 appraisal of **US\$3.15M funded by farm-in partner** on election to proceed
- Established Telmen **operating team in Mongolia** to drive the project timetable
- TMK Energy well funded post transaction with **~\$3.8 million in cash** with Stage 1 and Stage 2 exploration and appraisal programs funded by farm-in partner



GURVANTES PROJECT – THE ROAD TO DRILLING

- ☒ **Jan 2019:** Awarded Prospecting Agreement for Gurvantes XXXV
- ☒ **Jan 2021:** US\$5M Farmout agreed with Talon Energy Limited (ASX:TPD)
- ☒ **July 2021:** Production Sharing Agreement (PSA) awarded
- ☒ **August 2021:** Independent Prospective Resource (best case) of 5.96 TCF certified by NSAI
- ☒ **Sep 2021:** Exploration License Awarded, 15 year term
- ☒ **Feb 2022:** Environmental Impact Approval (EIA) application approved
- ☒ **Feb 2022:** ASX Listing through acquisition of Telmen Energy by TMK Energy
- ☒ **March 2022:** Four well drilling program scheduled to commence



Production Sharing Contract Award Ceremony, July 2021



Constructing gas desorption lab in preparation for drilling

ACTIVE NEAR TERM EXPLOITATION PLAN

- ☒ Advanced nature of project results in **high activity levels** almost immediately
- ☒ Low exploration costs that deliver **high value outcomes** in medium term timeframe
- ☒ Fast track to **early production** within 24 months based on current plan

	2022				2023				Capex
ACTIVITY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	US\$MM
Environmental Impact Approval									0.1
Exploration Drilling									0.9
Desorption Testing									0.3
Maiden Contingent Resource									0.1
Pilot Well Program									3.5
Reserve and Feasibility Studies									0.2
Exploitation License									-
First Gas Production Plant									7.5



RESOURCE LOCATION AND SIZE



- ☒ NSAI **independently certified** Prospective Resource 2U (best case) of 5.96 TCF.
- ☒ Risked 2U (best case) of 5.96 TCF assessed from only **26% of total license area**.
- ☒ Drilling and testing program to commence in **March 2022** targeting certification of **Mongolia's largest CSG Contingent Resources** by Q3 2022.
- ☒ Material resource ideally located **adjacent to China** and less than 20 kms of an **official border crossing** between Mongolia and China.
- ☒ **Early commercialisation possible** with **gas fired power generation** to support nearby operating coal mines burning and potential to **truck CNG to China** and **within Mongolia**.

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

Region	Unrisked Prospective Resource (TCF)			Risked 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.*



CBM PARAMETER CHECKLIST

	Technical Parameters	Comment	Assessment
1.	Area	Total Area 8,400km ² Coal outcrops 160km along strike	✓
2.	Coal Thickness	Multiple very thick (50m+) seams Net coal thickness average 80m	✓
3.	Coal Rank Quality	Sub-bituminous to Bituminous High quality, low ash	✓
4.	Gas Content	Range from 10m ³ /t (as received) Based on 131 samples from five wells	✓
5.	Gas Composition	>95% Methane Low CO ₂	✓
6.	Gas Saturation	Limited data indicates fully saturated More data required	✓
7.	Permeability	Existing data indicates >20mD Reported range from nearby Project 1 - 99mD	?
8.	Dewatering Capability	No active recharge Monocline Structure	?



GURVANTES GEOLOGY – DERISKED

✓ Existing data set provides significant cost savings and advantages to future exploration

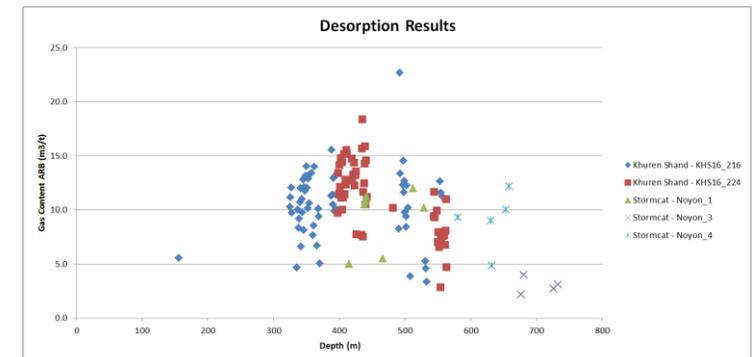
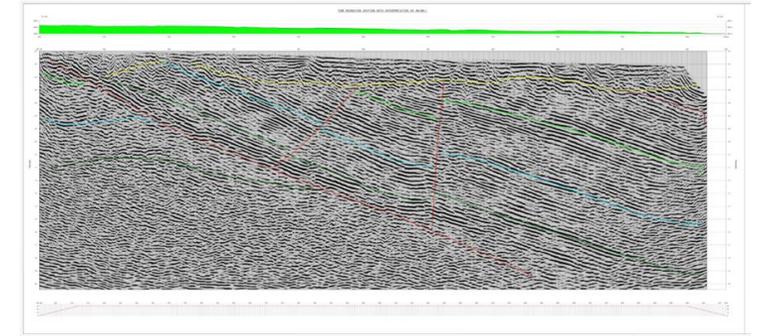
- TMK collated **~2,500 historical drilling records**
- Multiple **very thick (>50m+) coal seams** well defined from closely spaced drill holes
- High quality, sub-bituminous coal
- 2D Seismic Program completed in 2020

✓ Coal seam gas data indicates potential for world class coal seam gas project

- Five CSG wells with 131 desorption results and gas composition
- High gas content ~ 10m3/t**
- High **methane >94%**
- Fully saturated

✓ The Geology favours relatively simple and inexpensive exploration and development

- Very high resource concentration – **up to 12.4 BCF/km2**
- Thick coal, fully saturated gas, allows for **simple and inexpensive vertical wells**
- Very **few surface constraints** (no private land, flat landscape, no vegetation, no access issues)
- Initial market on site, **close to existing Chinese gas infrastructure**



GURVANTES PROJECT: THE INVESTMENT CASE

Geology

- Superior key technical parameters - coal thickness, gas content, gas composition
- Significant existing dataset (~2,500 drill holes), de-risks exploration and provides fast track

Size

- 5.96TCF Prospective Resource (2U Risked)
- 8,400km²

Location

- <20km to border crossing with China
- Significant local demand for clean, reliable power
- The closest Mongolian CSG Project to the northern Chinese West-East Gas Pipeline network

Timing

- High impact drilling program to commence in March 2022
- Well funded through Talon farm-in agreement and additional \$3.8 million in corporate funds



Mr Brendan Stats, CEO of TMK Energy Limited *“It is a truly exciting time in the exploration phase of the Gurvantes CSG Project, with the drilling program expected to commence in the next few weeks. I am very much looking forward to delivering what we believe is a world class CSG project right next door the largest growing gas market in the world, China.”*



CORPORATE INFORMATION



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)

Board

Brett Lawrence – Non Executive Director

Stuart Baker – Non Executive Director

Gema Gerelsaikhan – Non Executive Director

Tim Wise – Non Executive Director

Capital Structure (ASX:TMK)

Ordinary Shares	2,880,000,000
Market Capitalisation (at 1.2c)	\$34.5M
Cash on Hand	\$3.8M

Unlisted Securities

Class A Performance Shares	600,000,000
Class B Performance Shares	600,000,000
Class C Performance Shares	400,000,000
Class A Performance Rights	63,750,000
Class B Performance Rights	63,750,000
Class C Performance Rights	42,500,000
Unlisted Options	75,000,000

Performance Hurdles

Class A – VWAP share price of greater than \$0.02 over a 20 day period
Class B – 2 of first 4 wells having greater than 25m of coal thickness
Class C - 100bcf or greater of 2C resources

Voluntary Escrowed Shares

Escrowed until 14 August 2022	139,732,000
Escrowed until 14 November 2022	139,732,000
Escrowed until 14 February 2023	838,392,000



DISCLAIMER



This presentation has been prepared by TMK Energy Limited ('TMK' or the 'Company'), based on information available as at the date of this presentation. The information in this presentation is provided in summary form and does not contain all information necessary to make an investment decision.

The information contained in this presentation is not investment or financial product advice and is not intended to be used for the basis of making an investment decision. The Company strongly suggests that investors obtain their own advice before making any investment decision.

The Company has prepared this document based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in this presentation.

To the maximum extent permitted by law, the Company, its related bodies corporate (as that term is defined in the Corporations Act) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the presentation or its contents or otherwise arising in connection with it.





102 Forrest Street,
Cottesloe, WA, 6011



+61 8 6319 1900



info@tmkenergy.com.au



www.tmkenergy.com.au

