



## JUNE 2025 QUARTERLY ACTIVITIES REPORT

- Jade delivered first gas production wells with stable dewatering activities continuing
- First gas flows expected to be realised this quarter
- Company progressing a number of initiatives in parallel to drive enhanced shareholder value:
  - Project study close to completion which will consider low upfront capex and optimised production outcomes;
  - Partner discussions progressing with a view to fast tracking meaningful production and cashflows;
  - Debt advisor discussions underway to consider project level options given transformational nature of project and potential major debt options; and
  - Dual listing on Hong Kong Stock Exchange contemplated given proximity to project and existing valuations secured by Mongolian natural resources companies
- A\$3.6m loan secured adding optionality for well production activities

Jade Gas Holdings Limited (ASX:JGH, **Jade** or the **Company**) provides its June 2025 quarterly activities report for its coal bed methane gas project at the Tavantolgoi basin in Mongolia (**TTCBM Project**), in the South Gobi region of Mongolia.

### First Two Gas Production Wells Online

Jade initiated the start of the pumping and dewatering process, effectively commencing first production from its two gas production wells at the Red Lake gas field.

This marked a critical milestone for the Company and the development of a gas industry in Mongolia with the first horizontal CBM gas production wells delivered in the country. Water continues to be pumped from coal seam IIIb from both horizontal wells RL-Hz-002 and RL-Hz-001 with initial gas breakthrough expected within this quarter. Gas flow rates are expected to build progressively as reservoir pressure decreases over time. The operating team will monitor dewatering and gas flow with results to be reported in due course.

Jade believes that there is outstanding gas potential as previously indicated, including significant visible gas observed in mud returns, and high percentage of CH<sub>4</sub> (methane gas) composition (see ASX Announcements 24 March 2025, and 11 April 2025).

Jade is now on a clear pathway to capitalise on the significant unmet and growing gas demand initially in the South Gobi region. Multiple customer markets exist on the Company's doorstep for cleaner energy, with gas as a replacement (in compressed or liquified state) for diesel fuel which serves the long haul trucking operations in the area, and as an input to power generation for the many large mining operations.

#### Directors



**Figures 1 & 2: Photos showing CBM Gas Production Wells online at the Red Lake field**



**Figure 3: Completed CBM Gas Production Wells at the Red Lake field**

The Company reported on initial operating data including:

### 1. Production Metrics (as recorded to 30 June 2025)

Metric	Current Month	Previous Month	% Change	Year-to-Date Total
Total Gas Produced (m <sup>3</sup> )	-	-	N/A	-
Number of Producing Wells	2	-	N/A	2
Average Daily Production (m <sup>3</sup> )	-	-	N/A	-
Water Produced (m <sup>3</sup> )	451.8*	-	N/A	451.8*

\*Correction to Table in ASX Announcement of 1 July 2025: '248.1' is water produced from one well, water produced from two wells is 451.8.

Water produced from both wells is trucked to the nearby Tavan Tolgoi coal mine (operated by Erdenes Tavan Tolgoi) for beneficial use in their operations.

### 2. Reservoir and Technical Progress

- Operating Philosophy: The wells are being operated in line with best-practice operations for lateral wells in the Qinshui Basin in China, the analogue field for Red Lake. The fluid level in the wells is being lowered by 3-6 metres per day to minimise rapid drawdown on the coal that can cause premature collapse of the seam and damage the coal. The drawdown rate is being closely monitored and managed by the onsite production operations team and may be adjusted depending on the performance.
- Gas Desorption Indicators: The coals in the Red Lake Field are slightly undersaturated and it is estimated that the flowing bottom hole pressure may reach critical desorption point during the coming months. The pressure in the casing will increase as gas begins to desorb ahead of establishing continuous gas flow rate.

### 3. Well and Drilling Activities

- Existing Wells:
  - a) RL001-3b-Hz-01 commenced operations on 9 June and has been operational since then with 100% uptime.
  - b) RL001-3b-Hz-02 commenced operations on 9 June and has been operational since then with 100% uptime.

### 4. Forward Outlook

- Upcoming Activities: It is expected that the wells will continue to produce an increasing volume of water until the critical desorption pressure is reached, at which time gas is expected to be produced. The production operations team will continue to monitor well performance and adjust the draw down rate in line with best practice and consistent with the experience of the team in similar well production activities in the Qinshui Basin.





- Additional Seismic: To assist with further refinement of future drilling campaigns, the Company will assess the need for the acquisition of additional 2D and 3D seismic within the Red Lake field currently designated for early well locations.



Figure 4: RL-Hz-01 being readied for production



Figure 5: Water trucked to nearby coal mine operation

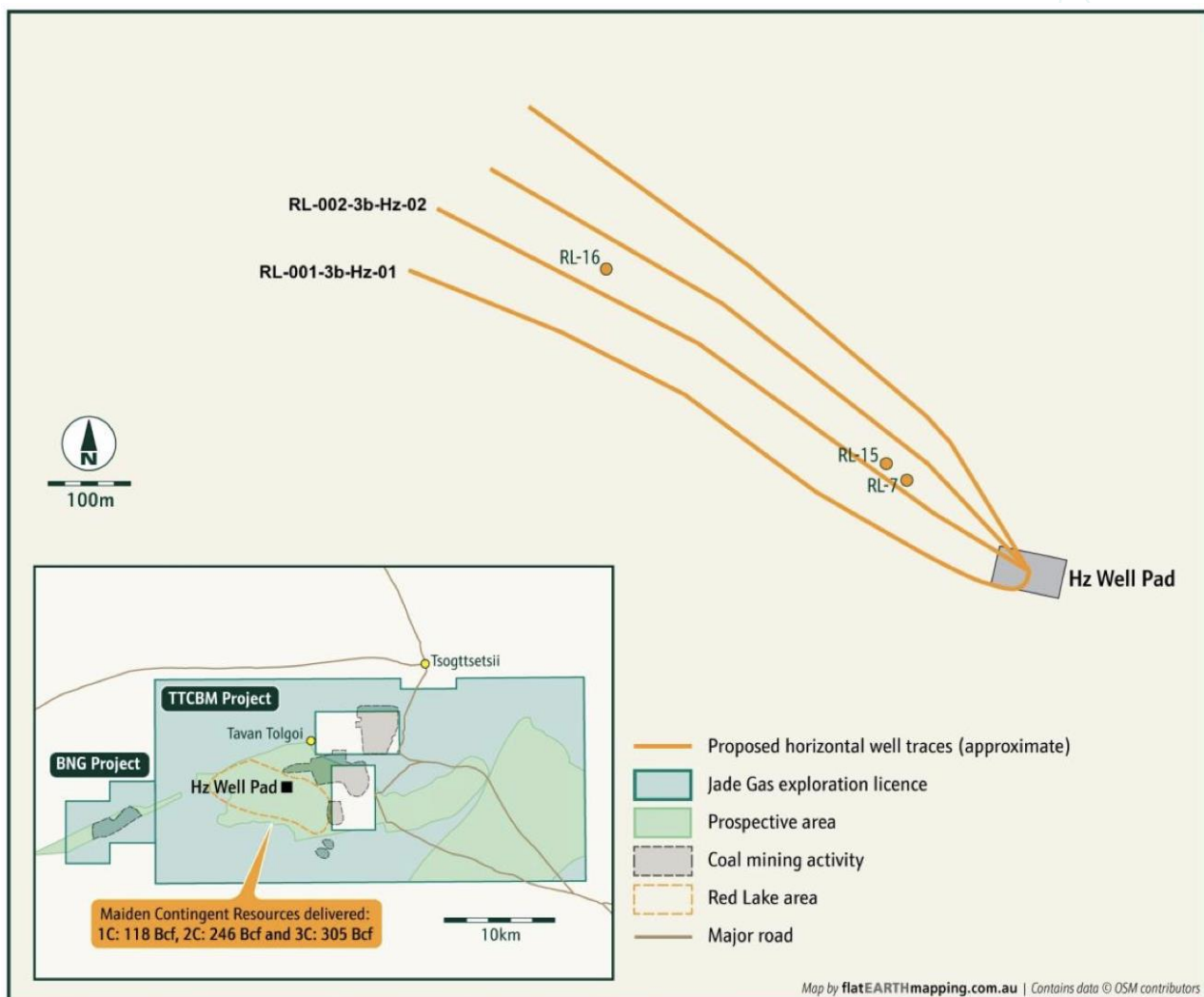


Figure 6: Horizontal Well Pad Location at TTCBM

## **Commercial and Operational Initiatives**

Jade is progressing a number of initiatives in parallel that are designed to drive enhanced shareholder value.

### Project Study Work

The Company is in the advance stages of completion of the greater development plan for the Red Lake field. In line with its obligations under its licence conditions, Jade is to prepare a long term 'Plan for Development and Operations' (PDO) which is to be approved by regulatory bodies in Mongolia. Pending the observations of water and gas flow over the coming months, the PDO will be completed.

### Partner Discussions

In addition to two existing MOUs in place which contemplate future gas sales (see ASX announcements 29 February 2024 and 8 March 2024), the Company has engaged with other parties with interest in securing LNG in the region. The Company notes that discussions are preliminary but is buoyed by the level of interest received, and will work with the interested parties towards definitive agreements.

### Debt Advisor Process Initiated

Debt advisor discussions have commenced to consider project level options for the financing of the Red Lake field development. Numerous development scenarios are being modelled, and alongside discussions with potential off take partners, an optimised capital program will be selected for execution to deliver LNG into the local market as well as export options.

### Dual HK Listing

The Company is considering a secondary listing on the Hong Kong Stock Exchange (HKSE), in addition to its existing primary listing on the Australian Securities Exchange (ASX). Natural Gas, and specifically LNG in China, is recognised as a resource of great importance in securing the energy needs of the region. As the Company begins to advance its production phase a dual listing on the HKSE would aim to increase the Company's liquidity and diversify its investor base by directly accessing Asian investment pools. Furthermore, the proximity of China to Mongolia, and the existing strong trade relationship between the two countries, is well understood and valued by the HK centric capital markets participants.

## **Corporate**

### A\$3.6m Loan Secured

Subsequent to the end of the quarter, the Company announced a A\$3.6m (US\$2.375m) loan facility with Jade Executive Director Mr Joseph Burke delivering the Company additional flexibility with respect to its well production activities at its Flagship Red Lake Gas Field (see ASX announcement dated 30 July 2025).

### Pivot to Production

In preparation for the Company's next phase, Jade renewed its executive and operational capabilities with a focus on building the team to execute on commercial opportunities and the development activities of the Red Lake gas field and associated infrastructure. As a result, the following changes were made during the quarter:

- **Chris Whiteman – Transitioned to Interim Chief Executive Officer**

Chris Whiteman is an experienced energy sector executive with broad experience in corporate advisory, business development and commercial operations within the industry. Mr Whiteman joined Jade Gas at its inception in 2019, and has been a key member driving the growth of the Company from private to its listing on the ASX, and its rapid and successful development of the Company's flagship Tavan Tolgoi CBM Project. Mr Whiteman is currently Jade's Head of Commercial. Mr Whiteman began his career in corporate advisory at Taylor Collison Limited and has also contributed expertise to Santos Ltd and TRU Energy. He holds a Bachelor's Degree in Economics from the University of Adelaide, and is a non-executive director at Animoca Brands Corporation Limited and iCandy Interactive Limited.

Refer to Appendix A in ASX Release dated 10 June 2025 for the key Terms of Mr Whiteman's engagement.

- **Dennis Morton – Stepped down as Executive Chairman**

Executive Chairman, Dennis Morton, stepped down from the Board in June, having been instrumental in leading Jade Gas to initial production. Over the last two years, Mr Morton led the Company's project execution strategy overseeing the resource development and pilot production phase.

- **Board Renewal**

The Company is currently contemplating further changes to the Board composition to appoint experienced natural resources' industry executives to compliment first gas production. These additions, including in-country appointments, will support the ~25 staff already in place in Mongolia as production ramps up.

Importantly, these will be designed to support Jade's transition to gas production and to capitalise on the substantial commercial opportunity for the development of a gas industry in Mongolia. Jade has an aspiration to replace diesel transport fuel with lower cost, lower emission gas fuels for transport fleets in the South Gobi region of Mongolia.

### **AGM**

The Company held its Annual General Meeting (AGM) on 30 May 2025. All resolutions, as set out in the Notice of AGM dated 1 May 2025, were duly passed on a poll. The poll results and proxies received are detailed in the table below.

Resolutions voted on at the meeting				Poll results					Proxies received			
Resolution		Result	Voting method	Voted for		Voted against		Abstained	For	Against	Abstain	Discretion
No	Short description			Number	%	Number	%	Number	Number	Number	Number	Number
1	Adoption of Remuneration Report	Passed	Poll	83,489,101	100.0	2	0.00	1,232,487	83,339,011	2	1,232,487	150,090
2	Re-Election of Director – Daniel Eddington	Passed	Poll	498,270,548	100.0	-	-	1,025,706	498,006,456	-	1,025,706	264,092
3	Ratification of issue of Placement Shares	Passed	Poll	456,764,183	99.99	33,789	0.01	1,010,706	456,614,091	33,789	1,010,706	150,092
4	Approval to amend terms of former Managing Director Performance Rights	Passed	Poll	493,120,242	99.01	4,948,451	0.99	1,227,561	492,970,152	4,948,451	1,227,561	150,090
5	Ratification of issue of Advisor Options	Passed	Poll	498,034,902	99.99	33,791	0.01	1,227,561	497,884,810	33,791	1,227,561	150,092
6	Approval of 10% Placement Facility	Passed	Poll	498,256,542	99.99	29,006	0.01	1,010,706	498,106,450	29,006	1,010,706	150,092
7	Approval of New Plan	Passed	Poll	493,352,097	99.01	4,933,451	0.99	1,010,706	493,202,007	4,933,451	1,010,706	150,090
8	Approval of potential termination benefits under the New Plan	Passed	Poll	493,105,242	99.00	4,963,451	0.99	1,227,561	492,955,152	4,963,451	1,227,561	150,090

## Related Party Payments

In line with its obligations under ASX Listing Rule 5.3.5, the Company confirms there were no payments to related parties of the Company as per item 6.1 of the attached Appendix 5B for the period ended 30 June 2025.

## Financial

Cash at bank at the end of 30 June 2025 was A\$30k. Exploration & evaluation expenditure for the quarter was A\$1.1 million related to the pilot production program.

## Schedule of Tenements – Mongolia

Licence Number	Project	Country	Licence Type	Jade Gas Holdings Interest
628	TTCBM	Mongolia	Exploration	60% via subsidiary Methane Gas Resource LLC
	Shivee Gobi	Mongolia	Prospecting Agreement	100% via subsidiary Jade Gas Mongolia FLLC
	Eastern Gobi	Mongolia	Prospecting Agreement	100% via subsidiary Jade Gas Mongolia FLLC
	BNG	Mongolia	Prospecting Agreement	66% via subsidiary Baruun Naran Gas LLC

**Mining Tenements disposed:** Nil

**Beneficial percentage interests held in farm-in or farm-out agreements:** Nil

**Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed:** Nil

- ENDS -

**Authorised for release on behalf of the Board by Joseph Burke, Executive Director.**

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**Forward Looking Statements**

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information.

**About Jade Gas Holdings Ltd**

Jade Gas Holdings Limited is a gas exploration company focused on the coal bed methane (CBM) potential of Mongolia. Jade's flagship project is the Coal Bed Methane gas project over the Production Sharing Agreement (PSA) area of Tavantolgoi XXXIII unconventional oil basin, (TTCBM Project). Jade operates and manages the project through its subsidiary Methane Gas Resource LLC (MGR), a joint venture (JV) company partnering with Erdenes Methane LLC (EM), the representative of the Mongolian Government. The TTCBM Project has a 2C Gross Unrisked Contingent Resource of 246 Bcf\*.

Jade also entered into a JV with Hong Kong listed Mongolia Mining Corporation Limited (MMC), for the CBM rights over MMC's Baruun Naran coal mine, immediately adjacent to the TTCBM Project, called the BNG Project. MMC is Mongolia's largest publicly traded miner with a vision is to become the country's largest diversified mining company. With a known coal resource and operating mine at Baruun Naran, Jade is working with MMC to further appraise and determine the commercial pathway for gas in this project.

Furthermore Jade holds two prospective CBM permits, Shivee Gobi and Eastern Gobi. Together the permits cover an area of over 18,000km<sup>2</sup> and are well located within existing coal basins and near coal deposits and mines.

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\* Refer ASX Release dated 23 August 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and that all the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.





Jade's strategy is to develop all of its projects so that gas produced may, in the long-term, provide an economically viable and reliable supply option to the power and transport sectors in Mongolia, initially in the South Gobi. The Company is pursuing multiple commercialisation options to participate in the heavy vehicle transport and power sectors through both compressed and/or liquified natural gas projects. Achievement of Jade's strategy will displace the heavy reliance on imported gas and gas liquid products, especially diesel fuel, and coal fired power. This will increase the security of energy supply for Mongolia as well as provide significant improvement in air quality and other environmental outcomes.

Supporting Mongolia's energy transition is a key priority for Jade, and success will result in:

- Improving Mongolia's energy independence
- Supporting Mongolia's significant future energy demand growth
- Decarbonizing the economy by improving the energy mix with cleaner fuel sources
- Environmental and health benefits for the people and country of Mongolia.



## Appendix 5B

Mining exploration entity or oil and gas exploration entity  
quarterly cash flow report

Name of entity

JADE GAS HOLDINGS LIMITED

ABN

55 062 879 583

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(112)	(319)
	(e) administration and corporate costs	(194)	(533)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	10	16
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(296)</b>	<b>(834)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(1,140)	(2,628)
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	24
	(d) investments	6	6
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,134)</b>	<b>(2,598)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	581	1,840
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	155	155
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>736</b>	<b>1,995</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	740	1,460
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(296)	(834)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,134)	(2,598)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	736	1,995
4.5	Effect of movement in exchange rates on cash held	(16)	7
4.6	<b>Cash and cash equivalents at end of period</b>	<b>30</b>	<b>30</b>

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	30	740
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>30</b>	<b>740</b>

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	-
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.	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities <sup>1</sup>	155	155
7.2	Credit standby arrangements	-	-
7.3	Other Convertible note facility <sup>2</sup>	11,000	9,346
7.4	<b>Total financing facilities</b>	11,155	9,501
7.5	<b>Unused financing facilities available at quarter end</b>		1,654
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.		
	<sup>1</sup> Unsecured, interest free loan facility entered into and fully drawn down in May 2025 for US\$100k (\$155k). Loan is repayable on 13 August 2025 in full in addition to \$35k loan facility fee. <sup>2</sup> Convertible note facility with UB Metan LLC for \$11,000,000. The Notes are unsecured, incur interest at 10% per annum, convert at \$0.045 and have a maturity date of 12 months from the date the funds are received in full. Refer to ASX announcement dated 2 November 2023.		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(296)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,140)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,436)
8.4	Cash and cash equivalents at quarter end (item 4.6)	30
8.5	Unused finance facilities available at quarter end (item 7.5)	1,654
8.6	Total available funding (item 8.4 + item 8.5)	1,684
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.1
	<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?	
	Yes	



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?

Yes, as announced on 30 July 2025 the Company secured a \$3.64M loan from Director, Joseph Burke. The loan is unsecured at an 8% p/a interest rate repayable 24 months from the date of the loan agreement.

Additionally, in July 2025 the Company received proceeds of \$122k from the sale of listed investments.

The Company also currently has sufficient placement capacity to be able to undertake a capital raising if and as required. Based on previous funding initiatives which have been well supported, the Company believes any steps taken would be successful in raising the funds required to continue with the planned level of operations.

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?

Yes, for the reason noted in 8.8.2 above.

*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: 31 July 2025

Authorised by: **By Authority of the Board**  
(Name of body or officer authorising release – see note 4)

## 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.