



Jade Gas Field Potential Expands Further East

- **41 metres of gassy coal intersected at TTCBM eastern zone (Brownhill-1)**
- **Result further extends potential for a substantial gas field over a 40 kilometre strike**
- **Multiple drilling programs continue to be executed at Red Lake and east/west areas which are designed to increase Jade's current gross unrisked 2C Contingent Resources of 246Bcf¹**

Jade Gas Holdings (ASX:JGH, **Jade** or the **Company**) is pleased to advise of further exploration drilling success at Brownhill-1 in the eastern zone of the TTCBM permit.

Jade is targeting natural gas from three coal seams of interest – IV, III and 0 – across the prospective areas within its TTCBM Project permit, with unrisked Gross Contingent Resources recently booked for the Red Lake area within the permit of 1C: 118 Bcf, 2C: 246 Bcf and 3C: 305 Bcf¹ of gas.

Commenting on the drilling at Brownhill-1, Jade Managing Director and CEO, Chris Jamieson, said:

"We continue to build a successful suite of exploration wells which are designed to increase our Contingent Resources booking, with further drilling required to confirm play extensions.

The success of the Red Lake drilling program, the two wells with Erdenes Tavan Tolgoi, along with the three recent exploration wells (Vista-1, BNG-1 and Brownhill-1), place Jade in a strong position to develop a commercial gas field along a current strike distance of over 40 kilometres.

These results continue to provide a positive backdrop as the Company progresses discussions with sector participants and potential gas customers for future long-term gas supply."

Drilling Campaign

Brownhill-1 was drilled to a depth of 524 metres, with 41 metres of gassy coal recovered, and builds on the success already delivered in the eastern zone with 38 metres of gassy coal intersected at nearby Vista-1². These coals are now undergoing desorption testing. Brownhill-1 now extends the gas strike along the TTCBM and BNG permits to in excess of 40 kilometres.

The BNG-1 well was successfully drilled to a measured depth of 463 metres, with 35 metres of gassy coal core undergoing desorption tests. Four drill stem tests were successfully completed with these results also being analysed. The rig moved to the BNG-2 location, with the well spudded on 12 November and drilling ahead at 191 metres. The well is expected to reach measured depth at around 560 metres.

¹ 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.

² Refer ASX Release dated 1 September 2022

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Red Lake-7, the second cased well for extended production testing and located closer to the Tavan Tolgoi mine is drilling ahead at 445 metres depth. Red Lake-5 is expanding the wellbore to 6" and is currently at 506 metres. Both wells are expected to be completed in December ready for testing in early 2023.

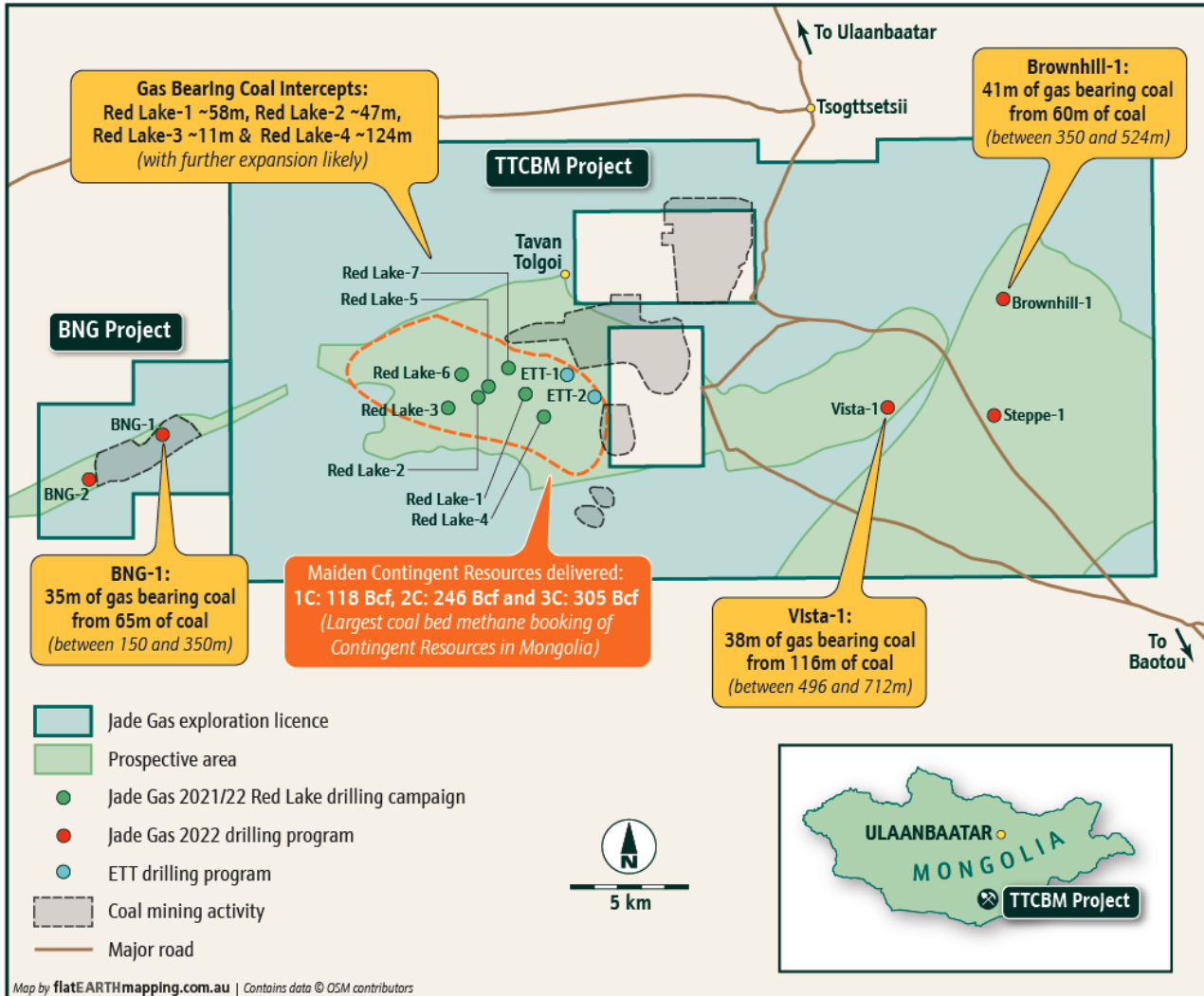


Figure 1 - Permit areas showing drilling across the TTCBM and BNG Projects

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Authorised for release on behalf of the Board by Chris Jamieson, Managing Director and CEO.

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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 will operate and manage 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 JV was formed with the intention to explore, develop and produce gas from the TTCBM Project permit (Jade 60%, Erdenes Methane LLC 40%), located in the South Gobi region of Mongolia.



Jade's JV partner, EM, was awarded the PSA over the TTCBM Project area in April 2020, after completion by MGR of the requirements of a Prospecting Agreement (PA) held by JV partner EM over the area. In accordance with the JV agreements, Jade managed, operated and fully funded the fulfillment of the PA requirements during that period. Following approval by the Cabinet of Mongolia in October 2020, the PSA rights and obligations were fully transferred to the JV company MGR.

Jade recently acquired two new prospective CBM permits, Shivee Gobi and Eastern Gobi. Both permits cover an area of over 18,000km² and are well located within existing coal basins and near coal deposits and mines.

It is the strategy of Jade to seek to develop all of its projects so that gas produced may, in the long-term, provide a reliable supply option to the oil and gas product market and the power sector in Mongolia, both to the capital city of Ulaanbaatar and also regional areas. Achievement of this strategy would partially displace the imported gas and gas liquid products, reduce higher carbon emitting fuel sources such as coal and diesel, the result of which would be the improvement in air quality of Ulaanbaatar city and other towns.

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.