



Continued Success with Second Production Well Flowing Gas

Highlights

- **Successful gas flow to surface confirmed from Jade's second production well**
- **Outcome further de-risks the development of the Project and supports the field design employed in the Plan for Development for Operations (PDO)**
- **Continuous gas flow established from the first production well with rates increasing**
- **Commercial rates of gas production expected to be confirmed shortly from both wells**
- **Jade continues to progress commercial initiatives to support substantial gas operation**

Jade Gas Holdings Limited (ASX:JGH) (Jade or the Company) is pleased to announce that it has achieved successful gas flow to surface from its second production well at its flagship TTCBM Project in the South Gobi region of Mongolia.

Jade's second production well RL-Hz-002 was brought on-line 9 June 2025 (see ASX announcement 10 June 2025) together with RL-Hz-001. As reported on 12 August 2025, gas production commenced from RL-Hz-001 some 56 days after initial water production, with continuous gas flow now observed. Casing pressure has now developed at RL-Hz-002 and gas has been flared from the well. In order to manage fluid levels and wellhead pressure consistent with good operating practice for coal seam gas wells, flaring has continued from both wells.

With both wells having developed gas pressure in the annulus, production is transitioning to continuous flaring. A small constant back pressure will be maintained on the casing and the downhole pump speed will be managed by the field operations team to continue to lower the fluid level and flowing bottom hole pressure in the well.

Over the coming weeks with both production wells on-line, further gas flaring and water pump rate adjustments will be made to achieve stable continuous production. The wells are currently powered by electricity from the network grid and on-site diesel generation, and once stable gas flow is established, gas fired power generation options will be implemented.

Data to support the Field Development Plan

With the flow data from wells RL-Hz-001 and RL-Hz-002, the final elements for the greater field development plan can be completed. As announced in 2024 (see ASX Announcement 15 July 2024), the first phase development of the Red Lake field covers 175 wells as part of a long term, three phase plan that will see the TTCBM Project potentially develop into Mongolia's largest energy project. Commercial off-take discussions continue as the degree of confidence in gas flow characteristics increases, together with broader project

Directors

scale funding options for what is expected to be a productive gas field with impressive payback metrics on a per well basis.

Commenting on gas flow at both production wells, Jade Non-Executive Director, Dr. Ian Wang, said:

"The wells continue to perform to our expectations, proving our confidence in our technical understanding of the gas field leveraging our experienced operations teams. We are now seeing measurable flow rates and as these stabilise over time we will push further ahead with our larger field development.

We now build momentum to prove out the case for a significant gas operation."

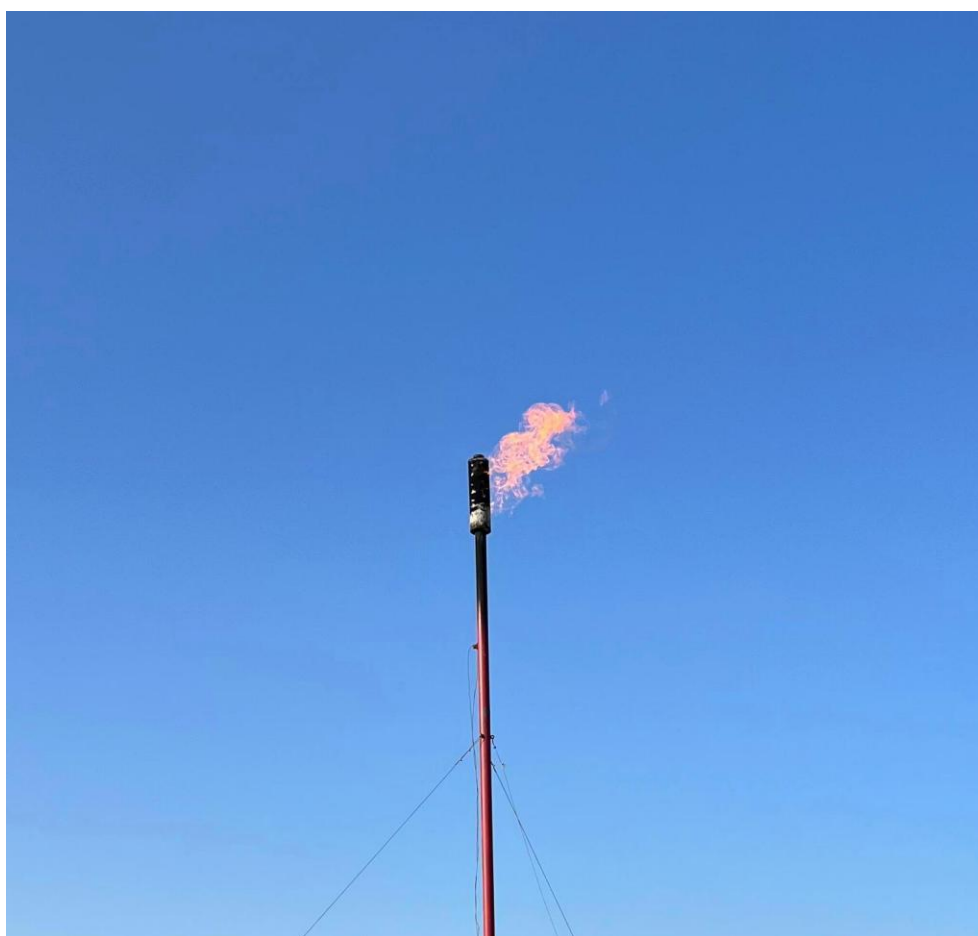


Figure 1: Gas flaring of well RL-Hz-002

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Authorised for release by the Board of Jade Gas Holdings Ltd.

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Forward Looking Statements

This announcement contains various statements relating to intentions, future acts and events. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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 Bcf¹

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 18,000km² and are well located within existing coal basins and near coal deposits and mines.

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.

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.



Map showing location of Jade Gas assets in the South Gobi region of Mongolia.



APPENDIX 1 | Listing Rule 5.30 Information

LR 5.30	Requirement	Company Statement
(a)	Name and type of well	RL-001-3b-Hz01 and RL-001-3b-Hz02 Red Lake 001 pad, seam 3b, horizontal well numbers 01 & 02 Horizontal coal seam gas wells
(b)	The location of the well and the details of the permit or lease in which the well is located.	Horizontal coal seam gas wells, Tavantolgoi XXXIII PSA area, Mongolia Hz-01: X: 4830740.4830 , Y: 533483.4159 (WGS 84, Zone N48) Hz-02: X: 4830741.2740 , Y: 533478.2906 (WGS 84, Zone N48)
(c)	The entity's working interest in the well.	100% funding, 60% production
(d)	If the gross pay thickness is reported for an interval of conventional resources, the net pay thickness.	Not applicable
(e)	The geological rock type of the formation drilled.	Coal
(f)	The depth of the zones tested.	Hz01: Average depth along lateral 485m TVD. Lateral length 902m, 802.2m net coal Hz02: Average depth along lateral 469m TVD. Lateral length 711m, 698.5m net coal
(g)	The types of test(s) undertaken and the duration of the test(s).	Extended production test. Commenced 9 June. Hz:01 Gas flared 61 days after commencement. Test continuing to further drawdown coal. Continuous measurable gas flow from after 71 days (18 August). Hz02: Gas flared 64 days after commencement. Test continuing to further drawdown coal. Continuous measurable gas flow not yet established (as at 19 August).
(h)	The hydrocarbon phases recovered in the test(s).	Gas
(i)	Any other recovery, such as, formation water and water, associated with the test(s) and their respective proportions.	Production to 8am (Mongolian time) on 18 August was 1,395 m3 and 1,957 m3 of formation water from coal seam 3b from Hz01 and Hz02 respectively. Initial casing gas flared (volume not measured). Gas volumes to be reported at month end.
(j)	The choke size used, the flow rates and, if measured, the volumes of the hydrocarbon phases measured.	Hz01: First measured gas 181 m3/d at 334 kPa (18 August). Hz02: Not applicable. Gas flared. Flow rate and volume not measured.
(k)	If flow rates were tested, information about the pressures associated with the flow and the duration of the test.	Refer (j)
(l)	If applicable, the number of fracture stimulation stages and the size and nature of fracture stimulation applied.	Not applicable
(m)	Any material volumes of non-hydrocarbon gases, such as, carbon dioxide, nitrogen, hydrogen sulphide and sulphur.	Not applicable, no samples taken
(n)	Any other information that is material to understanding the reported results.	Net coal in Red Lake 7 and 15 coreholes, located at the heel of the lateral, is approximately 11 metres. Gas content in Red Lake 7 is 14-15 m3/t (DAF) measured by desorption testing of wireline core. Gas samples taken during desorption at Red Lake 7 averaged 95.8% methane, 3.9% CO2 and 0.3% N2. Well operating philosophy is to lower fluid level by 3-5 metres per day. Production testing will continue with further lowering of the fluid level followed by maintaining fluid level as low as possible in the well to desorb gas from coal and progress the development of peak gas rate.