



## Jade to Power Site Operations from Early Gas Flows

### Highlights

- **Gas from first two production wells to power planned site operations**
- **Represents an important symbol for the opportunity to displace diesel for lower carbon intensity gas energy**
- **Gas flow rates from first production wells are exceeding expectations which will support the near complete Plan for Development for Operations (PDO)**
- **Commercial initiatives to support substantial gas operation in train with first off-take arrangements expected in the short term.**

**Jade Gas Holdings Limited (ASX:JGH) (Jade or the Company)** confirms that it plans to use gas from first two production wells to power planned site operations at the TTCBM Project in the South Gobi region of Mongolia.

As announced to the ASX on 10 June 2025 and 20 August 2025, Jade has successfully brought its initial two CoalBed Methane (**CBM**) production wells online, both of which are now flowing gas. In light of the stronger than anticipated performance of these wells, the Company is expediting the installation of a small-scale gas-powered electricity generation unit at the well site. Gas produced from production wells RL-Hz-001 and RL-Hz-002 will supply this unit, with the electricity initially being used to power well site operations, replacing the current reliance on imported diesel fuel.

The achievement of sustained gas flow marks a significant milestone and introducing gas-fired generation at the site represents an appropriate step for the TTCBM Project. This step highlights Jade's progress toward enabling Mongolia to utilise domestic gas for local electricity, with broader implications once LNG production facilities are established — including the opportunity to replace large quantities of diesel used by Mongolian long-haul coal transport fleets to China.

With an LNG distribution point some 5km from the Red Lake field, the Company is well placed to progress offtake discussions backed by the increased certainty of the longer-term volume deliverability following early performance indications. The offering of long-term gas supply from Red Lake is significantly beneficial to local users of diesel fuel, which is imported and often subject to supply disruption.

Due to LNG's transportability, extensive opportunities emerge to enhance the environmental footprint of remote mining operations across the region by adding gas-fired power to their energy mix. The addition of reliable, gas-supplied baseload power will also allow for integration of more intermittent renewable resources such as wind and solar, broadening the market for Red Lake's gas while supporting Mongolia's carbon reduction goals.

### Directors

**Commenting on the use of gas to power site operations, Jade's Non-Executive Director Dr Ian Wang said,**

*"The use of gas-fired electricity to support our own operations demonstrates the practical application and value of a domestic gas supply. Gas production from Jade's Red Lake Gas field is poised to transform Mongolia's energy landscape as the country looks to transition to energy independence. We are now on the cusp of establishing a major gas operation with visible markets to achieve early revenues."*

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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 Bcf<sup>1</sup>.

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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<sup>1</sup> 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.



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