



Monthly Operations Report – December 2025

Highlights

- **Production well management resulted in temporary reduced rates of gas flow**
- **Successful well management was undertaken to protect well integrity and to increase flow rates smoothly**
- **During the well management process the aggregate flow rate was deliberately maintained to around 700m³ per day increasing to 1,542m³ per day by month end and continues to increase**
- **Volume of gas produced continues to approach the required volume to enable displacement of diesel fuel currently powering site operations**

Jade Gas Holdings Limited (ASX:JGH) (**Jade** or **the Company**) is pleased to provide its monthly operations update on gas production activities at the Red Lake Gas Field in the South Gobi region of Mongolia.

Operations Summary

As communicated previously (see ASX Announcement 22 December 2025), production was suspended on Hz-01 well for an unplanned event associated with a generator switch over for maintenance. This downtime event resulted in production engineers reducing the gas flow rates below 700m³ per day while maintaining the casing pressure to protect the integrity of the well. Careful and successful management of operations were undertaken to stabilize the water levels for several days to keep the downhole pump running smoothly. This allowed production engineers to increase flow rates in a careful and deliberate manner primarily to protect well integrity and return flow rates to previously reported base lines. At month end, measurements recovered to an aggregate flow of 1,542m³ per day. Flow rates continue to move towards a point where the gas produced from the wells can be utilised at site to power operations, effectively displacing imported diesel consumption.

The Company is currently upgrading its power infrastructure by adding automatic redundant capability to power equipment supplying site operations to provide additional surety on future production operations from these wells. The installation process is expected to be completed within the next few weeks. Work also continues on transitioning the primary source of power for site operations from diesel to gas produced from current production wells once desired levels are reached. This is expected to be achieved within this quarter.

Confirming longer term sustainable flow rates to enable completion of the Field Development Plan (**PDO**) and an Economic Study remain on track. In addition to the PDO and Economic Study, an appraisal report, and a resource and reserve evaluation will also be completed and submitted to the Mongolian regulator for review and approval.

Directors

Commenting on the progress this month, Jade MD and CEO Chris Newport, said:

"We continue to track toward achieving commercial gas flow which importantly will enable the completion of study work to confirm the high-margin economics underpinning the proposed Red Lake gas operation. Successful well production management to Hz-01 was addressed with the experienced production team of DWK and although flow rates reduced to under 700m³ per day, we have since brought flow rates back above 1,500m³ per day. DWK believe that slight changes to the production philosophy of this well will lead to a larger zone of depletion around the well and importantly increased gas flow rate in the longer term."

1. Production Metrics

Metric	Current Month	Previous Month	% Change	Year-to-Date Total
Total Gas Produced (m ³)	40,993	46,532	-12%	168,025
Number of Producing Wells	2	2	0%	2
Average Daily Gas Production (m ³)	1,322	1,551	-15%	N/A
Water Produced (m ³)	1,001	1,184	-15.5%	8,900

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.

3. Well and Drilling Activities

- RL001-3b-Hz-01 was fully operational during the month of December with 98.92% uptime.
- RL001-3b-Hz-02 was fully operational during the month of December with 99.87% uptime.

4. Forward Outlook

- Upcoming Activities:** Pumping operations will continue to remove water in order to maintain the lowest possible flowing bottom-hole pressure. Once commercial flow rates are reached the appraisal plan and resource and reserve estimate for the Mongolian regulator can be completed which will inform the finalisation of the full field development (Plan for Development and Operations).
- Additional Seismic:** The need for additional 2D or 3D seismic surveys to be conducted over part of the Red Lake field during 2026 remains under consideration. The mine operator's (Erdenes Tavan Tolgoi JSC) corehole program in the area is underway, and data shared under the Co-operation Agreement with ETT will further assist the team in the understanding of seam correlation, which will inform the requirement and/or design of a seismic acquisition plan for 2026.
- Infrastructure:** The assessment of appropriate longer-term production infrastructure requirements is ongoing. The Company has met with several providers of mid-stream gas processing and liquefaction equipment which is suitable for the Red Lake field development. Studies in this area are

intended to inform overall production and processing costs, which form part of the economic assessment for reserves.

- d. Market:** Progressed discussions with several parties as confidence in the resource builds.

- ENDS -

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

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.



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.