JADE GAS HOLDINGS LIMITED

ANNUAL REPORT

31 DECEMBER 2025

CORPORATE DIRECTORY

Board of Directors

Mr Christopher Newport – Managing Director and CEO
Mr Joseph Burke - Executive Director
Mr Daniel Eddington - Non-Executive Director
Dr Ian Wang - Non-Executive Director
Mrs Uyanga Munkhkhuyag – Non-Executive Director

Company Secretary

Mr Aaron Bertolatti

Principal and Registered Office

Level 1, 66 Rundle Street
Kent Town SA 5067
Telephone: +61 437 603 294
Facsimile: (03) 9614 0550

Share Registry

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
Perth WA 6000
Telephone: 1300 850 505

Auditors

BDO Audit Pty Ltd
Level 19, 30 Pirie Street
Adelaide SA 5000

Stock Exchange Listing

Australian Securities Exchange Share Code: JGH

ACN

062 879 583

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DIRECTORS' REPORT

The Directors of Jade Gas Holdings Limited ("the Company", or "Jade") submit their report, together with the financial report of Jade and its controlled entities ("the Group") for the year ended 31 December 2025.

Operations Review

2025 - The Year of First Gas

2025 was a watershed year where Jade Gas commenced its evolution explorer into a producer. The Company achieved a historic milestone for itself and also for the country and people of Mongolia - the successful drilling and completion of the country's first horizontal CBM wells leading to continuous gas production at the South Gobi Red Lake Project.

This technical drilling success and ensuing production, proved that the Tavan Tolgoi coal seams could be unlocked commercially, moving the Company from proof-of-concept directly into the monetization phase. Towards the latter half of the year, operations had shifted from pure appraisal to securing the path to market, highlighted by the signing of the first LNG Gas Sale Agreement (GSA) to displace diesel in the South Gobi.

Red Lake Operations: The Pathway to Production

The 2025 drilling campaign was defined by the successful execution of the Red Lake lateral wells, a technical feat that confirmed the commercial viability of the Tavan Tolgoi coal seams.

Red Lake Lateral 1 (RL-Hz-001): With the surface hole completed in late 2024, RL-Hz-001 recommenced in March 2025 and was drilled to a total measured depth of 1,567m Md, with a lateral in-seam section of 711m within coal seam IIIb at an average depth of 469m TVD. During drilling of the coal seam 698.5m of net coal reservoir was intersected resulting in 98.6% net coal pay.

Monitoring of mud gas was undertaken during drilling which confirmed that the target coal seam had good gas shows which was as expected based in the desorbed gas content in offset core wells Red Lake 7, 15 and 16. A 5 1/2 " pre-drilled liner, staged cementing tool and 5 1/2" casing string were then set in the well, with the stage cementing packer located just above the entry point to seam IIIb in the heel of the lateral. Drilling concluded on March 24, 2025, the success proving that the complex coal geology could be navigated with precision.

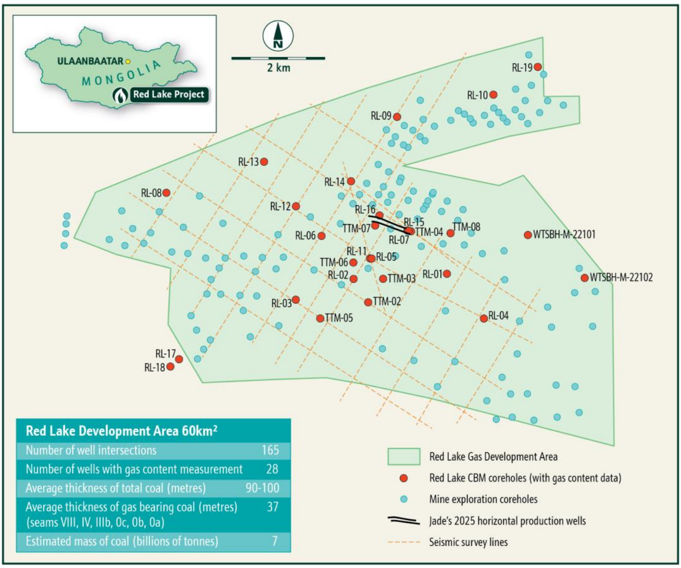

Figure 1 – Completed CBM Core and Production Wells in the Red Lake Development area.

Red Lake Lateral 2 (RL-Hz-002): Operations commenced immediately following the end of RL-HZ-001 in early April. Located approximately 100m south from the first production well (RL-Hz-001), drilled from the same pad and leveraging the learnings from RL-Hz-001, this well achieved a length of 1,507mMd, with a lateral section of approximately 902m. Within the lateral section, 802m of net coal was intersected in the target seam IIIb, resulting in 88.9% net coal pay. RL-Hz-002 was completed in the same way as RL-Hz-001.

From Water to Gas: Production Build-up

With the wells completed, the Company initiated the dewatering phase. For unconventional gas production such as coal bed methane, water must first be produced from the coals to lower the hydrostatic pressure within the coal seams. Once the pressure drops below the critical desorption pressure, gas will break through.

Figure 2 – Completed CBM Gas Production Wells at the Red Lake Gas field

After receiving approval from the regulator, the wells were brought online on 9 June 2025, establishing an increasing water rate that successfully began to depressurise the near-wellbore area.

Gas Breakthrough

The technical thesis held true. From 9 June 2025 the dewatering process was carefully managed, limiting daily fluid level drops to ensure the well bore remained stable. After 56 days of dewatering, around the 10th of August 2025 gas pressure developed in the RL-Hz-001 casing which signified commencement of gas production from the coal. As part of good operating practices, casing gas was flared to assist with further reducing bottom hole pressure and on-going dewatering. Some 8 days later, first gas was observed from RL-Hz-002 on 20 August 2025.

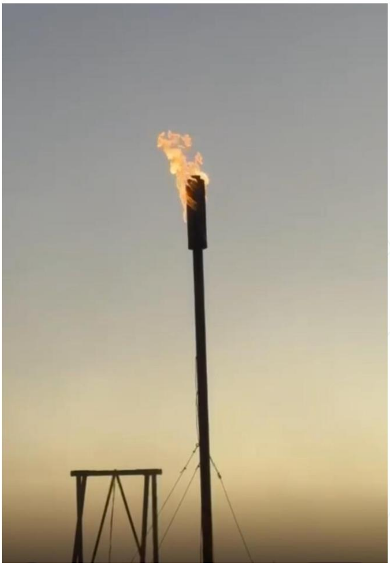

Figure 3– Gas flaring of well RL-Hz-01 confirming proof of concept for the Project

Production Performance & Resilience

Following gas breakthrough in August, further gas flaring and water pump rate adjustments were made to achieve stable continuous production. The wells were powered by electricity from the network grid and on-site diesel generation, and once stable gas flow is established, the intention is that gas fired power generation options will be implemented to power the well sites.

The Company proceeded to monitor and observe the production rates carefully with downhole management considered critical to ensure longer term production rates. By December, the following production metrics had been observed (including year to date totals):

Metric	December	Year-to-Date Total
Total Gas Produced (m^3)	40,993	168,025
Number of Producing Wells	2	2
Average Daily Gas Production (m^3)	1,322	N/A
Water Produced (m^3)	1,001	8,900

Notably, by the end of December the flow rate had returned to 1,542m3/d, higher than the November average rate.

Operational Resilience: The year also tested the team's operational agility. In December, an unplanned maintenance event occurred during a generator switch-over, causing a momentary power loss to the downhole pumps. While this briefly impacted fluid and gas flow rates, the system was safely restored, and the wells returned to production build-up. 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 operations were undertaken to stabilize water levels for several days to keep the downhole pump running smoothly. At the end of December, measurements had recovered to an aggregate flow of 1,542m3 of gas per day.

Commercialisation: Pathway to Commercialisation Established

With continuous gas production proven, the operational focus expanded to commercialisation during the year. In September, the Company secured a conditional LNG sales term sheet with UB Metan LLC (UBM) who have a trucked LNG loading facility located within 5 km of the Red Lake CBM field. The commerce of this deal is underwritten by the cost of diesel historically being over AUD$45-55/GJ in energy equivalent terms. Additionally, the supply of diesel from Russia is not reliable in the Southern Gobi region making a more reliable economic clean burning fuel very attractive to the large fleet of coal trucks operating in the immediate vicinity of Red Lake. Notably, new coal trucks will be able to load and utilise LNG directly from the pump.

Figure 4 – The South Gobi Minerals Province with World Class Mines and China Proximate

At the time the agreement was executed, Jade had two horizontal wells producing, with expectations of reaching commercial flow rates in 2026. Once the the project is approved by the regulator, additional wells are planned to be drilled and completed and surface level infrastructure installed to facilitate the gathering of produced gas for delivery into the mini-LNG processing module. These are manufactured across the border in China.

Key Terms of the UBM gas agreement are noted below:

Item	Commentary
Product	On specification LNG and/or CNG.
Supply Commitment	Subject to the satisfaction of conditions precedent, Jade would supply a minimum of 20% of its output from the Project to UBM
Supply Term	Initial supply term 5 years from Commencement of Supply. Extension to the Supply Term to be negotiated.
Price Calculation	LNG price set monthly in arrears as the Reference Price less 20%.
Reference Price	The average of the LNG price charged by UBM in Ulaanbaatar
Floor Price	50% premium to the JKM (Japan/Korea Marker) LNG future price
Conditions Precedent	• shareholder approval pursuant to Listing Rule 10.1 or confirmation that such approval is not required; • 3rd party consents, board approvals & entry into a definitive agreement.

Table 1 – Key Terms of the UBM Gas Agreement

The GSA was an important catalyst to support the ongoing corporate strategy initiatives:

- Field Development Plan
- Partner discussions
- Debt and vendor financing options; and
- Potential dual listing on Hong Kong Stock Exchange

Infrastructure Funding – LOI in place

Following two gas production wells coming online, Jade continued its focus on the monetisation potential of the Red Lake gas field. In November, the Company was pleased to announce the entering into of a non-binding Letter-of-Intent (LOI) with Zhengzhou Langrun Intelligent Equipment Co., Ltd. (Langrun), a leading Chinese gas equipment manufacturer and operator primarily focused on Coal Bed Methane.

The Company chose to enter into an LOI with Langrun based on their proven operating and financial capability, and their previous experience with similar scale coal bed methane projects to Jades TTCBM Project. Notably, the widespread and prolific development of the Qinshui Basin in China was initially developed under similar project financing partnership structures.

The LOI with Langrun is designed to enable Jade to monetise the gas produced from initial production wells in Phase 1 development Red Lake through non-dilutive financing. Phase 1, which is an integral part of the proposed Plan for Development of Operations (PDO), envisages a 175 well program across multi-well pad locations (Figure 5) and will focus on gas production from the three primary gas bearing seams, seam IIIb, seam IIIa and seam 0c.

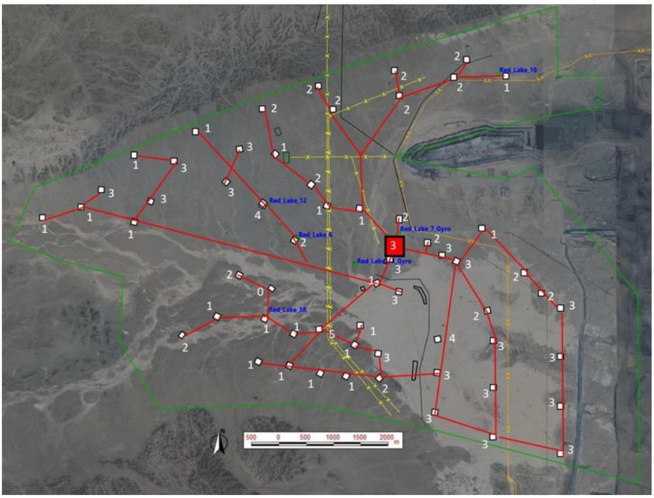

Figure 5 – Multi Well Pad locations of Production Wells under Phase 1 Development Plan Contemplated for the Red Lake Gas field

Langrun's expertise in the gas industry in China and in particular in CBM offers a great fit for Jade as the Company seeks options to fast track development of the Red Lake gas field and to optimise gas production for faster access to customer markets and ultimately early revenue. Langrun's core businesses include;

- Upstream Wellhead Development and Utilization covering wellhead construction, gas collection and equipment production which is an important next stage in the development of the Red Lake gas field.
- Transportation Gas Equipment focuses on the research and development, the manufacturing of gas equipment including providing a full set of core equipment for gas stations and supporting the efficient application of natural gas in the transportation field. This core part of Langrun's business provides core products including L-CNG/LNG pump skids, CNG hydraulic piston compressors and CNG/LNG dispensers.

- Industrial Gas Infrastructure Construction focuses on key industrial gas infrastructure, such as the construction and operation of pipeline gas projects to ensure the safe and stable supply of gas for industrial and civil use, as well as gas pressure regulating devices and metering skids for pressure regulation.

Under the LOI, subject to agreement of definitive documentation, and government and regulator cooperation and other approvals, the Red Lake gas field could potentially be developed to cover purification, pipeline and other transport, compression (for potential production of CNG), liquefaction (for production of LNG), refuelling station construction, enabling gas sales for vehicle, industrial and other markets. Jade could provide the gas source, suitable land for construction of facilities, and operational rights, while Langrun will arrange the financing for drilling and associated production services, supply and install gas processing equipment and manage production operations.

The initial drilling phase will focus on 20 wells. In subsequent phases of project development, the partnership may expand to cover additional wells and broader project development of Phase 1. The LOI also sets out confidentiality obligations and preconditions for cooperation. The LOI is non-exclusive and does not create any immediate financial obligations on Jade or its CBM Project Joint Venture partner Erdenes Methane LLC; all future project-specific arrangements will require separate, formal agreements. A binding agreement is subject to commercial flow rates being achieved at the first two production wells, regulator and Mongolian government approval. A revenue sharing arrangement is to be negotiated based on each party's contributions.

The partnership with Langrun could have a number of potentially significant advantages for Jade:

- A low upfront capital outlay option;
- The ability to retain its project ownership; and
- Clear pathway to earlier gas sales and long-term optionality with respect to its ability to fund future development across Red Lake and other permit areas.

Baruun Naran Project: The Next Frontier

While activities at Red Lake were the main focus in 2025, appraisal work continued at the Company's expansion asset, the Baruun Naran Project (BNG), located immediately adjacent to east of Red Lake.

Throughout the year, the technical team advanced the appraisal work at Baruun Naran to near completion. Leveraging the data and operational learnings from Red Lake, the Company has accelerated its understanding of the field's potential. By the end of 2025, the appraisal work had matured sufficiently to conclude the requirements under the Prospecting Agreement and to prepare for the next regulatory step: applying for a Production Sharing Contract (PSC) over the license area. This progression ensures that as Red Lake moves into development, Baruun Naran provides a robust pipeline of future growth.

BNG is a joint venture with Hong Kong listed Mongolia Mining Corporation Limited (MMC), which holds the CBM rights over the Baruun Naran coal mine. MMC is Mongolia's largest publicly traded mining company. Jade is working alongside MMC to further appraise and determine the commercial pathway for gas in this project.

Shivee and Eastern Gobi Permits

During the fourth quarter, the Company relinquished two prospecting licenses, Shivee Gobi and Eastern Gobi to focus fully on its flagship Red Lake gas field project. Having completed the work activities required under the Prospecting Agreements with MRPAM, both tenements were returned in good standing.

Corporate & Personnel

As the Company's operational profile evolved, so too did its leadership structure. To guide Jade Gas through its next phase of commercialization and production scaling, the Board appointed Mr Chris Newport as Managing Director and Chief Executive Officer in November 2025.

Mr Newport is an oil and gas senior executive with over 40 years in business development and executive roles including at BHP Petroleum, Santos, Gulf Indonesia, Amerada Hess, NuEnergy Gas and others. More recently, Chris was advising on strategic and commercial development for a private CBM company in Mongolia. Chris is a global energy developer with experience in commercializing and developing oil and gas resources, building frontier energy markets and securing financial commitment to investment in infrastructure and field developments.

Mr. Newport's appointment signals a deliberate shift in focus. With the appraisal of the Red Lake field complete, the mandate is to drive the operational discipline and commercial strategy required to monetize the resource. His arrival closes a historic year and positions the Company with the right expertise to execute its vision in 2026.

In June, the Company saw the retirement of Mr Dennis Morton as Chairman of Jade. Dennis stepped down from the Board, having been instrumental in leading Jade Gas to initial production. Over his two-year tenure, Mr Morton led the Company's project execution strategy overseeing the resource development and pilot production phase. The Company sincerely thanks Dennis for his leadership during this critical period in the Company and wished him well with his future endeavours

Financing

On 30 July 2025, the Company executed a Director loan with Executive Director Mr Joseph Burke. The Company entered into the loan agreement with Mr Burke on commercial, arm's length terms. The loan was considered and approved by the non-conflicted directors in line with the Company's governance framework and is exempt from shareholder approval requirements under ASX Listing Rule 10.1. The Board carefully assessed the terms of the arrangement and formed the view that it is on arm's length terms and in the best interests of shareholders. On this basis, the Board considered that the arrangement qualified for the exemption from the related party transaction provisions under section 210 of the Corporations Act 2001 (Cth).

Lender	Mr Joseph Burke (a related party of the Company)
Loan Amount	Up to US$2,375,000
Interest Rate	8.0% per annum (accruing daily on the Loan Amount)
Term / Maturity	The earlier of: – 24 months from the date of the loan agreement; and – any date agreed in writing by both the Borrower and the Lender
Security	Unsecured
Ranking	Pari passu with other unsecured creditors
Purpose	To progress well production activities at the Red Lake Gas Field and to fund general working capital activities.

Table 2 – Summary of Director Loan Terms

In October, the Company raised A$5.005 million (before costs) with 143,000,000 fully paid ordinary shares issued under the Company's existing ASX Listing Rule 7.1A capacity at an issue price of A$0.035 per share. The shares issued rank pari passu with the Company's existing fully paid ordinary shares. Evolution Capital acted as sole lead manager to the Placement. The Company also undertook a non-underwritten Share Purchase Plan which successfully raised a further $117,000 with 3,342,849 fully paid ordinary shares issued.

At the end of the year, cash at bank was A$1.81m, with a total of A$5.79m accessible under cash and financing facilities. The loan facility with Director Joseph Burke for US$2.38m (A$3.61m) remains in place and A$2.38m remains undrawn as at year end. The Company also has in place a convertible note facility with UB Metan LLC for A$11m. The notes are unsecured, incur interest at 10% per annum, convert at A$0.045 and have a maturity date of 12 months from the date the funds are received in full. As at year end, A$1.6m remains undrawn.

Looking Forward into 2026

As the Company moves forward into 2026, in addition to the planning for future drilling campaigns, focus trends towards satisfying the regulatory requirements under the PSA following the end of the appraisal phase, and to advancing the commercialisation options for the company.

Early in 2026 the Company expects to lodge a number of key documents with the Mongolian regulator in order to satisfy its requirements under the Production Sharing Agreement. These include documents covering the appraisal activities at the Red Lake field, the Reserves report to be submitted to the Mineral Reserves Council of Mongolia, and the Plan of Development and Operations (PDO). Submission of these reports will provide the pathway for the Company to make an application for an Exploitation Licence which will provide further security of tenure and will be another value enhancing milestone for the Company.

In addition to the regulatory processes, Jade will continue its contracting discussions with numerous stakeholders. The team will look to progress full form document discussions with UB Methan LLC with whom it entered into the country's first LNG Gas Sales Agreement during the year. Jade also has a current MOU in pace with MMC regarding their interest in LNG sales and as the joint venture with MMC progresses at BNG, further progress is expected to be made on this front.

On the infrastructure front, Jade will also continue its discussions with Langrun with whom the Company entered into an LOI for LNG equipment during November, and with respect to drilling activities, long standing fully integrated drilling contractor DWK remains heavily involved in the project and the Company is intending to agree terms on the remainder of the 20 well partnership proposal initially announced during July 2024, and contingent on successful completion of the initially planned four well program of that year.

Directors

The names of the Company's directors in office during the financial period and until the date of this report are detailed below. Directors were in office for the entire period unless otherwise stated.

Director	Position	Appointed	Last elected / re-elected	Resigned
Mr Christopher Newport	Managing Director & CEO	10 November 2025	-	-
Mr Joseph Burke	Executive Director	23 September 2021	31 May 2024	-
Mr Daniel Eddington	Non-Executive Director	23 September 2021	30 May 2025	-
Dr Ian Wang	Non-Executive Director	1 July 2023	31 May 2024	-
Mrs Uyanga Munkhkhuyag	Non-Executive Director	10 October 2023	31 May 2024	-
Mr Dennis Morton	Executive Chairman	14 December 2021	31 May 2024	9 June 2025

The office of Company Secretary is held by Mr Aaron Bertolatti.

Principal Activity

The principal activity of the Group during the financial period was Mongolian coal bed methane (**CBM**) exploration and appraisal activities.

Remuneration of Key Management Personnel

Information about the remuneration of key management personnel is set out in the remuneration report section of this Directors' report. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

Information on Directors & Company Secretary

MANAGING DIRECTOR & CEO (Appointed 10 November 2025)

CHRISTOPHER (CHRIS) NEWPORT

Mr Newport is a prominent oil and gas senior executive having worked over 40 years in business development and executive roles including at BHP Petroleum, Santos, Gulf Indonesia, Amerada Hess, NuEnergy Gas and others. Most recently, Chris has recently been advising on strategic and commercial development for a private Coal Bed Methane (CBM) company in Mongolia. Chris is a global energy developer with experience in commercialising and developing oil and gas resources, building frontier energy markets, operating and drilling oil and gas concessions and securing financial commitment to investment in infrastructure and field developments. Chris has had significant exposure to coal bed methane since 1987 in the Sydney Basin, the Bowen Surat Basin (Moura and GLNG) and in Sumatra, Mozambique, Malawi and Tanzania. During his career Chris has also had experience dealing and negotiating with governments, super majors and junior explorers alike and worked with many and varied cultures and fiscal systems. His career deal experience includes involvement in over $40bn of gas market transactions, covering CBM, Liquified Natural Gas, joint venture and processing agreements, pipelines, utility development and gas-to-power projects.

Qualifications

Bachelor of Economics
Chartered Accountant

Other Directorships

Nil

Interest in Securities

Ordinary Shares: 2,000,000
Options: 60,000,000
Performance Rights: -

EXECUTIVE DIRECTOR

JOSEPH BURKE

Mr Burke has spent 30 years working in China, Korea, Japan and Thailand, and has been involved in Mongolian mining enterprises since 2009. Mr Burke was a Director and founding partner of Starboard Global, CEO of ASX listed Voyager Resources Limited (ASX:VOR), and a Director of ASX listed Avenue Resources Limited (ASX:AVY) (now Harvest Minerals Limited). He has also undertaken advisory roles with other ASX listed entities including American Pacific Borates Limited (ASX:5EA) and Black Rock Mining Limited (ASX:BKT).

Qualifications

Master of Business Administration

Other Directorships

Nil

Interest in Securities

Ordinary Shares: 417,578,664
Options: -
Performance Rights: -

DIRECTORS' REPORT

NON-EXECUTIVE DIRECTOR

DANIEL EDDINGTON

Mr Eddington has over 20 years' experience in financial markets across multiple sectors including resources, energy and industry. He specialises in equity capital markets and has been responsible for IPO's, placements, reverse takeovers, underwritings, corporate negotiations and corporate advisory for companies predominantly in the resources sector.

Qualifications

Bachelor of Commerce
Graduate Diploma of Applied Finance

Other Directorships

Non-Executive Director – Sparc Technologies (ASX:SPN) – 12 November 2020 to present
Non-Executive Director – Osmond Resources (ASX:OSM) – 15 April 2021 - present

Non-Executive Director – New Age Exploration Limited (ASX:NAE) – 14 August 2025 - present

Interest in Securities

Ordinary Shares: 68,910,002
Options: -
Performance Rights: -

NON-EXECUTIVE DIRECTOR

IAN WANG

Dr Wang has over 30 years' experience in the oil and gas industry with substantial experience working with unconventional gas assets and Coal Bed Methane projects. He previously held roles including CEO at NuEnergy Limited, an Australian listed company (and currently serves as a non-executive director of the board), General Manager of Greka Limited, a privately held oil and gas conglomerate with investments in China and India with a key CBM project located in the Qinshui coal basin in China. He was General Manager of Clarke Energy China, Regional Manager for In-Situ and as Operations Manager for Huawell CBM Zhengzhou, as well as senior exploration roles at Sino Gas & Energy Limited (an ASX listed company focused on the exploration and development of gas assets in China) and Molopo Energy (an ASX listed company in China, North America, and Africa).

Qualifications

Master of Science
Graduate Diploma of Applied Finance

Other Directorships

Non-Executive Director – NuEnergy Gas Limited (ASX: NGY) – 1 December 2021 to present

Interest in Securities

Ordinary Shares: -
Options: -
Performance Rights: 10,000,000

NON-EXECUTIVE DIRECTOR

UYANGA MUNKHKHUYAG

Mrs Munkhkhuyag has over 10 years' experience in project development and management, specializing in infrastructure projects in the energy, logistics, gas and oil sector in Mongolia. She previously held positions of project coordinator, consultant and project director for several projects representing the project owners with overall management responsibility from development to commission. Mrs Munkhkhuyag is currently project director at Jade's strategic partner, UB Metan LLC, undertaking roles to develop downstream facilities in the natural gas sector of Mongolia, including the construction of fuelling stations and a storage terminal, and establishing a new market to expand the end-users of natural gas.

Qualifications

Master of Electrical and Electronic Engineering

Other Directorships

Nil

Interest in Securities

Ordinary Shares: -
Options: -
Performance Rights: 3,000,000

DIRECTORS' REPORT

EXECUTIVE CHAIRMAN (Resigned 9 June 2025)

DENNIS MORTON

Mr Morton has over 40 years' experience in the oil and gas industry, including seven years as founding CEO and Managing Director at Eastern Star Gas Limited. Mr Morton is a geologist with extensive experience in the management of oil and gas companies. He is currently the Managing Director of ASX listed company Gas2Grid Limited (2008 - current) which has assets in Australia, New Zealand, the Philippines and France.

COMPANY SECRETARY

AARON BERTOLATTI

Mr Bertolatti is a qualified chartered accountant and company secretary with over 16 years' experience in the mining industry and accounting profession. Mr Bertolatti acts as Company Secretary for a number of ASX listed companies.

Qualifications

Bachelor of Commerce
Member of Chartered Accountants Australia and New Zealand

Operating Results

The Group recorded a 2025 net after-tax loss from operations of $4,727,331 (2024: loss of $5,806,710).

At 31 December 2025 the Group held cash and cash equivalents totalling $1,814,279 (2024: $1,460,120) and a net asset position of $19,990,500 (2024: $21,451,995)

Risk Management

The Group's activities expose it to a variety of financial and business risks. The Group's overall risk management program focusses on managing the risks associated with financial markets and to minimise potential adverse impacts on the performance of the Group's activities.

The Board of Directors is responsible for the determination of the Company's risk management objectives and policies and in consultation with the Company's senior Management for designing and operating processes that ensure effective implementation of the Company's objectives and policies. The Board's overall objective is to reduce risk to as low a level as possible whilst still remaining flexible and competitive.

Please refer to Note 26 of the Financial Report for a detailed discussion on Financial Risk Management, other key material business risks are discussed below.

Operations in Foreign Jurisdictions
The Group's projects are located in Mongolia, where exploration and mining activities may be affected in varying degrees by political instability, economic conditions, nationalisation of property and changes in government regulations fluctuations and controls related to foreign currency or conflicts. Furthermore, unforeseen events can curtail or interrupt operations on the Company's projects, restrict capital movement, or lead to increased taxation. The regulatory environment is in a state of constant change and new laws, regulations and requirements may be retroactive in their effect and implementation. There can be no assurance that Mongolian laws protecting foreign investments will not be amended or abolished or that existing laws will be enforced or interpreted to the detriment of the Group's activities.

The Company remains proactive and closely monitors the political and economic landscapes of the jurisdictions in which it operates including working closely with local business partners to manage these risks.

Exploration and development
The future value of the Group will depend on its ability to find and develop resources that are economically recoverable. Gas exploration and development are speculative undertakings that may be impeded by circumstances and factors beyond the control of the Group. Success in this process involves, among other things; discovery and

proving up an economically recoverable resource or reserves, access to adequate capital throughout the project development phases, securing and maintaining title to mineral exploration projects, obtaining required development consents and approvals and accessing the necessary experienced operational staff, the financial management, skilled contractors, consultants and employees.

The Group is entirely dependent upon its projects, which are the sole potential source of future revenue, and any adverse development affecting these projects would have a material adverse effect on the Group, its business, prospects, results of operations and financial condition.

Licencing and permitting risks
The Group has licences and permits for its projects in Mongolia. The Government of Mongolia could revoke or restrict activities on these licences and permits if the Group fails to satisfy its obligations, including payment of royalties and taxes to the Government of Mongolia and the satisfaction of certain mining, environmental, health and safety requirements. A termination of the Group's licences and/or permits could materially and adversely affect the Group's reputation, business, financial conditions and results from operations. The Company through its Joint Venture partners closely monitors compliance with its obligations under its granted licences and permits and is proactive in its dealing with the Mongolian Government.
Economic Conditions
Factors such as (but not limited to) political movements, stock market fluctuations, interest rates, inflation levels, commodity prices, foreign exchange rates, industrial disruption, taxation changes and legislative or regulatory changes, may all have an adverse impact on operating costs, the value of the Group's projects, the profit margins from any potential development and the Company's share price.

Reliance on key personnel
The Group's success is largely dependent upon the retention of key personnel and the competencies of its directors, senior management, and personnel. The loss of one or more of the directors or senior management could have an adverse effect on the Group. There is no assurance that engagement contracts for members of the senior management team personnel will not be terminated or will be renewed on their expiry. If such contracts were terminated, or if members of the senior management team were otherwise no longer able to continue in their role, the Group would need to replace them which may not be possible if suitable candidates are not available.

Future funding risk
Continued exploration and evaluation are dependent on the Group being able to secure future funding from debt and equity markets. The successful development of a resource-based project will depend on the capacity to raise funds from equity and debt markets. The Company will need to undertake equity/debt raisings for continued exploration and evaluation. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Group's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Group.

Unforeseen expenditure risk
Exploration and evaluation expenditures and development expenditures may increase significantly above existing projected costs. Although the Group is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Group and its proposed business plans.

Significant events subsequent to the reporting period

On 15 February 2026 5,000,000 unquoted options exercisable at $0.053 on or before 23 October per share lapsed unexercised.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial *years*.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for Directors and Key Management Personnel (KMP) of Jade.

The KMP of Jade for the financial period consisted of the following:

- Mr Christopher (Chris) Newport – Managing Director (appointed 10 November 2025)
- Mr Joseph Burke - Executive Director
- Mr Daniel Eddington - Non-Executive Director
- Dr Ian Wang - Non-Executive Director
- Mrs Uyanga Munkhkhuyag - Non-Executive Director
- Mr Dennis Morton - Executive Chairman (resigned 9 June 2025)

Remuneration Policy

The Remuneration Policy of Jade has been designed to align Director objectives with shareholder and business objectives, by providing a fixed remuneration component and offering specific long-term incentives. The Board of Jade believes the Remuneration Policy to be appropriate and effective in its ability to attract and retain the best Executives and Directors to run and manage the Group as well as create goal congruence between Directors and Shareholders.
The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

The Remuneration Policy, setting the terms and conditions for an Executive Director, was developed by the Board. The Board reviews Executive packages annually by reference to the Group's performance, Executive performances and comparable information from industry sectors and other listed companies in similar industries.

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non- Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fixed fees for Non- Executive Directors are not linked to the performance of the Group.

Non-Executive and Executive Remuneration

Executive Directors are remunerated by way of Directors Fees (including any applicable superannuation), as set out below:

- Mr Chris Newport, Salary of $350,000 (per annum) inclusive of superannuation subject to maximum contribution rate. Mr Newport also received 2,000,000 ordinary shares as part of a sign on package and 60,000,000 unlisted options expiring 4 years from the date of issue.
- Mr Joseph Burke, $15,000 per month (ex GST) for his role as Executive Director.
- Mr Dennis Morton, $10,000 per month (ex GST) for his role as Executive Chairman (resigned 9 June 2025).

The remuneration of Non-Executive Directors may not exceed in aggregate in any financial period the amount fixed by the Company and approved by shareholders, currently being $400,000 per annum. Currently, Non-Executive Directors are remunerated by way of Director fees (including any applicable superannuation), as set out below:

- Mr Daniel Eddington: $60,000 per annum.
- Dr Ian Wang: $60,000 salary per annum and he also receives $5,000 (ex GST) per month for ongoing consulting services provided.
- Mrs Uyanga Munkhkhuyag: $60,000 per annum.

The principal terms of all the Non-Executive Director engagements are set out in a signed Non-Executive Letter of Appointment.

Remuneration and Nominations Committee

The Board is responsible for approving the Company's remuneration policies and practices and to ensure they match the Group's objectives. The Company's Board set the Executive Director's total remuneration package and is responsible for reviewing the non-executive remuneration. The Board established a Remuneration and Nominations Committee to review salaries and short-term incentive conditions of executive and staff salaries in comparison to the open market to reduce the risk of losing key staff. During the period the Remuneration and Nomination committee did not meet, as the Board were able to carry out the duties of this Committee. The Board did not engage any remuneration consultants during the period.

Shareholders' AGM votes on Remuneration Report

At the 2025 AGM, held on 30 May 2025, the Company received 100% 'yes' proxy votes, resulting in the Remuneration Report for the year ended 31 December 2024 being adopted unanimously on a poll. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

Remuneration of Key Management Personnel

Details of the remuneration of the KMP of the Group for the reported period are set out in the following tables.

12 Months Ended 31 Dec 2025	Salary & Fees $	Super-annuation $	Shares Issued $	Options $	Performance Rights $	Total $	Performance Remuneration %
Executive Directors							
Mr Christopher Newport[1]	46,667	5,600	72,000	156,930	-	281,197	56
Mr Joseph Burke	180,000	-	-	-	-	180,000	-
Mr Dennis Morton[2]	50,000	-	-	-	86,877	136,877	63
Non-Executive Directors							
Mr Daniel Eddington	60,000	-	-	-	-	60,000	-
Dr Ian Wang	120,000	7,050	-	-	121,627	248,677	49
Mrs Uyanga Munkhkhuyag	60,000	-	-	-	52,126	112,126	46
Total	**516,667**	**12,650**	**72,000**	**156,930**	**260,630**	**1,018,877**	

(1) Mr Newport was appointed on 10 November 2025. On his appointment Mr Newport received 2,000,000 ordinary shares and 60,000,000 unlisted options expiring 4 years from the date of issue.

(2) Mr Morton resigned on 9 June 2025.

12 Months Ended 31 Dec 2024	Salary & Fees $	Super-annuation $	Shares Issued $	Options $	Performance Rights $	Total $	Performance Remuneration %
Executive Directors							
Mr Joseph Burke[1]	160,000	-	-	-	-	160,000	-
Mr Dennis Morton[2]	120,000	-	-	-	123,123	243,123	51
Non-Executive Directors							
Mr Daniel Eddington	60,000	-	-	-	-	60,000	-
Dr Ian Wang[3]	120,000	6,875	-	-	224,443	351,318	64
Mrs Uyanga Munkhkhuyag[2]	60,000	-	-	-	73,874	133,874	55
Total	**520,000**	**6,875**	**-**	**-**	**421,440**	**948,315**	

(1) In May 2024, Mr Burke received an increase in remuneration to $180,000 per annum from $120,000 for the full-time role being undertaken.

(2) In May 2024, Mr Morton and Mrs Munkhkhuyag received 5,000,000 and 3,000,000 unlisted performance rights, respectively. The fair value of the Performance rights has been determined using a Monte Carlo simulation model. This valuation has incorporated all market vesting conditions.

(3) Dr Wang is engaged to provide additional services to the Company via his consulting company Carbon Neutral International Pty Ltd which is included in his Salary & Fees. He also received 7,000,000 unlisted performance rights during the financial year and 3,000,000 unlisted performance rights in the previous financial year. The fair value of the Performance rights has been determined using a Monte Carlo simulation mode. This valuation has incorporated all market vesting conditions.

Ordinary Share Holdings of Key Management Personnel

	Balance at 1 Jan 2025	Purchased in Placement	On market purchase	On market sale	Other	Balance at 31 Dec 2025
Executive Directors						
Mr Christopher Newport[1]	-	-	-	-	2,000,000	2,000,000
Mr Joseph Burke	417,578,664	-	-	-	-	417,578,664
Mr Dennis Morton[2]	1,169,999	-	-	-	(1,169,999)	-
Non-Executive Directors						
Mr Daniel Eddington	68,910,002	-	-	-	-	68,910,002
Dr Ian Wang	-	-	-	-	-	-
Mrs Uyanga Munkhkhuyag	-	-	-	-	-	-
Total	**487,658,665**	**-**	**-**	**-**	**830,001**	**488,488,666**

(1) Mr Newport was appointed on 10 November 2025. On his appointment Mr Newport received 2,000,000 ordinary shares.

(2) Mr Morton resigned on 9 June 2025.

Option Holdings of Key Management Personnel

	Balance at 1 Jan 2025	Purchased in Placement	On market purchase	On market sale	Other	Balance at 31 Dec 2025
Executive Directors						
Mr Christopher Newport[1]	-	-	-	-	60,000,000	60,000,000
Mr Joseph Burke	-	-	-	-	-	-
Mr Dennis Morton[2]	-	-	-	-	-	-
Non-Executive Directors						
Mr Daniel Eddington	-	-	-	-	-	-
Dr Ian Wang	-	-	-	-	-	-
Mrs Uyanga Munkhkhuyag	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	60,000,000	**60,000,000**

(1) Mr Newport was appointed on 10 November 2025. On his appointment Mr Newport received 60,000,000 unlisted options expiring 4 years from the date of issue.

(2) Mr Morton resigned on 9 June 2025.

Performance Shares and Rights Holdings of Key Management Personnel

	Balance at 1 Jan 2025	Granted as Compensation	Conversion on Milestone	Cancellation on Expiry	Other	Balance at 31 Dec 2025
Executive Directors						
Mr Christopher Newport[1]	-	-	-	-	-	-
Mr Joseph Burke	-	-	-	-	-	-
Mr Dennis Morton[2]	5,000,000	-	-	-	(5,000,000)	-
Non-Executive Directors						
Mr Daniel Eddington	-	-	-	-	-	-
Dr Ian Wang	10,000,000	-	-	-	-	10,000,000
Mrs Uyanga Munkhkhuyag	3,000,000	-	-	-	-	3,000,000
Total	**18,000,000**	**-**	**-**	**-**	**(5,000,000)**	**13,000,000**

(1) Mr Newport was appointed on 10 November 2025.
(2) Mr Morton resigned on 9 June 2025.

Other transactions with key management personnel and their related parties

In July 2025 the Company entered into US$2,375,000 (A$3,640,000) loan facility with Director Joseph Burke. The loan is unsecured, incurs interest at 8% per annum and is repayable at the earlier of 24 months or any other date agreed between the parties. As at 31 December 2025, $1,221,253 had been drawn down and $28,796 interest had been accrued.

– END OF REMUNERATION REPORT –

Dividends

The Directors do not recommend the payment of a dividend for this financial period. No dividends have been paid or declared by the Company since the end of the previous financial year.

Directors' Meetings

The number of Directors' meetings held in the 12 months and the number of meetings attended by each Director during the period were as follows:

Director	Board meetings held while in office	Meetings attended
Mr Chris Newport	-	-
Mr Dennis Morton	1	1
Mr Joseph Burke	2	2
Mr Daniel Eddington	2	2
Dr Ian Wang	2	2
Mrs Uyanga Munkhkhuyag	2	-

It is noted that the Directors were able to attend to business of the Company during the period by circulated resolution and telephone meetings as permitted by the Company's Constitution in place of conducting meetings.

As at the date of this report, the Group did not have an Audit Committee, as the Directors believe the size of the Group and the size of the Board do not currently warrant its existence.

Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial period under review not otherwise disclosed in this report or the consolidated financial statements.

Likely developments and future results

Other than the matters referred to in the Review of Operations, further information as to likely developments in the operations of the Group would, in the opinion of the Directors, be speculative and may hinder the Group in the achievement of its commercial objectives.

Environmental

The Group's exploration operations are subject to environmental regulations in its relevant jurisdictions of Mongolia. The Directors believe that the Group has adequate systems in place for the management of the requirements under those regulations and are not aware of any breach of such requirements as they apply to the Group.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

Unlisted Options

The Company had on issue 119,500,000 (2024: 79,000,000) unlisted options at the end of the financial period and at the date of this report. The movements and terms and conditions are as follows.

	Expiry Date	Escrow Date	Exercise Price	Balance 1/1/2025	Options Issued	Options Expired	Balance 31/12/25
4,000,000 Director Options	1/2/25	-	$0.12	4,000,000	-	(4,000,000)	-
12,000,000 Director Options	19/4/25	-	$0.09	12,000,000	-	(12,000,000)	-
10,000,000 Broker Options	5/5/25	-	$0.09	10,000,000	-	(10,000,000)	-
1,000,000 Broker Options	9/11/25	-	$0.075	1,000,000	-	(1,000,000)	-
30,000,000 Attaching Options	30/11/25	-	$0.075	30,000,000	-	(30,000,000)	-
7,500,000 Marketer Options	5/12/25	-	$0.075	7,500,000	-	(7,500,000)	-
14,500,000 Consultant Options	12/12/27	-	$0.050	14,500,000	-	-	14,500,000
15,000,000 Director Options	14/11/29	-	$0.047	-	15,000,000	-	15,000,000
15,000,000 Director Options	14/11/29	-	$0.110	-	15,000,000	-	15,000,000
15,000,000 Director Options	14/11/29	-	$0.150	-	15,000,000	-	15,000,000
15,000,000 Director Options	14/11/29	-	$0.190	-	15,000,000	-	15,000,000
20,000,000 Broker Options	23/10/28	-	$0.053	-	20,000,000	-	20,000,000
25,000,000 Consultant Options	23/10/28	-	$0.053	-	25,000,000	-	25,000,000
				79,000,000	**105,000,000**	**(64,500,000)**	**119,500,000**

Unlisted Performance Based Securities

The Company had on issue 75,000,000 (2024: 95,000,000) unlisted performance-based securities at the end of the financial period.

	Expiry Date	Balance 1/1/2025	Issued	Expired	Balance 31/12/25
16,000,000 Employee Performance Rights	16/12/25	16,000,000	-	(16,000,000)	-
8,000,000 Employee Performance Rights	25/11/25	8,000,000	-	(8,000,000)	-
1,000,000 Employee Performance Rights	4/1/26	1,000,000	-	(1,000,000)	-
2,000,000 Employee Performance Rights	10/11/26	2,000,000	-	-	2,000,000
3,000,000 Director Performance Rights	30/6/27	3,000,000	-	-	3,000,000
50,000,000 Employee Performance Rights	9/1/28	50,000,000	-	-	50,000,000
15,000,000 Director Performance Rights	31/5/28	15,000,000	-	(5,000,000)	10,000,000
10,000,000 Director Performance Rights	9/6/29	-	10,000,000	-	10,000,000
		95,000,000	**10,000,000**	**(30,000,000)**	**75,000,000**

Corporate Governance

In recognizing the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles of Corporate Governance. Refer to the Company's Corporate Governance Statement at www.jadegas.com.au/corporate/corporate-governance/.

Indemnification and insurance of officers and auditors

The Company has entered into deeds of indemnity with each Director and the Company Secretary whereby, to the extent permitted by the Corporations Act 2001, the Company agrees to indemnify each Director and the Company Secretary against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company has paid premiums to insure each of the Directors and the Company Secretary against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Company Secretary of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The disclosure of the amount of the premium is prohibited by the insurance policy.

The Company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial period, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Rounding

Jade is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors Report and the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

Non-Audit Services

During the year BDO Audit Pty Ltd, the Company's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and it is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company to ensure they do not impact on impartiality and objectivity of the auditor; and
- The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditors own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Auditor's Independence Declaration

See Note 25 for amounts received or due and receivable by BDO Audit Pty Ltd.

Section 307C of the Corporations Act 2001 requires our auditors, BDO, to provide the Directors of the Company with an Independence Declaration. The Lead Auditor's Independence Declaration is included within this report.

Signed in accordance with a resolution of Directors made pursuant to s.298 of the Corporations Act 2001.

Christopher Newport
Managing Director and CEO
30 March 2026

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Australia

DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF JADE GAS HOLDINGS LIMITED

As lead auditor of Jade Gas Holdings Limited for the year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Jade Gas Holdings Limited and the entities it controlled during the period.

Paul Gosnold
Director

BDO Audit Pty Ltd

Adelaide, 30 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	31 Dec 2025 $	31 Dec 2024 $
Other income			
Financial income		4,810	17,800
Other income	3	150,673	42,682
Total other income		**155,483**	**60,482**
Expenses			
General and administration expense	4	(1,673,872)	(1,527,816)
Salaries and wages expense	4	(2,298,267)	(3,747,406)
Depreciation and amortisation expense		(119,037)	(158,576)
Interest expense		(921,296)	(466,280)
Realised foreign exchange gain / (loss)		129,658	34,759
Loss on disposal of disposal of subsidiary		-	(1,873)
Loss before tax		**(4,727,331)**	**(5,806,710)**
Income tax expense		-	-
Loss for the year		**(4,727,331)**	**(5,806,710)**
Other comprehensive income, net of tax			
Items that may be subsequently reclassified to profit or loss			
Foreign exchange on the translation of subsidiaries		(2,969,050)	2,037,767
Total comprehensive loss, net of tax		**(7,696,381)**	**(3,768,943)**
Loss for the year is attributable to:			
Non-controlling interest		(187,551)	(184,605)
Owners of Jade Gas Holdings Limited		(4,539,780)	(5,622,105)
		(4,727,331)	**(5,806,710)**
Total comprehensive loss for the year is attributable to:			
Non-controlling interest		(187,551)	(184,605)
Owners of Jade Gas Holdings Limited		(7,508,830)	(3,584,338)
		(7,696,381)	**(3,768,943)**

Loss per share		2025 $	2024 $
Basic loss per share (dollars per share)	5	(0.0028)	(0.0037)
Diluted loss per share (dollars per share)	5	(0.0028)	(0.0037)

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	31 Dec 2025 $	31 Dec 2024 $
ASSETS			
Current assets			
Cash and cash equivalents	6	1,814,279	1,460,120
Trade and other receivables	7	67,764	73,521
Other assets	8	1,382,005	2,122,609
Total current assets		**3,264,048**	**3,656,250**
Non-current assets			
Plant and equipment	10	1,708,029	1,684,795
Right-of-use asset	10	-	68,403
Exploration and evaluation expenditure	11	28,608,304	24,954,779
Total non-current assets		**30,316,333**	**26,707,977**
Total assets		**33,580,381**	**30,364,227**
LIABILITIES			
Current liabilities			
Trade and other payables	12	1,504,129	687,142
Borrowings	13	11,949,423	8,022,043
Lease liabilities	13	-	75,003
Provisions		135,582	88,189
Total current liabilities		**13,589,134**	**8,872,377**
Non-current liabilities			
Provisions		747	39,855
Total non-current liabilities		**747**	**39,855**
Total liabilities		**13,589,881**	**8,912,232**
Net assets		**19,990,500**	**21,451,995**
EQUITY			
Contributed equity	14	42,287,656	37,624,254
Reserves	15	1,918,964	5,669,937
Accumulated losses		(23,116,084)	(20,929,711)
Non-controlling interest	28	(1,100,036)	(912,485)
Total equity		**19,990,500**	**21,451,995**

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Issued capital	Accumulated losses	Reserves	Non-controlling interest	Total equity
	$	$	$	$	$
Balance at 1 January 2025	**37,624,254**	**(20,929,711)**	**5,669,937**	**(912,485)**	**21,451,995**
Loss for the year	-	(4,539,780)	-	(187,551)	(4,727,331)
Other comprehensive income for the year (net of tax)	-	-	(2,969,050)	-	(2,969,050)
Total comprehensive income	**-**	**(4,539,780)**	**(2,969,050)**	**(187,551)**	**(7,696,381)**
Issue of shares, rights and options	5,334,000	-	1,571,484	-	6,905,484
Costs of issuing shares	(670,598)	-	-	-	(670,598)
Expiry of unlisted options	-	2,353,407	(2,353,407)	-	-
Balance at 31 December 2025	**42,287,656**	**(23,116,084)**	**1,918,964**	**(1,100,036)**	**19,990,500**
Balance at 1 January 2024	**34,136,408**	**(15,545,076)**	**1,267,305**	**(727,880)**	**19,130,757**
Loss for the year	-	(5,622,105)	-	(184,605)	(5,806,710)
Other comprehensive income for the year (net of tax)	-	-	2,037,767	-	2,037,767
Total comprehensive income	**-**	**(5,622,105)**	**2,037,767**	**(184,605)**	**(3,768,943)**
Issue of shares, rights and options	3,630,000	-	2,602,335	-	6,232,335
Costs of issuing shares	(142,154)	-	-	-	(142,154)
Expiry of unlisted options	-	237,470	(237,470)	-	-
Balance at 31 December 2024	**37,624,254**	**(20,929,711)**	**5,669,937**	**(912,485)**	**21,451,995**

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	31 Dec 2025 $	31 Dec 2024 $
Cash flows from operating activities			
Receipts from other parties		29,433	35,426
Payments to suppliers and employees		(2,120,055)	(3,117,719)
Net cash used in operating activities	19	**(2,090,622)**	**(3,082,293)**
Cash flows from investing activities			
Payments for plant and equipment		(471,927)	(11,433)
Payments for exploration and evaluation assets		(5,155,609)	(7,112,004)
Proceeds from disposal of plant and equipment		24,127	39,900
Interest received		4,810	17,800
Proceeds from disposal of Investments		140,275	-
Net cash used in investing activities		**(5,458,324)**	**(7,065,737)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares, options and notes		5,122,000	3,630,000
Proceeds from borrowings		3,241,694	5,940,227
Transaction costs related to issue of shares		(279,269)	(126,451)
Repayment of borrowings		(187,865)	-
Net cash from financing activities		**7,896,560**	**9,443,776**
Net increase/(decrease) in cash and cash equivalents		347,614	(704,254)
Cash and cash equivalents at the beginning of the period		1,460,120	2,129,615
Effects of currency translation on cash and cash equivalents		6,545	34,759
Cash and cash equivalents at the end of the period		**1,814,279**	**1,460,120**

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Note 1: General information

Jade Gas Holdings Limited is a limited company, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange under the symbol JGH. The registered office is located at 66 Rundle Street Kent Town SA 5067.

This financial report includes the financial statements and notes of Jade Gas Holdings Limited (“the Company") and its Controlled Entities ("Jade" or “the Group”). The financial statements were authorised for issue on 30 March 2026 by the Directors of the Company.

Note 2: Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under the Australian Accounting Standards. Monetary amounts are expressed in Australian dollars.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. The financial statements and notes also comply with International Financial Reporting Accounting Standards as issued by the IASB. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Principles of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries at 31 December 2025. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra- group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal as applicable.

Non-controlling interest, presented as part of equity, represent the portion of a subsidiary’s profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the Parent and the non-controlling interest based on their respective ownership interests.

Income tax

The income tax expense/(income) for the period comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charge to profit or loss is the tax payable on taxable income. Current tax liabilities/ (assets) are measured at the amounts expected to be paid to/ (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses. Current and deferred income tax expenses/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation, and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on, either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods, in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation legislation

The Company and its wholly owned Australian entities have implemented the tax consolidation legislation as of 1 July 2018.

The head entity, Jade, and the controlled entities in the tax consolidation group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, Jade also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and tax credits assumed from controlled entities in the tax consolidation group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement is recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full in the period in which the decision to abandon the area is made. When production commences, the accumulated costs or the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one period of abandoning the site.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect to a particular area of interest, the relevant exploration and evaluation asset is tested for impairment, and the balance is then reclassified to development. Where an area of interest is abandoned, any expenditure carried forward in respect of that area is written off.

Plant and Equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives. The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter. An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Contributed equity

Issued and paid up-capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Foreign currency transactions and balances

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange rate differences arising on the translation of monetary items are recognised in profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise, the exchange difference is recognised in profit or loss.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at average exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed of.

Financial Instruments

Except for certain trade receivables the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Under AASB 9 financial assets are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

Equity-settled compensation

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of Options and Performance Rights are determined using the Black-Scholes pricing model and a Monte Carlo simulation methodology respectively, incorporating all market vesting conditions.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (market conditions) if applicable.

The cost of equity-based transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense, recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If any equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Goods and Services Tax (GST) and Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of GST or VAT, except where the amount of GST/VAT incurred is not recoverable from the Australian Taxation Office or Mongolian Tax Authority.

Receivables and payables are stated inclusive of the amount of GST or VAT receivable or payable. The net amount of GST and VAT recoverable from, or payable to, the Tax Office is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST and VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the Tax Office are presented as operating cash flows included in receipts from customers or payments to suppliers.

Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period. Where the Group has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Changes in accounting policies and disclosure

In the period ended 31 December 2025, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. No new or amended Australian Accounting Standards and Interpretations that are issued, but not yet effective, have been early adopted. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

New Accounting Standards and Interpretations adopted

There are no issued but not yet effective accounting standards or interpretations that are expected to significantly impact the Group in future financial years.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that, has not at balance date, reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in Note 2.

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model whilst the fair value of Performance Rights is determined using a Monte Carlo Simulation Method. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

The Group estimates the probability of award of performance rights issued to key management personnel and other consultants and advisors by reference to the likelihood that the performance measures will be met by the holders of those performance rights as at the date at which they are granted. The probability is considered binary (100% or 0%) for each class of performance rights and only where there is a high risk of failure to achieve the performance measures will 0% be used (e.g. stretch targets).

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The Group has incurred a loss after tax of $4,727,331 and operations were funded by a cash inflow of $5,122,000 from the issue of Ordinary Shares and $3,241,694 from the proceeds of borrowings.

On 30 July 2025 the Company entered into US$2,375,000 (A$3,640,000) loan facility with Director Joseph Burke. The loan is unsecured, incurs interest at 8% per annum and is repayable at the earlier of 24 months or any other date agreed between the parties. As at 31 December 2025, $1,221,253 had been drawn down and $28,796 interest had been accrued. At the current exchange rates $2,193,824 is receivable under the loan facility. Refer to note 13 for terms and conditions.

On 2 November 2023 the Company announced a convertible note financing with current strategic shareholder UB Metan LLC for $11,000,000. The issue of the notes (and shares to be issued on conversion of the notes) are subject to shareholder approval as UBM as a 19.9% shareholder would be increasing their shareholding above 20%. 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. As at 31 December 2025 $9,346,115 had been received pursuant to the convertible note Agreement with $1,653,885 receivable.

The Company has the ability to control cash outflows in relation to exploration and evaluation expenditure with most material expenses charged on a usage rate and not a committed lump sum. The Company also has the ability to secure funds by raising additional capital from equity markets which it has been successful in doing historically. The funding available from the Director loan facility and the convertible note facility in combination with additional equity raisings will allow the group to meet its forecasted committed cash outflows to the extent operations can continue in the normal course of business for at least 12 months from the date of this report.

The requirement for further funding to support the delivery of the operational objectives of the Company indicates the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that may be necessary if the Group is unable to continue as a going concern.

The Directors are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing additional funds through debt and/or equity issues as and when the need to raise capital arises.

Note 3: Other Income

	2025 $	2024 $
Rental income	25,309	19,400
Gain/(Loss) on disposal of plant and equipment	(19,035)	14,450
Gain on disposal of investments	140,275	-
Other	4,124	8,832
	150,673	**42,682**

Note 4: Expenses

General and administration	2025 $	2024 $
ASX & ASIC Fees	60,145	55,751
Insurance	63,002	70,556
Subscriptions and memberships	7,253	13,328
Marketing and investor relations	69,435	91,615
Office	132,465	105,841
Travel	110,512	60,484
Printing, post and stationery	5,763	6,932
Communications	9,980	10,769
Fuel	9,644	8,018
Professional services	589,436	565,887
Mongolian withholding and other state taxes	29,337	15,431
Share based payments - G&A expense	457,900	244,161
Other administrative expenses	129,000	279,043
Total general and administration expenses	**1,673,872**	**1,527,816**

Salaries and wages		
Salaries and wages	1,205,093	1,292,418
Share based payment – salary & wages expense	1,003,073	2,358,173
Superannuation expense	90,101	96,815
Total salaries and wages expense	**2,298,267**	**3,747,406**

Note 5: Loss per share

	2025 $	2024 $
Loss for the period	(4,727,331)	(5,806,710)
Weighted average number of ordinary shares (basic)	1,715,600,354	1,587,181,662
Weighted average number of ordinary shares (diluted)	1,715,600,354	1,587,181,662
Basic loss per share	**(0.0028)**	**(0.0037)**
Diluted loss per share	**(0.0028)**	**(0.0037)**

Basic loss per share is calculated as net loss attributable to members of the Company, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

There is no impact from options and performance rights outstanding at 31 December 2025 on the diluted earnings per share calculation because they are anti-dilutive (due to the Group being in a loss position). These securities could potentially dilute basic EPS in the future. There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

Note 6: Cash and cash equivalents

	2025 $	2024 $
Cash at bank	1,814,279	1,460,120
	1,814,279	**1,460,120**

Note 7: Trade and other receivables

	2025 $	2024 $
Accounts receivable	12,694	15,209
GST and VAT receivable	55,070	58,312
	67,764	**73,521**

Note 8: Other assets

	2025 $	2024 $
Prepayments	1,252,096	1,981,404
Security and environmental deposits	129,909	141,205
	1,382,005	**2,122,609**

Note 9: Deferred Tax

The following is a summary of the tax consolidated group's deferred tax not brought to account, the benefits of which will only be realised if the conditions for deductibility are met.

	2025 $	2024 $
Losses available for offset against future tax liabilities and deductible temporary differences	**8,714,093**	**8,020,828**

The 2025 figures are calculated on the current 25% tax rate for base rate entities (2024: 25%) on the basis that should the Group have future taxable profits it is likely that the Group will initially be a Small Business Entity (SBE).

The recovery of the losses is subject to satisfaction of the tax loss recoupment rules and will be subject to the Continuity of Ownership Test (COT), or failing that, the Business Continuity Test (BCT) in the year that they are utilised.

The prima facie income tax expense/(income) on pre-tax accounting loss reconciles to the income tax expense/(income) in the financial statements as follows:

	2025 $	2024 $
Accounting loss before tax from continuing operations	(4,727,330)	(5,806,710)
Tax benefit at the parent entity's tax rate of 25% (2024: 25%)	1,181,833	1,451,677
• Non-deductible expenses	(802,391)	(781,186)
• Other deductible costs	207,438	350,042
• Unused tax losses and temporary differences not recognised	(586,880)	(1,020,533)
	-	-

Note 10: Plant and Equipment, Right-of-Use and Intangible Assets

	Plant and equipment at cost $	Right-of-use asset $	Intangible assets $	Total $
Gross carrying amount				
Balance at 1 January 2025	**2,356,397**	**463,129**	**136,468**	**2,955,994**
Additions	419,761	-	-	419,761
Disposals	(54,167)	(364,813)	-	(418,980)
Foreign exchange impact	(193,290)	(10,358)	(14,376)	(218,024)
Balance at 31 December 2025	**2,528,701**	**87,958**	**122,092**	**2,738,751**
Accumulated depreciation / amortisation and impairment				
Balance at 1 January 2025	**(671,602)**	**(394,726)**	**(136,468)**	**(1,202,796)**
Disposals	9,142	364,813	-	373,955
Depreciation expense	(219,711)	-	-	(219,711)
Foreign exchange impact	61,499	(58,045)	14,376	17,830
Balance at 31 December 2025	**(820,672)**	**(87,958)**	**(122,092)**	**(1,030,722)**
Net book value				
As at 1 January 2025	**1,684,795**	**68,403**	**-**	**1,753,198**
As at 31 December 2025	**1,708,029**	**-**	**-**	**1,708,029**
Gross carrying amount				
Balance at 1 January 2024	**2,192,687**	**454,685**	**124,746**	**2,772,118**
Additions	10,029	-	-	10,029
Disposals	(51,667)	-	-	(51,667)
Foreign exchange impact	205,348	8,444	11,722	225,514
Balance at 31 December 2024	**2,356,397**	**463,129**	**136,468**	**2,955,994**
Accumulated depreciation / amortisation and impairment				
Balance at 1 January 2024	**(421,818)**	**(295,079)**	**(82,668)**	**(799,565)**
Disposals	26,824	-	-	26,824
Depreciation expense	(237,017)	-	-	(237,017)
Amortisation expense	-	(91,203)	(46,032)	(137,235)
Foreign exchange impact	(39,591)	(8,444)	(7,768)	(55,803)
Balance at 31 December 2024	**(671,602)**	**(394,726)**	**(136,468)**	**(1,202,796)**
Net book value				
As at 1 January 2024	**1,770,869**	**159,606**	**42,078**	**1,972,553**
As at 31 December 2024	**1,684,795**	**68,403**	**-**	**1,753,198**

Note 11: Exploration and evaluation expenditure

	2025 $	2024 $
Opening balance	24,954,779	17,567,280
Foreign exchange impact	(2,090,362)	1,682,678
Exploration expenditure incurred	5,743,887	5,704,821
	28,608,304	**24,954,779**

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or evaluation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Group conducts impairment testing on an annual basis when indicators of impairment are present at the reporting date.

Note 12: Trade and other payables

	2025 $	2024 $
Trade creditors	528,163	394,624
Superannuation payable	31,285	13,891
Withholding tax payable	416,240	121,560
Accrued expenses	488,777	157,067
Insurance Premium Funding	39,664	-
	1,504,129	**687,142**

Note 13: Borrowings

	2025 $	2024 $
Short term loan – convertible note financing (i)	10,699,374	8,022,043
Short term loan – Director's Loan (ii)	1,250,049	-
Lease liability	-	75,003
	11,949,423	**8,097,046**
Current	11,949,423	8,097,046
	11,949,423	**8,097,046**

SUMMARY OF BORROWING ARRANGEMENTS

(i) Convertible note financing facility with UB Metan LLC for $11,000,000. The issue of the notes (and shares to be issued on conversion of 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. Shareholder approval is required for the facility to be classified as a Convertible Note instrument. The carrying amount represents the fair value.

(ii) Director's loan facility with Director Joseph Burke for US$2,375,000 (A$3,640,000). The loan is unsecured, incurs interest at 8% per annum and is repayable at the earlier of 24 months or any other date agreed between the parties. The loan was considered and approved by the non-conflicted directors and is exempt from shareholder approval.

	31 Dec 2024	Financing cash flows	Office lease liability	Foreign exchange gain	Interest on loans	31 Dec 2025
	$	$	$	$	$	$
Convertible note	8,022,043	1,839,764	-	(51,798)	889,365	10,699,374
Director's Loan	-	1,246,498	-	(25,245)	28,796	1,250,049
Lease liabilities	75,003	-	(75,003)	-	-	-
	8,097,046	**3,086,262**	**(75,003)**	**(77,043)**	**918,161**	**11,949,423**

During the year the Group also entered into an unsecured Loan Agreement with Cohuna Investments Pte. Ltd for US$100,000 ($155,432). The loan interest was 0%, however, a lending fee of A$35,000 was payable on repayment under the terms of agreement. The loan was drawn down and repaid during the financial year.

Note 14: Contributed equity

	2025 $	2024 $
Issued share capital	44,692,467	39,358,468
Costs of issuing shares	(2,404,811)	(1,734,214)
	42,287,656	**37,624,254**
Issued capital comprises:		
1,839,177,020 fully paid ordinary shares		
(31 December 2024: 1,686,834,171)	42,287,656	37,624,254
	42,287,656	**37,624,254**

FULLY PAID ORDINARY SHARES

	Number of shares	Share capital $
Balance at 1 January 2024	1,576,834,171	34,136,408
Shares issued	110,000,000	3,630,000
Options exercised	-	-
Costs of issuing shares	-	(142,154)
Closing balance at 31 December 2024	**1,686,834,171**	**37,624,254**
Balance at 1 January 2025	1,686,834,171	37,624,254
Shares issued - Placement & Share Purchase Plan	146,342,849	5,122,000
Shares issued in lieu of advisory service cash fee	4,000,000	140,000
Shares issued to director	2,000,000	72,000
Costs of issuing shares	-	(670,598)
Closing balance at 31 December 2025	**1,839,177,020**	**42,287,656**

TERMS AND CONDITIONS OF CONTRIBUTED EQUITY - ORDINARY SHARES

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid upon shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. The shares do not have a par value.

Unlisted Options

	31 December 2025		31 December 2024	
	Quantity	Weighted ave exercise price	Quantity	Weighted ave exercise price
	Number	$	Number	$
Outstanding at the start of the period	**79,000,000**	**0.077**	**80,500,000**	**0.078**
Forfeited during the period	(64,500,000)	0.083	(16,000,000)	0.059
Granted during the period	105,000,000	0.097	14,500,000	0.05
Outstanding at the end of the period	**119,500,000**	**0.091**	**79,000,000**	**0.077**

At 31 December 2025, the Group has 119,500,000 (2024: 79,000,000) Unlisted Options on issue, the terms and details are set out below:

	Expiry Date	Escrow Date	Exercise Price	Balance 1/1/25	Options Issued	Options Expired	Balance 31/12/25
4,000,000 Director Options	1/2/25	-	$0.12	4,000,000	-	(4,000,000)	-
12,000,000 Director Options	19/4/25	-	$0.09	12,000,000	-	(12,000,000)	-
10,000,000 Broker Options	5/5/25	-	$0.09	10,000,000	-	(10,000,000)	-
1,000,000 Broker Options	9/11/25	-	$0.075	1,000,000	-	(1,000,000)	-
30,000,000 Attaching Options	30/11/25	-	$0.075	30,000,000	-	(30,000,000)	-
7,500,000 Marketer Options	5/12/25	-	$0.075	7,500,000	-	(7,500,000)	-
14,500,000 Consultant Options	12/12/27	-	$0.050	14,500,000	-	-	14,500,000
15,000,000 Director Options	14/11/29	-	$0.047	-	15,000,000	-	15,000,000
15,000,000 Director Options	14/11/29	-	$0.110	-	15,000,000	-	15,000,000
15,000,000 Director Options	14/11/29	-	$0.150	-	15,000,000	-	15,000,000
15,000,000 Director Options	14/11/29	-	$0.190	-	15,000,000	-	15,000,000
20,000,000 Broker Options	23/10/28	-	$0.053	-	20,000,000	-	20,000,000
25,000,000 Consultant Options	23/10/28	-	$0.053	-	25,000,000	-	25,000,000
				79,000,000	**105,000,000**	**(64,500,000)**	**119,500,000**

Performance Rights

At 31 December 2025, the Group has 75,000,000 (2024: 95,000,000) Unlisted Performance Rights on issue. These Performance Rights have been issued to employees as part of their remuneration package to incentivise performance and align employee remuneration with the success of the Company.

	2025 Quantity	2024 Quantity
Employee Performance Rights Granted 25/11/2021 - Tranche 1	-	4,000,000
Employee Performance Rights Granted 25/11/2021 - Tranche 2	-	4,000,000
Employee Performance Rights Granted 16/12/2021 - Tranche 1	-	8,000,000
Employee Performance Rights Granted 16/12/2021 - Tranche 2	-	8,000,000
Employee Performance Rights Granted 4/1/2022 - Tranche 1	-	500,000
Employee Performance Rights Granted 4/1/2022 - Tranche 2	-	500,000
Employee Performance Rights Granted 10/11/2022 - Tranche 1	1,000,000	1,000,000
Employee Performance Rights Granted 10/11/2022 - Tranche 2	1,000,000	1,000,000
Directors Performance Rights Granted 5/7/2023	3,000,000	3,000,000

Employee Performance Rights Granted 9/01/2024	50,000,000	50,000,000
Directors Performance Rights Granted 31/05/2024	10,000,000	15,000,000
Employee Performance Rights Granted 10/6/2025	10,000,000	-
	75,000,000	**95,000,000**

TERMS AND CONDITIONS OF CONTRIBUTED EQUITY – EMPLOYEE PERFORMANCE RIGHTS

On 10 June 2025, 10,000,000 Performance Rights were issued to Mr Chris Whiteman for his role as Interim CEO and will convert to Ordinary Shares when the VWAP of the Company's shares as calculated over 20 consecutive trading days is equal to or exceeds $0.08 at any time but not later than 4 years from the date of grant and these Performance Rights.

Note 15: Reserves

	2025 $	2024 $
Option and Performance Rights reserve	3,570,886	4,352,809
Foreign exchange reserve on the conversion of subsidiary undertakings	(1,651,922)	1,317,128
	1,918,964	**5,669,937**

SHARE OPTION RESERVE

	2025 $	2024 $
Opening balance	4,352,809	1,987,944
Expiry of 12,000,000 Broker options issued on 22 September 2021	-	(119,989)
Expiry of 4,000,000 Marketing options issued on 25 November 2021	-	(117,480)
Expiry of 8,000,000 Performance Rights issued on 25 November 2021	(218,569)	70,668
Expiry of 16,000,000 Performance Rights on 16 December 2021	(434,975)	143,295
Expiry of 1,000,000 Performance Rights issued on 4 January 2022	(26,046)	8,730
Expiry of 4,000,000 Director options issued on 1 February 2022	(118,120)	-
Issue of 12,000,000 Director options on 19 April 2022	(275,703)	20,772
Expiry of 10,000,000 Broker options issued 5 May 2022	(179,830)	-
Issue of 2,000,000 Performance Rights on 10 November 2022	8,498	8,521
Expiry of 1,000,000 Broker options issued 9 November 2022	(18,029)	-
Expiry of 30,000,000 Attaching options issued 9 November 2022	(548,029)	-
Issue of 3,000,000 Director Performance Rights on 5 July 2023	-	52,070
Expiry 7,500,000 Marketing Options issued on 5 December 2022	(114,843)	-
Issue of 50,000,000 Employee Performance Rights on 9 January 2024	37,753	1,684,747
Issue of 10,000,000 Director Performance Rights on 31 May 2024	173,753	246,247
Expiry of 5,000,000 Director Performance Rights issued on 31 May 2024	(123,123)	123,123
Issue of 14,500,000 Consultant options on 12 December 2024	-	244,161
Issue of 10,000,000 Director Performance Rights on 10 June 2025	258,000	-
Issue of 60,000,000 Director options on 10 November 2025	156,930	-
Issue of 20,000,000 Broker options on 23 October 2025	322,509	-
Issue of 25,000,000 Consultant options on 14 November 2025	317,901	-
	3,570,886	**4,352,809**

Note 16: Controlled entities

Controlled entities consolidated Subsidiaries of Jade Gas Holdings Limited	Country of incorporation	Principal activity	Percentage owned 2025 %	2024 %
Jade Gas Pty Ltd (JGPL)	Australia	Intermediate parent	100	100
Jade Methane LLC (JM)	Mongolia	CBM exploration	100	100
Methane Gas Resource LLC (MGR)	Mongolia	CBM exploration	60	60
Jade Gas Mongolia LLC (JGM)	Mongolia	CBM exploration	100	100
Baruun Naran Gas LLC (BNG)	Mongolia	CBM exploration	66	66
Acacia Mining Pty Ltd	Australia		100	100
Austrian Projects Corporation Pty Ltd	Australia	Intermediate parent	100	100

JGPL, via its subsidiary JM, owns 60% of MGR. MGR holds a PSA providing rights to explore for and exploit CBM from the area surrounding and including the Tavantolgoi coal field in Mongolia. JGPL will fund 100% of the costs to the point of a DFS, after which costs will be shared on a pro-rata basis. At the completion of the DFS, each party has an option to increase its equity in MGR subject to certain terms and conditions.

JGPL via its subsidiary JGM, owns 66% of BNG. BNG is a joint venture with KE, a wholly owned subsidiary of MMC. The JV was established to explore CBM within a coal mining licence held by MMC in the South Gobi region of Mongolia. Under the JV agreements, Jade will fund 100% of the costs of exploration to the point of a DFS, after which costs will be shared on a pro-rata basis.

Note 17: Exploration expenditure commitments

Annual expenditure budgets are approved by the country regulator MRPAM. The terms of the PSA are commercial in confidence. The terms of the PSA held by MGR include minimum expenditure requirement over the period of the agreement.

Note 18: Contingent assets and liabilities

The Directors are not aware of any contingent liabilities as at the date of the financial statements. The Directors are aware of a contingent asset whereby under the terms of the sale of an exploration tenement by a company that became a subsidiary of Jade via the reverse takeover of that company by Jade Gas Pty Ltd. Subject to satisfaction of conditions, Jade would receive cash or shares in the acquirer of the tenement within 60 days of an announcement to the ASX that the acquirer has obtained a pre-feasibility study on a specific project that confirms an internal rate of return of no less than 20%, with an additional equivalent amount worth of cash or shares in the acquirer payable withing 60 days of the acquirer announcing to the ASX that it has made a decision to mine within the tenement area. The first of these conditions has been satisfied and Jade recognised a gain on these shares during the financial year of $140,275. The second condition is not yet satisfied.

Note 19: Cash flow information

	2025 $	2024 $
Reconciliation of cash		
Cash as end of financial period as shown in the cash flow statement is reconciled to items in balance sheet as follows:		
Cash and cash equivalents	1,814,279	1,460,120
	1,814,279	**1,460,120**
Reconciliation with operating loss		
Reconciliation of cash flows from operations with operating loss after income tax is set out as follows:		
Operating loss after income tax	(4,727,331)	(5,806,710)
Non-cash flows included in loss:		
• Depreciation and amortisation	119,037	158,576
• Interest expense on loans	921,296	461,619
• Share based payments	1,460,974	2,602,335
• Loss on disposal of subsidiary	-	1,873
• Gain on disposal of investment	(140,275)	-
• Loss/(Gain) on disposal of plant and equipment	19,035	(14,450)
Changes in assets and liabilities:		
• Decrease in receivables	27,404	261,815
• Decrease in prepayments	26,894	23,158
• (Decrease)/increase in creditors & accruals	202,344	(770,509)
Net cash used in operating activities	**(2,090,622)**	**(3,082,293)**

Note 20: Key Management Personnel (KMP) Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's KMP for the year ended 31 December 2025. The totals of remuneration attributable to KMP of the Group during the period are as follows:

	2025 $	2024 $
Short-term employee benefits	516,667	520,000
Post employee benefits	12,650	6,875
Equity based payments	489,560	421,440
	1,018,877	**948,315**

Note 21: Share Based Payments

The following cumulative share-based payments were in existence during the period:

	31 Dec 2025 $	Current year $	31 Dec 2024 $
8,000,000 Employee Incentive Performance Rights	-	(218,569)[1]	218,569
16,000,000 Employee Incentive Performance Rights	-	(434,976)[1]	434,976
1,000,000 Employee Incentive Performance Rights	-	(26,046)[1]	26,046
4,000,000 Director Incentive Options	-	(118,120)[1]	118,120
12,000,000 Director Incentive Options	-	(275,702)[1]	275,702
2,000,000 Employee Incentive Performance Rights	26,705	8,497	18,208
3,000,000 Director Incentive Performance Rights	102,180	-	102,180
50,000,000 Employee Incentive Performance Rights	1,722,500	37,753	1,684,747
10,000,000 Director Incentive Performance Rights	420,000	173,753	246,247
5,000,000 Director Incentive Performance Rights	-	(123,123)[1]	123,123
10,000,000 Director Incentive Performance Rights	258,000	258,000	-
60,000,000 Director Incentive Options	156,930	156,930	-
Share Based Payment - Salaries and wages	**2,686,315**	**(561,603)**	**3,247,918**
7,500,000 Marketer Options	-	(114,843)[1]	114,843
14,500,000 Consultant Options	244,161	-	244,161
25,000,000 Consultant Options	317,901	317,901	-
Share Based Payment - General and admin	**562,062**	**203,058**	**359,004**
10,000,000 Broker Options	-	(179,830)[1]	179,830
1,000,000 Broker Options	-	(18,029)[1]	18,029
30,000,000 Attaching Options	-	(548,028)[1]	548,028
20,000,000 Broker Options	322,509	322,509	-
Share Issue Costs	**322,509**	**(423,378)**	**745,887**
Share Based Payment Reserve	**3,570,886**	**(781,923)**	**4,352,809**

[1] Options expired and reclassified to accumulated losses.

The fair value of the equity settled Options is estimated as at the date they were granted using a Black-Scholes pricing model for Unlisted Options. For Performance Rights, a Monte Carlo Simulation and Hoadley Hybrid ESO Model Methodology taking into account the terms and conditions upon which the Options and Performance Rights were granted was used.

For the Options and Performance Rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date are as follows:

Valuation inputs	Grant date	Vesting date	Expiry date	Price at grant	Exercise price	Fair value	Expected volatility	Risk-free interest rate
10,000,000 Performance Rights	10/6/25	10/6/25	9/6/25	$0.031	-	$0.026	87%	3.85%
20,000,000 Broker Options	23/10/25	23/10/25	23/10/28	$0.035	$0.053	$0.017	88%	3.45%
15,000,000 Director Options	10/11/25	14/8/26	14/11/29	$0.036	$0.070	$0.018	86%	3.83%
15,000,000 Director Options	10/11/25	14/8/26	14/11/29	$0.036	$0.110	$0.015	86%	3.83%
15,000,000 Director Options	10/11/25	14/8/26	14/11/29	$0.036	$0.150	$0.013	86%	3.83%
15,000,000 Director Options	10/11/25	14/8/26	14/11/29	$0.036	$0.190	$0.011	86%	3.83%
5,000,000 Consultant Options	14/11/25	31/1/26	23/10/28	$0.035	$0.053	$0.016	86%	3.83%
5,000,000 Consultant Options	14/11/25	30/4/26	23/10/28	$0.035	$0.053	$0.016	86%	3.83%
15,000,000 Consultant Options	14/11/25	14/11/25	23/10/28	$0.035	$0.053	$0.016	86%	3.83%

Annual expense resulting from the valuations utilising the respective pricing model for Unlisted Options and Performance Rights:

Share Based Payments	31 Dec 2023	31 Dec 2024	31 Dec 2025	31 Dec 2026
	$	$	$	$
8,000,000 Performance Rights	70,475	70,668	63,525	-
16,000,000 Performance Rights	144,092	143,295	137,031	-
1,000,000 Performance Rights	8,706	8,730	8,706	-
12,000,000 Director Options	110,205	20,772	-	-
2,000,000 Performance Rights	8,498	8,521	8,498	7,311
3,000,000 Performance Rights	50,110	52,070	-	-
50,000,000 Performance Rights	-	1,684,747	37,753	-
15,000,000 Performance Rights	-	369,370	260,630	-
10,000,000 Performance Rights	-	-	258,000	-
60,000,000 Director Options	-	-	156,930	695,416
2,0000,000 Director Shares	-	-	72,000	-
Total - Salaries and wages	**392,086**	**2,358,173**	**1,003,073**	**702,727**
14,500,000 Consultant Options	-	244,161	-	-
5,000,000 Consultant Options	-	-	49,319	32,530
5,000,000 Consultant Options	-	-	23,032	58,814
15,000,000 Consultant Options	-	-	245,549	-
4,000,000 Consultant Shares	-	-	140,000	-
Total - General and admin	**-**	**244,161**	**457,900**	**91,344**
20,000,000 Broker Options	-	-	322,509	-
Total – Cost of Issue	**-**	**-**	**322,509**	**-**

Note 22: Parent Entity Information

The accounting policies of the Ultimate Parent Company, Jade Gas Holdings Limited, which have been applied in determining the financial information shown below in accordance with the requirements of the Corporations Act, are the same as those applied in the consolidated financial statements.

	2025 $	2024 $
Current assets	5,921,681	5,504,775
Non-current assets	34,196,153	28,124,289
Total assets	**40,117,834**	**33,629,064**
Current liabilities	13,106,833	8,768,656
Non-current liabilities	747	39,855
Total liabilities	**13,107,580**	**8,808,511**
Net assets	**27,010,254**	**24,820,553**
Issued capital	46,981,749	37,624,254
Share based payment reserve	3,570,886	4,352,809
Accumulated losses	(23,542,381)	(17,156,510)
Total equity	**27,010,254**	**24,820,553**
Loss for the year	(4,045,185)	(4,848,888)
Total comprehensive loss for the year	**(4,045,185)**	**(4,848,888)**

The parent entity has not entered into any guarantees and has no contingent liabilities or contractual commitments for the acquisition of property, plant or equipment.

FINANCIAL SUPPORT BY THE PARENT ENTITY

The Company has committed to provide financial support to the controlled entities listed in Note 16 to enable them to pay their debts as and when they become due and payable.

INTERCOMPANY LOANS

The Ultimate Parent Company currently holds the following intercompany loans with the following subsidiaries:

- $5,796,951 receivable from Jade Gas Pty Ltd
- $1,215,444 payable to Austrian Projects Corporation Pty Ltd.
- $271,321 payable to Acacia Mining Pty Ltd.

At the date of this report the Ultimate Parent Company has provided the following investments in the Mongolian subsidiaries to date:

- $ 3,970,330 to Jade Gas Mongolia LLC for the purpose of the BNG Project and Mongolian projects administration.
- $ 29,060,942 to Jade Methane LLC and Methane Gas Resource LLC for the purpose of the TTCBM Project.

Note 23: Related Party Transactions

KEY MANAGEMENT PERSONNEL

Details relating to KMP are included in the Remuneration Report and Note 20. At year end the following remuneration was payable:

	Outstanding Payables 31 Dec 2025 $	Accrued Expenses 31 Dec 2025 $	Director's Loan 31 Dec 2025 $	Total Payable to KMP 31 Dec 2025 $	Total Payable to KMP 31 Dec 2024 $
Mr. Christopher Newport	-	16,952	-	16,952	-
Mr Joseph Burke	-	45,000	1,250,049	1,295,049	30,000
Mr Daniel Eddington	-	30,000	-	30,000	15,000
Dr Ian Wang	11,000	21,049	-	32,049	5,000
Mrs Uyanga Munkhkhuyag	-	105,000	-	105,000	45,000
Mr Dennis Morton	-	-	-	-	21,000
	11,000	**218,001**	**1,250,049**	**1,479,050**	**116,000**

TRANSACTIONS WITH RELATED ENTITIES

Transactions between JGH and other entities in the wholly owned Group during the period consisted of:

- Loans advanced by JGH;
- Loans advanced to JGH; and
- Investments provided by JGH.

Loans provided by the JGH to wholly owned entities are made on an interest-free basis and are repayable on demand.

All inter-entity transactions and balances are eliminated in the consolidated financial statements.

RELATED PARTY TRANSACTIONS

In July 2025 the Company entered into US$2,375,000 (A$3,640,000) loan facility with Director Joseph Burke. The loan is unsecured, incurs interest at 8% per annum and is repayable at the earlier of 24 months or any other date agreed between the parties. As at 31 December 2025, $1,221,253 had been drawn down and $28,796 interest had been accrued. Refer to note 13 for terms and conditions.

In November 2023 the Company entered into a Convertible note financing facility with UB Metan LLC for $11,000,000. The issue of the notes (and shares to be issued on conversion of the notes) are subject to shareholder approval, 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 note 13 for terms and conditions. As at 31 December 2025, $9,346,115 had been drawn down and $1,353,259 interest had been accrued. Refer to note 13 for terms and conditions.

Note 24: Events After the Reporting Period

On 15 February 2026 5,000,000 unquoted options exercisable at $0.053 on or before 23 October per share lapsed unexercised.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Note 25: Auditor Remuneration

Audit services are provided by BDO Audit Pty Ltd. The breakdown of services provided is outlined below:

	2025 $	2024 $
Audit services - BDO Audit Pty Ltd	121,985	102,816
Tax Services - BDO Administration Pty Ltd	7,695	13,015
Other services[1]	-	45,210
	129,680	**161,041**

[1] Services provided by BDO Austria GmbH in connection with the liquidation of the Group's Austrian subsidiaries and Independent Experts Report by BDO Finance Pty Ltd

Note 26: Financial Risk Management

This note presents information about the Group's exposure to credit, liquidity and market risks, its objectives, policies and processes for measuring and managing risk and the management of capital.

The Group does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company and the Group through regular reviews of the risks.

The totals for each category of financial instruments, measured in accordance with AASB 9, as detailed in the accounting policies to these financial statements, are as follows:

	Note	2025 $	2024 $
Financial assets			
Cash and cash equivalents	6	1,814,279	1,460,120
Trade and other receivables	7	67,764	73,521
		1,882,043	**1,533,641**
Financial liabilities			
Trade and other payables	12	1,504,129	687,142
Lease liabilities	13	-	75,003
Borrowings	13	11,949,423	8,022,043
Provisions		136,329	128,044
		13,589,881	**8,912,232**

GENERAL OBJECTIVES, POLICIES AND PROCESSES

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect to these risks is presented throughout these financial statements.

The principal financial instruments from which financial instrument risk arises:

- Cash and cash equivalents
- Trade and other receivables & payables
- Borrowings

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating the processes that ensure effective implementation of the objectives and policies to the Group's finance function.

The Group's risk management policies and objectives are therefore designed to minimise the potential impact of these risks on the results of the Group where such impacts may be material.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and other price risk (commodity and equity price risk). There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

Credit risk

There is no material exposure to credit risk at 31 December 2025.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecasts and actual flows. The Group currently has $10,699,374 of borrowings outstanding to UB Metan LLC. The borrowings are funds received pursuant to a Convertible Note Financing arrangement which is subject to shareholder approval.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying value	Within 1 year	1-5 years	Over 5 years	Total contractual cash flows
At 31 December 2025	$	$	$	$	$
Financial liabilities due for payment					
Trade and other payables	1,504,129	1,504,129	-	-	1,504,129
Borrowings	11,949,423	11,949,423	-	-	11,949,423
Provisions	135,582	134,835	-	747	135,582
Total expected outflows		**13,588,387**	**-**	**747**	**13,589,134**

Financial assets – cash flows realisable					
Cash and cash equivalents	1,814,279	1,814,279	-	-	1,814,279
Trade and other receivables	67,764	67,764	-	-	67,764
Total expected inflows		**1,882,043**	**-**	**-**	**1,882,043**
Net inflow/(outflow) on financial instruments		**(11,706,344)**	**-**	**(747)**	**(11,707,091)**

At 31 December 2024	Carrying value $	Within 1 year $	1-5 years $	Over 5 years $	Total contractual cash flows $
Financial liabilities due for payment					
Trade and other payables	687,142	687,142	-	-	687,142
Lease liabilities	75,003	75,003	-	-	75,003
Borrowings	8,022,043	8,022,043	-	-	8,022,043
Provisions	128,044	88,189	-	39,855	128,044
Total expected outflows		**8,872,377**	**-**	**39,855**	**8,912,232**
Financial assets – cash flows realisable					
Cash and cash equivalents	1,460,120	1,460,120	-	-	1,460,120
Trade and other receivables	73,521	73,521	-	-	73,521
Total expected inflows		**1,533,641**	**-**	**-**	**1,533,641**
Net inflow/(outflow) on financial instruments		**(7,338,736)**	**-**	**(39,855)**	**(7,378,591)**

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

Foreign exchange risk

The Group operates primarily through its Mongolian subsidiaries and as a result is exposed to foreign exchange risk arising from movements in the value of the US Dollar and Mongolian Tugrik and the impact these movements have on the fair value of the assets and liabilities of the Group.

To monitor this risk management provides regular cash flow reforecasts to the Board based on the current spot rates in addition to reviewing available hedging instruments with foreign exchange providers although no hedging instruments are currently in place.

At reporting date, the following cash, amounts receivable and amounts payable in foreign currency.

	2025	2024
Mongolian Tugrik		
Cash and cash equivalents	89,492,164	189,214,844
Trade and other receivables	59,058,131	69,956,204
Trade and other payables	(1,144,536,653)	(220,208,873)
	(995,986,358)	**38,962,175**
US Dollars		
Cash and cash equivalents	202,238	201,419
	202,238	**201,419**

Interest rate risk

The Group is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group's exposure to interest rate risk arises from its Borrowings, however these are at a fixed rate of interest. The Group is also exposed to interest rate risk on its holding of cash and cash equivalents. The Group does not use derivatives to mitigate these exposures.

The Group adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents on short-term deposit at best available market interest rates. The Group manages its exposure to interest rate risk on borrowings by entering into fixed rate arrangements where possible.

	2025 $	2024 $
Variable rate instruments		
Financial assets - Cash and cash equivalents	1,814,279	1,460,120
	1,814,279	**1,460,120**
Fixed rate instruments		
Financial liabilities - Borrowings	11,949,423	8,022,043
	11,949,423	**8,022,043**

Fair value sensitivity analysis for variable rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss or through equity, therefore a change in interest rates at the reporting date would not affect profit or loss or equity.

Cash flow sensitivity analysis for variable rate instruments

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the prior period.

	Profit or loss		Equity	
	100 bp increase $	100 bp decrease $	100 bp increase $	100 bp decrease $
31 December 2025				
Variable rate instruments	18,143	(18,143)	18,143	(18,143)
31 December 2024				
Variable rate instruments	14,601	(14,601)	14,601	(14,601)

FAIR VALUES

Fair values of financial assets and liabilities are equivalent to carrying values due to their short term to maturity.

Note 27: Segment Reporting

The Group operates in a single segment. The Group operates predominately in one industry, being the exploration and appraisal for coal bed methane. The Board of Directors review internal management reports that is consistent with the information provided in the statement of comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decision.

Note 28: Non-controlling interest

	2025 $	2024 $
Issued capital	48,944	48,944
Accumulated losses	(1,148,980)	(961,429)
	(1,100,036)	**(912,485)**

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 31 DECEMBER 2025

Entity name	Entity type	Country of incorporation	Ownership interest %	Tax residency
Jade Gas Holdings Limited	Body corporate	Australia	N/A	Australia
Jade Gas Pty Ltd	Body corporate	Australia	100	Australia
Jade Methane LLC	Body corporate	Mongolia	100	Mongolia
Methane Gas Resource LLC	Body corporate	Mongolia	60	Mongolia
Jade Gas Mongolia LLC	Body corporate	Mongolia	100	Mongolia
Baruun Naran Gas LLC	Body corporate	Mongolia	66	Mongolia
Acacia Mining Pty Ltd	Body corporate	Australia	100	Australia
Austrian Projects Corporation Pty Ltd	Body corporate	Australia	100	Australia

BASIS OF PREPARATION

The consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

DETERMINATION OF TAX RESIDENCY

Section 295(3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the Group has applied the following interpretations.

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner’s public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 31 DECEMBER 2025

In the opinion of the Directors of Jade Gas Holdings Limited:

1. The financial statements and notes and the remuneration disclosures that are contained in the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

    a. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the twelve-month financial period ended on that date;

    b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2021; and

    c. complying with International Financial Reporting Accounting Standards as issued by the international accounting standards board, as disclosed in Note 2.

2. The information disclosed in the consolidated entity disclosure statement is true and correct.

3. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

4. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and the Financial Controller for the financial period ended 31 December 2025.

Signed in accordance with a resolution of the Board of Directors.

Christopher Newport
Managing Director and CEO
30 March 2026

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Australia

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JADE GAS HOLDINGS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Jade Gas Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Recoverability of exploration and evaluation assets

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>As at 31 December 2025 the carrying value of exploration and evaluation expenditure is disclosed in note 11 to the financial report.

As the carrying value of exploration and evaluation expenditure represents a significant asset to the group, we consider it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset should be subject to impairment testing.

Judgement is applied in determining the treatment of exploration expenditure in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources.

As a result, this is considered a key audit matter.</td><td>Our procedures included, but were not limited to:

• Obtaining a schedule of the areas of interest held by the Group and assessing whether the right to tenure of those areas of interest remain current and in good standing at reporting date;

• Ensuring that the right to tenure of the areas of interest was current through confirmation with the relevant government departments or external legal counsel;

• Reviewing budgets and assessing assumptions made by the Group to ensure that substantive expenditure on further exploration for and evaluation of the mineral resources in the areas of interest were planned;

• Reviewing ASX announcements and minutes of directors meetings to ensure that the Group had not decided to discontinue activities in any of its areas of interest; and

• Considering whether any facts or circumstances existed to suggest impairment testing was required.

We also assessed the adequacy of the related disclosures in note 11 to the Financial Statements.</td></tr>
</table>

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 20 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Jade Gas Holdings Limited, for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO

BDO Audit Pty Ltd

Paul Gosnold

Paul Gosnold
Director

Adelaide, 30 March 2026

ASX ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2025

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 31 December 2025 (unless otherwise stated).

Holders of each class of equity securities

Number of holders in each class of equity securities as at 16 March 2026 are listed below:

Holding Type	Holding	Number	No. of Holders
Quoted	Ordinary - Fully Paid	1,839,177,020	1,177
Unquoted	Option Expiring 12 December 2027	14,500,000	4
Unquoted	Option Expiring 23 October 2028	40,000,000	3
Unquoted	Option expiring 14 November 2029	60,000,000	1
Unquoted	Performance Rights	75,000,000	36

Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 17 March 2026 are listed below:

Holding Type	Number	No. of Holders
1 - 1,000	10,535	164
1,001 - 5,000	335,330	81
5,001 - 10,000	567,594	74
10,001 - 100,000	15,588,987	342
100,001 and over	1,822,674,574	516
Total	**1,839,177,020**	**1,177**

Substantial holders

Substantial holders of ordinary shares in the Company as at 16 March 2026 are listed below:

Holder	Number Held	Percentage
Mr Joseph Burke	417,578,664	22.7%
UB Metan LLC	298,630,800	16.2%

Voting rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

ASX ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2025

Twenty largest equity security holders

The names of the twenty largest holders of fully paid ordinary shares as at 16 March 2026 are listed below:

Holder	Number Held	Percentage (%)
GM VENTURES & INVESTMENTS LTD	334,240,000	18.17
UB METAN LLC	298,630,800	16.24
SCOR GO LUATH LIMITED	80,334,664	4.37
E & E HALL PTY LTD <E & E HALL P/L S/F A/C>	55,150,001	3.00
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	51,442,064	2.80
MR DANIEL EDDINGTON + MRS JULIE EDDINGTON <DJ HOLDINGS A/C>	49,276,668	2.68
JAWAF ENTERPRISES PTY LTD <HALL FAMILY A/C>	48,230,005	2.62
EVOLUTION CAPITAL ADVISORS PTY LTD	36,927,423	2.01
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	28,611,280	1.56
ATLAS PRECIOUS METALS INC	26,000,000	1.41
BRING ON RETIREMENT LTD	24,500,000	1.33
CITICORP NOMINEES PTY LIMITED	23,389,522	1.27
MR RAJIV TREHAN	22,370,000	1.22
MARK JOHN BAHEN + MARGARET PATRICIA BAHEN <MJ BANEH SUPER FUND A/C>	20,000,000	1.09
CANE ASSET MANAGEMENT PTY LTD <CANE SUPER A/C>	19,200,000	1.04
DACAMA PTY LTD <DACAMA SUPERANNUATION A/C>	18,925,000	1.03
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	16,031,808	0.87
CHRIS WHITEMAN <CP & NJ WHITEMAN KELLY A/C>	16,000,000	0.87
RDA ASSET MANAGEMENT LIMITED	15,915,667	0.87
COHUNA INVESTMENTS PTE LTD	15,907,967	0.86
Total	**1,201,082,869**	**65.3%**

Holders of less than a marketable parcel of securities

Number of holders as at 16 March 2026 holding less than a marketable value of securities being $500 at the share price of $0.026 per share are listed below.

Holding	Number of Holders
1 – 16,130 (less than a marketable parcel)	382

ASX ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2025

Company Secretary

The office of Company Secretary is held by Mr Aaron Bertolatti.

Principal registered office address

The principal registered office is located at the below address:

Jade Gas Holdings Limited
Level 1, 66 Rundle Street
Kent Town SA 5067

Register of securities address

The register of securities is held at the below address:

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
Perth WA 6000
Telephone: 1300 850 505

Securities Exchange Listing

Quotation has been granted for all the ordinary shares of the company not subject to mandatory escrow on all Member Exchanges of the ASX Limited.

SCHEDULE OF EXPLORATION LICENCES

FOR THE YEAR ENDED 31 DECEMBER 2025

Schedule of Exploration Licences

Jade Gas Holdings Limited and its subsidiary undertakings hold 100% interest in the following licences with the exception of Mongolian licence 628 which Jade Gas Holdings Limited holds 60% interest in through its JV interest in Methane Gas Resource LLC and the Prosecting Agreement which Jade Gas Holdings Limited holds 66% interest in through its JV interest in Baruun Naran Gas LLC.

Project Name	Location	Licence Number	Registered Holder	Interest
TTCBM	Mongolia	628	Methane Gas Resource LLC	60%
BNG	Mongolia	Prospecting Agreement	Baruun Naran Gas LLC	66%

JADE GAS

WWW.JADEGAS.COM.AU