JADE GAS HOLDINGS LIMITED

HALF-YEAR REPORT 30 JUNE 2026

CORPORATE DIRECTORY

Board of Directors
Mr Joseph Burke - Executive Director
Mr Ian Wang - Executive Director
Mr Daniel Eddington - Non-Executive Director
Mrs Uyanga Munkhkhuyag – Non-Executive Director

Company Secretary
Mr Aaron Bertolatti

Principal and Registered Office
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Kent Town SA 5067
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Facsimile: (03) 9614 0550

Share Registry
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Auditors
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Level 19, 30 Pirie Street
Adelaide SA 5000

Stock Exchange Listing
Australian Securities Exchange Share Code: JGH

ACN
062 879 583

CONTENTS

DIRECTORS' REPORT

The Directors of Jade Gas Holdings Limited ("the Company", or "Jade") submit their report, together with the financial report of Jade Gas Holdings Limited and its controlled entities ("the Group") for the six-month period ended 30 June 2026.

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
Mr Joseph Burke	Executive Director
Dr Ian Wang	Executive Director (previously Non-Executive Director - 20 July 2026)
Mr Daniel Eddington	Non-Executive Director
Mrs Uyanga Munkhkhuyag	Non-Executive Director
Mr Christopher Newport	Managing Director (resigned 1 May 2026)

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

Principal Activity

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

Dividends

No dividends were paid or proposed during the half-year ended 30 June 2026.

OPERATIONS REVIEW

Operating Results

The Group recorded a net after-tax loss from operations of $3,101,323 (June 2025: $2,116,619). At 30 June 2026 the Group held cash and cash equivalents totalling $11,340,252 (December 2025: $1,814,279).

Operations

The half year to 30 June 2026 was another active and significant period for the Jade team in both Mongolia and Australia. During the period, the Company achieved a number of important milestones that further progress the development and monetisation pathway for the Red Lake field and the broader TTCBM Project. These activities continue to support the Company's objective of unlocking the substantial potential of the project through the establishment of commercial production, further reserves development and the progression through the required regulatory approvals.

Production operations from the Company's two horizontal production wells, RL-Hz-01 and RL-Hz-02, continued throughout the half year. As previously reported, both wells were completed in mid-2025 and commenced production of water and gas during August 2025. The wells remain online and continue to dewater the single IIIb coal seam, an essential step in reducing reservoir pressure and facilitating long term gas production.

Gas produced from the wells is currently being flared while the project advances through its early production and regulatory stages. Stable production operations are expected to continue providing critical data, and the operator works closely with the Mongolian regulator, MRPAM, regarding the potential outline of the exploitation licence area which will enable long term commercial exploitation of the resource. This process follows the booking of the Company's maiden reserves earlier in 2026 and represents a key step towards establishing the regulatory framework required for future large scale development.

Milestones Achieved - Appraisal Report and Reserves approved

Jade's exploration and appraisal work, culminating in the drilling of Mongolia's first horizontal gas production wells in 2025, successfully delineated a significant gas resource in the South Gobi, and confirmed the technical viability and commercial potential of the TTCBM Project. The completion of the appraisal phase provides the foundation for transitioning from appraisal to development, positioning Jade as a solution to Mongolia's energy independence and clean energy aspirations.

With the completion of the appraisal program, Jade submitted its formal documentation to the Mongolian regulatory authorities for review (see ASX Announcement 2 March 2026). On 28 April 2026, the Company reported that the Appraisal Report had been approved by MRPAM, which confirmed completion of the key appraisal phase and established the commerciality of the discovery.

Maiden Reserve Booking Approved by the Mongolian authorities

Following on from the successful approval of the Appraisal Report in April, Jade then proceeded to lodge its maiden reserve booking submission with the Mongolian Minerals Reserve Council (MRC). The reserve booking process is a significant regulatory requirement that sought validation and registration of the Company's first gas reserve under Mongolia's mineral and petroleum reporting standards. The maiden reserve booking covers only a small portion of the Company's project area, evaluating 4.2km^2 of the 60km^2 Red Lake Field area (Figure 1), and does not account for other gas accumulations in the larger TTCBM Project area such as Vista and Brownhill (see Table 3). The reserves are attributed to this small area around seam IIIb only, one of the six to seven known gassy coal seam intervals in the Red Lake Field, which remain as contingent resources, development pending. The reserve booking is provided as a matter of process in the Mongolian regulatory pathway to development.

The MRC's acknowledgment and registration of Jade's reserve establishes the key basis for subsequent permitting and development activities.

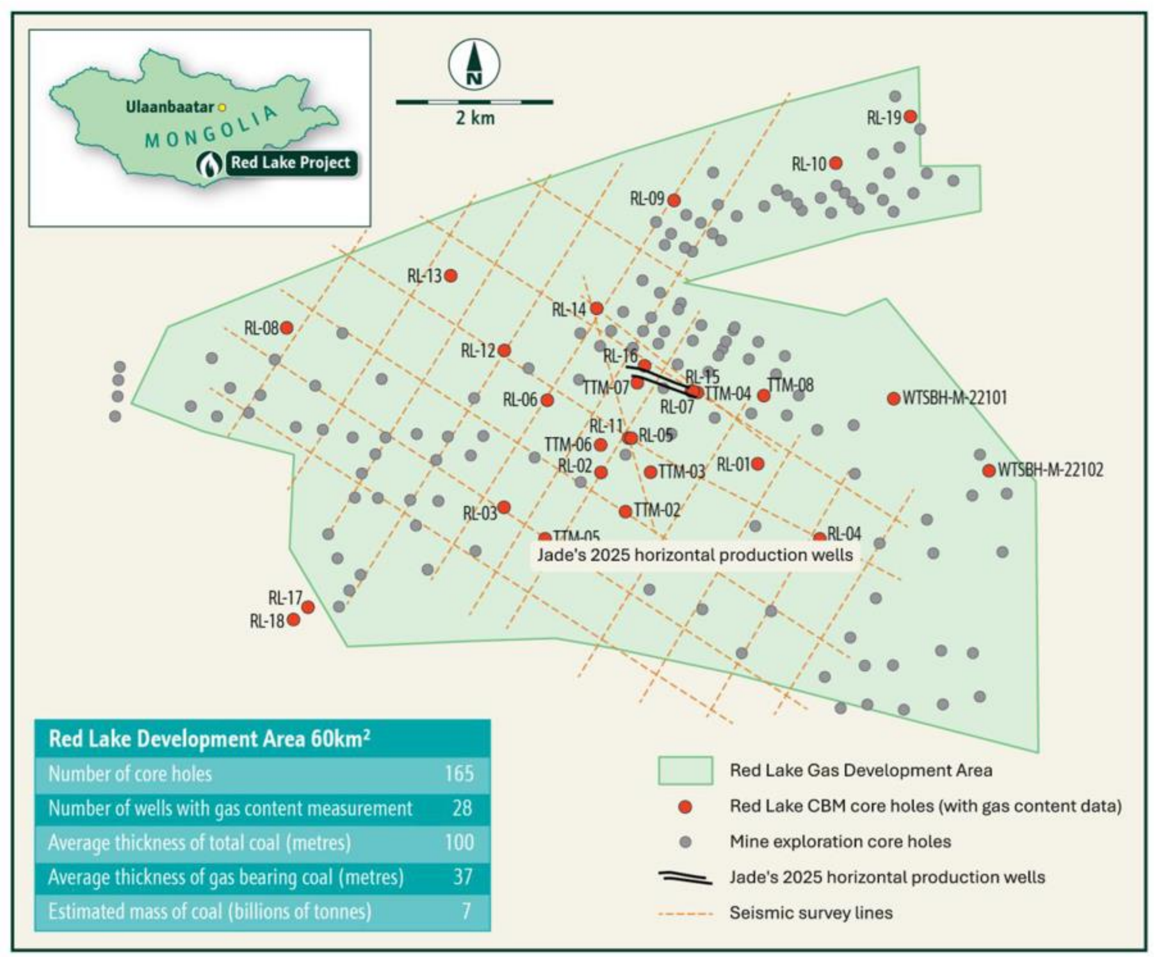


Figure 1 – Red Lake Development Area

The booking of Mongolia's first gas reserves was a historic milestone for the Company, and for Mongolia, and supports Jade's strategy to establish a scalable gas development capable of delivering cleaner, domestically sourced energy to Mongolian industry and households over the long term, reducing dependence on unreliable imports and contributing to national decarbonisation objectives.

Additional Detail on Maiden Reserves

Table 1: Reserves (see ASX Announcement 1 June 2026)

TTCBM Project (Red Lake area only)	2P	3P
Gross Recoverable Gas (Million Sm³)	**316**	**793**
Net Recoverable Gas (Million Sm³)	**165**	**384**

Table 1 Notes:

- The effective date of the reserves is 1 February 2026
- All reserves are undeveloped and are subclassified as Justified for Development (PRMS 2018). The reserves are associated with a 40-well development with small scale LNG processing facility, with a reference point at the planned LNG load out meter.
- Pumping equipment and the proposed LNG facility are assumed to be supplied by power from

the grid and electricity costs are carried in the operating cost model, no fuel gas is consumed in operations

- Net recoverable gas is based on revenue share under the terms of the Tavantolgoi XXXIII PSA and Jade's 60% participating interest in the operating company Methane Gas Resources LLC
- The Reserves presented are considered fair and reasonable incorporating the uncertainty in the raw geological information available and the technical interpretation at the time of the estimate.
- The accuracy of estimates is a function of the quality and quantity of available data and of interpretation and judgement. Geological and reservoir performance data gathered subsequent to this estimate may warrant revision either upward or downward.

Changes to Contingent Resources

The reserves set out in Table 1 represent the conversion of a portion of previously announced contingent resources. The revised Contingent Resources is set out in Table 2.

The 2022 Contingent Resource estimate was based on the data from the first 4 core holes, Red Lake 1-4 drilled in 2021-2022. There are now a total of 19 core holes that have tested the coal bed methane potential in the Red Lake Field. The tests included gas desorption measurement, gas content estimation, pressure and permeability testing, proximate analysis and gas compositional analysis. 105 km of 2D seismic was obtained, processed and interpreted to assist with assessing the structure and coal continuity. Two vertical wells were subjected to extended pumping operations and two 'heel' down lateral wells were drilled as a pilot production test of the conceptual development well. The wells have flowed sustained gas flow rates and gas compositional analysis confirms the gas is >97% methane. The new data has extended the field area and also resulted in conversion of some contingent resource to reserves.

Table 2: Unrisked Contingent Resources (see ASX Announcement 23 August 2022 for previous assessment)

TTCBM Project (Red Lake area only)	Unrisked Contingent Resources (Million Sm^3)		
	1C	2C	3C
Gross Recoverable Gas	**1,372**	**5,413**	**11,097**
Net Recoverable Gas	**823**	**3,248**	**6,658**

Notes to table:

- Contingent Resource estimates reported above have been prepared by Jade at an evaluation date of 1 February 2026.
- Contingent Resource estimates have been made and classified in accordance with the SPE Petroleum Resources Management System 2018 ("SPE-PRMS") and sub-classified as "Development Pending".
- Drilling, planned throughout the field development over the next 5 years, is required to confirm de-watering and gas flow rates from untested seams and the broader field area to further mature the resource. This will be used to update the development plan, facilitate future commercial agreements and further investment in expansion of the facilities.
- Estimates have been made deterministically from mapping of coal seam thickness from core holes across the area incorporating measured gas content from desorption experiments, methane isotherm measurements, coal density, ash and moisture content, pressure and estimated pressure at abandonment. 1C volumes are mapped between 300 and 460 metres in depth, 2C volumes are mapped between 460 and 650 metres in depth and 3C volumes are mapped below 650 metres.

- The Contingent Resources presented are considered fair and reasonable incorporating the uncertainty in the raw geological information available and the technical interpretation at the time of the estimate.
- The accuracy of estimates is a function of the quality and quantity of available data and of interpretation and judgement. Geological and reservoir performance data gathered subsequent to this estimate may warrant revision either upward or downward.
- Contingent Resources presented in the tables are arithmetic totals for the coal seams of interest, those being coal seams 0, III, IV and VIII.
- Net Contingent Resources attributable to Jade represent the fraction of Gross Contingent Resources allocated to Jade, based on its 60% interest in the TTCBM Project. The net outcome is also dependent on sharing requirements of the Production Sharing Agreement ("PSA") which will vary according to production rate, capital and operating costs and gas pricing, which is currently indeterminate for the contingent resource volumes.
- Volumes reported here are unrisked, no adjustment has been made for the risk that the project may not be developed in the form envisaged or may not go ahead at all (i.e. Chance of Development has not been applied).
- This work has been prepared under supervision of Mark Pitkin, General Manager Technical at Jade Gas Pty Ltd, a qualified Petroleum Engineer, who has over 30 years of experience and is a member of the Society of Petroleum Engineers. He agrees to the form and context in which the Contingent Resource estimates are presented in this Announcement.

Changes to Prospective Resources

In the Jade Gas prospectus dated 30 September 2021 the independent expert identified prospective resources of 216 Bcf (Low), 1044 Bcf (Best) and 3,062 Bcf (High) in the Tavantolgoi XXXIII PSA area. With the extensive exploration and appraisal undertaken by Jade Gas the prospective resource in the western part of the area has been converted to contingent resources and reserves. Prospective resources remain in the eastern part of the permit in the Vista and Brownhill fields and will be subject to further evaluation following the initial development of the Red Lake Field. A total of 10 coreholes have been drilled across the Vista and Brownhill areas providing confidence in coal presence, gas content and composition however moveable hydrocarbons are yet to be established and the resource remains classified as Prospective. Prospective resources associated with the Shivee Gobi and Eastern Gobi areas were released back to the Regulator earlier in 2026 at the conclusion of the prospecting period. The prospective resources in Table 3 are unrisked.

Table 3: Unrisked Prospective Resources (see Prospectus 30 September 2021 for previous assessment)

TTCBM Project (Vista and Brownhill)	Unrisked Prospective Resources (million Sm^3)		
	1U	2U	3U
Gross Recoverable Gas (Vista)	975	4,977	9,996
Gross Recoverable Gas (Brownhill)	130	590	1,051
Total Gross Recoverable Gas (arithmetic)	1,105	5,567	11,047
Net Recoverable Gas (unrisked)	663	3,340	6,628

Notes to table:

- Prospective Resource estimates reported above have been prepared by Jade at an evaluation date of 1 February 2026.
- While coreholes have been drilled to ascertain gas content, flow testing has not been conducted to demonstrate moveable hydrocarbon sufficient to meet discovery test criteria. These estimates have both a risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable gas.
- Estimates have been made probabilistically from maps of areal extent, observed coal seam thickness from core holes across the area, measured gas content from desorption experiments, methane isotherm measurements, coal density, ash and moisture content, pressure and estimated recovery factor range.
- The Prospective Resources presented are considered fair and reasonable incorporating the uncertainty in the raw geological information available and the technical interpretation at the time of the estimate.
- The accuracy of estimates is a function of the quality and quantity of available data and of interpretation and judgement. Geological and reservoir performance data gathered subsequent to this estimate may warrant revision either upward or downward.
- Prospective Resources presented in the tables are arithmetic totals for the coal seams of interest and the two field areas. The aggregated low side estimate may be very conservative, and the aggregated high side estimate may be very optimistic.
- Net Prospective Resources attributable to Jade represent the fraction of Gross Prospective Resources allocated to Jade, based on its 60% interest in the TTCBM Project. The net outcome is also dependent on sharing requirements of the Production Sharing Agreement ("PSA") which will vary according to production rate, capital and operating costs and gas pricing, which is currently indeterminate for the prospective resource volumes.
- This work has been prepared under supervision of Mark Pitkin, General Manager Technical at Jade Gas Pty Ltd, a qualified Petroleum Engineer, who has over 30 years of experience and is a member of the Society of Petroleum Engineers. He agrees to the form and context in which the Prospective Resource estimates are presented in this Announcement.

Appointment of Strategic Advisor

In other news during the half, the Company was extremely pleased to announce the appointment of Mr Xie (Richy) Shaobo as a Strategic Advisor to the board, commencing 8 June 2026. The appointment was made at a pivotal time as the Company transitions from explorer to developer, following the announcement where it confirmed the booking of Mongolia's first ever gas reserve.

Mr Xie Shaobo is a distinguished finance leader who brings more than two decades of specialized investment banking and commodities advisory experience across the Asia-Pacific region. Renowned for his strategic oversight in cross-border M&A and capital markets, he recently concluded a ten-year tenure as Standard Chartered Bank's Managing Director and Head of Metals and Mining for North Asia and Greater China. Mr Xie is currently a board member of Zijin Gold International Company Limited, one of the world's largest gold mining companies which completed a landmark IPO on the HKSE in September 2025 – the largest in Hong Kong that year - raising US$3.2b and demonstrating the appetite of the Asian market for high growth commodity linked stories.

Collaboration Agreement
With both the appraisal report and reserves approved in Mongolia, the Company was able to formalise a non-binding agreement on the next phase of the TTCBM Project, and subsequent to the end of the half year, on 20 July 2026, the Company announced a non-binding Collaboration Agreement with PT Beijing Energy Linking ("PTBEL") to fund and lead Phase 1 of the TTCBM Project in Mongolia, with PetroChina and Hunan Geology & Mining Technology Co Ltd ("CNHGM") proposed as subcontractors. Definitive agreements are targeted by the end of the quarter.

The proposed collaboration contemplates PTBEL as lead EPCC contractor for the Phase 1 Red Lake CBM Project, with PetroChina and/or CNHGM as subcontractors (PTBEL Consortium).

The PTBEL Consortium is expected to fund 100% of the approved Phase 1 Development, comprising the 175-well drilling program, associated infrastructure and LNG facilities. Phase 1 capital expenditure is estimated at US$762.5 million (A$1.1 billion), based on an estimated drilling and completion cost of US$3.5 million (A$5 million) per stimulated lateral well and a scalable modular LNG liquefaction facility.
Under the Collaboration Agreement, Jade Gas will be responsible for permitting, regulatory approvals, grid connection, land access and site preparation, while PTBEL will deliver the field development works, including drilling, supporting infrastructure, camp facilities, gas metering, integration testing and a battery energy storage system (BESS) to power drilling and dewatering operations.

PTBEL's capital investment will be recovered through a priority share of Gross Gas Revenue, being gas sale proceeds after applicable royalties, government revenues and income tax, in accordance with the Project's Production Sharing Contract.

The proposed collaboration contemplates a two-stage revenue-sharing arrangement. During the cost recovery phase, PTBEL will receive 80% of gas sale proceeds (after application of the PSC terms) until all agreed development costs have been recovered, with Jade receiving 20%. Thereafter, Jade will receive 70% of profits from gas sales and PTBEL 30% for the productive life of the wells.

The 175-well Phase 1 program incorporates learnings from the Appraisal Report and represents approximately 20% of the drilling currently contemplated within the 60km² Red Lake Development Area, part of the Company's broader 665km² PSA permit. Further development is expected in subsequent phases. The parties highlighted intent to negotiate and execute definitive agreements within 60 days, subject to an automatic 30-day extension or such further period as may be mutually agreed.

Whilst non-binding, the Collaboration Agreement is intended to accelerate TTCBM Project development, with up to 10 drilling rigs initially expected to be deployed. Subject to completion of the definitive agreements, pre-development activities are expected to commence in late 2026, with drilling targeted for February–March 2027. Works will include engineering, permitting, site preparation, mobilisation and expansion of the Red Lake camp to accommodate approximately up to 500–750 personnel.

LNG Facility
The proposed collaboration also contemplates the funding and development of a scalable LNG facility in the Red Lake area at an estimated cost of US$150 million (A$225 million), forming part of PTBEL's Phase 1 capital commitment. The facility is expected to initially support production from the first 40 wells, with modular expansion as production increases. The LNG facility will be the subject of a separate definitive

agreement and remain subject to the required corporate, regulatory and government approvals.

Funding Structure and Future Phases

The proposed funding structure is non-dilutive to existing Jade shareholders, with Jade retaining ownership of the Red Lake CBM Project and the Consortium recovering its investment solely through future gas sales.

The Collaboration Agreement also contemplates future development phases. Based on the Consortium's preliminary assessment, the Red Lake Development Area has the potential to support more than the 800 wells initially assessed by Jade, with the initial 175-well program representing only approximately 12% of the currently contemplated drilling inventory. The parties will also explore similar development opportunities across Jade's other Mongolian Production Sharing Contracts.

Whilst non-binding, the Collaboration Agreement represents a significant step towards securing funding for Phase 1. At the time of publication, there can be no assurance that definitive agreements will be executed or that the proposed funding will proceed.

Appointment of Dr Ian Wang as Executive Director

The Company was pleased to announce the appointment of Dr Ian Wang as Executive Director in July 2026. Who transitioned from Non-Executive Director to Executive Director. Having joined the Board on 1 July 2023, Dr Wang has provided technical leadership and played a key role in evaluating strategic opportunities with China's energy sector. Dr Wang's extensive CBM experience in taking projects from exploration through to commercial production supports the Company's strategy to commercialise the Red Lake CBM Project.

CEO & Managing Director Resignation

On 5 May 2026, the Company advised that Chief Executive Officer (CEO) and Managing Director, Mr Christopher Newport, resigned due to unforeseen personal and family circumstances.

Annual General Meeting 29 May 2026

The Company’s AGM was held on 29 May 2026, and all resolutions, as set out in the Notice of Annual General Meeting dated 22 April 2026, were duly passed on a poll.

Next Steps - PDO Approval

With the maiden reserve booking concluded, the Company will present the Plan for Development & Operations (PDO) to MRPAM. Once approved, the Company will then proceed with lodgment of its Exploitation Licence application, enabling the transition to commercial field development and commercial gas production at scale. This sequential approval process ensures compliance with Mongolian mining and environmental regulations while providing clear visibility towards project execution.

The PDO serves as the formal development blueprint, defining technical scope, infrastructure design, production forecasts, and environmental management commitments. Prior to the non-binding Collaboration Agreement, Phase 1 is envisaged as a moderate scale, modular development focused on supplying LNG to the local transport network, with optional supply to mining operations, industrial power users and potentially export opportunities. The broader field development contemplates approximately 800 wells and a potential project life exceeding 30 years.

Additional Projects

The Company retains its interest in the Baruun Naran Gas Project (BNG) under a joint venture arrangement with Mongolian Mining Corporation. During the half, the Company commenced the negotiation with MRPAM on the form and substance of a Production Sharing Agreement over the area.

Table 4: Current Gross 2U Prospective Resource estimate of the BNG Project

Prospective Resource Range	Unit	Low	Best	High
Baruun Naran Project	Bcf	13	65	186

Subsequent Events

On 20 July 2026, the Company announced that the Company executed a non-binding Collaboration Agreement with PT Beijing Energy Linking ("PTBEL") as Lead Contractor and Sub-Contractors PetroChina and Hunan Geology & Mining Technology Co Ltd, ("Consortium") to secure an estimated US$762.5M (A$1.1 billion) development funding for Red Lake CBM Project.

On 20 July 2026 Dr Ian Wang transitioned from a Non-Executive Director to an Executive Director of the Company to support the Company's strategy of monetizing the Red Lake CBM Project.

On 21 July 2026 60,000,000 ordinary shares were issued on conversion of 60,000,000 performance rights following the satisfaction of the applicable vesting milestone. In addition 1,000,000 ordinary shares were issued on exercise of unlisted options exercisable at $0.053 per share.

On 4 August 2026 the Company completed a Placement of $11.0 million (before costs) at $0.12 per share through the issue of 91,666,668 shares (Placement Shares) with one free attaching unlisted option for every one share subscribed, exercisable at $0.15 per share and expiring 3 years from the date of issue (Attaching Options). The Company also issued 20,000,000 unlisted options exercisable at $0.15 per share and expiring 3 years from the date of issue to the Joint Lead Managers to the Placement, Evolution Capital and Yelverton Capital.

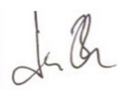
On 4 August 2026 the Company issued 20,000,000 performance rights to consultants in consideration for corporate advisory services provided.

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.

Auditor's Independence Declaration

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.306 of the Corporations Act 2001.



Joseph Burke
Executive Director
31 August 2026

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Australia

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

As lead auditor for the review of Jade Gas Holdings Limited for the half-year ended 30 June 2026, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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, 31 August 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	30 Jun 2026 $	30 Jun 2025 $
Other income		
Financial income	12,563	1,702
Other income	7,458	94,969
Total other income	**20,021**	**96,671**
Expenses		
General and admin expense	(1,061,691)	(626,881)
Salaries and wages expense	(770,535)	(645,651)
Realised foreign exchange gain / (loss)	47,615	128,250
Loss on disposal of property, plant and equipment	(33,549)	(19,504)
Depreciation and amortisation expense	(21,184)	(72,757)
Share based payment	(771,711)	(557,746)
Interest expense	(510,289)	(419,001)
(Loss)/profit before tax	**(3,101,323)**	**(2,116,619)**
Income tax (expense)/benefit	-	-
(Loss)/Profit for the year	**(3,101,323)**	**(2,116,619)**
Other comprehensive income, net of tax		
Items that may be subsequently reclassified to profit or loss		
Foreign exchange on the translation of subsidiaries	(1,181,819)	(2,722,108)
Total comprehensive income, net of tax	**(4,283,142)**	**(4,838,727)**
(Loss)/profit for the year is attributable to:		
Non-controlling interest	(117,098)	(83,641)
Owners of Jade Gas Holdings Limited	(2,984,225)	(2,032,978)
	(3,101,323)	**(2,116,619)**
Total comprehensive loss for the year is attributable to:		
Non-controlling interest	(117,098)	(83,641)
Owners of Jade Gas Holdings Limited	(4,166,044)	(4,755,086)
	(4,283,142)	**(4,838,727)**
	2026	**2025**
(Loss)/earnings per share	**($)**	**($)**
Basic and diluted (loss) per share (dollars per share)	(0.0017)	(0.0013)

The consolidated statement of profit or loss and other comprehensive Income should be read in conjunction with the attached notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	30 Jun 2026 $	31 Dec 2025 $
ASSETS			
Current assets			
Cash and cash equivalents		11,340,252	1,814,279
Trade and other receivables		125,481	67,764
Other assets		1,348,461	1,382,005
Total current assets		**12,814,194**	**3,264,048**
Non-current assets			
Property, plant and equipment		1,499,342	1,708,029
Exploration and evaluation expenditure	3	28,807,437	28,608,304
Total non-current assets		**30,306,779**	**30,316,333**
Total assets		**43,120,973**	**33,580,381**
LIABILITIES			
Current liabilities			
Trade and other payables		854,225	1,504,129
Borrowings	4	12,070,471	11,949,423
Provisions		139,090	135,582
Total current liabilities		**13,063,786**	**13,589,134**
Non-current liabilities			
Provisions		-	747
Total non-current liabilities		**-**	**747**
Total liabilities		**13,063,786**	**13,589,881**
Net assets		**30,057,187**	**19,990,500**
EQUITY			
Contributed equity	5	53,563,189	42,287,656
Reserves	6	3,811,441	1,918,964
Accumulated losses		(26,100,309)	(23,116,084)
Non-controlling interest		(1,217,134)	(1,100,036)
Total equity		**30,057,187**	**19,990,500**

The consolidated statement of financial position should be read in conjunction with the attached notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Issued Capital $	Accumulated Losses $	Total Reserves $	Non-controlling Interest $	Total Equity $
Balance at 1 January 2026	**42,287,656**	**(23,116,084)**	**1,918,964**	**(1,100,036)**	**19,990,500**
Profit/(loss) for the half-year	-	(2,984,225)	-	(117,098)	(3,101,323)
Other comprehensive income for the half-year (net of tax)	-	-	(1,181,819)	-	(1,181,819)
Total comprehensive income	**-**	**(2,984,225)**	**(1,181,819)**	**(117,098)**	**(4,283,142)**
Conversion of options	104,055	-	(24,555)	-	79,500
Issue of shares	14,365,000	-	2,327,140	-	16,692,140
Share based payment – rights and options expense	-	-	771,711	-	771,711
Costs of issuing shares	(3,193,522)	-	-	-	(3,193,522)
Balance at 30 June 2026	**53,563,189**	**(26,100,309)**	**3,811,441**	**(1,217,134)**	**30,057,187**

Balance at 1 January 2025	**37,624,254**	**(20,929,711)**	**5,669,937**	**(912,485)**	**21,451,995**
Profit/(loss) for the half-year	-	(2,032,978)	-	(83,641)	(2,116,619)
Other comprehensive income for the half-year (net of tax)	-	-	(2,722,108)	-	(2,722,108)
Total comprehensive income	**-**	**(2,032,978)**	**(2,722,108)**	**(83,641)**	**(4,838,727)**
Share based payment - rights and options expense	-	-	557,746	-	557,746
Costs of issuing shares	-	-	-	-	-
Expiry of unlisted options	-	783,652	(783,652)	-	-
Balance at 30 June 2025	**37,624,254**	**(22,179,037)**	**2,721,923**	**(996,126)**	**17,171,014**

The consolidated statement of changes in equity should be read in conjunction with the attached notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	30 Jun 2026 $	30 Jun 2025 $
Cash flows from operating activities		
Receipts from customers	8,364	16,829
Payments to suppliers and employees	(1,860,278)	(851,050)
Net cash used in operating activities	**(1,851,914)**	**(834,221)**
Cash flows from investing activities		
Payments for property, plant and equipment	(7,199)	(6,679)
Payments for exploration and evaluation assets	(1,277,638)	(2,621,782)
Proceeds from disposal of property, plant and equipment	-	24,126
Interest received	6,163	1,702
Proceeds from sales of Investments	-	5,387
Net cash used in investing activities	**(1,278,674)**	**(2,597,246)**
Cash flows from financing activities		
Proceeds from issue of ordinary shares	13,800,000	-
Proceeds from issue of options	79,500	-
Transaction costs related to issue of shares and options	(875,789)	-
Repayment of borrowings	(350,000)	-
Proceeds from borrowings	-	1,995,196
Net cash generated by financing activities	**12,653,711**	**1,995,196**
Net increase / (decrease) in cash and cash equivalents	**9,523,123**	**(1,436,271)**
Cash and cash equivalents at beginning of the period	**1,814,279**	**1,460,120**
Effects of currency translation on cash and cash equivalents	2,850	6,544
Cash and cash equivalents at end of period	**11,340,252**	**30,393**

The consolidated statement of cash flows should be read in conjunction with the attached notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

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 Level 1, 66 Rundle Street Kent Town SA 5067.

This half-year financial report includes the half-year financial statements and notes of Jade Gas Holdings Limited ("the Company") and its Controlled Entities ("the Group"). The half-year financial statements were authorised for issue on 31 August 2026 by the Directors of the Company.

Note 2: Summary of Material Accounting Policies

Basis of Preparation

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the year ended 31 December 2025 and any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The policies and methods applied in these interim financial statements are the same as those in the most recent annual report and corresponding interim reporting period, unless otherwise stated.

Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into 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. In preparing these consolidated half-year financial statements, significant estimates and judgements made by management were consistent with those that were applied to the consolidated annual financial statements for the period ended 31 December 2025.

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. For the half-year ended 30 June 2026, the Group had incurred a loss after tax of $3,101,323 and had net cash outflows from operating activities and investing activities of $1,851,914 and $1,278,674 respectively, that were funded by a net cash inflow of $12,653,711 from financing activities. The Company was also in a net current liability position of $249,592 as at 30 June 2026.

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, as evidenced by the Placement the Company completed on 4 August 2026 of $11.0 million (before costs) at $0.12 per share through the issue of 91,666,668 shares. Final receipt of 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 Group 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: Exploration and Evaluation Expenditure

	30 June 2026 $	31 December 2025 $
Opening balance	28,608,304	24,954,779
Exploration expenditure	1,284,451	5,743,887
Foreign exchange impact	(1,085,318)	(2,090,362)
	28,807,437	**28,608,304**

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 4: Borrowings

	30 June 2026 $	31 December 2025 $
Short term loan – Convertible note financing (i)	11,162,839	10,699,374
Short term loan – Director's Loan (ii)	907,632	1,250,049
	12,070,471	**11,949,423**
Current	12,070,471	11,949,423
Non-current	-	-
	12,070,471	**11,949,423**

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. This facility is a loan arrangement until shareholder approval is received to become a convertible loan. 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 2025 $	Financing cash flows $	Foreign exchange realised $	Interest / lending fee on loans $	30 June 2026 $
Convertible note	10,699,374	-	-	463,465	**11,162,839**
Director's Loan	1,250,049	(350,000)	(39,241)	46,824	**907,632**
	11,949,423	**(350,000)**	**(39,241)**	**510,289**	12,070,471

Note 5: Contributed Equity

	30 June 2026 $	31 December 2025 $
Issued share capital	59,161,522	44,692,467
Costs of issuing shares	(5,598,333)	(2,404,811)
	53,563,189	**42,287,656**

Issued capital comprises:		
2,064,843,687 fully paid ordinary shares (31 December 2025: 1,839,177,020)	53,563,189	42,287,656
	53,563,189	**42,287,656**

FULLY PAID ORDINARY SHARES

	No. Shares	Share capital $
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 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**

	No. Shares	Share capital $
Balance at 1 January 2026	1,839,177,020	42,287,656
Shares issued - Placement	60,000,000	1,800,000
Shares issued in lieu of consulting fees	14,166,667	565,000
Shares issued - Placement	150,000,000	12,000,000
Shares issued – Option conversion	1,500,000	104,055
Costs of issuing shares	-	(3,193,522)
Closing balance at 30 June 2026	**2,064,843,687**	**53,563,189**

Note 6: Reserves

	30 June 2026 $	31 December 2025 $
Option and Performance Rights reserve	6,645,182	3,570,886
Foreign exchange reserve on the conversion of subsidiary undertakings	(2,833,741)	(1,651,922)
	3,811,441	**1,918,964**

MOVEMENT IN SHARE OPTION RESERVE

	30 June 2026 $
Opening balance	3,570,886
Share based payment – options and performance rights issued during the period[1]	3,242,660
Share based payment – options and performance rights issued in prior periods	36,155
Conversion 1,500,000 Consultant Options in June 2026	(24,555)
Forfeited 5,000,000 Consultant Options on 15 February 2026	(23,034)
Forfeited 60,000,000 Director Options on 1 May 2026	(156,930)
	6,645,182

[1] The fair value of the equity settled Options is estimated as at the date they were granted for Performance Rights using Binomial Methodology taking into account the terms and conditions upon which the Performance Rights were granted.

The value of the Performance Rights and Options was calculated using a Binomial Method applying the following inputs:

Valuation Inputs	Grant Date	Vesting Date	Expiry Date	Price at **Grant**	Exercise Price	Fair Value	Expected Volatility	Risk-free interest rate
37,250,000 Performance Rights	2/06/26	2/06/27	2/06/30	$0.086	-	$0.080	87%	4.55%
15,000,000 Performance Rights	4/06/26	4/06/27	4/06/30	$0.084	-	$0.076	87%	4.55%
10,000,000 Director Options	29/05/26	29/05/26	23/10/28	$0.086	$0.053	$0.033	87%	4.55%
25,000,000 Director Options	29/05/26	29/05/26	2/06/30	$0.086	$0.075	$0.011	87%	4.55%
20,000,000 Joint Lead Manager Options	9/04/26	9/04/26	23/10/28	$0.043	$0.053	$0.022	92%	4.63%
37,500,000 Lead Manager Options	16/06/26	16/06/26	16/06/30	$0.086	$0.120	$0.050	87%	4.42%

Note 7: Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group operates in one segment, being exploration for coal bed methane. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group. The Group only operates in Mongolia and Australia.

Note 8: Commitment, Contingent Assets and Liabilities

In the opinion of the directors, there were no other significant changes in commitments, contingent assets or liabilities during the period ended 30 June 2026.

Note 9: Events After the Reporting Period

On 20 July 2026, the Company announced that the Company executed a non-binding Collaboration Agreement with PT Beijing Energy Linking ("PTBEL") as Lead Contractor and Sub-Contractors PetroChina and Hunan Geology & Mining Technology Co Ltd, ("Consortium") to secure an estimated US$762.5M (A$1.1 billion) development funding for Red Lake CBM Project.

On 20 July 2026 Dr Ian Wang transitioned from a Non-Executive Director to an Executive Director of the Company to support the Company's strategy of monetizing the Red Lake CBM Project.

On 21 July 2026 60,000,000 ordinary shares were issued on conversion of 60,000,000 performance rights following the satisfaction of the applicable vesting milestone. In addition 1,000,000 ordinary shares were issued on exercise of unlisted options exercisable at $0.053 per share.

On 4 August 2026 the Company completed a Placement of $11.0 million (before costs) at $0.12 per share through the issue of 91,666,668 shares (Placement Shares) with one free attaching unlisted option for every one share subscribed, exercisable at $0.15 per share and expiring 3 years from the date of issue (Attaching Options). The Company also issued 20,000,000 unlisted options exercisable at $0.15 per share and expiring 3 years from the date of issue to the Joint Lead Managers to the Placement, Evolution Capital and Yelverton Capital.

On 4 August 2026 the Company issued 20,000,000 performance rights to consultants in consideration for corporate advisory services provided.

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 10: Controlled Entities

Controlled entities consolidated Subsidiaries of Jade Gas Holdings Limited	Country of incorporation	Principal activity	Percentage owned (%) 30 June 2026
Direct			
Jade Gas Pty Ltd	Australia	Intermediate parent	100
Jade Methane LLC	Mongolia	CBM exploration	100
Methane Gas Resources LLC	Mongolia	CBM exploration	60
Jade Gas Mongolia LLC	Mongolia	CBM exploration	100
Baruun Naran Gas LLC	Mongolia	CBM exploration	66
Acacia Mining Pty Ltd	Australia		100
Austrian Projects Corporation Pty Ltd	Australia	Intermediate parent	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 11: Related Party Transactions

During the period the Company repaid $350,000 owing pursuant to the loan facility with Director Joseph Burke. As at 30 June 2026, the balance owing is $907,632 including $75,924 in accrued interest. Refer to note 4 for terms and conditions.

During the period the Company issued 15,000,000 unlisted options to Joseph Burke and 10,000,000 unlisted options to Daniel Eddington, exercisable at $0.075 and expire on 2 June 2030. The Company also issued 10,000,000 unlisted options to Ian Wang exercisable at $0.053 and expiring on or before 23 October 2028. The options were issued following the receipt of shareholder approval at the AGM.

Note 12: Dividends

No dividend has been declared or paid during the half-year ended 30 June 2026. The Directors do not recommend the payment of a dividend in respect of the half-year ended 30 June 2026.

DIRECTOR'S DECLARATION

FOR THE HALF-YEAR ENDED 30 JUNE 2026

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

1. The interim financial statements and notes of the consolidated group are in accordance with the Corporations Act 2001, including:

    a. giving a true and fair view of the financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and

    b. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2021 and other mandatory professional reporting requirements; and

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

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

On behalf of the Directors

Joseph Burke
Executive Director
31 August 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF JADE GAS HOLDINGS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Jade Gas Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

i. Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the half-year ended on that date; and
ii. Complying with Accounting Standard AASB *134 Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual financial report 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating 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 conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

Paul Gosnold
Director

Adelaide, 31 August 2026

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