JADE GAS HOLDINGS LIMITED

ANNUAL REPORT

31 DECEMBER 2024

CORPORATE DIRECTORY

Board of Directors

Mr Dennis Morton - Executive Chairman
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 7, 420 King William 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 and its controlled entities ("the Group") for the year ended 31 December 2024.

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 Dennis Morton	Executive Chairman	14 December 2021	31 May 2024	-
Mr Joseph Burke	Executive Director	23 September 2021	31 May 2024	-
Mr Daniel Eddington	Non-Executive Director	23 September 2021	31 May 2023	-
Dr Ian Wang	Non-Executive Director	1 July 2023	31 May 2024	-
Mrs Uyanga Munkhkhuyag	Non-Executive Director	10 October 2023	31 May 2024	-

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

EXECUTIVE CHAIRMAN

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.

Qualifications

Bachelor of Arts and Science (Geology)(Hons 1st)

Other Directorships

Managing Director - Gas2Grid (ASX:GGX)

Interest in Securities

Ordinary Shares: 1,169,999
Options: -
Performance Rights: 5,000,000

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: -

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)
Non-Executive Director – Osmond Resources (ASX:OSM)

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 with oil and gas upstream interests 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)

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 fueling 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

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

DIRECTORS' REPORT

Operating Results

The Group recorded a 2024 net after-tax loss from operations of $5,806,710 (2023: loss of $4,711,881).

At 31 December 2024 the Group held cash and cash equivalents totalling $1,460,120 (2023: $2,129,615) and a net asset position of $21,451,995 (2023: $19,130,757)

REVIEW OF OPERATIONS

2024 Drilling Program

Following the highly successful 2023 exploration campaign, Jade completed a full technical review of the results and formed the 2024 operations plan which focused on drilling programs in both the Red Lake and Baruun Naran areas.

Results from the successful 2023 drilling and testing operations provided the basis for determining the 2024 work program, which was presented to and approved by the Mineral Resources and Petroleum Authority of Mongolia (MRPAM), and under the terms of the Production Sharing Agreement (PSA), a tender process was then undertaken to ensure the most capable and appropriate service providers were to be engaged for such a strategic project for the country.

Figure 1: Jade's Asset Location in Mongolia The 2024 program was designed to determine the quickest pathway to commercial production across Jade's gas projects which have already established potential over a ~45km gas field footprint, whilst negotiations were set to continue with potential strategic partners and investors to fast track the early delivery of gas to customers in Mongolia.

Red Lake Area Exploration

Six new exploration wells were planned (Red Lake wells 16-21) with the primary objective to expand the existing 246 Bcf Contingent Resource, leverage seismic data/interpretation to maximise understanding of regional structure, and test the numerous shallow gassy coal seams. The 2023 seismic data was used to guide the location of some of these wells. Three wells (Red Lake 19, 20 and 21) were aimed at delineating coal resource in areas of low well spatial density and quality data in southwest and south parts of the Red Lake area.

The Company also planned to drill 4 lateral wells as a part of the pilot production program to establish gas production rates from the targeted coals. These lateral wells were deferred from Q4 2023 due to a combination of factors. As work progressed through the year, and following the engagement of a fully integrated drilling contractor, the decision was made to fast track the path to production, whereby the Company revised plans for the pilot production program and instead moved straight towards the drilling of production wells. This was on the basis of improved confidence in both the gas resource but also the drilling and production expertise brought in.

Baruun Naran (BNG) Exploration

At the BNG Project, five prospecting wells are aimed at gathering necessary data to fully delineate target known gassy coal seams, particularly at depth. Further success at BNG is expected to support the conversion of 2U Prospective Resources to 2C Contingent Resources in the existing BNG permit and importantly provide an accelerated pathway to securing a long term Production Sharing Agreement (PSA) over the permit area.

This will ultimately see Jade with significant equity and operatorship of the two key energy projects in the South Gobi, at a pivotal time for the country with clean energy demand growing rapidly from multiple customer markets.

BNG is a joint venture with Hong Kong listed Mongolia Mining Corporation Limited (MMC), which holds the CBM rights over MMC's Baruun Naran coal mine, immediately adjacent to the TTCBM Project. MMC is Mongolia's largest publicly traded mining company with a vision to become the country's largest diversified 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

Within the 2024 program, Jade planned to progress two 100% owned, highly prospective, and sizeable coal bed methane projects at Shivee Gobi and Eastern Gobi, covering a total area of 18,000km^2. These projects are located to the north and east of the TTCBM Project and have an estimated gross unrisked 2U Prospective Resource of 5.4 Tcf. Jade holds Prospecting Agreements over both permit areas and retains flexibility on the timing and extent of drilling activities. Whilst the major focus remains on Red Lake and BNG, the Company planned to undertake further desktop analysis with the potential for drilling and permeability testing to follow. This work will also assist the Company in identifying exploration upside potential. Given the favourable location of the permits, there has been considerable interest from potential partners for involvement at varying levels, and the Company will continue to assess such partnering options.

MOU for Gas Offtake with MMC

On 29 February 2024, the Company announced the signing of a non-binding MOU with MMC to focus on using gas to be produced from the BNG and TTCBM projects to supply MMC's power requirements for its local mining operations and fuel for its extensive 450 double-trailer truck fleet which move product from its two operating mines for export to the Gashuunsukhait-Ganqimaodu (GS-GM) border port in China. MMC is aiming to transform its operating business using Jade's gas to provide a cleaner energy source that can deliver cost savings and significant environmental benefits.

Following the conclusion of the data assessment from BNG, Jade and MMC intend to make an application for a PSA over the BNG permit area. A PSA would provide the joint venture with long term security of tenure and importantly, the platform to progress with advanced appraisal and pre-development activities. MMC is also Jade's joint-venture partner (34%) working with the Company to develop the Baruun Naran coal field (BNG Project).

MMC operates two open-pit mines, namely Ukhaa Khudag Mine, located within the TTCBM permit area, and Baruun Naran Mine, located on the west side extension of the TTCBM permit area. These open-pit mines are located within the Tavan Tolgoi coal basin in the Southern Gobi of Mongolia, which is approximately 220km to the Mongolian-Chinese border and about 550km to Baotou, China, an important steel producing city in China.

Key terms of the MOU include:

- MMC will have a non-exclusive option for gas products from Jade's TTCBM and BNG Projects, and;
- Jade to potentially supply two products: Liquified Natural Gas (LNG) for heavy vehicles, and gas for electricity generation – building on the scoping work Jade has already undertaken on small scale LNG in the region.

MMC is considering the potential of gas as an alternative fuel and cleaner energy source to power its Mongolian mining operations and truck fleet. This forms part of MMC's Towards Sustainable Mining (TSM) protocol, and more broadly Environmental, Social, and Governance (ESG) commitment for sustainable energy use and Green House Gas (GHG) emissions management. Negotiating a binding gas sales agreement contemplating commercial terms will be a catalyst for the conversion of resources to reserves.

Mongolia Gas Opportunity

Security of energy supply is a prominent and significant issue, with gasoline and diesel shortages in various parts of the country becoming a regular feature. Some media reports have suggested that the increased productivity from Mongolia's mining sector and distribution issues have severely impacted the fuel consumption supply/demand balance. This, coupled with the fact that Mongolia imports more than 95% of all its fuel from Russia, may see the diesel intensive mining sector, move more quickly to address vulnerabilities in the energy supply chain by considering alternate and more robust domestic energy supply option such as gas.

One of the significant opportunities for Jade's strategically located Mongolian gas resource lies in supporting coal transport operations that consist of a truck-and-road model. The cost and environmental footprint associated with the forecast increased truck movements underpins the importance of the various partnership being developed by Jade.

An initiative to convert the truck fleet to gas power has a number of potential material benefits:

- Fewer Emissions: Heavy duty vehicles running on LNG produce up to 25% fewer greenhouse gas (GHG) emissions, up to 50% less Nitrogen Oxides (NOx) emissions, and 80% less Particulate Matter (PM) than diesel powered vehicles;
- Cost: LNG to offer favourable pricing and greater stability over diesel;
- Maintenance: LNG-fuelled vehicles require less servicing, and as a result can extend the life of the vehicle for up to 3 times longer than a diesel engine; and
- Efficiency: LNG offers more efficient combustion in engines for reduced fuel consumption. LNG application in transportation is rapidly gaining traction as an alternative fuel option in heavy-duty trucks, trains, ships, and even buses, primarily due to its environmental benefits.

Enhancement of Existing MOU with UBM

In March, Jade announced the enhancement of its existing MOU with UB Metan LLC to supply its newly built LNG fuelling station in the TT area. This was an enhancement to the non-binding MOU signed in April 2022 with UBM to pursue a strategic partnership to decarbonise Mongolia with a cleaner source of energy. The completion of UBM's LNG fuelling station raised the priority for the companies to enhance the existing MOU and fast track negotiations toward an agreement for a local and secure gas supply from Jade's TT CBM Gas Project. The enhanced MOU provides a visible path forward for Jade to potentially commercialise its gas assets. It is envisaged that under the enhanced and extended MOU, the parties will focus resources to assess and evaluate midstream requirements to facilitate the conversion of Coalbed Methane (CBM) to Liquefied Natural Gas (LNG), and the delivery mechanism to connect with UBM's existing LNG wholesaling operations. The infrastructure is likely to involve low cost and small scale, scalable skid mounted LNG equipment.

UBM's LNG Fuelling Station

The UBM built LNG fuelling station is strategically located in close proximity to local mines and the major road to the Chinese border. Its location is less than 10 km from Jade's TTBCM Project in the South Gobi region of Mongolia and became operational late February 2024, with valuable data to be collected on fuel usage and efficiency during the trial period. This is UBM's first LNG fuelling station outside of Mongolia's capital, Ulaanbaatar, and has been built in order to exploit a significant opportunity in the region by supplying LNG as fuel for up to 13,000 diesel haulage trucks, progressively displacing diesel with LNG. The transition to LNG is designed to deliver a large reduction in carbon emissions, supporting the company's Environmental, Social and Governance (ESG) ambitions, along with cost and operational optimisation

The LNG fuelling station commenced servicing a new LNG market in the South Gobi region of Mongolia. Presently, LNG is sourced from Russia, which is then railed over 2,000 km to Ulaanbaatar. From UB, the LNG container vessel is transferred to trucks and driven to the station at Tavan Tolgoi, where it is unloaded into storage facilities. Jade directly supplying gas to the LNG station, as a domestic fuel located close to the LNG terminal, is expected to provide material advantages to the market, and importantly, it is expected to increasingly displace imported and highly pollutant diesel from Russia.

Figure 2: UBM's LNG Fuelling Station at Tavan Tolgoi

Gas Production Pathway

In the early part of 2024, Jade considered its development plan options relative to the most appropriate pathway to early gas production. The scale and value of its strong gas results achieved to date (see Figure 3) provided the Company with a foundation that provides optionality for early gas production. In parallel, Jade also assessed analogue projects, such as the Panzhuang (PZ) and Mabi blocks owned by AAG Energy in the Qin Shui Basin, China, in order to validate its plans against comparable projects (see Table 1). Both PZ and Mabi have strong correlation to the potential development of Jade's TTCBM gas project where the Company sees a clear opportunity to replicate the same rapid development success.

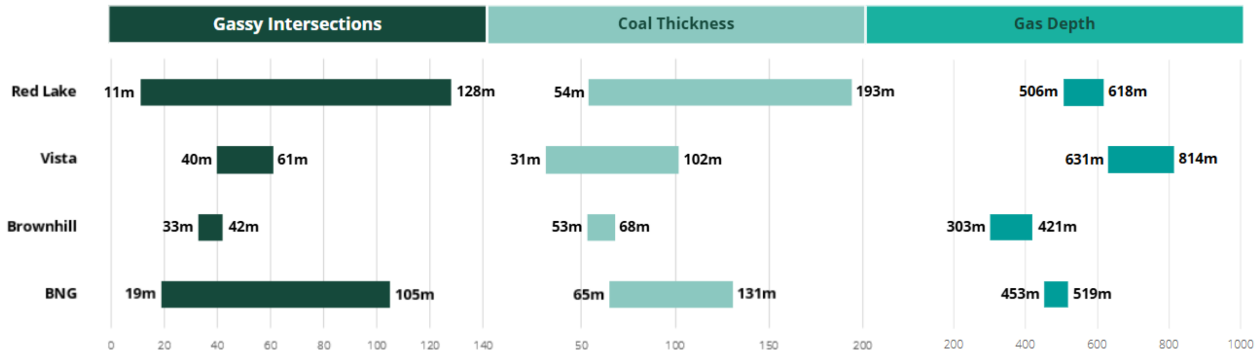

Figure 3: Summary of high-value gas results across Jade's gas assets[1]

With this, Jade made the decision to move directly to a production focused resource development phase that will effectively remove the need for a pilot program as was originally planned, subject to any required approvals by the Mineral Resources and Petroleum Authority of Mongolia (MRPAM). The Company believes that the results and detailed gas information obtained from its 23 wells drilled to-date in the Red Lake area provide a sufficient platform to proceed directly to production wells. Similar projects with permeability trend and variable gas content have been closely observed which suggests development of Jade's TTCBM Project under a rapid production plan, as seen with analogous PZ and Mabi blocks, can be successfully achieved. The move to early production is also designed to capitalise on growing customer demand for gas in Mongolia with nearby markets that demonstrate an immediate desire for gas.

Selection of Drilling Contractor for Red Lake Program and Longer-Term Partnership

In line with the Mongolian regulators requirements for an annual tender process, in June, China based drilling services contractor, Yan'an Drilling Wellking Energy Technology Service Company Limited (DWK), was selected based on a tender offer to complete a fully integrated drilling program for the Company. Historically, Jade looked to employ

[1] Refer to ASX announcement 5 June 2024

several contractors working together to execute the drilling services and directional/steering services. Under this production program, DWK will provide all services to Jade resulting in timing efficiencies and complete ownership of delivery. DWK were also selected based on their extensive experience over many years of successful production involving over 600 wells alone in the Qin Shui Basin in China. The first phase of the program is planned to deliver four horizontal wells that are to be completed as production wells and no longer pilot testing wells.

Following their selection, in July, the Company announced that it has signed a non-binding term sheet for a major gas production partnership with DWK to develop Jade's Red Lake gas resource (the Partnership). The Partnership proposal arose as, during the Red Lake well design and planning phase with DWK for the initial 4 production wells, it was evident that DWK not only understood the technical requirements but also shared Jade's view on the commercial value of the resource at the Red Lake gas field. An opportunity to broaden the engagement evolved which will see the Partnership aim to move quickly to develop the next 20 production wells at Red Lake, subject to the successful drilling of the initial 4 production wells. The deal would essentially see DWK commit to funding the capital required to drill and commission the next 20 production wells at Red Lake, in return for a share of gas revenue from the 20 wells.

Given DWK's experience in coal bed methane production wells in the Qin Shui Basin, the Company sees close similarities between the rapid development at Qin Shui in recent years and Jade's Red Lake project. This is a key catalyst driving DWK's confidence to replicate the success at Red Lake. With the formalising of the Gas Production Partnership there are a number of potential and significant advantages:

- Minimal upfront capital outlay would be required by Jade to deliver a substantial number of production wells and ultimately meaningful first revenues;
- Jade would retain it's current project operatorship and ownership stake;
- Provides Jade with a 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; and

The Partnership covers only a small portion of the initial phase of development drilling of a plan for 175 wells at Red Lake (subsequent phases of development drilling subject to approval by MRPAM). The non-binding terms provide that the revenue sharing arrangement and term of the Partnership will be agreed under a binding service and revenue sharing agreement which the parties intend to negotiate and enter before completion of the four well program.

Baruun Naran Gas Exploration Results

The Company believes the BNG Project has significant potential for gas bearing coals and is working with joint-venture partner Khangad Exploration LLC, a subsidiary of Hong Kong listed Mongolian Mining Corporation LLC (MMC, HKEX:975) to develop a commercial pathway for gas. In total, seven wells have been successfully drilled at BNG with standout gassy coal intersections recorded in the 2024 campaign of 49.85m at BNG-7 and 45.32m at BNG-4, with previously reported highest gassy intersection of 104.6m at BNG-3 from the 2023 campaign.

Initially eight wells were planned, however the Company determined that sufficient data had been recovered from seven wells to form the basis of an upgraded contingent resource assessment and the eventual application for a PSA. Results from BNG compliment the adjacent TTCBM Project, where the Company is primarily focused on accelerating a pathway to gas production at the Red Lake field.

Across the completed drilling program at BNG, Jade intersected thick gassy intersections in all wells. Summary of all coal intersections at BNG:

In 2024

- 45.32 metres of gassy coal intersected at BNG-4 with total depth of 941.0 metres;
- 13.37 metres of gassy coal intersected at BNG-5 with total depth of 528.5 metres;
- 27.25 metres of gassy coal intersected at BNG-6 with total depth of 513.5 metres; and
- 49.85 metres of gassy coal intersected at BNG-7 with total depth of 531.5 metres.

And previously reported in 2023:

- 35.08 metres of gassy coal intersected at BNG-1;
- 25.56 metres of gassy coal intersected at BNG-2; and
- 104.30 metres of gassy coal intersected at BNG-3.

This success at BNG is expected to support the conversion of 2U Prospective Resources to 2C Contingent Resources in the existing BNG permit and importantly provide an accelerated pathway to securing a long term Production Sharing Agreement (PSA) over the permit area.

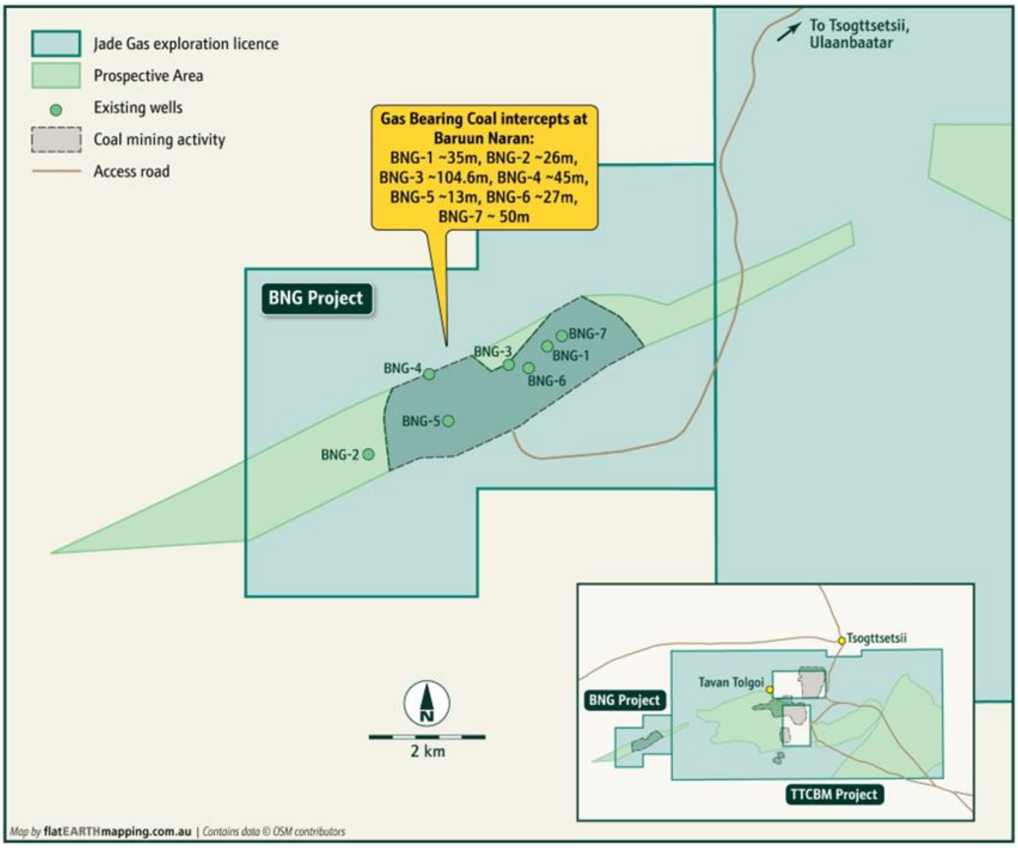

Figure 4: Wells drilled under the Prospecting Agreement at BNG Project

Field Operations Commenced at Red Lake for Production Well Program

On 23 September 2024, the Company announced that it had commenced field operations for the initial four gas production well program at the Red Lake field, which aims to establish commercial gas production. The planned four lateral production wells were each to be drilled and completed over a 1km horizontal length. The production well program also includes a monitoring well (Red Lake 16) with a planned total depth of 420m. This well will be used to monitor:

- Dynamic parameters during production, (eg pressure and permeability),
- Interference between wells will provide information for better spacing for future production drilling,
- Data for reserve calculations and reservoir modelling.

A drilling pad, large enough to drill four lateral gas production wells, was constructed. The first operational phase comprised the drilling of the surface hole for the four gas development wells to a depth of about 60m. After completion of the surface holes the drilling rig capable of drilling the lateral wells will move onto the horizontal production section. All four gas production wells will be drilled to a Total Depth of approximately 1,700m measured depth (MD) including a planned 1,000m lateral production component.

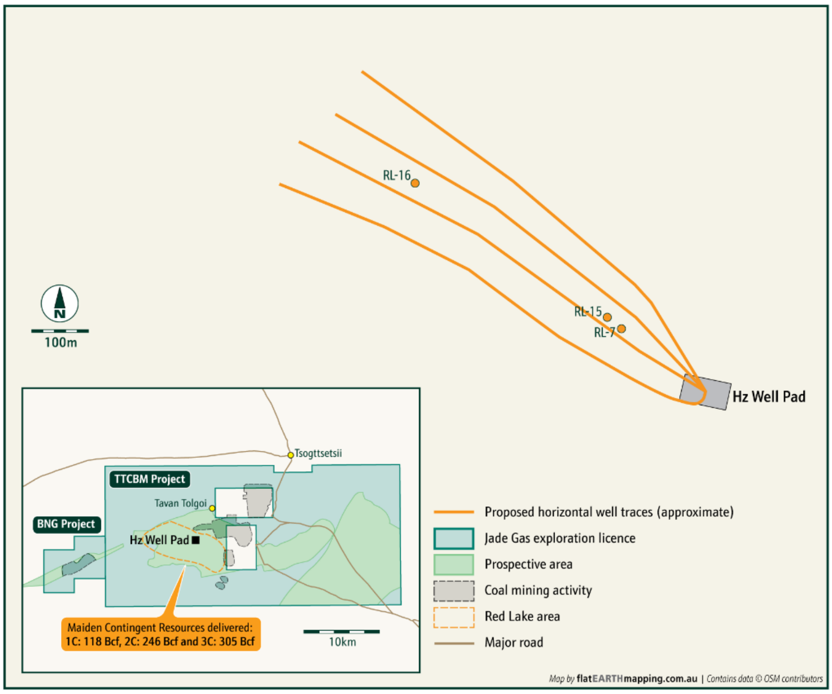

Figure 5: Hz Well Pad Location at TTCBM

Surface Well Complete

On 11 December 2024, the drilling of the first two surface wells from a single drilling pad was completed, laying the foundation for the completion of the lateral components, as part of the initial four production well program.

The monitoring well had been completed and was drilled to 385 metres and was then drilled through the target coal seam - seam III - to provide depth control at the toe for the horizontal program, confirm continuity of gas content along the length of the lateral and provide a monitoring point to observe pressure response in the coal seam. The well intersected 10.8 metres of gassy coal compared to prognosed thickness of 10 metres and intersected the coal approximately 7 metres higher than expected.

Jade's drilling contractor, DWK is operating the largest rig of its kind in Mongolia that is being used to exploit Coal Bed Methane (CBM) and is intended to remain at the TTCBM project to support the next 20 well program planned in 2025.

Figure 6: DWK rig in place for Jade's lateral well program

Financing

On 4 December 2024, the Company announced that it had successfully raised A$3.63m via the issue of 110m fully paid ordinary shares at $0.033 per share. Proceeds of this capital raise were to be used to support the Company's strategic initiatives with respect to long term development options to scale operations at the Red Lake gas field to ultimately build a meaningful operation generating gas revenues.

In addition to the Placement funds of December, during the year Jade drew down an amount of $5.94m under the convertible note deed with UB Metan LLC of November 2023.

2024 Exploration Program Finalised

In addition to the production program, during Q3 and Q4 2024 Jade drilled a further three exploration wells on the Red Lake field. Results from Red Lake wells 17-19 included:

- Red Lake-17 was drilled to Total Depth (TD) of 483 metres and encountered 115 metres of coal intervals, including 32.6 metres of gassy coal. (The original RL-17 encountered difficult drilling conditions in the shallow sections and a decision was made to slightly relocate the well for re-drill as RL-17R);
- Red Lake-18 drilled on the boundary of Jade's prospective area was drilled to TD of 432 metres and encountered 52 metres of coal intervals, including 2.6 metres gassy coal; and
- Red Lake-19 was drilled to TD of 321 metres and encountered 37 metres of coal intervals, included 14.7 metres of gassy coal.

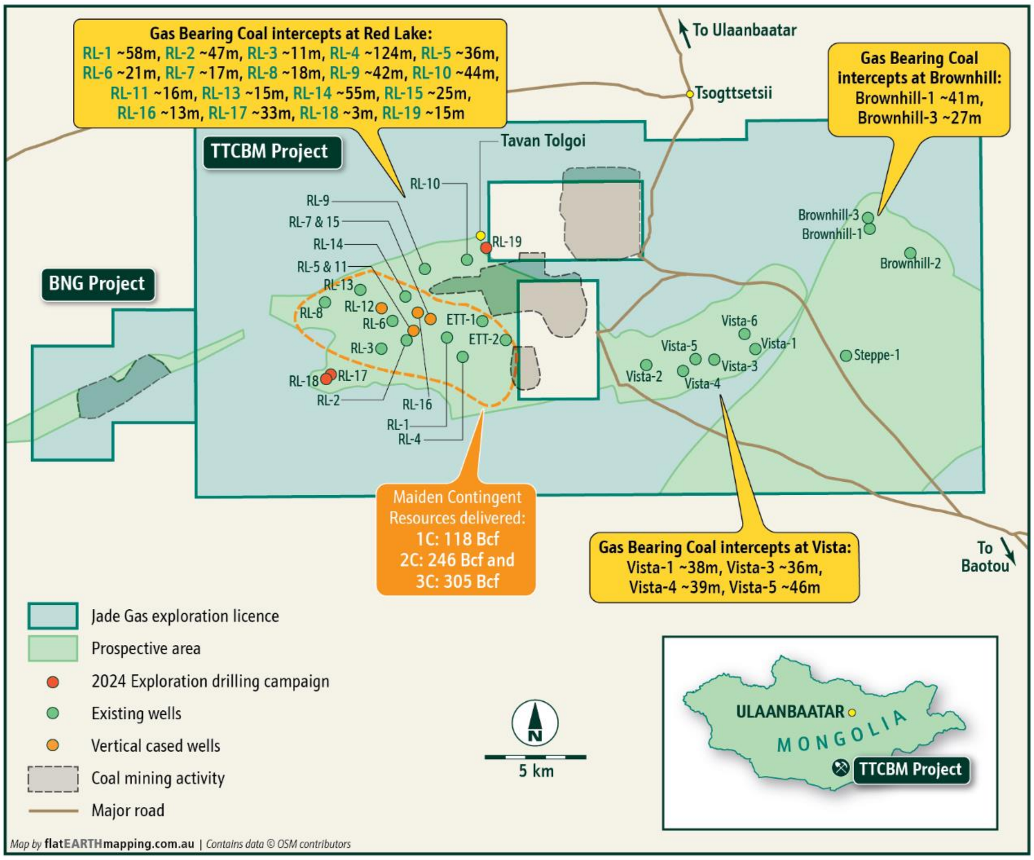

Figure 7: Jade's Drilling Highlights at TTCBM Project

This concluded the 2024 approved exploration plan for the Company.

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 mining 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

No 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 Dennis Morton - Executive Chairman
- Mr Joseph Burke - Executive Director
- Mr Daniel Eddington - Non-Executive Director
- Dr Ian Wang - Non-Executive Director
- Mrs Uyanga Munkhkhuyag - Non-Executive Director

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. 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 Dennis Morton, $10,000 per month (ex GST) for his role as Executive Chairman. Mr Morton also received 5,000,000 Performance Rights during the financial year, which will convert to Ordinary Shares when the Volume Weighted Average Price (VWAP) of the Company's shares as calculated over 20 consecutive trading days is equal to or exceeds $0.08.
- Mr Joseph Burke, $15,000 per month (ex GST) from May 2024 (previously $10,000 per month).

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. Dr Wang also received 7,000,000 Performance Rights during the financial year, which 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.
- Mrs Uyanga Munkhkhuyag: $60,000 per annum. Mrs Munkhkhuyag also received 3,000,000 Performance Rights during the financial year, which 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.

DIRECTORS' REPORT

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 2024 AGM, held on 31 May 2024, the Company received 99.8% 'yes' proxy votes, resulting in the Remuneration Report for the year ended 31 December 2023 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 2024	Salary & Fees $	Cash Bonus $	Super-annuation $	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.

12 Months Ended 31 Dec 2023	Salary & Fees $	Cash Bonus $	Super-annuation $	Options $	Performance Rights $	Total $	Performance Remuneration %
Executive Directors							
Mr Joseph Burke	120,000	-	-	-	-	120,000	-
Mr Dennis Morton	96,000	-	-	-	-	96,000	-
Mr Chris Jamieson[1]	261,348	-	26,031	74,893	-	362,272	20.7
Non-Executive Directors							
Mr Daniel Eddington	60,000	-	-	-	-	60,000	-
Dr Ian Wang[2]	30,000	-	3,300	-	50,110	83,410	60.1
Mrs Uyanga Munkhkhuyag[3]	15,000	-	-	-	-	15,000	-
Mr Peter Lansom[4]	30,000	-	3,150	-	-	33,150	-
Other KMP							
Mr Justin Green[5]	221,068	-	21,208	-	-	242,276	-
Total	**833,416**	**-**	**53,689**	**74,893**	**50,110**	**1,012,108**	

(1) Mr Jamieson resigned as Managing Director on 26 June 2023.
In April 2022, Mr Jamieson received 12,000,000 unlisted options exercisable at 9 cents on or before 19 April 2025. 6,000,000 of these options vested on 19 April 2023 and the remaining 6,000,000 options vest on 19 April 2024. Retention of these Options post his resignation will be subject to shareholder approval. The fair value of the Options and Performance rights has been determined using a Black-Scholes pricing model and Monte Carlo simulation methodology respectively. These valuations have incorporated all market vesting conditions.
(2) Dr Wang commenced on 1 July 2023.
(3) Mrs Munkhkhuyag commenced on 10 October 2023.
(4) Mr Lansom resigned from his position as Non-Executive Director on 26 June 2023.
(5) Mr Green resigned as Financial Controller of the Company on 9 October 2023.

Ordinary Share Holdings of Key Management Personnel

	Balance at 1 Jan 2024	Purchased in Placement	On-market purchase	On-market sale	Other	Balance at 31 Dec 2024
Executive Directors						
Mr Joseph Burke	417,578,664	-	-	-	-	417,578,664
Mr Dennis Morton	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**	**-**	**-**	**-**	**-**	**487,658,665**

Performance Shares and Rights Holdings of Key Management Personnel

	Balance at 1 Jan 2024	Granted as Compensation	Conversion on Milestone	Cancellation on Expiry	Other[1]	Balance at 31 Dec 2024
Executive Directors						
Mr Joseph Burke	-	-	-	-	-	-
Mr Dennis Morton[1]	-	5,000,000	-	-	-	5,000,000
Non-Executive Directors						
Mr Daniel Eddington	-	-	-	-	-	-
Dr Ian Wang[1]	3,000,000	7,000,000	-	-	-	10,000,000
Mrs Uyanga Munkhkhuyag[1]	-	3,000,000	-	-	-	3,000,000
Total	**3,000,000**	**15,000,000**	**-**	**-**	**-**	**18,000,000**

(1) Mr Morton, Dr Wang and Mrs Munkhkhuyag received 5,000,000, 7,000,000 and 3,000,000 Performance Rights respectively, which will convert to Ordinary Shares when the Volume Weighted Average Price (VWAP) of the Company's shares as calculated over 20 consecutive trading days is equal to or exceeds $0.08.

Other transactions with key management personnel and their related parties

None

– 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 Dennis Morton	3	3
Mr Joseph Burke	3	3
Mr Daniel Eddington	3	3
Dr Ian Wang	3	3
Mrs Uyanga Munkhkhuyag	3	3

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 79,000,000 (2023: 80,500,000) 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 1/1/2024	Options Issued	Options Expired	Balance 31/12/24
12,000,000 Broker Options	22/9/24	4/10/23	$0.045	12,000,000	-	(12,000,000)	-
4,000,000 Marketer Options	31/10/24	-	$0.10	4,000,000	-	(4,000,000)	-
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
				80,500,000	**14,500,000**	**(16,000,000)**	**79,000,000**

Unlisted Performance Based Securities

The Company had on issue 95,000,000 (2023: 30,000,000) unlisted performance-based securities at the end of the financial period.

	Expiry Date	Balance 1/1/2024	Issued	Expired	Balance 31/12/24
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	-	15,000,000
		30,000,000	**65,000,000**	**-**	**95,000,000**

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 willful 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.

Dennis Morton
Executive Chairman
28 March 2025

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
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 2024, 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, 28 March 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 $	31 Dec 2023 $
Other income			
Financial income		17,800	65,175
Other income	3	42,682	27,214
Total other income		**60,482**	**92,389**
Expenses			
General and administration expense	4	(1,527,816)	(2,214,130)
Salaries and wages expense	4	(3,747,406)	(2,153,545)
Depreciation and amortisation expense		(158,576)	(149,880)
Interest expense		(466,280)	(17,697)
Realised foreign exchange gain / (loss)		34,759	(269,018)
Loss on disposal of disposal of subsidiary		(1,873)	-
Loss before tax		**(5,806,710)**	**(4,711,881)**
Income tax expense		-	-
Loss for the year		**(5,806,710)**	**(4,711,881)**
Other comprehensive income, net of tax			
Items that may be subsequently reclassified to profit or loss			
Foreign exchange on the translation of subsidiaries		2,037,767	219,939
Total comprehensive loss, net of tax		**(3,768,943)**	**(4,491,942)**
Loss for the year is attributable to:			
Non-controlling interest		(184,605)	(312,329)
Owners of Jade Gas Holdings Limited		(5,622,105)	(4,399,552)
		(5,806,710)	**(4,711,881)**
Total comprehensive loss for the year is attributable to:			
Non-controlling interest		(184,605)	(312,329)
Owners of Jade Gas Holdings Limited		(3,584,338)	(4,179,613)
		(3,768,943)	**(4,491,942)**

Earnings per share		2024 $	2023 $
Basic earnings per share (dollars per share)	5	(0.0037)	(0.0031)
Diluted earnings per share (dollars per share)	5	(0.0033)	(0.0029)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 Dec 2024 $	31 Dec 2023 $
ASSETS			
Current assets			
Cash and cash equivalents	6	1,460,120	2,129,615
Trade and other receivables	7	73,521	338,992
Other assets	8	2,122,609	1,059,759
Total current assets		**3,656,250**	**3,528,366**
Non-current assets			
Plant and equipment	10	1,684,795	1,770,869
Right-of-use asset	10	68,403	159,606
Exploration and evaluation expenditure	11	24,954,779	17,567,280
Intangibles	10	-	42,078
Total non-current assets		**26,707,977**	**19,539,833**
Total assets		**30,364,227**	**23,068,199**
LIABILITIES			
Current liabilities			
Trade and other payables	12	687,142	1,976,612
Borrowings	13	8,022,043	1,663,154
Lease liabilities	13	75,003	95,307
Provisions		88,189	105,907
Total current liabilities		**8,872,377**	**3,840,980**
Non-current liabilities			
Lease liabilities	13	-	75,003
Provisions		39,855	21,459
Total non-current liabilities		**39,855**	**96,462**
Total liabilities		**8,912,232**	**3,937,442**
Net assets		**21,451,995**	**19,130,757**
EQUITY			
Contributed equity	14	37,624,254	34,136,408
Reserves	15	5,669,937	1,267,305
Accumulated losses		(20,929,711)	(15,545,076)
Non-controlling interest	28	(912,485)	(727,880)
Total equity		**21,451,995**	**19,130,757**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Issued capital $	Accumulated losses $	Reserves $	Non-controlling interest $	Total equity $
Balance at 1 January 2024	**34,136,408**	**(15,545,076)**	**1,267,305**	**(727,880)**	**19,130,757**
Profit/(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**
Balance at 1 January 2023	**23,518,190**	**(11,293,632)**	**803,388**	**(415,551)**	**12,612,395**
Profit/(loss) for the year	-	(4,399,552)	-	(312,329)	(4,711,881)
Other comprehensive income for the year (net of tax)	-	-	219,939	-	219,939
Total comprehensive income	**-**	**(4,399,552)**	**219,939**	**(312,329)**	**(4,491,942)**
Issue of shares, rights and options	10,753,848	-	392,086	-	11,145,934
Costs of issuing shares	(135,630)	-	-	-	(135,630)
Expiry of unlisted options	-	148,108	(148,108)	-	-
Balance at 31 December 2023	**34,136,408**	**(15,545,076)**	**1,267,305**	**(727,880)**	**19,130,757**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 $	31 Dec 2023 $
Cash flows from operating activities			
Receipts from customers		35,426	68,574
Payments to suppliers and employees		(3,117,719)	(3,247,607)
Net cash used in operating activities	19	**(3,082,293)**	**(3,179,033)**
Cash flows from investing activities			
Payments for plant and equipment		(11,433)	(469,543)
Payments for exploration and evaluation assets		(7,112,004)	(9,408,455)
Payments for intangible assets		-	(78,732)
Proceeds from disposal of plant and equipment		39,900	-
Interest received		17,800	80,827
Net cash used in investing activities		**(7,065,737)**	**(9,875,903)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares, options and notes		3,630,000	10,753,848
Proceeds from borrowings		5,940,227	1,608,893
Transaction costs related to issue of shares		(126,451)	(149,157)
Repayment of borrowings		-	(210,000)
Interest paid		-	(33,541)
Net cash from financing activities		**9,443,776**	**11,970,043**
Net increase/(decrease) in cash and cash equivalents		(704,254)	(1,084,893)
Cash and cash equivalents at the beginning of the period		2,129,615	3,239,876
Effects of currency translation on cash and cash equivalents		34,759	(25,368)
Cash and cash equivalents at the end of the period		**1,460,120**	**2,129,615**

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

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 28 March 2025 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 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.

Principles of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries at 31 December 2024. 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 and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

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.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

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 is 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.

Significant accounting estimates and judgements for share based payments values

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).

Right-of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities. The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

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').

Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

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.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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, Mongolian Tax Authority or Austrian Taxation Office (Tax Office).

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 2024, 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 - equity settled transactions

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.

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 $5,806,710 and operations were funded by a cash inflow of $3,630,000 from the issue of Ordinary Shares and $5,940,227 from the proceeds of borrowings.

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 2024 $7,558,150 had been received pursuant to the convertible note Agreement with $908,786 received subsequent to year end and the balance of $2,533,065 due for receipt by 30 April 2025.

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. 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

	2024 $	2023 $
Rental income	19,400	24,014
Gain on disposal of plant and equipment	14,450	-
Other	8,832	3,200
	42,682	**27,214**

Note 4: Expenses

General and administration	2024 $	2023 $
ASX & ASIC Fees	55,751	64,353
Insurance	70,556	71,302
Subscriptions and memberships	13,328	36,902
Marketing and investor relations	91,615	132,334
Office	105,841	77,032
Travel	60,484	214,964
Printing, post and stationery	6,932	18,787
Communications	10,769	12,352
Fuel	8,018	6,559
Professional services	565,887	987,733
Mongolian withholding and other state taxes	15,431	391,558
Share based payments - G&A expense	244,161	-
Other administrative expenses	279,043	200,254
Total general and administration expenses	**1,527,816**	**2,214,130**

Salaries and wages		
Salaries and wages	1,292,418	1,619,551
Share based payment – salary & wages expense	2,358,173	392,086
Superannuation expense	96,815	141,908
Total salaries and wages expense	**3,747,406**	**2,153,545**

Note 5: Earnings per share

	2024 $	2023 $
Loss for the period	(5,806,710)	(4,711,881)
Weighted average number of ordinary shares (basic)	1,587,181,662	1,541,207,267
Weighted average number of ordinary shares (diluted)	1,761,181,662	1,641,207,267
Basic earnings per share	**(0.0037)**	**(0.0031)**
Diluted earnings per share	**(0.0033)**	**(0.0029)**

Basic earnings 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.

Diluted earnings per share is calculated as net loss attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Note 6: Cash and cash equivalents

	2024 $	2023 $
Cash at bank	1,460,120	2,129,615
	1,460,120	**2,129,615**

Note 7: Trade and other receivables

	2024 $	2023 $
Accounts receivable	15,209	80,806
GST and VAT receivable	58,312	258,186
	73,521	**338,992**

Note 8: Other assets

	2024 $	2023 $
Prepayments	1,981,404	930,834
Security and environmental deposits	141,205	128,925
	2,122,609	**1,059,759**

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.

	2024 $	2023 $
Losses available for offset against future tax liabilities and deductible temporary differences	**8,020,828**	**7,390,567**

The 2024 figures are calculated on the current 25% tax rate for base rate entities (2023: 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:

	2024 $	2023 $
Accounting loss before tax from continuing operations	(5,806,710)	(4,711,881)
Tax benefit at the parent entity's tax rate of 25% (2023: 25%)	1,451,677	1,177,970
• Non-deductible expenses	(781,186)	(253,344)
• Other deductible costs	350,042	385,490
• Unused tax losses and temporary differences not recognised	(1,020,533)	(1,310,116)
	-	-

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 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**

	Plant and equipment at cost $	Right-of-use asset $	Intangible assets $	Total $
Gross carrying amount				
Balance at 1 January 2023	**945,770**	**453,700**	**26,561**	**1,426,031**
Additions	374,201	-	97,891	472,092
Disposals	-	-	-	-
Reclassifications[1]	862,270	-	-	862,270
Foreign exchange impact	10,446	985	294	11,725
Balance at 31 December 2023	**2,192,687**	**454,685**	**124,746**	**2,772,118**
Accumulated depreciation / amortisation and impairment				
Balance at 1 January 2023	**(158,010)**	**(202,891)**	**(18,444)**	**(379,345)**
Disposals	-	-	-	-
Depreciation expense	(262,061)	-	-	(262,061)
Amortisation expense	-	(91,205)	(63,781)	(154,986)
Reclassifications[1]	-	-	-	-
Foreign exchange impact	(1,747)	(983)	(443)	(3,173)
Balance at 31 December 2023	**(421,818)**	**(295,079)**	**(82,668)**	**(799,565)**
Net book value				
As at 1 January 2023	**787,760**	**250,809**	**8,117**	**1,046,686**
As at 31 December 2023	**1,770,869**	**159,606**	**42,078**	**1,972,553**

(1) Production skids previously recognised in exploration and evaluation expenditure when work in progress.

Note 11: Exploration and evaluation expenditure

	2024 $	2023 $
Opening balance	17,567,280	8,735,473
Reclassification	-	(862,270)
Foreign exchange impact	1,682,678	167,420
Exploration expenditure incurred	5,704,821	9,526,657
	24,954,779	**17,567,280**

Note 12: Trade and other payables

	2024 $	2023 $
Trade creditors	394,624	964,754
Superannuation payable	13,891	26,730
Withholding tax payable	121,560	355,185
Accrued expenses	157,067	629,943
	687,142	**1,976,612**

Note 13: Borrowings

	2024 $	2023 $
Short term loan – convertible note financing (i)	8,022,043	1,663,154
Lease liability	75,003	170,310
	8,097,046	**1,833,464**
Current	8,097,046	1,758,461
Non-current	-	75,003
	8,097,046	**1,833,464**

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.

	31 Dec 2023 $	Financing cash flows $	Office lease liability $	Foreign exchange realised $	Interest on loans $	31 Dec 2024 $
Convertible note	1,663,154	5,940,227		(42,956)	461,618	8,022,043
Lease liabilities	170,310		(95,307)			75,003
	1,833,464	**5,940,227**	**(95,307)**	**(42,956)**	**461,618**	**8,097,046**

Note 14: Contributed equity

	2024 $	2023 $
Issued share capital	39,358,468	35,728,450
Costs of issuing shares	(1,734,214)	(1,592,042)
	37,624,254	**34,136,408**
Issued capital comprises:		
1,686,834,171 fully paid ordinary shares (31 December 2023: 1,576,834,171)	37,624,254	**34,136,408**
	37,624,254	**34,136,408**

FULLY PAID ORDINARY SHARES

	Number of shares	Share capital $
Balance at 1 January 2023	1,397,403,331	23,518,190
Shares issued	178,630,840	10,717,848
Options exercised	800,000	36,000
Costs of issuing shares	-	(135,630)
Closing balance at 31 December 2023	**1,576,834,171**	**34,136,408**
Balance at 1 January 2024	1,576,834,171	34,136,408
Shares issued[1]	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**

[1] On 04 December 2024, the Company completed a $3,630,000 capital raising through the issue of 110,000,000 shares at an issue price of $0.033 per share.

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 2024		31 December 2023	
	Quantity	Weighted ave exercise price	Quantity	Weighted ave exercise price
	Number	$	Number	$
Outstanding at the start of the period	**80,500,000**	**0.078**	170,500,000	0.061
Forfeited during the period	(16,000,000)	0.059	(90,000,000)	0.045
Granted during the period	14,500,000	0.05	-	-
Outstanding at the end of the period	**79,000,000**	**0.077**	**80,500,000**	**0.078**

At 31 December 2024, the Group has 79,000,000 (2023: 80,500,000) Unlisted Options on issue, the terms and details are set out below:

	Expiry Date	Escrow Date	Exercise Price	Balance 1/1/24	Options Issued	Options Expired	Balance 31/12/24
12,000,000 Broker Options	22/9/24	4/10/23	$0.045	12,000,000	-	(12,000,000)	-
4,000,000 Marketer Options	31/10/24	-	$0.10	4,000,000	-	(4,000,000)	-
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
				80,500,000	**14,500,000**	**(16,000,000)**	**79,000,000**

Performance Rights

At 31 December 2024, the Group has 95,000,000 (2023: 30,000,000) 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.

	2024 Quantity	2023 Quantity
Employee Performance Rights Granted 25/11/2021 - Tranche 1	4,000,000	4,000,000
Employee Performance Rights Granted 25/11/2021 - Tranche 2	4,000,000	4,000,000
Employee Performance Rights Granted 16/12/2021 - Tranche 1	8,000,000	8,000,000
Employee Performance Rights Granted 16/12/2021 - Tranche 2	8,000,000	8,000,000
Employee Performance Rights Granted 4/1/2022 - Tranche 1	500,000	500,000
Employee Performance Rights Granted 4/1/2022 - Tranche 2	500,000	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	-
Directors Performance Rights Granted 31/05/2024	15,000,000	-
	95,000,000	**30,000,000**

TERMS AND CONDITIONS OF CONTRIBUTED EQUITY – DIRECTOR AND EMPLOYEE PERFORMANCE RIGHTS

On 09 January 2024, 50,000,000 Performance Rights were issued to employees and consultants 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 will vest no earlier than the 12-month anniversary of the issue date, provided that the Participants are still employed/engaged by the Company at the time the VWAP condition is satisfied.

On 31 May 2024, a total of 15,000,000 Performance Rights were issued to Mr Dennis Morton, Mrs Uyanga Munkhkhuyag and Dr Ian Wang which 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 and expire on 31 May 2027 and these Performance Rights will vest no earlier than the 12-month anniversary of the issue date, provided that the Directors are still employed by the Company at the time the VWAP condition is satisfied.

Note 15: Reserves

	2024 $	2023 $
Option and Performance Rights reserve	4,352,809	1,987,944
Foreign exchange reserve on the conversion of subsidiary undertakings	1,317,128	(720,639)
	5,669,937	**1,267,305**

SHARE OPTION RESERVE

	2024 $	2023 $
Opening balance	1,987,944	1,743,965
Expiry of 22,000,000 Director options issued on 22 September 2021 as part of the RTO	-	(148,108)
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)	-
Issue of 8,000,000 Performance Rights on 25 November 2021	70,668	70,475
Issue of 16,000,000 Performance Rights on 16 December 2021	143,295	142,904
Issue of 1,000,000 Performance Rights on 4 January 2022	8,730	8,706
Issue of 12,000,000 Director options on 19 April 2022	20,772	110,205
Issue of 2,000,000 Performance Rights on 10 November 2022	8,521	9,687
Issue of 3,000,000 Director Performance Rights on 5 July 2023	52,070	50,110
Issue of 50,000,000 Employee Performance Rights on 9 January 2024	1,684,747	-
Issue of 15,000,000 Director Performance Rights on 31 May 2024	369,370	-
Issue of 14,500,000 Consultant options on 12 December 2024	244,161	-
	4,352,809	**1,987,944**

Note 16: Controlled entities

Controlled entities consolidated Subsidiaries of Jade Gas Holdings Limited	Country of incorporation	Principal activity	Percentage owned 2024 %	 2023 %
Jade Gas Pty Ltd	Australia	Intermediate parent	100	100
Jade Methane LLC	Mongolia	CBM exploration	100	100
Methane Gas Resource LLC	Mongolia	CBM exploration	60	60
Jade Gas Mongolia LLC	Mongolia	CBM exploration	100	100
Baruun Naran Gas LLC	Mongolia	CBM exploration	66	66
Acacia Mining Pty Ltd	Australia		100	100
Austrian Projects Corporation Pty Ltd	Australia	Intermediate parent	100	100
APC Cobalt GmbH (i)	Austria	Cobalt projects	-	100
APC Gold GmbH (ii)	Austria	Intermediate parent	-	100
Eurocan Mining GmbH (iii)	Austria	Gold projects	-	100

(i) APC Cobalt GmbH was liquidated in March 2024 and the company has been deleted from the Austrian companies Register.

(ii) APC Gold GmbH was liquidated in March 2024 and the company was deleted from the Austrian companies Register.

(iii) Eurocan Mining GmbH was liquidated in March 2024 and the company was deleted from the Austrian companies Register.

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

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

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 expects to receive a number of shares in the acquirer to the value of approximately $200,000 based on the current share price of the acquirer. The second condition is not yet satisfied.

Note 19: Cash flow information

	2024 $	2023 $
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	1,460,120	2,129,615
	1,460,120	**2,129,615**
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	(5,806,710)	(4,711,881)
Non-cash flows included in loss:		
• Depreciation and amortisation	158,576	149,880
• Interest expense on loans	461,619	17,697
• Share based payments	2,602,335	392,086
• Loss on disposal of subsidiary	1,873	-
• Gain on disposal of plant and equipment	(14,450)	-
Changes in assets and liabilities:		
• Decrease/(increase) in receivables	261,815	(213,226)
• Decrease/(increase) in prepayments	23,158	101,342
• (Decrease)/increase in creditors & accruals	(770,509)	1,085,069
Net cash used in operating activities	**(3,082,293)**	**(3,179,033)**

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 2024. The totals of remuneration attributable to KMP of the Group during the period are as follows:

	2024 $	2023 $
Short-term employee benefits	520,000	833,416
Post employee benefits	6,875	53,689
Equity based payments	421,440	125,003
	948,315	**1,012,108**

Note 21: Share Based Payments

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

	31 Dec 2024 $	Current year $	31 Dec 2023 $
8,000,000 Employee Incentive Performance Rights	218,569	70,668	147,901
16,000,000 Employee Incentive Performance Rights	434,976	143,295	291,681
1,000,000 Employee Incentive Performance Rights	26,046	8,730	17,316
4,000,000 Director Incentive Options	118,120	-	118,120
12,000,000 Director Incentive Options	275,702	20,772	254,930
2,000,000 Employee Incentive Performance Rights	18,208	8,521	9,687
3,000,000 Director Incentive Performance Rights	102,180	52,070	50,110
50,000,000 Employee Incentive Performance Rights	1,684,747	1,684,747	-
15,000,000 Director Incentive Performance Rights	369,370	369,370	-
Share Based Payment - Salaries and wages	**3,247,918**	**2,358,173**	**889,745**
4,000,000 Marketer Options	-	(117,480)[1]	117,480
7,500,000 Marketer Options	114,843	-	114,843
14,500,000 Consultant Options	244,161	244,161	-
Share Based Payment - General and admin	**359,004**	**126,681**	**232,323**
12,000,000 Broker Options	-	(119,989)[1]	119,989
10,000,000 Broker Options	179,830	-	179,830
1,000,000 Broker Options	18,029	-	18,029
30,000,000 Attaching Options	548,028	-	548,028
Share Issue Costs	**745,887**	**(119,989)**	**865,876**
Share Based Payment Reserve	**4,352,809**	**2,364,865**	**1,987,944**

[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**
50,000,000 Performance Rights	9/1/24	9/1/25	9/1/28	$0.43	$0.080	$0.034	72%	3.74%
15,000,000 Performance Rights	31/5/24	31/5/25	31/5/28	$0.49	$0.080	$0.042	75%	4.05%
14,500,000 Consultant Options	12/12/24	12/12/24	12/12/27	$0.036	$0.050	$0.017	81%	4.35%

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	95
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	-
Total - Salaries and wages	**392,086**	**2,358,173**	**516,143**	**7,406**
14,500,000 Consultant Options	-	244,161	-	-
Total - General and admin	**-**	**244,161**	**-**	**-**
Grand Total	**392,086**	**2,602,334**	**516,143**	**7,406**

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.

	2024 $	2023 $
Current assets	5,504,775	206,998
Non-current assets	28,124,289	26,534,306
Total assets	**33,629,064**	**26,741,304**
Current liabilities	8,768,656	3,065,580
Non-current liabilities	39,855	96,462
Total liabilities	**8,808,511**	**3,162,042**
Net assets	**24,820,553**	**23,579,262**
Issued capital	37,624,254	34,136,408
Share based payment reserve	4,352,809	1,987,944
Accumulated losses	(17,156,510)	(12,545,090)
Total equity	**24,820,553**	**22,579,262**
Loss for the year	(4,848,888)	(3,824,382)
Total comprehensive loss for the year	**(4,848,888)**	**(3,824,382)**

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:

- $5,795,360 receivable from Jade Gas Pty Ltd
- $1,215,817 payable to Austrian Projects Corporation Pty Ltd.
- $272,013 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:

- $4,085,978 to Jade Gas Mongolia LLC for the purpose of the BNG Project and Mongolian projects administration.
- $26,786,278 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 2024 $	Accrued Expenses 31 Dec 2024 $	Total Payable to KMP 31 Dec 2024 $	Total Payable to KMP 31 Dec 2023 $
Mr Dennis Morton	11,000	10,000	21,000	30,000
Mr Joseph Burke	30,000	-	30,000	30,000
Mr Daniel Eddington	-	15,000	15,000	15,000
Dr Ian Wang	-	5,000	5,000	-
Mrs Uyanga Munkhkhuyag	-	45,000	45,000	15,000
	41,000	**75,000**	**116,000**	**90,000**

TRANSACTIONS WITH RELATED ENTITIES

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

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

Note 24: Events After the Reporting Period

No 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:

	2024 $	2023 $
Audit services - BDO Audit Pty Ltd	102,816	73,369
Tax Services - BDO Administration Pty Ltd	13,015	7,900
Other services[1]	45,210	26,046
	161,041	**107,315**

[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	2024 $	2023 $
Financial assets			
Cash and cash equivalents	6	1,460,120	2,129,615
Trade and other receivables	7	73,521	338,992
		1,533,641	**2,468,607**
Financial liabilities			
Trade and other payables	12	687,142	1,976,612
Lease liabilities	13	75,003	170,310
Borrowings	13	8,022,043	1,663,154
Provisions		128,044	127,366
		8,912,232	**3,937,442**

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

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of the contract obligations that could lead to a financial loss to the Group. There is no material amount of collateral held as security at 31 December 2024.

Cash and cash equivalents
The Group limits is exposure to credit risk by only depositing cash at banks or financial institutions that have an acceptable credit rating.

Trade and other receivables
As the Group operates primarily in investment and exploration activities, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

The Group, where necessary, establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments. Management does not expect any counterparty to fail to meet its obligations.

Exposure to credit risk
The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at balance date is as follows:

	Note	2024 $	2023 $
Other receivables	7	73,521	338,992
		73,521	**338,992**

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 $8,022,043 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:

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)**

At 31 December 2023	Carrying value $	Within 1 year $	1-5 years $	Over 5 years $	Total contractual cash flows $
Financial liabilities due for payment					
Trade and other payables	1,976,612	1,976,612	-	-	1,976,612
Lease liabilities	170,310	95,307	75,003	-	170,310
Borrowings	1,663,154	1,663,154	-	-	1,663,154
Provisions	127,366	105,907	-	21,459	127,366
Total expected outflows		**3,840,980**	**75,003**	**21,459**	**3,937,442**
Financial assets – cash flows realisable					
Cash and cash equivalents	2,129,615	2,129,615	-	-	2,129,615
Trade and other receivables	338,992	338,992	-	-	338,992
Total expected inflows		**2,468,607**	**-**	**-**	**2,468,607**
Net inflow/(outflow) on financial instruments		**(1,372,373)**	**(75,003)**	**(21,459)**	**(1,468,835)**

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.

	2024	2023
Mongolian Tugrik		
Cash and cash equivalents	189,214,844	607,552,885
Trade and other receivables	69,956,204	563,024,321
Trade and other payables	(220,208,873)	(1,686,625,060)
	38,962,175	**(516,047,854)**
Euros		
Cash and cash equivalents	-	-
Trade and other receivables	-	26,015
Trade and other payables	-	(648)
	-	**25,367**
US Dollars		
Cash and cash equivalents	201,419	1,264,234
	201,419	**1,264,234**

Interest rate risk

The Group is exposed to interest rate risk (primarily on its cash and cash equivalents), 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 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.

	2024 $	2023 $
Variable rate instruments		
Financial assets - Cash and cash equivalents	1,460,120	2,129,615
	1,460,120	**2,129,615**

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 2024				
Variable rate instruments	14,601	(14,601)	14,601	(14,601)
31 December 2023				
Variable rate instruments	20,900	(20,900)	20,900	(20,900)

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 does not have any operating segments with discrete financial information. 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

	2024 $	2023 $
Issued capital	48,944	48,944
Accumulated losses	(961,429)	(776,824)
	(912,485)	**(727,880)**

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 31 DECEMBER 2024

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 2024

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 2024 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 Standards 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 2024.

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

Dennis Morton
Executive Chairman
28 March 2025

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
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 2024, the consolidated statement of 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 2024 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 *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 our audit of the 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 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

Key audit matter	How the matter was addressed in our audit
As at 31 December 2024 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.	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.

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 2024, 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 17 to 20 of the directors' report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Jade Gas Holdings Limited, for the year ended 31 December 2024, 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 28 March 2025

ASX ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2024

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 2024 (unless otherwise stated).

Holders of each class of equity securities

Number of holders in each class of equity securities as at 12 March 2025 are listed below:

Holding Type	Holding	Number	No. of Holders
Quoted	Ordinary - Fully Paid	1,686,834,171	1,153
Unquoted	Option Expiring 19 April 2025	12,000,000	1
Unquoted	Option Expiring 5 May 2025	10,000,000	4
Unquoted	Option Expiring 9 November 2025	1,000,000	3
Unquoted	Option Expiring 30 November 2025	30,000,000	53
Unquoted	Option Expiring 5 December 2025	7,500,000	3
Unquoted	Option Expiring 12 December 2027	14,500,000	4
Unquoted	Performance Rights	95,000,000	32

Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 12 March 2025 are listed below:

Holding Type	Number	No. of Holders
1 - 1,000	13,533	170
1,001 - 5,000	352,008	86
5,001 - 10,000	616,937	79
10,001 - 100,000	15,051,767	320
100,001 and over	1,670,799,929	498
Total	**1,686,834,171**	**1153**

Substantial holders

Substantial holders of ordinary shares in the Company as at 12 March 2025 are listed below:

Holder	Number Held	Percentage
Mr Joseph Burke	417,578,664	24.7%
UB Metan LLC	313,630,800	18.6%

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 2024

Twenty largest equity security holders

The names of the twenty largest holders of fully paid ordinary shares as at 12 March 2025 are listed below:

Holder	Number Held	Percentage (%)
GM VENTURES & INVESTMENTS LIMITED	334,240,000	19.81
UB METAN LLC	313,630,800	18.59
SCOR GO LUATH LIMITED	80,334,664	4.76
E & E HALL PTY LTD <E & E HALL P/L S/F A/C>	55,150,001	3.27
MR DANIEL EDDINGTON + MRS JULIE EDDINGTON <DJ HOLDINGS A/C>	49,276,668	2.92
JAWAF ENTERPRISES PTY LTD <HALL FAMILY A/C>	48,230,005	2.86
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	37,669,500	2.23
BRING ON RETIREMENT LTD	24,500,000	1.45
MR RAJIV TREHAN	22,370,000	1.33
CITICORP NOMINEES PTY LIMITED	21,039,644	1.25
MARK JOHN BAHEN + MARGARET PATRICIA BAHEN <MJ BANEH SUPER FUND A/C>	20,000,000	1.19
CANE ASSET MANAGEMENT PTY LTD <CANE SUPER A/C>	19,200,000	1.14
DACAMA PTY LTD <DACAMA SUPERANNUATION A/C>	18,925,000	1.12
COHUNA INVESTMENTS PTE LTD	18,500,000	1.10
CHRIS WHITEMAN <CP & NJ WHITEMAN KELLY A/C>	16,000,000	0.95
RDA ASSET MANAGEMENT LIMITED	15,915,667	0.94
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	15,491,747	0.92
ATLAS PRECIOUS METALS INC	15,000,000	0.89
MR THOMAS MCCOY	12,464,599	0.74
MR CHRISTOPHER WILLIAM TOZER	10,824,999	0.64
Total	**1,148,763,294**	**68.10%**

Holders of less than a marketable parcel of securities

Number of holders as at 12 March 2025 holding less than a marketable value of securities being $500 at the share price of $0.031 per share are listed below.

Holding	Number of Holders
1 – 16,130 (less than a marketable parcel)	386

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 2024

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%
Shivee Gobi	Mongolia	Prospecting Agreement	Jade Gas Mongolia FLLC	100%
Eastern Gobi	Mongolia	Prospecting Agreement	Jade Gas Mongolia FLLC	100%
BNG	Mongolia	Prospecting Agreement	Baruun Naran Gas LLC	66%

JADE GAS

WWW.JADEGAS.COM.AU