

23 February 2026

**Clean Energy Regulator**

GPO Box 621  
Canberra ACT 2601  
Australia

Dear Clean Energy Regulator

**Re: Written explanation under Section 72C(5) of the Safeguard Rule – Montara Operations**

Jadestone Energy (Eagle) Pty Ltd (Jadestone), as the operator of the Montara Operations (Facility), confirms that the number of Australian Carbon Credit Units (ACCUs) surrendered for the 2024/25 period is greater than 30% of the Facility's baseline emissions.

This written explanation is provided in accordance with section 72C (5) of the National Greenhouse and Energy Reporting (Safeguard Mechanism) Rule 2015.

**Reason for Baseline Exceedance**

Several operational and production-related factors contributed to the Facility exceeding its baseline emissions number during the reporting period, including:

- Operational constraints associated with the reinjection compressor leading to increased flare rates, driven by higher rate of gas production from the Montara wells.
- Increased fuel gas and diesel consumption for power generation.

**Carbon Abatement Progress and Actions**

Jadestone remains committed to reducing emissions and improving carbon performance at the Facility. Key initiatives undertaken or planned include:

- Upgrading the reinjection compressor to increase discharge capacity, by replacing the power turbine and conducting a compressor bundle exchange. These upgrades are expected to reduce flaring and overall emissions. The upgrade is scheduled for completion in 2026.
- Feasibility assessment to reinstate or modify the recycle/off-gas compression skid to capture and process low-pressure gas that is currently flared.

These initiatives are expected to support reduced emissions intensity and contribute to ongoing compliance with the Safeguard Mechanism in future reporting periods.

Yours sincerely,



**T. Mitch Little**

Chief Executive Officer