

March 19, 2024

JX Nippon Oil & Gas Exploration Corporation

JX and Chevron Sign MOU
for Collaboration on Development of CCS Value Chain

JX Nippon Oil & Gas Exploration Corporation (“JX”; President & CEO: Toshiya Nakahara) is pleased to announce that JX and Chevron New Energies (“Chevron”), a division of Chevron U.S.A. Inc., have signed a Memorandum of Understanding (“MOU”) that provides a framework for evaluating the export of Carbon Dioxide (CO₂) from Japan to Carbon dioxide Capture and Storage (“CCS”) projects in Australia and other countries in the Asia-Pacific region.

The main objective of this MOU is to evaluate the feasibility of the CCS value chain, including capture of CO₂ emitted from industries located in Japan including our affiliates, transportation by ship from Japan to Chevron’s greenhouse gas storage portfolio in Australia. The collaboration will also explore the opportunities to develop suitable transboundary policies and the potential for development of CO₂ storage sites in other countries in this region.



Photo of signing ceremony (photo credit: Chevron)

Left to right, Jeff Gustavson, President, Chevron New Energies

Chris Powers, Vice President, CCUS, Chevron New Energies

Tetsuo Yamada, Executive Vice President, Chief Strategy Officer, Assistant to President, JX Nippon

Toshiya Nakahara, Chief Executive Officer, Chief Digital Officer, President, JX Nippon

Tetsuo Yamada, Executive Vice President of JX said: "This MOU is achieved thanks to significant oil and liquefied natural gas (LNG) relationship with Chevron that we have had over seven decades, and further demonstrates the commitment and dedication of both companies to promote the provision of low-carbon solutions." "JX has positioned CCS as an important initiative in its business strategy under its "Two-Pronged" approach, in which, in addition to the conventional oil and natural gas development business, decarbonization Initiatives centered on CCS/CCUS are another prong of the company's operations such as the Petra Nova CCUS project in Texas, USA (see figure below). JX will contribute to the realization of a carbon-neutral society by leveraging the knowledge we have accumulated through our various CCS/CCUS-related businesses."

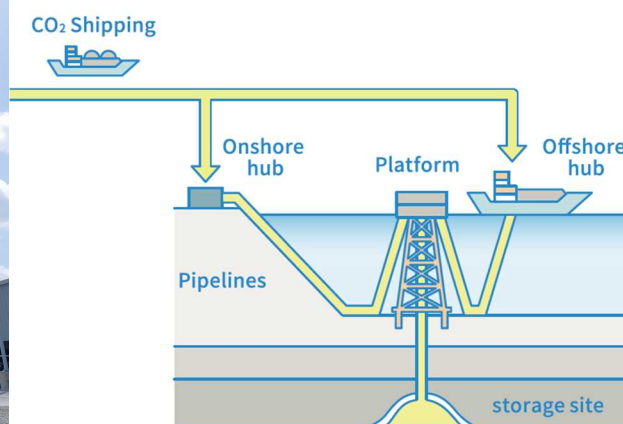
"We look forward to building off our long-standing relationship with JX and ENEOS Group, the largest Japanese global petroleum and metals conglomerate, and hope that this joint study ultimately contributes to the further

development of large-scale CCS hubs throughout the Asia Pacific region,” said Chris Powers, Vice President of Carbon Capture Utilization and Storage at Chevron. “We believe large-scale CCS value chain projects will play a key role in advancing Asia Pacific’s lower carbon aspirations, and that long-term collaborations are necessary to meet these aspirations.”

<Note> CCUS stands for Carbon Dioxide Capture, Utilization and Storage. It is a technology that focuses on generating new commodities and energy in addition to capturing and storing CO₂.



Petra Nova Carbon Capture Facility



CCS Process (in case of subsea injection)