

Acquisition of a Participating Interest in an Exploration Permit in the North West Shelf Offshore Australia

October 19, 2012

PRESS RELEASE

JX Nippon Oil & Gas Exploration Corporation (President: Shigeo Hirai, "JX Nippon") is pleased to announce that its wholly owned Australian Subsidiary, JX Nippon Oil & Gas Exploration (Australia) Pty Ltd (President: Nobuyasu Iida, "JX Australia"), has executed two Farm In Agreements with Finder Exploration Pty Ltd ("Finder") and Carnarvon Petroleum Limited ("Carnarvon") for permits located in offshore North West Shelf Australia.

The terms of the Farm In Agreements provide that JX Australia will acquire a 10% participating interest in the WA-435-P and WA-437-P ("Permits") from each of Finder and Carnarvon. Accordingly, JX Australia's participating interest will be 20% in each of the Permits.

There are two geological structures in which JX Nippon is hopeful of finding natural gas. As the first step of exploration, moving forward the partners are expecting to commence drilling an exploration well in WA-435-P during 2013.

JX Nippon is actively carrying out exploration and production activities in the North West Shelf offshore Australia, including the Mutineer Exeter field which is currently producing oil, as well as the Finucane South Field, which is scheduled to start production in the second half of 2013.

JX Nippon will endeavor to expand its exploration and development activities for petroleum and natural gas in the North West Shelf offshore Australia.

Details of Permits

| 1. Area | WA-435-P | WA-437-P |
|---------------------------|---|------------------------------------|
| 2. Acreage | Approximately 4,955km ² | Approximately 4,855km ² |
| 3. Participating Interest | JX Nippon Oil & Gas Exploration (Australia) Pty Ltd (20%) Apache Northwest Pty Ltd (40%) (Operator) Finder Exploration Pty Ltd (20%) (30%: before transfer) Carnarvon Petroleum Limited (20%) (30%: before transfer) | |

