

New Gas Discovery in the Carnarvon Basin Offshore Western Australia

July 23, 2013

PRESS RELEASE

JX Nippon Oil & Gas Exploration Corporation ("JX Nippon") (President and CEO: Shigeo Hirai) is pleased to announce that its wholly owned Australian subsidiary, JX Nippon Oil & Gas Exploration (Australia) Pty Ltd ("JX Australia") has made a gas discovery in the Bianchi-1 appraisal well in Retention Lease WA-49-R, located in the Carnarvon Basin offshore Western Australia.

Bianchi-1 encountered 112 metres of net gas pay over a 595 metres gross interval in the primary target, the Triassic aged Mungaroo Formation. Preliminary wireline evaluation and pressure data suggests good reservoir properties, similar to those observed in the nearby Zola-1 discovery which was drilled in April 2011.

The Bianchi structure is situated in water depths of 240 metres on a separate down dip fault block located approximately 6km to the north-east of the Zola-1 gas discovery.

The success at Bianchi confirms a significant northern accumulation in the greater Zola area, materially adding to the resource potential of the area and is a further promising step in the appraisal of the greater Zola area.

The greater Zola area is strategically placed near proposed and existing gas infrastructure and the Bianchi discovery is a significant step towards commercialization. JX Nippon is committed to further appraisal activities and evaluation studies with the joint venture partners aiming towards commercial development in the greater Zola area.

JX Australia holds a 15% interest in WA-49-R, while Apache (operator) holds 30.25%, Santos 24.75%, OMV Australia 20% and Tap Oil 10%.

1. JX Nippon Oil & Gas Exploration (Australia) Pty Ltd

(1) Registered Corporate Office	Perth, Australia
(2) Director	Hironori Wasada
(3) Paid-in Capital	A\$34,809M (as of March, 2011)
(4) Date of Establishment	April, 1997

2. Summary of WA-49-R

(1) Permit Location	North West Shelf, offshore Australia	
(2) Permit Name	WA-49-R	
(3) Participating Interest	Apache Northwest Pty Ltd	(30.25%)
	Santos Offshore Pty Ltd	(24.75%)
	OMV Australia Pty Ltd	(20.00%)
	Tap (Zola) Pty Ltd	(10.00%)
	JX Nippon Oil & Gas Exploration (Australia) Pty Ltd	(15.00%)
(4) Operator	Apache Northwest Pty Ltd	

WA-49-R/Bianchi-1 Well Location Map

