

Production Sharing Contract for Deepwater Block 2F, Offshore Sarawak, Malaysia

September 19, 2013

PRESS RELEASE

JX Nippon Oil & Gas Exploration Corporation (President: Mr. Shigeo Hirai) is pleased to announce that JX Nippon Oil & Gas Exploration Corporation has entered into a Production Sharing Contract (PSC) for Deepwater Block 2F, Sarawak with PETROLIAM NASIONAL BERHAD ("PETRONAS"), the national oil company of Malaysia, through its subsidiary, JX Nippon Oil & Gas Exploration (Offshore Malaysia) Sdn. Bhd. (President: Mr. Hironori Wasada) to be effective from September 19, 2013.

Deepwater Block 2F is located in the northwest of Sarawak, with approximately 5,500 square kilometres surface area and 100-1,200 meters water depth. JX Nippon Oil & Gas Exploration (Offshore Malaysia) Sdn. Bhd. holds 40% Participating Interest and will conduct exploration activity as the operator at Deepwater Block 2F.

Deepwater Block 2F is our 6th project (and 4th project as operator) in Malaysia.

In Malaysia, we are operator for Block SK10, offshore Sarawak which is now in the 10th year of gas production and studying further development. We are also the operator carrying out exploration activities in Block SK333 onshore Sarawak and Deepwater Block R offshore Sabah. In Block SK333, accumulation of oil and gas were confirmed at Adong Kecil West-1 well which was drilled in 2012 and we are currently conducting detailed reserves evaluation. In addition, we are participating as non-operator in gas production activities in Block SK8 and also as non-operator in exploration activities in Block PM308A offshore Peninsular Malaysia.

We consider Malaysia as one of our important core countries and will seek to increase our activities and presence in Malaysia.

1. Project Summary

(1) Block	Deepwater Block 2F, Sarawak, Malaysia	
(2) Signing Date	September 19, 2013	
(3) Block Acreage	Approx. 5,500 km ²	
(4) Participating Interest	JX Nippon Oil & Gas Exploration (Offshore Malaysia) Sdn. Bhd. PETRONAS Carigali Sdn. Bhd. (*1) GDF Suez E&P Malaysia B.V.	40% 40% 20%
(5) Operator	JX Nippon Oil & Gas Exploration (Offshore Malaysia) Sdn. Bhd.	

(*1) A wholly owned subsidiary of PETRONAS

2. Work Program

(1) Exploration Period	4 years
(2) Planned Activities	Drilling of Wildcat Well, Acquisition and processing of new CSEM data and reprocessing of existing CSEM data, and Reprocessing of existing 3D Seismic data

3. Company Profile of JX Oil & Gas Exploration (Offshore Malaysia) Sdn. Bhd.

(1) Representative	Hironori Wasada
(2) Date of Establishment	March 11, 2013
(3) Business Activities	<p>The exploration and development of petroleum, natural gas, other mineral resources in and around Malaysia.</p> <p>The recovery, processing, storage, sale and purchase of petroleum, natural gas, other mineral resources and the by-products of these and to carry on related business in connection with above objects.</p>
(4) Shareholder	JX Nippon Oil & Gas Exploration Corporation (100%)