

JX Nippon to develop and produce oil and gas from Beryl Gas Field, offshore Sarawak, Malaysia

December 20, 2017

PRESS RELEASE

Mr. Shunsaku Miyake, President and CEO of JX Nippon Oil & Gas Exploration Corporation is pleased to announce that PETROLIAM NASIONAL BERHAD (“PETRONAS”), the national oil company of Malaysia, has agreed for JX Nippon Oil & Gas Exploration (Malaysia) Limited (President and CEO, Hironori Wasada, “NOMA”) to be entitled to the oil and gas rights of Beryl Gas Field (“Beryl”), and approved the Field Development Plan (“FDP”) for Beryl on 27th October 2017.

Beryl, an already discovered but undeveloped gas field, lies in the shallower zone in the same location as the underlying Helang Gas Field (“Helang”) and Layang Oil and Gas Field (“Layang”) in Block SK10, Offshore Sarawak, for which NOMA has been conducting production operation as operator. NOMA, in accordance with the aforementioned approved FDP, will utilize existing Helang facilities to develop Beryl economically and within a short period of time, with Beryl first gas scheduled for November 2018.

The peak production of natural gas from Beryl is estimated to be around 140MMscf/d (equivalent to 23,000 boed). The produced gas from Beryl, together with natural gas from Helang and Layang, will be supplied through subsea pipelines to the MLNG Tiga Sdn. Bhd. liquefaction plant in Bintulu, Sarawak. JXTG Nippon Oil & Energy Corporation is one of the shareholders of MLNG Tiga Sdn. Bhd. The natural gas will be sold as LNG after liquefaction to its customers, including buyers in Japan.

As per the Medium-Term Management Plan released this year, we will allocate business resources to our focus regions such as Southeast Asia, where we can exercise our strength, pursuing strategy of selection and concentration. We intend to maintain and strengthen our long-term good relationships in Malaysia and enhance our capacity to increase revenue through our E&P business activities as Operator.

Summary of Block SK10, offshore Sarawak, Malaysia and Company Profile of JX
Nippon Oil & Gas Exploration (Malaysia) Limited

1. Summary of Block SK10, offshore Sarawak, Malaysia

(1) Signing Date	November 16, 1987	
(2) Participants	JX Nippon Oil & Gas Exploration (Malaysia) Limited	75%
	PETRONAS Carigali Sdn. Bhd.(*)	25%
(3) History	Signing of PSC with PETRONAS	Nov 1987
	Signing of JOA with PETRONAS Carigali Sdn. Bhd	Nov 1987
	Discovery of Helang Gas Field	Nov 1990
	Discovery of Layang Field	May 1991
	Commencement of commercial production from Helang Gas Field	Nov 2003
	Approval of the Field Development Plan for Layang Field by PETRONAS	Mar 2014
	Commencement of commercial production from Layang Field	May 2017
	Approval of the Field Development Plan for Beryl Gas Field by PETRONAS	Oct 2017

(*) A wholly owned subsidiary of PETRONAS

2. Company Profile of JX Nippon Oil & Gas Exploration (Malaysia) Limited

(1) Company Name	JX Nippon Oil & Gas Exploration (Malaysia) Limited
(2) Date of Establishment	October 14, 1987
(3) Location of Head Office	1-1-2 Otemachi, Chiyoda-ku, Tokyo
(4) Capital	13.1 billion yen (as of end of November 2017)
(5) Representative	Hironori Wasada, Representative Director and CEO (Director, Executive Officer, Senior Vice President, Executive Director of Business Division 1 of JX Nippon Oil & Gas Exploration Corporation)
(6) Shareholder	JX Nippon Oil & Gas Exploration Corporation (78.7%) INPEX CORPORATION (15.0%) Mitsubishi Corporation (6.3%)
(7) Business Activities	The exploration and development of petroleum, natural gas, other mineral resources in and around Malaysia. 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.

< Location of SK10 Oil/Gas Fields >

