

May 12, 2014

PRESS RELEASE

JX Nippon Oil & Gas Exploration Corporation (President: Mr. Shigeo Hirai) is pleased to announce that its subsidiary, JX Nippon Oil & Gas Exploration (Malaysia) Limited, the Operator of Block SK10 offshore Malaysia with a participating interest of 75%, has recently received the approval of the Field Development Plan for Layang Field in Block SK10 from PETROLIAM NASIONAL BERHAD (“PETRONAS”), the national oil company of Malaysia.

Layang Field is located approximately 8 km east of the producing Helang Gas Field in Block SK10. For the development of Layang Field, the Floating Production, Storage and Offloading system (FPSO) is planned to be installed, and the commercial production is expected to start in the second quarter of 2016 with the initial estimated incremental production of Helang/Layang gas to be about 100 MMscfd and Helang condensate/Layang oil/Layang condensate to be about 7 kbd.

Natural Gas produced from Layang Field, together with Natural Gas from Helang Gas Field, is planned to be supplied through subsea pipelines of approximately 200km long to the MLNG Tiga Sdn. Bhd. liquefaction plant in Bintulu, Sarawak, which is partly owned by JX Nippon Oil & Energy Corporation. The Natural Gas will be sold as LNG after liquefaction, while the condensate and Layang oil is planned to be shipped from the FPSO.

We intend to improve and strengthen our natural-gas-supply-chain by the production from multiple gas fields, Helang Gas Field and Layang Field.

With the current commitment in a total of 7 blocks including SK10, we consider Malaysia as one of our important core countries and will seek to increase our activities and presence in Malaysia.

1. Summary of Block SK10, offshore Sarawak, Malaysia

(1) Signing Date	November 16, 1987	
(2) Participating Interest	JX Nippon Oil & Gas Exploration (Malaysia) Limited	75%
	PETRONAS Carigali Sdn. Bhd.(*)	25%
(3) Operator	JX Nippon Oil & Gas Exploration (Malaysia) Limited	

(*) A wholly owned subsidiary of PETRONAS

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

(1) Representative	Hironori Wasada
(2) Date of Establishment	October 14, 1987
(3) 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.
(4) Shareholder	JX Nippon Oil & Gas Exploration Corporation (78.7%) INPEX CORPORATION (15.0%) Mitsubishi Corporation (6.3%)

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