

First Gas from Layang Field of Block SK10 offshore Sarawak, Malaysia

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PRESS RELEASE

Mr. Shunsaku Miyake, President and CEO of JX Nippon Oil & Gas Exploration Corporation is pleased to announce that its subsidiary JX Nippon Oil & Gas Exploration (Malaysia) Limited, the Operator of Block SK10 offshore Sarawak, Malaysia with a participating interest of 75%, commenced commercial gas production from Layang Field on 28 May, 2017.

Layang Field is located approximately 7 km east of the producing Helang Gas Field in Block SK10. Natural gas produced from Layang Field, together with natural gas from Helang Gas Field, will be supplied through subsea pipelines to the MLNG Tiga Sdn. Bhd. liquefaction plant in Bintulu, Sarawak, which is partly owned by JXTG Nippon Oil & Energy Corporation. The natural gas will be sold as LNG after liquefaction to its customers including buyers in Japan.

The initial production of natural gas and condensate from Layang Field is estimated about 12,000 boed.

As per the Medium-Term Management Plan released on 12th May 2017, we will allocate our business resources preferentially to the 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 relationship in Malaysia and enhance our capacity to raise revenue through our E&P business activity as Operator.

Attachment

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

Location of Helang Gas Field and Layang Field