

24 May 2013

First Oil from Finucane South Field, North West Shelf, Australia

JX Nippon Oil & Gas Exploration Corporation (“JX NOEX”) (President and CEO, Shigeo Hirai) announced today that its affiliate, JX Nippon Oil & Gas Exploration (Australia) Pty Ltd. (“JX NOEX Australia”), has commenced commercial oil production on 16 May 2013 from the Finucane South field in WA-54-L (located 150 km north off Dampier, Western Australia) on North West Shelf, Australia.

Since the project sanction in January 2012, JX NOEX Australia and other Finucane South joint venture partners in WA-54-L, Santos Ltd (Operator) and Kufpec Perth Pty Ltd, have progressed the drilling campaign on 2 production wells and, sub-sea tie-back development work to the existing FPSO(*1) operated in Mutineer Exeter oil fields adjacent to WA-54-L. Recently the joint venture partners have completed those development work and started oil production 2 months ahead of original schedule.

Oil production from Finucane South Field for the initial 12 months is expected at an average rate of 10,700 barrels per day.

This tie-back extends the economic life by about 4 years of Mutineer Exeter oil fields, in which JX NOEX Australia also has its interest, by reducing the operating costs. It is planned to drill an exploration well at the Vanuatu prospect located in WA-54-L, which is the first of a number of identified near-field exploration tie-back opportunities. If developed, Vanuatu oil field could be tied back to the existing FPSO operated in Mutineer Exeter oil fields via adjoining oil field’s subsea equipment jointly-developed with Finucane South field and likely to make further merit of this joint development.

JX NOEX is positively promoting various oil and gas development projects like this Finucane South new oil field and existing Mutineer Exeter oil fields and will make efforts continuously to expand its activities in the North West Shelf, Australia.

(*1) Floating Production, Storage and Offloading system

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

- (1) Registered Corporate Office: Perth, Australia
- (2) Managing Director: Nobuyasu Iida
- (3) Paid-in Capital: A\$34,809M (as of April, 2013)
- (4) Establishment: April, 1997

2. Summary of Finucane South

- (1) Permit location: North West Shelf, Australia
- (2) Permit Name: WA -54-L
- (3) Participating interest:
 - Santos Ltd (37.5%)
 - Kufpec Perth Pty Ltd (37.5%)
 - JX Nippon Oil & Gas Exploration (Australia) Pty Ltd (25.0%)
- (4) Operator: Santos Ltd

3. Summary of Mutineer Exeter

- (1) Permit location: North West Shelf, Australia
- (2) Permit Name: WA -26-L, WA-27-L
- (3) Participating interest:
 - Santos Ltd (41.6%)
 - Kufpec Australia Pty Ltd (33.4%)
 - JX Nippon Oil & Gas Exploration (Australia) Pty Ltd (25.0%)
- (4) Operator: Santos Ltd
- (5) Production: 1,200 B/D (Jan 2012 – Dec 2012)

