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JX Nippon Oil & Gas Exploration Corporation

ENEOS Corporation

## **Signing MOU with Santos Limited for Joint Study of CCS Value Chain between Japan and Australia**

JX Nippon Oil & Gas Exploration Corporation (President: Toshiya Nakahara, "JX") and ENEOS Corporation President: Takeshi Saito, "ENEOS") are pleased to announce today that we have entered into a Memorandum of Understanding ("MOU") with Santos Limited ("Santos"), a major producer of oil and gas and LNG supplier in Australia, to collaborate on the development of CCS (Note 1) value chain between Japan and Australia.

The objective of this MOU is to look into feasibility of establishment of entire CCS value chain, including the capture of CO<sub>2</sub> emitted from ENEOS refinery and nearby various industries in Japan, transportation by ship from Japan to Australia and injection at Moomba CCS site in South Australia. The collaboration also includes an assessment of potential implementation of DACCS (Note 2) and production of synthetic fuels (e-fuel) utilizing Moomba CCS site.

Santos is currently in construction for the first phase of the Moomba CCS project, one of the world's largest CO<sub>2</sub> storage projects, where CO<sub>2</sub> injection is scheduled to commence in mid-2024. We expect that this joint study will contribute to the further development of this large-scale CCS hub which leads paving the way for carbon neutrality in Asia Pacific region.

In May 2023, ENEOS Group announced the establishment of new Carbon Neutrality Plan. Under this plan, we will promote the reduction of greenhouse gas emissions by implementing several large-scale CCS by 2040 with target of total reduction of CO<sub>2</sub> in excess of 20-million-ton per year.

We have built a good relationship with Santos through the oil and gas E&P business in Australia and Malaysia as well as the LNG project in Papua New Guinea. This MOU will further enhance and strengthen the relationship among three companies in the new business field, decarbonization in Japan and Australia.

Tetsuo Yamada, Executive Vice President of JX said: We believe that CCS will play an important role in achieving carbon neutral target and will apply our accumulated CCS knowledge which we acquired through long time engagement in multiple CCS projects in the past, including the Petra Nova CCUS (Note 3) project in Texas, USA. We also believe collaboration with Santos and ENEOS through this MOU will be a major milestone in realizing carbon neutral society.

Kotaro Sunaga, Senior Vice President of ENEOS said: “Under the ENEOS Group’s Long-Term Vision toward 2040, we are taking on the challenge of achieving both “a stable supply of energy and materials” and “the realization of a carbon-neutral society.” To achieve carbon neutrality, ENEOS will broadly engage in the reduction of greenhouse gas emissions, CCS, and CO<sub>2</sub> removal.

- < 1 > CCS: Carbon dioxide Capture and Storage. Technology that captures CO<sub>2</sub> emissions and storing it permanently underground.
- < 2 > DACCS: Direct Air Carbon Capture and Storage. Technology that removes CO<sub>2</sub> from the atmosphere directly.
- < 3 > CCUS: Carbon dioxide Capture, Utilization and Storage, in addition to capturing and storing CO<sub>2</sub>, CCUS technology is used to generate new products and energy.

<Map - Moomba CCS>



<Photo - Moomba CCS Site>



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