

December 12, 2022

JX Nippon Oil & Gas Exploration Corporation

Execution of Heads of Agreement with PETRONAS Carigali Sdn. Bhd.

JX Nippon Oil & Gas Exploration Corporation ("JX") (President and CEO: Toshiya Nakahara) is pleased to announce that it has executed a Heads of Agreement ("HOA") with PETRONAS Carigali Sdn. Bhd. ("PCSB"), a wholly owned subsidiary of Petroliam Nasional Berhad ("PETRONAS") to jointly make a Business Value Proposal to PETRONAS on the development of the BIGST fields (Bujang, Inas, Guling, Sepat and Tujuh) offshore Peninsular Malaysia which contains significant resources of gas, but with high CO₂ levels, and initiate discussion on the possible acquisition of interests in these gas fields.

JX had earlier conducted a joint study with Japan Oil, Gas and Metals National Corporation (currently known as Japan Organization for Metals and Energy Security) from April 2020 until September 2021 based on the Study Agreement with PETRONAS. This study was conducted to pursue possibility of commercialization of these gas fields in an environmentally friendly scheme by capturing CO₂ from the produced gas and reinjecting them in-situ or to nearby depleted gas fields by using Carbon Capture and Storage ("CCS") technology.

Subsequently, JX was invited by PETRONAS to work with PCSB to further develop the proposal for monetization of the BIGST fields prior to formal application for a Production Sharing Contract.

JX believes that this initiative will not only contribute towards meeting the growing gas demand in Peninsular Malaysia but will also expand its business portfolio in Malaysia which is one of the core countries for JX. Adopting the CCS solution is in line with ENEOS Group's key goal of contributing to the development of a low carbon, recycling-oriented society. JX will pursue this initiative diligently and jointly with PCSB.



Signing Ceremony

From second left in front row (PCSB) Hasliza Othman (Chief Executive Officer)

From third left in front row (JX) Yasuto Ariga (Chief Representative in Malaysia)

From second left in back row (PETRONAS) Aidil Shabudin (Head of Resource Development & Management, MPM)

From third left in back row (PETRONAS) Mohamed Firouz Asnan (Senior Vice President, MPM)

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