

10 May 2007

Acquisition of the interest in the East Sepanjang Block,
offshore East Java, Indonesia

INPEX Holdings Inc. is pleased to announce that it has been granted approval by the Indonesian government to acquire a 22% participating interest in the East Sepanjang Block from TOTAL, through its subsidiary INPEX Offshore Northeast Java, Ltd.

The East Sepanjang Block lies in water depth ranging from 300 to 1,400 m in the eastern part of the Java Sea, the Republic of Indonesia, and the block covers an area of 5,083 km². The block was originally awarded to Indonesia's EASCO in December 2004 through the Production Sharing Contract. The current assignment will result in ownership of a 51% participating interest in the block for EASCO (operator), a 27% participating interest for TOTAL and a 22% participating interest for INPEX Offshore Northeast Java.

Oil discovery is expected based on the previous exploratory works. An exploration well is scheduled to be drilled late this year.

The INPEX group has long been involved in petroleum operations in Indonesia, especially in the Offshore Mahakam Block, East Kalimantan, where it holds 50% participating interest. INPEX is also conducting exploration and appraisal activities of the Abadi gas field in the Masela Block, Timor Sea, in which it owns a 100% participating interest as an operator. The acquisition of the East Sepanjang Block will further expand the INPEX group's petroleum exploration and production activities in Indonesia.



East Sepanjang PSC
(5,083km²)

Java

Bali

Lombok

100km