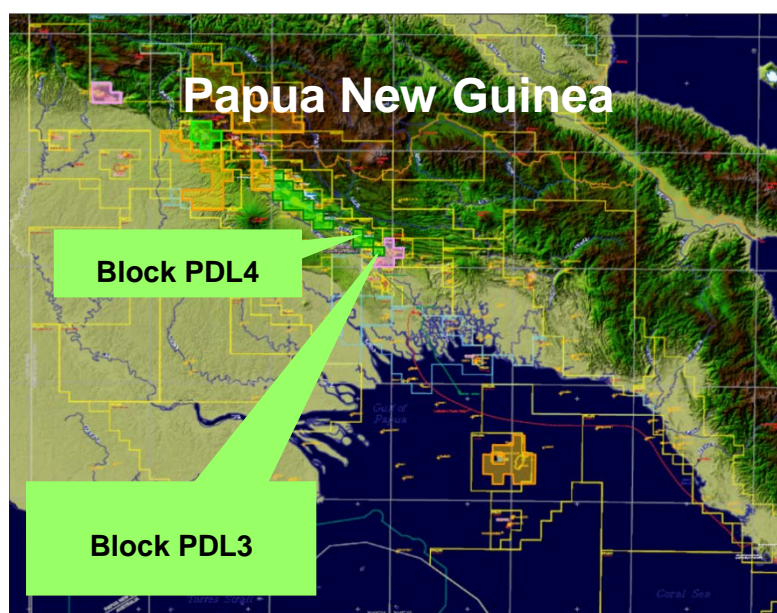


June 8, 2017

INPEX to Sell Interest in Block PDL3 in Papua New Guinea

TOKYO, JAPAN- [INPEX CORPORATION](#) (INPEX) announced today that it has sold a 40.1% participating interest in Block PDL3 (the Production Block) in Papua New Guinea held by Southern Highlands Petroleum Co., Ltd. (Southern Highlands), in which INPEX holds a 10% share, to Kumul Petroleum Holdings Limited (Kumul), Papua New Guinea's national oil and gas company.

This results from a proposal by Southern Highlands concerning the sale of its participating interest in the Production Block to Kumul, to which INPEX agreed from the perspective of optimizing the INPEX Group's global asset portfolio. Southern Highlands' other investors have also agreed to the proposal.



Production Block location

INPEX acquired shares in the Production Block in 1990 through investing in Southern Highlands, and has taken part in production and operation activities in the SE Gobe Oil Field, which straddles the Production Block and the adjacent Block PDL4. SE Gobe Oil Field was unitized in 1998.

The impact of the sale on the consolidated financial results is expected to be minimal.

About INPEX

INPEX CORPORATION is Japan's largest exploration and production (E&P) company, and a mid-tier E&P player just behind the world's oil majors. INPEX is currently involved in approximately 70 projects across more than 20 countries, including the Ichthys LNG Project in Australia as Operator. Through sustainably growing its oil and gas development business, INPEX aims to become a top class international oil and gas E&P Company and continue providing a stable and efficient supply of energy to its customers. For more information, visit www.inpex.co.jp/english/index.html.

Media Contact: INPEX Tokyo Office, Public Relations Group, Tel) +81-3-5572-0233

Attachment

Project name	Block PDL3																								
Location	Approximately 450km northwest of Port Moresby, the capital of Papua New Guinea																								
Status	In production: 900bbl/d of oil (project total); 40MMscf of natural gas (As of December, 2016)																								
Participating Interest	<table> <tr> <td>Santos (Operator)</td> <td>15.9%</td> </tr> <tr> <td>Southern Highlands</td> <td>40.1%⁽¹⁾</td> </tr> <tr> <td>Oil Search</td> <td>36.4%</td> </tr> <tr> <td>Kumul</td> <td>5.6%</td> </tr> <tr> <td>MRDC ⁽²⁾</td> <td>2.0%</td> </tr> </table> <p>(1)Participating interest to be sold to Kumul (2)Landowner</p> <p>(REFERENCE) SE Gobe Oil Field shareholders</p> <table> <tr> <td>Oil Search (Operator)</td> <td>22.34%</td> </tr> <tr> <td>Southern Highlands</td> <td>18.79%</td> </tr> <tr> <td>Merlin Petroleum Company</td> <td>39.09%</td> </tr> <tr> <td>Santos</td> <td>7.45%</td> </tr> <tr> <td>ExxonMobil</td> <td>7.73%</td> </tr> <tr> <td>Kumul</td> <td>2.60%</td> </tr> <tr> <td>MRDC</td> <td>2.00%</td> </tr> </table>	Santos (Operator)	15.9%	Southern Highlands	40.1% ⁽¹⁾	Oil Search	36.4%	Kumul	5.6%	MRDC ⁽²⁾	2.0%	Oil Search (Operator)	22.34%	Southern Highlands	18.79%	Merlin Petroleum Company	39.09%	Santos	7.45%	ExxonMobil	7.73%	Kumul	2.60%	MRDC	2.00%
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