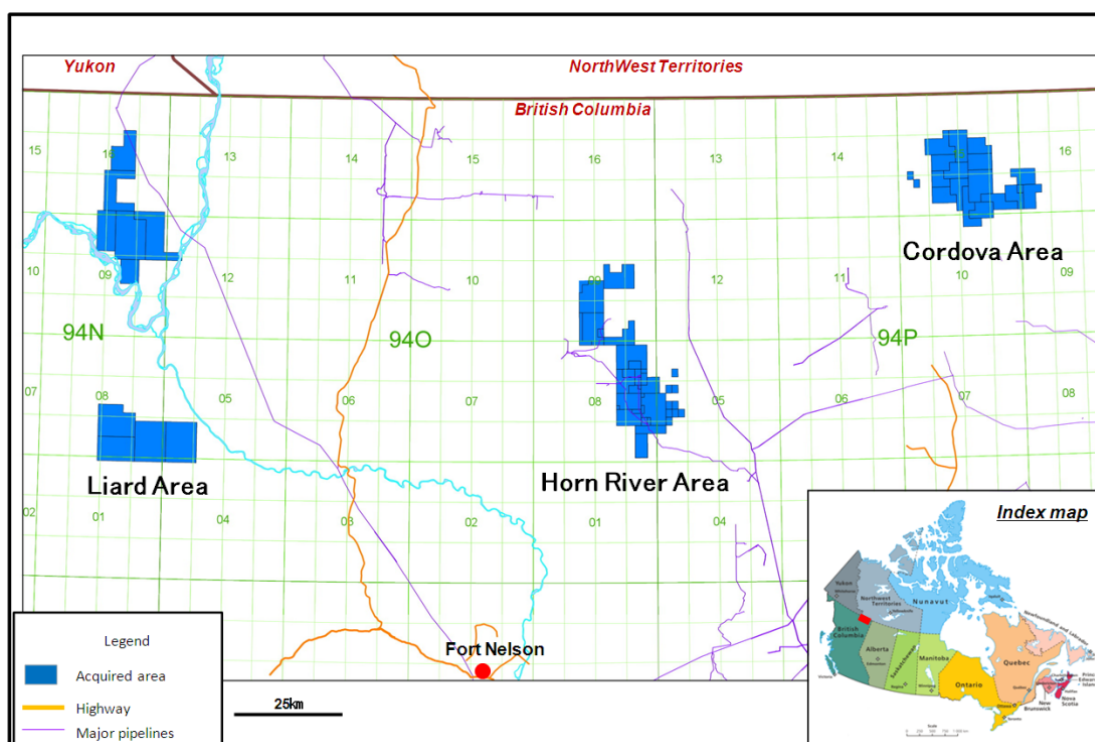


8 August 2012

## **Completion of the acquisition of Shale Gas Project interest from Nexen, Canada**

INPEX CORPORATION (INPEX) is pleased to announce that through INPEX Gas British Columbia Ltd.<sup>(\*)</sup>, it has completed the necessary procedures to acquire a 40% participating interest in the shale gas projects in the Horn River, Cordova and Liard basins from Nexen Inc. (Nexen), a Canadian exploration and production company. To promote INPEX's first shale gas project, INPEX has established its newest liaison office in Calgary, Alberta, Canada.

<sup>(\*)</sup>INPEX Gas British Columbia Ltd. is jointly established by INPEX and JGC Corporation with the purpose of promoting the shale gas projects in the Horn River, Cordova and Liard basins.



### Detail of the project

Participating Interest	Nexen 60% (Operator)
	INPEX Gas British Columbia Ltd. <sup>(*)</sup> 40%
	<sup>(*)</sup> INPEX 82%, Canadian Subsidiary of JGC Corporation 18%

Location	1,000km north-northwest of Calgary, Alberta, Canada
Basin	<div>Horn River      366km<sup>2</sup></div> <div>Cordova        333km<sup>2</sup></div> <div>Liard             517km<sup>2</sup></div>
<u>Production and development status and schedule</u>	In the Horn River basin, production has already started and it now produces shale gas of approximately 65 million standard cubic feet (10,400 barrels of oil equivalent) per day. In the Horn River and Cordova basins, we envision a full-scale production of shale gas, expected up to 1,250 million standard cubic feet (200,000 barrels of oil equivalent) per day. Our acreage in Liard will add significantly to this plateau. INPEX and Nexen will seek the opportunity to export the shale gas based Liquefied Natural Gas (LNG) to East Asia including Japan.
<u>Importance of this project to INPEX</u>	Participating in this promising shale gas project will contribute to the continuous enhancement of INPEX's exploration and production activities in line with the "Medium- to Long-Term Vision of INPEX" announced in May 2012, and it will lead to strengthen INPEX's natural gas asset portfolio. INPEX will continue to aggressively pursue oil and gas exploration and production projects targeting also unconventional hydrocarbon resources by acquiring expertise and knowledge on shale gas development projects brought by this opportunity.

#### About Shale Gas

Shale gas, being one of natural gas resources, is tightly locked in very small spaces within the shale rock formations. Nowadays advanced technologies such as horizontal well drilling and multi-stage hydraulic fracturing are utilized to recover shale gas. This enables to economically produce gas from the shale formations and, thus the shale gas development projects are boosting.