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28 April 2014

# Progress Update: Construction of Natural Gas Trunk Pipeline Toyama Line, Japan

INPEX CORPORATION has been constructing the 102km long Natural Gas Trunk Pipeline (Toyama line) that extends from Itoigawa City, Niigata Prefecture to Toyama City, Toyama Prefecture in northwestern Japan. Due to a review of construction processes in some of the pipeline laying locations we now plan to commence the operation of Toyama Line in the middle of 2016.

INPEX continues to secure the understanding and support of the local communities for this project. INPEX will also seek all necessary approvals for the construction of Toyama Line, and is firmly committed to the safety of the project over the construction phase.

#### 1. History and planned schedule of Toyama Line

12 October 2010: Feasibility Study Commenced
23 May 2011: Final Investment Decision
17 April 2012: Groundbreaking Ceremony
Mid-2016 (planned): Commencement of Operation

### 2. Outline of Toyama Line

(1) Name: Toyoma Line

(2) Location: From Itoigawa City, Niigata Prefecture (the end of Shin Oumi

Line) to Toyama City, Toyama Prefecture

(3) Length: 102km (approximately)

(4) Design: 7.0Mpa of design pressure and 508mm (20 inches) of pipe

diameter

#### [Additional information]

INPEX is producing natural gas from the Minami-Nagaoka gas field in Niigata Prefecture and other gas fields in Japan. The produced natural gas is transported through INPEX's 1,400km trunk pipeline network stretching across the Kanto and

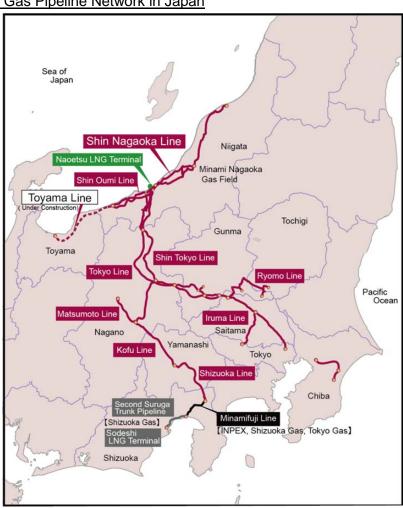


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Koshinetsu regions, and is delivered to city gas companies and industrial customers along this pipeline network. Natural gas demand has substantially increased over recent years in Japan. The demand for natural gas will continue to grow as the prices of competing fuels rise and because natural gas is viewed as substantially cleaner than other fuels from an environmental perspective.

In order to enhance the stability of natural gas supply, INPEX has introduced LNG from Shizuoka Gas Co., Ltd. in addition to the natural gas supply from the Minami-Nagaoka gas field from January 2010, and commenced operation of Naoetsu LNG Terminal in December 2013 to receive LNG into Japan from our major overseas LNG projects, the Ichthys LNG Project in Australia and the Abadi LNG Project in Indonesia. Thus, INPEX will enhance the added value by establishing a gas supply chain through linkage between its domestic and overseas gas fields, its pipeline network in Japan to stably supply natural gas to the Japanese gas market.

## INPEX's Natural Gas Pipeline Network in Japan



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