



Public Relations Group, Corporate Communications Unit
Akasaka Biz Tower, 5-3-1 Akasaka, Minato-ku, Tokyo 107-6332 JAPAN

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Transfer of Interest in the Masela Block, the Arafura Sea, Indonesia

INPEX CORPORATION announced today that its affiliate, INPEX Masela, Ltd. (INPEX Masela) has signed an agreement with PT EMP Energi Indonesia (EMPI), a subsidiary of PT Energi Mega Persada Tbk. (EMP), which is a leading Indonesian upstream oil and gas company, to transfer a 10% participating interest in the Masela Block in the Arafura Sea, Indonesia. The transaction is subject to the Indonesian Government approval and satisfaction of certain other conditions.

INPEX Masela is the operator with a 100% participating interest in the Masela Block, which measures 3,221km² in a water depth ranging from 300m to 1,000m. The Abadi field was discovered in 2000, and the subsequent appraisal wells and the study results confirmed the sufficient gas reserves for LNG production.

According to the plan of development for the Abadi field approved by the Indonesian Government, 4.5 MTPA (million tonnes of per annum) of LNG and 13,000 barrels of condensate per day will be produced from the Abadi field using Floating Liquefied Natural Gas (FLNG) technology and the production start up is currently expected in 2016. Applying the FLNG technology to the project makes it possible to place natural gas liquefaction system with LNG storage and loading facilities on a single vessel, which will minimize the environmental footprint compared to conventional onshore gas liquefaction plants. INPEX Masela is now preparing for the Front End Engineering and Design (FEED).

EMPI's participation in the Masela Block will further strengthen INPEX relationship with the Indonesian upstream oil and gas industry, which strongly supports the successful development of and the safe operation in the project as well as the future expansion of INPEX's activities in Indonesia.



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INPEX is in the process of developing two large scale LNG projects, such as the Abadi project and the Ichthys project offshore Western Australia. The volume of LNG to be produced from both projects will be equivalent to approximately 20% of Japan's current LNG import volume. INPEX is focusing on these two projects, which will contribute to a stable and efficient supply of energy to Japan.

INPEX has been expanding its exploration and development activities in Indonesia as one of its international business core areas. INPEX is conducting production activity in the Offshore Mahakam Block with the largest gas production in Indonesia. INPEX will proceed with the Abadi project which will further expand the INPEX's exploration, development and production activities in Indonesia.

INPEX will continue to seek supports from the Indonesian Government and other stakeholders for an early commercial production of the Abadi project.

About EMP:

EMP is a leading Indonesian upstream oil and gas company and one of primary companies of the Bakrie group, which is one of Indonesia's most prominent corporate groups with a wide range of business areas covering from energy, infrastructure, and resources.

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

