

31 July 2019

INPEX commits for the long haul in the NT

Ichthys LNG ramping up – focusing on future opportunities

Darwin, Australia – INPEX Corporation has strengthened its commitment to the Northern Territory highlighting a series of announcements to benefit local students and Aboriginal communities.

The announcements come as the INPEX Corporation Board of Directors visits Darwin for the first time, signalling the importance of the NT and Australia to the company's global operations and long-term 'Vision 2040' growth strategy.

INPEX strengthens its NT commitments:

- Six new scholarships for students studying at Charles Darwin University (CDU)
- \$24 million Larrakia Ichthys LNG Foundation Trust
- More than \$3.4 million invested in NT community organisations and initiatives since 2012.

INPEX Corporation President and CEO, Mr Takayuki Ueda said it was an honour to be in Darwin and that many INPEX Board members were visiting the Top End and Australia for the first time.

"We take our commitment to the Northern Territory very seriously and we are delighted to be in Darwin for our first ever Board meeting held outside of Japan," said Mr Ueda.

"We are using this opportunity to re-inforce our support for local people and communities, visit our state-of-the-art Ichthys LNG onshore processing facilities and to discuss opportunities for further expansion of our business in Australia."

The INPEX scholarships, totalling \$90,000, will be for Northern Territory students at the university who are enrolled in full-time undergraduate courses relevant to the oil and gas industry. The courses are Bachelor of Engineering Science, Engineering Honours, Science, Environmental Science, Accounting, Business, Computer Science or Information Technology. The scholarships will support two new students commencing studies in each of the following years – 2020, 2021 and 2022.

The scholarships build on the \$3 million investment made by INPEX and its Ichthys LNG joint venture participants in the North Australian Centre for Oil and Gas. The centre is a training hub for the oil and gas industry and was opened at CDU in 2012.

"We are excited to partner with Charles Darwin University for the INPEX scholarships that will directly benefit students in the Northern Territory," said Mr Ueda.

"The education of our next generation and building the capability of our future workforce locally in the Northern Territory is very important to us – it's one way that we can create shared value for the community and our industry."

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The INPEX scholarships form part of a broader commitment to the NT that encompasses substantial economic and community benefits including the \$24 million Larrakia Ichthys LNG Foundation Trust.

Launched in November 2018 with a \$3 million payment, the Package (part of an historic agreement between INPEX, its Ichthys LNG joint venture participants and the Larrakia People) is considered to be the most significant long-term package of benefits and opportunities provided outside of native title obligations.

The Larrakia Development Corporation is now providing benefits from the Package to the Larrakia People through the Larrakia Scholarship and School Participation programs.

The recently released INPEX 2019-2022 Stretch Reconciliation Action Plan represents INPEX's commitment towards reconciliation and builds on INPEX's solid engagement with the Aboriginal and Torres Strait Islander communities where it operates.

INPEX President Director Australia, Mr Hitoshi Okawa said Aboriginal and Torres Strait Islander-owned businesses have shared in the success of Ichthys LNG.

"We are also committed to delivering on our Solid Pathways program which ensures employment opportunities for Aboriginal and/or Torres Strait Islander people while also encouraging subcontractor employment and business opportunities," said Mr Okawa.

"We are very proud that through Ichthys LNG and other projects we will be delivering economic and community benefits for decades to come in the communities in which we operate.

"That's why we are pleased to support organisations, initiatives and events that deliver positive outcomes and opportunities for Territorians. We have invested more than \$3.4 million into community programs in the Northern Territory since 2012.

"We particularly focus on young Territorians, health and wellbeing and local business capability. Some of the programs we support include the Volunteer Coastguard, Darwin Festival, the Girls Academy and Volunteering NT."

Mr Okawa said the focus in Australia was to continue to ramp-up Ichthys LNG towards full production levels, while looking for future expansion opportunities.

Since October 2018, Ichthys LNG has safely produced 65 LNG, 14 LPG and 30 condensate cargoes.

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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 <https://www.inpex.co.jp/english/index.html>.

About the Ichthys LNG Project

The Ichthys LNG Project is a project led by INPEX (Operator, participating interest: 66.245%) alongside major partner TOTAL (participating interest: 26%) and the Australian subsidiaries of CPC Corporation, Taiwan (participating interest: 2.625%), Tokyo Gas (participating interest: 1.575%), Osaka Gas (participating interest: 1.2%), Kansai Electric Power (participating interest: 1.2%), JERA (participating interest: 0.735%) and Toho Gas (participating interest: 0.42%) that involves liquefying natural gas lifted from the Ichthys Gas-condensate Field offshore Western Australia at an onshore gas liquefaction plant constructed in Darwin, Northern Territory, and producing and shipping approximately 8.9 million tons of liquefied natural gas (LNG) and approximately 1.65 million tons of liquefied petroleum gas (LPG) per year, along with approximately 100,000 barrels of condensate per day at peak. While the capital expenditure required for production start-up during the period between the final investment decision (FID) and production start-up was projected to be around \$40 billion on a 100% project basis, this figure has risen several percent due to factors including the delay in production start-up.

The Ichthys LNG Project is a large-scale LNG project by global standards and is expected to be operational over a period of 40 years. In 1998, INPEX acquired an exploration permit in the block where the project is located, and following development studies including exploration, evaluation and FEED work, the company announced its final investment decision (FID) in January 2012. Thereafter, following the construction of the required facilities, the Project commenced production of gas from the wellhead in July 2018 and commenced shipment of condensate and LNG in October 2018, and LPG in November 2018.

For more details on the Ichthys LNG Project, visit <https://www.inpex.co.jp/english/ichthys/index.html>.