

30th November 2009

Japan Petroleum Exploration Co., Ltd.  
Osaka Gas Co., Ltd.  
Japan Energy Corporation  
LNG Japan Corporation

**JAPEX AND OTHER JAPANESE COMPANIES SIGN  
COALBED METHANE PRODUCTION SHARING CONTRACT  
WITH INDONESIAN GOVERNMENT**

A Japanese entity formed by Japan Petroleum Exploration Co., Ltd. (“JAPEX”), Osaka Gas Co., Ltd., Japan Energy Development Co., Ltd., and LNG Japan Corporation, along with consortium partners today signed the GMB Sanga-Sanga Production Sharing Contract (“Sanga-Sanga CBM PSC”) with the Government of Indonesia.

The Japanese companies have established a special purpose company, Japan CBM Limited (JCBM), to assume their collective shareholding (4.375 per cent) in the Sanga Sanga CBM PSC. The other consortium partners are; VICO (7.5 per cent and operator), BP (26.25 per cent), ENI (26.25 per cent), VIC (15.625 per cent), and Opicoil (20 per cent). VICO and VIC are joint ventures owned 50:50 by BP and ENI.

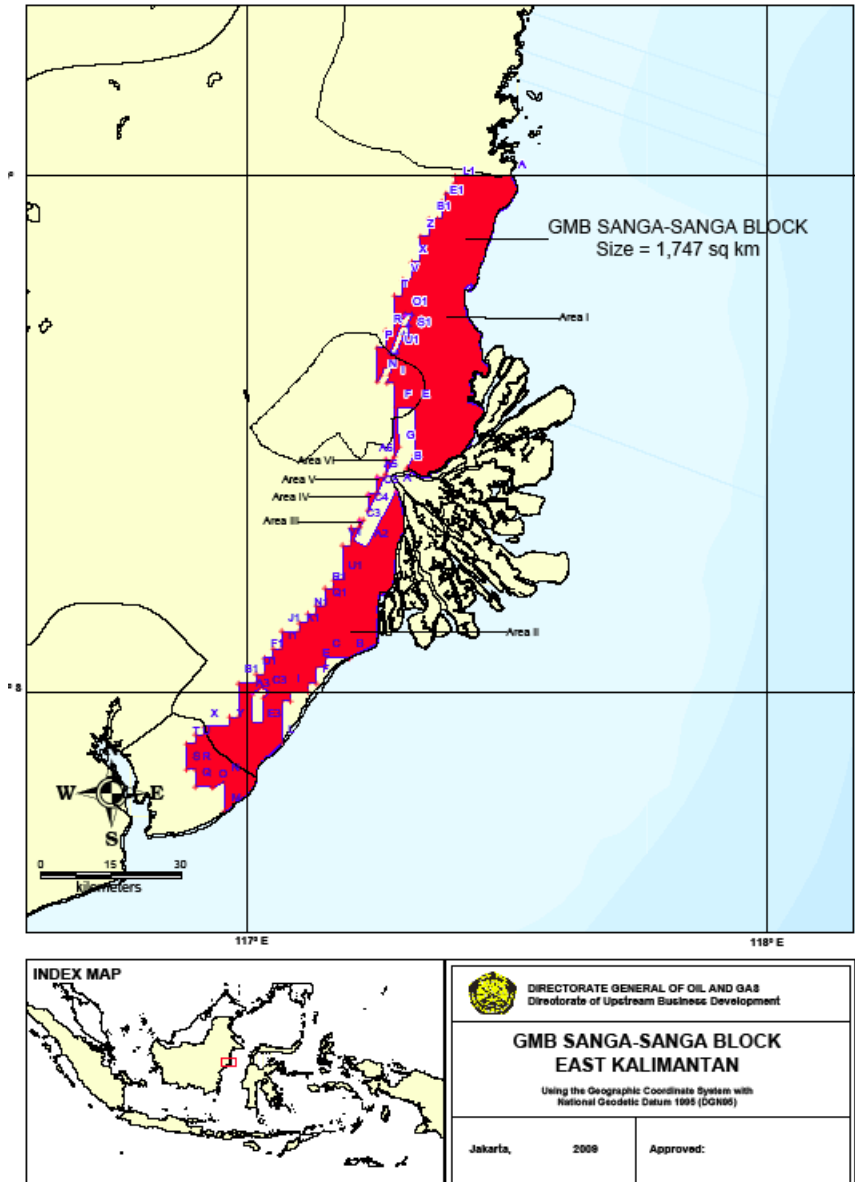
The Sanga-Sanga CBM PSC comprises an area of approximately 1,747 square kilometers in onshore East Kalimantan, and covers the same acreage as the existing Sanga-Sanga PSC, in which the Japanese companies hold a working interest through Universe Gas & Oil Company, Inc.

Notes

- ◆ Coalbed methane (CBM) is natural gas that is extracted from coal beds. Indonesia is believed to have significant but as yet untested CBM potential across the country, with an estimated resource potential of up to 450 trillion cubic feet, with 80 trillion cubic feet in the Kutei Basin alone, where the Sanga Sanga CBM block is located (estimate by Advanced Resources International Inc.). However, at the moment there is no commercial production in the country.
- ◆ The Japanese companies have been partners in the Sanga-Sanga PSC since 1990 when they acquired the shares of Universe Gas and Oil. The shareholdings by the Japanese companies in Japan CBM Limited (JCBM) are; Japan Petroleum Exploration Co., Ltd. (40.12 per cent), Osaka Gas Co., Ltd. (40.12 per cent), Japan Energy Development Co., Ltd. (14.97 per cent; a wholly owned subsidiary of Japan Energy Corporation), and LNG Japan Corporation (4.79 per cent).
- ◆ One of the consortium members, BP is a world leader in CBM technology, with over 30 years of operating experience in major CBM projects primarily in the USA. VICO, which will be the operator has deep knowledge of the Sanga-Sanga block, having operated the Sanga-Sanga PSC for over 40 years. The consortium believes that by

utilizing the existing oil and gas infrastructure in the block which includes an extensive network of pipelines and compressors, it will be possible to bring CBM to production within a relatively short timeframe.

**Location Map of Sanga-Sanga CBM Block**



Block Name: “GMB Sanga Sanga”  
 (“GMB” means coalbed methane in Indonesian)