



Note: The following press release is an English translation of the Japanese-language original

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JAPEX Welcomes Export Permit Decision
by Canadian Government Authorities

Japan Petroleum Exploration Co., Ltd. (“JAPEX”) welcomes the decision by the Canada’s National Energy Board (“NEB”) to grant a license to export liquefied natural gas (“LNG”). As previously announced in our news release on April 29, 2013, that JAPEX had acquired a 10% interest of the natural gas blocks in North Montney, British Columbia, Canada, through our Canadian subsidiary, JAPEX Montney Ltd. as well as a 10% interest of the Pacific NorthWest LNG Project which is currently under FEED process (estimated LNG production volume: 12MMtonnes/y) and includes a commitment to offtake 1.2 MMtonnes/y of LNG. Both of them are undertaken by Petroliaam Nasional Berhad (“PETRONAS”) through Progress Energy Canada Ltd. and its subsidiaries. In order to ensure stability and efficiency of the project execution, each partner has a consistent equity interest in the integrated steering framework, from the development, production and liquefaction of gas to the offtake of LNG.

The license permits this LNG project to export up to 22.2 MMtonnes/y of LNG from the LNG export facility which has been secured on Lelu Island within the District of Port Edward, British Columbia on Federal lands administered by the Prince Rupert Port Authority for 25 years beginning in 2019. This NEB decision is subject to approval of the Governor in Council.

With the export license, JAPEX will be able to secure long-term natural gas import from Canada to Japan. We will further put a continuous effort to develop domestic natural gas infrastructures for a solid supply system, including planned Soma LNG receiving terminal and related pipeline project which we made final investment decision on November 27, 2013.