



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

January 28, 2022

Japan Petroleum Exploration Co., Ltd.

JAPEX Agreed with PETRONAS on CCS Joint Study in Malaysia

Japan Petroleum Exploration Co., Ltd. (JAPEX, Headquarters: Chiyoda-ku, Tokyo, President: FUJITA Masahiro) has agreed to conduct a joint study for CCS (Carbon dioxide Capture and Storage) in Malaysia, with Petroliaam Nasional Berhad (PETRONAS), the national energy company of Malaysia, and signed a memorandum of understanding on January 27, 2022.

In the joint study, JAPEX and PETRONAS will conduct an investigation of suitable sites for CO₂ storage and technical evaluations in Malaysia for approximately 20 months, with consideration of methods to capture and transport CO₂ from the PETRONAS LNG Complex located at Bintulu and from outside Malaysia as a future possibility. This study will include evaluations of storage capacity and technologies such as optimal storage methods, optimal capture and transportation methods including estimation of emissions and capture volumes, and monitoring method of CO₂ stored underground. Also, economic evaluation, study of possible business schemes, and research of applicable regulations will be covered in the study.

JAPEX has been pursuing opportunities to contribute to net-zero CO₂ emissions in Japan and overseas by utilizing capabilities as well as its experiences, including the ones gained in CCS demonstration project in Japan. In this time, JAPEX and PETRONAS have agreed to conduct the joint study with the same direction and objectives.

JAPEX has formulated the direction "JAPEX 2050: Toward a Carbon-Neutral Society" in May 2020, and positioned turning carbon neutral into a profitable business based on CO₂ injection and storage technologies as one of the initiatives to be focused on. Our contributions to the study will be in the technical aspect such as selection of suitable site for CO₂ storage, its transportation and monitoring methods acquired by past experiences at CCS verification tests in Japan, and also in the research and study of CCS related regulations in Japan and other countries.

In May, 2021, the Japanese Government announced the Asia Energy Transition Initiative (AETI) that aims to support the achievement of sustainable economic growth and carbon neutrality in Asia. JAPEX aspires to explore the potential of its competitive CCS Technologies application in the effort to realize AETI's goal of promoting decarbonization efforts within the region.

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