



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

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[Press Release]

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JAPEX Pursue First CCS Project in Advanced Overseas Country
~ Equity Participation in Blue Spruce Operating LLC having assets in Wyoming, United States ~

Japan Petroleum Exploration Co., Ltd. (“JAPEX”) announced that JAPEX and Blue Spruce Operating LLC (BSO), which is pursuing a project including CCS (Carbon dioxide Capture and Storage) in southwestern Wyoming, United States in the Dry Piney area (hereinafter the “Project”), have agreed upon equity participation in BSO by Japex (U.S.) Corp. (“JUS”) , an overseas consolidated subsidiary of JAPEX, and JUS has signed an acquisition agreement with BSO for their newly issued equity interests.

BSO is a business engaged in development and production of crude oil and natural gas in the United States. Currently, BSO is planning the Project, in which BSO will develop certain assets, separate natural gas, helium, and CO₂ from produced gas, sell natural gas and helium, and conduct CCS of separated CO₂. With detailed existing plant design work and BSO’s long-standing involvement in the Project, the collaboration of BSO and JAPEX/JUS is set to expedite the Project to the construction phase. Additionally, the Project benefits from BSO’s ownership of surface land, which will streamline construction, enhance market access, and reduce the scale of necessary infrastructure.

Located on the LaBarge Platform in Wyoming, the Project is immediately adjacent and structurally similar to long-lived, stable and low carbon helium and natural gas production with world scale carbon capture. BSO will also make a significant contribution to the supply of such natural resources in an environmentally friendly manner by permanently sequestering CO₂ from an industrial process that would otherwise be emitted.

JAPEX, with its expertise in oil and gas development and CCS, will be involved in technical studies such as evaluation of gas reserves and CO₂ storage capacity in the Project, designing of production wells and injection wells, production facilities, and pipelines, and also commercial framework including sales strategy. In addition, JAPEX has strategically partnered with Weil Group Resources, LLC (“WEIL”), to provide its expertise to the project. WEIL is a private independent helium production company and a pioneer in developing helium producing projects in North America.

JAPEX recognizes CCS as one of our contribution items for realizing carbon neutrality in “JAPEX2050,” formulated as our direction to 2050. In “JAPEX Management Plan 2022-2030,” we aim to launch CO₂ injection in Japan by 2030 and to join commercial CCS projects in systematically advanced overseas countries for realizing early revenue and accumulating knowledge. The Project is our first participation in the commercial CCS projects in an advanced overseas country.

JAPEX aims to grow as a comprehensive energy company supplying various energies for the future, and increase our corporate value, through solving issues and realizing businesses for carbon neutrality.