

INPEX

Investor Day 2024

September 9, 2024



Date and time: Monday, September 9, 2024; 13:00 (JST) start, 15:00 (JST) close

Venue: Sankei Plaza (and live-streamed online in both Japanese/English)

Time	Program	Speakers
13:00-13:05	Opening Remarks	Representative Director, President & CEO
	Expansion Strategy of the LNG Business	
13:05-13:15	Ichthys LNG Project	Director, Senior Managing Executive Officer, Senior Vice President, Oceania Projects
13:15-13:25	Abadi LNG Project	Managing Executive Officer, Senior Vice President, Asia Projects
13:25-13:40	Q&A	
	Challenge Towards Realizing a Decarbonized Society	
13:40-13:50	Hydrogen and CCUS Business	Executive Officer, Senior Vice President, Hydrogen & CCUS Development
13:50-14:00	Q&A	
14:00-14:10	Break	
14:10-15:00	General Q&A	Representative Director, President & CEO Director, Senior Managing Executive Officer, Senior Vice President, Finance & Accounting Director, Senior Managing Executive Officer, Senior Vice President, Corporate Strategy & Planning

Expansion Strategy of the LNG Business -Ichthys LNG Project-

Director, Senior Managing Executive Officer, Senior Vice President, Oceania Projects
Hitoshi Okawa



Onshore LNG facility and LNG vessel

1

Strengthening

Long-term stable operation of the project

2

Maintaining the plateau, backfill and train expansion

Effective development of new and existing gas fields utilizing the Ichthys facilities

3

Making cleaner

Reduction of CO₂ emissions

4

INPEX Brand

Establishment of INPEX Brand in Australia

5

Energy business and investment environment in Australia

1. Strengthening

We are committed to the long-term stable operation of the project

This year, we expect a quick recovery in production from the temporary trouble

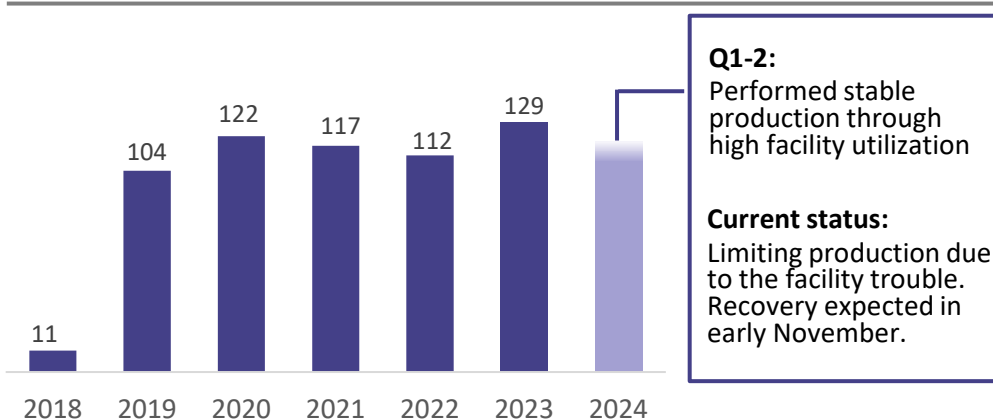
Continue safe operations through sound HSE management and enhanced process safety

Improve facility reliability and stable operations through steady maintenance

Maximize sales volume through optimization of production plans and cargo arrangements

Reduce CO₂ emissions through efficient operation of the LNG facility

Number of LNG cargoes

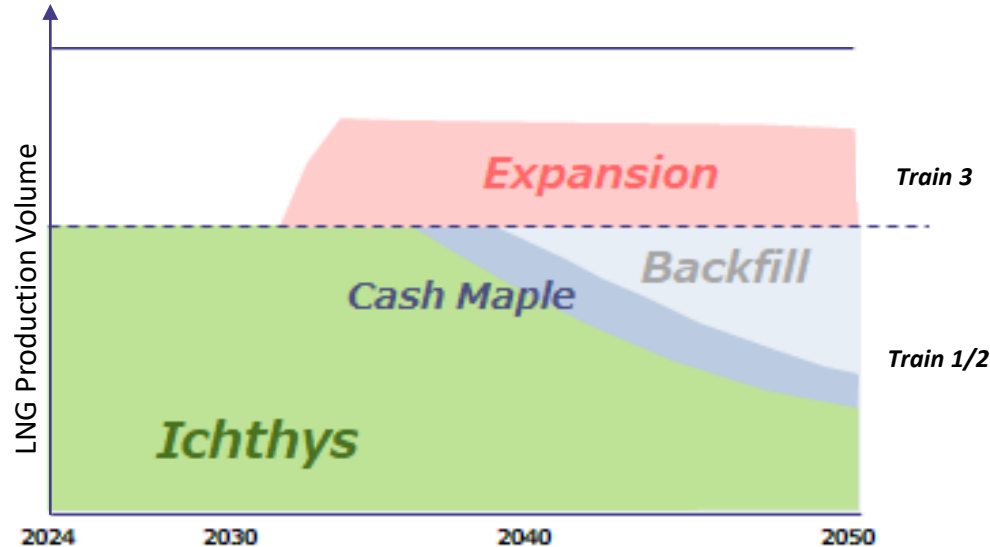


Improvement of HSE performance



TRI FR (Total Recordable Injury Frequency Rate): Number of recordable injuries per 1 million working hours (12 month moving average)

Effective development of new and existing gas fields utilizing the Ichthys facilities



1. Additional development of Ichthys

- Development wells drilling in shallow reservoirs completed
- Construction of additional equipment to be installed on the offshore facility
- Development of deep reservoirs

2. Development studies in the vicinity of Ichthys

- Aiming to commence production at the Cash Maple gas-condensate field in the 2030s

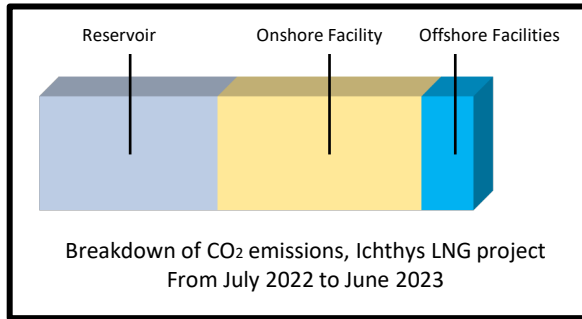
3. Exploration activities in the vicinity of Ichthys

- Two exploration wells have been unsuccessful
- Acquired exploration block AC/P71 (adjacent to Cash Maple)
- Pursuing economically efficient Ichthys LNG backfill development opportunities

4. 3rd train expansion

- Ongoing evaluation targeting start-up of the 3rd train in the 2030s

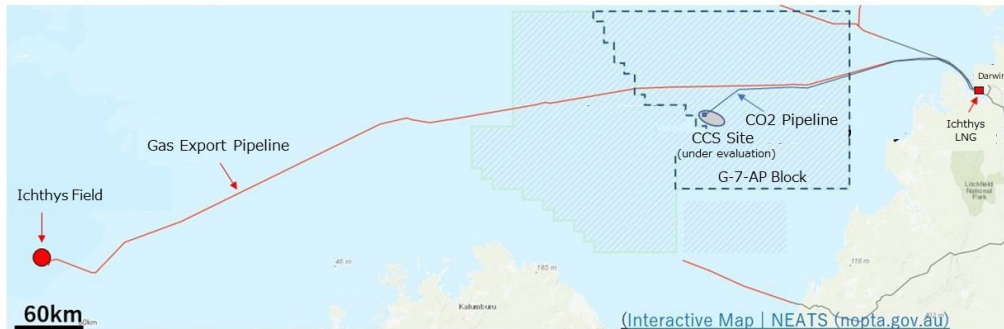
As a responsible operator in Australia, we are committed to promoting decarbonization initiatives.



July 2022 to June 2023
5,840,868 (tCO₂-e), 17th in Australia

CCS Business

- Two appraisal wells drilling at the GHG Assessment G -7 AP (Bonaparte CCS) Block scheduled to be completed by the end of this year, in order to understand the block's CO₂ storage capacity.
- Planning to capture native CO₂ from the Ichthys Field at the Ichthys LNG onshore facility, and to inject and store underground.
- Contributing to the realization of the Darwin-based CCUS Hub etc., proposed by the Northern Territory Government.



Aiming for Further CO₂ Reductions

- Introduction of renewable energy sources at the LNG facility under consideration
- Continue afforestation of Wheatbelt Connect project

Establishment of INPEX Brand in Australia



Employer of Choice

Continue to be a desirable workplace for the employees

- Continue to conduct employee engagement surveys, pursue a better workplace
- Implement leadership skill development programs for senior employees



Partner of Choice

Be the company of choice for governments, industries and stakeholders

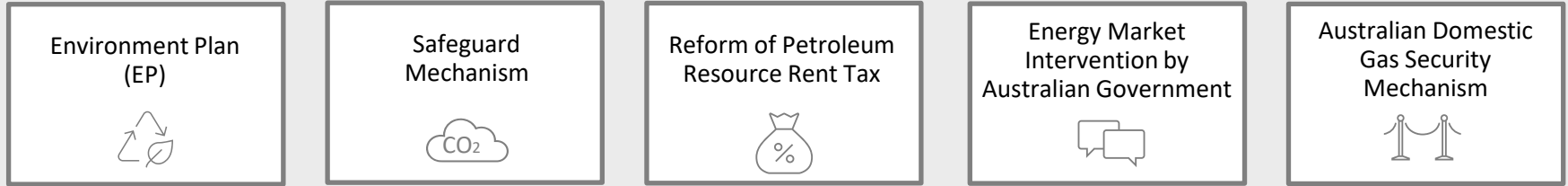
- Maintain good relations with the Australian government
- Participate in conferences, seminars, and keynote speeches organized by industry associations in the energy sector

Contribution to local communities

Building and maintaining relationships of trust with the community

- In accordance with INPEX's Reconciliation Action Plan, conduct employment and promotion of cultural and historical understanding of the traditional owners
- Committed AU\$24 million over the 40 years to the Larrakia people through the Larrakia Ichthys LNG Foundation Trust

Headwinds to investment in Australian Gas Business



"Future Gas Strategy" announced by the Australian Government in May 2024

- Policy on the role of gas in the Australian economy
- The Australian Government Cabinet **reached a consensus on the importance of natural gas**
- Emphasizing that **gas will remain an essential energy source** during the energy transition period after 2050, highlighting the **need for additional investments** to secure new gas resources
- Explicitly stating that **CCS is an indispensable technology for achieving net-zero emissions.**

Utilizing the relationships we have built up so far, we will actively work with the government and other organizations to maintain the current investment environment

A large drilling ship is silhouetted against a sunset sky. The ship has a prominent derrick structure and several cranes. The sun is low on the horizon, creating a bright orange glow that reflects on the water. The sky is filled with soft, wispy clouds.

Expansion Strategy of the LNG Business -Abadi LNG Project-

Managing Executive Officer, Senior Vice President, Asia Projects
Akihiro Watanabe

1

Abadi LNG Project Outline

2

Project Schedule

3

Marketing and Financing

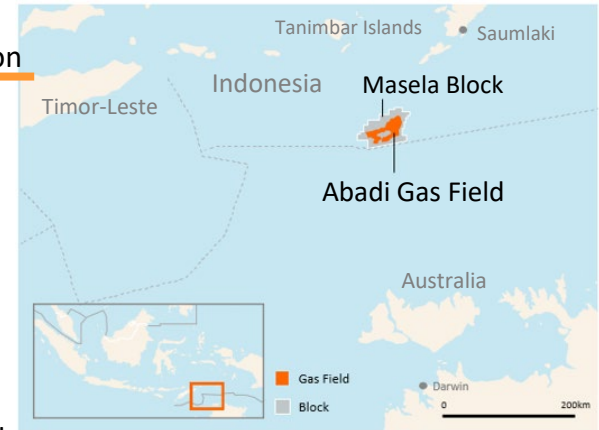
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Project Economics / Anticipated Risks and Mitigation

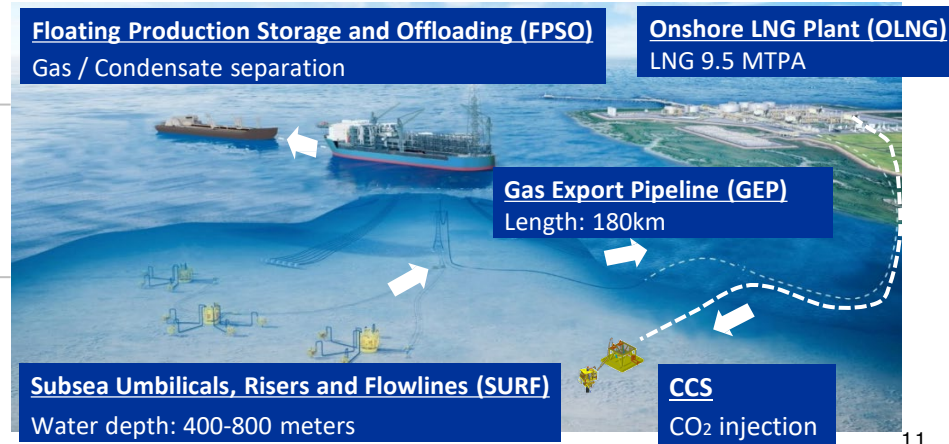
1. Abadi LNG Project Outline

Block Name	Masela Block
Location	Arafura Sea in Indonesia
Period	Until 2055
Participating Interest	INPEX 65% Pertamina 20% Petronas 15%
Planned Production Volume	LNG 9.5 MTPA Pipeline Gas 150 mmscfd Condensate 35,000 boed (at peak)
CCS	Entire CO ₂ from the reservoir to be removed and injected. *CCS operation to start from day 1 of LNG production.
Current Status	Revised Plan of Development with CCS approved in 2023, preparation work for FEED underway

Gas Field Location



Development Concept



Timeline: Aiming to start production in the early 2030s

FEED Preparation
Underway

FEED
(Front-End Engineering Design)
Approx. 2 years

FID

EPC
(Engineering, Procurement and Construction)
Approx. 5 years

Production Start

- **Preparatory activities for FEED are now underway**
 - Onshore / Offshore Geophysical and Geotechnical Survey (G&G Survey)
 - Tender for FEED
 - Environment-related permits, etc.
- **FID to be taken after FEED (approx. 2 years), EPC (approx. 5 years) follows, then production starts**
- **FEED and EPC to be conducted for each package (OLNG, FPSO, GEP, SURF)**
- **Concurrently with FEED, marketing, financing, land securing and other related activities continue toward FID**



Continue marketing and financing activities in parallel with FEED toward FID

Marketing



- Conducting marketing activities since 2020
- Executed non-binding MOUs / LOIs with buyers mainly from Southeast Asia (including Indonesia) and East Asia, with their interests exceeding the planned volume
- Continuing engagement with the buyers

Financing



- Conducted market sounding to test the liquidity from commercial banks worldwide in 2024 Q2
- Sufficient liquidity and adequate buffer to fund the project have been confirmed
⇒ The Majority of expressed amount came from Asian banks.

Project Economics Target: IRR mid-10% range (based on realistic assumptions)

Project Execution Risk (Green Field Project)

- Make the most of the insights / lessons learned from Ichthys Project experience
- Seasoned professionals from Pertamina and Petronas to be seconded to the project organization

Indonesia Country Risk

- Close communication with Government of Indonesia
- Alignment with Pertamina – a state-owned entity

Cost / Schedule

- More solid and accurate cost / schedule estimate through FEED

After FEED, INPEX and Government of Indonesia will jointly review the project economics based on the updated cost/schedule to ensure the project has good enough economics

* INPEX IRR target of mid-10% range is well-recognized by Government of Indonesia

Challenge Towards Realizing a Decarbonized Society -Hydrogen and CCUS Businesses-

Executive Officer,
Senior Vice President, Hydrogen & CCUS Development
Shoichi Kaganoi



Integrated Demonstration of Blue Hydrogen & Ammonia Production and Usage
in Kashiwazaki City, Niigata
as of August 2024



1

Support Measures for the Commercialization of Hydrogen and Ammonia Projects

Contract-for-Difference subsidy scheme is key for commercialization



2

Support Measures for the Commercialization of CCS Projects

CCS Business Act has been established. Supporting scheme needs to be in place.



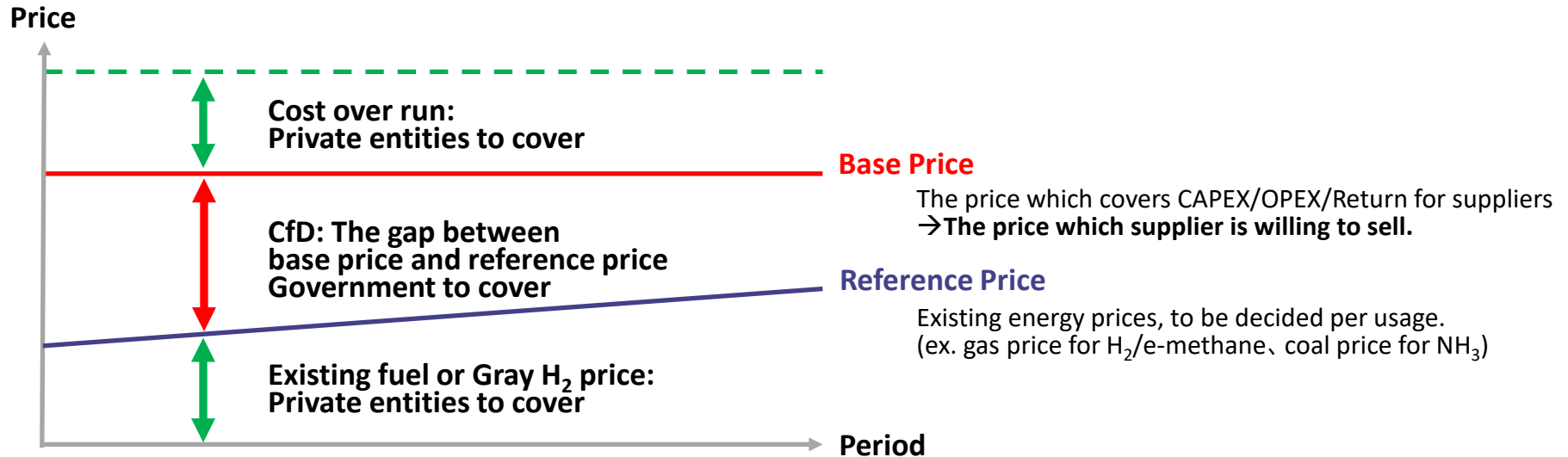
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Progress of Main Projects

CfD subsidy scheme is key for commercialization of hydrogen and ammonia projects

- Japanese government decided to introduce Contract-for-Difference (CfD) and other subsidy scheme.
- The Hydrogen Society Promotion Act passed the Parliament of Japan in May 2024.
- Competition to obtain subsidy is fierce, but the environment is steadily improving for the commercialization of hydrogen and ammonia projects in around 2030.

Outline of CfD Subsidy Scheme: CfD subsidy for 15 years from commencement of operation

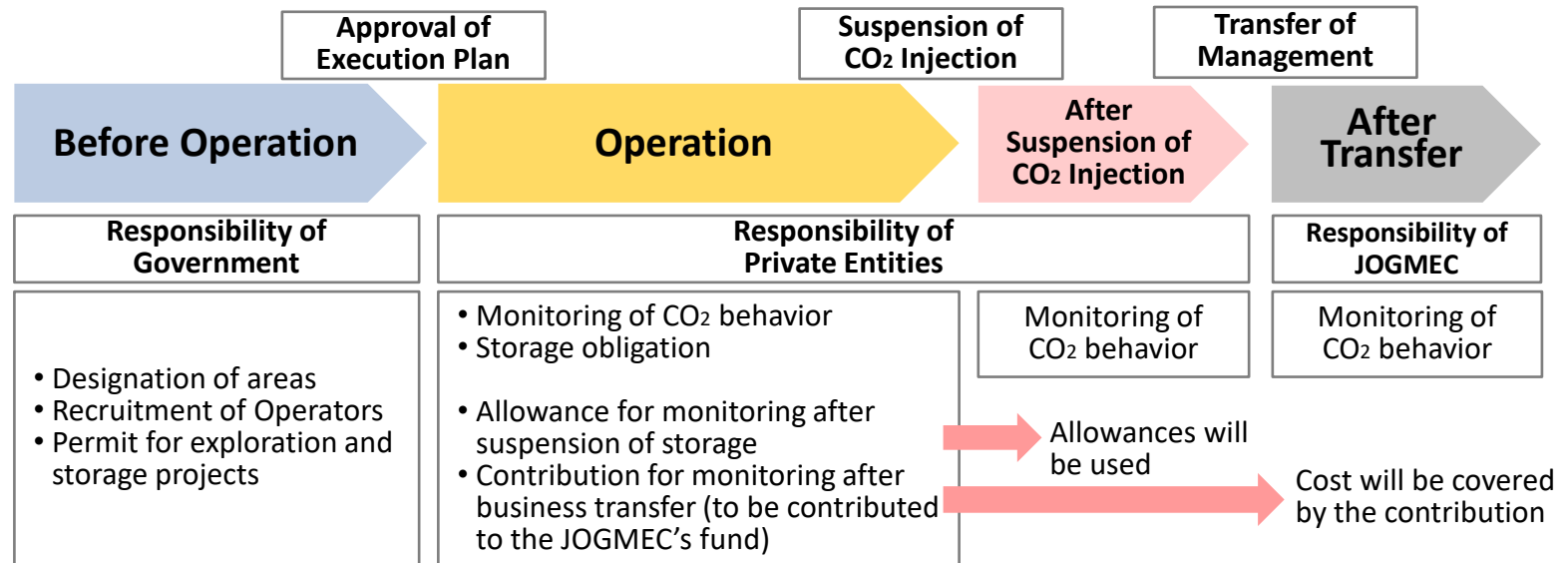


2. Support Measures for the Commercialization of CCS Projects

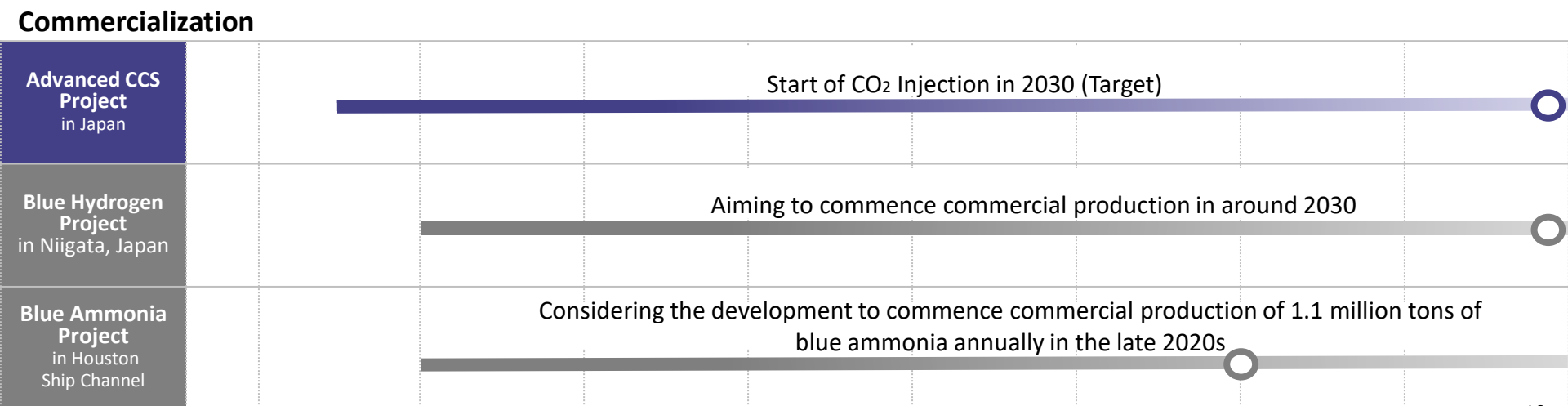
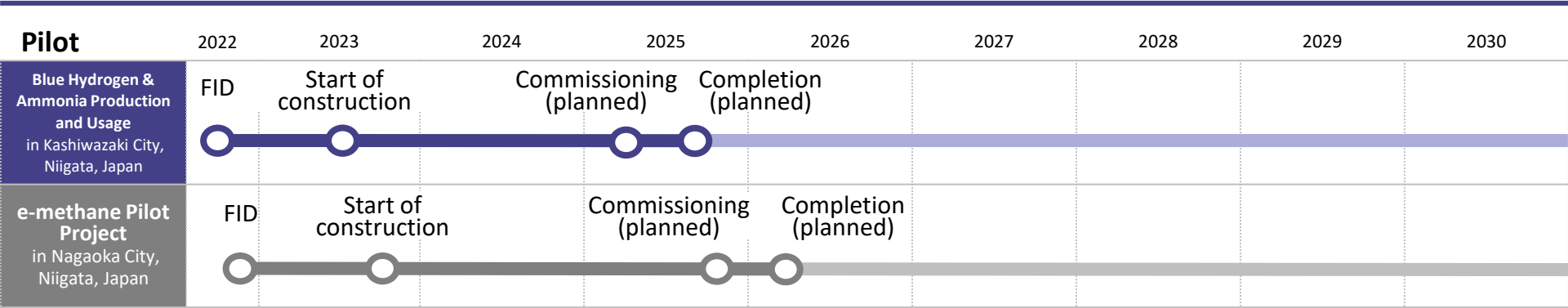
CCS Business Act has been established. Supporting scheme needs to be in place.

- CCS Business Act passed the Parliament of Japan in May 2024.
- The ratification of the London Protocol amendment for CO₂ transportation to overseas has been approved by the Parliament of Japan.
- Dialogues among governments also progressed.
- Though support scheme is still under consideration, the environment is steadily improving for the commercialization of CCS projects in Japan in around 2030.

Outline of CCS Business Act



3. Progress of Main Projects



JOGMEC has picked 9 candidate projects as “Advanced CCS Project” for this year on July 28, 2024. INPEX is involved in “Metropolitan Area CCS” and “Tohoku Region West Coast CCS”. “Metropolitan Area CCS” is led by INPEX

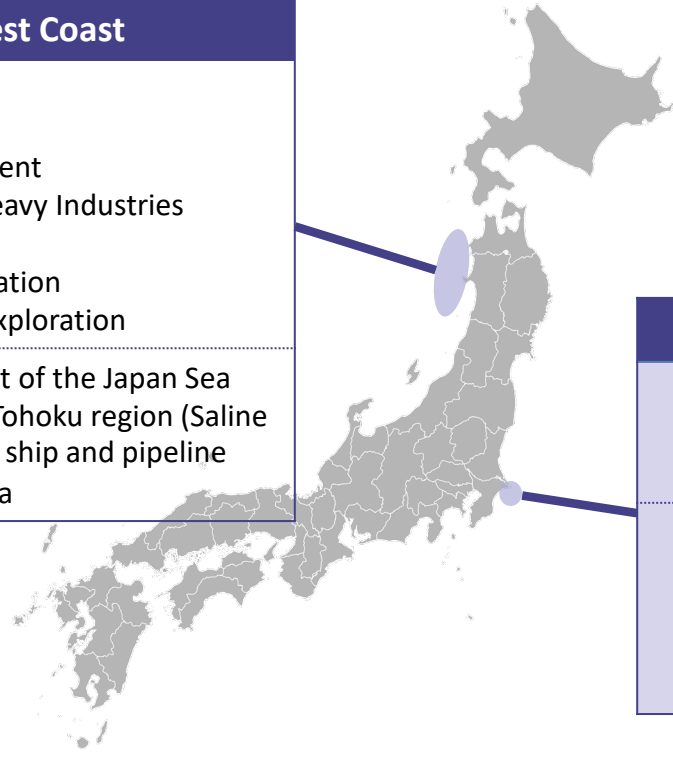
Tohoku Region West Coast

Partners

ITOCHU
 Nippon Steel
 Taiheiyo Cement
 Mitsubishi Heavy Industries
INPEX
 Taisei Corporation
 ITOCHU Oil Exploration

Specification

- Off the coast of the Japan Sea side of the Tohoku region (Saline aquifer), via ship and pipeline
- 1.5-1.9 Mtpa



Metropolitan Area

Partners

INPEX

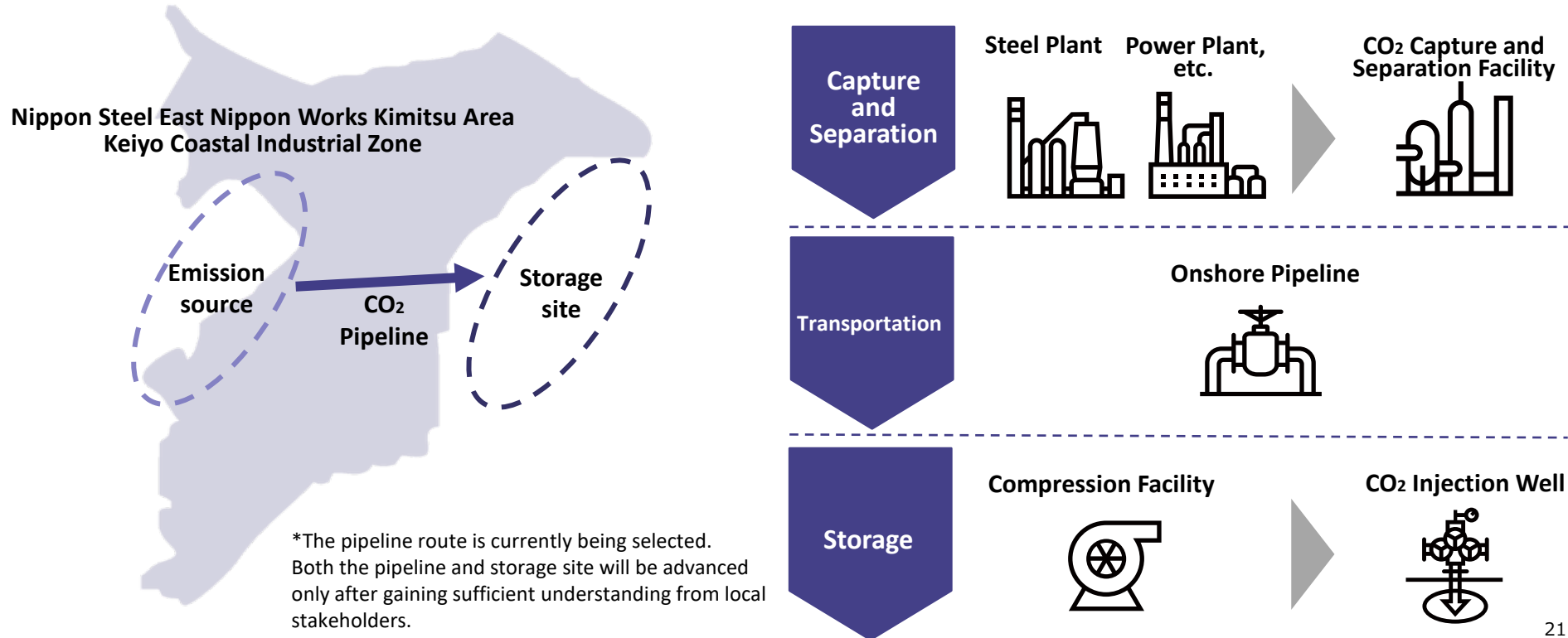
Nippon Steel
 Kanto Natural Gas Development

Specification

- Off the coast of Chiba Prefecture, in the outer Chiba Boso region (Saline aquifer), via pipeline
- 1.4 Mtpa

Capturing CO₂ emissions from multiple industries

A CCS project that transports the captured CO₂ via pipeline* and stores it in the offshore area of Chiba Prefecture



3-II. Integrated Demonstration of Blue Hydrogen & Ammonia Production and Usage in Kashiwazaki City, Niigata

As of September 2023



Current Status as of August 2024

