

August 8, 2002

First Delivery of Natural Gas from Indonesia to Malaysia.

INPEX CORPORATION (INPEX) announced the first delivery of natural gas to Malaysia from "Block B" in Indonesia's Natuna Sea on August 8, 2002.

The inaugural delivery makes fully operational the Gas Sales Agreement between PERTAMINA, Indonesia's state-owned oil and gas company, and Malaysia's national oil company, PETRONAS. Under the agreement, PERTAMINA will sell 1.5 trillion cubic feet (tcf) of natural gas to Malaysia exclusively from Block B over a 20-year period. At the initial stage, some 100 million cubic feet (mmcf) of natural gas will be delivered daily, with an increase to 250 mmcf per day expected by 2007.

The linkage between gas-rich areas offshore of Indonesia and Malaysia is expected to not only enhance the bilateral relationship, but also create opportunities for further cooperation in the petroleum sector, offering economic and social benefits to both nations.

The August 8 ceremony to mark the historic delivery was attended by Indonesian President Megawati Soekarnoputri and Malaysian Prime Minister Dato' Seri Dr. Mahathir Mohamad.

INPEX, through its wholly owned subsidiary, INPEX Natuna, Ltd., holds a 35% working interest in the Block B production sharing contract (PSC). Partners of INPEX are Conoco (operator) and Texaco which hold 40% and 25%, respectively.