

December 23, 2020

For Immediate Release
To Whom It May Concern

Mitsui & Co., Ltd.

Final Investment Decision for the Waitsia Gas Project Stage 2 Development

Mitsui & Co., Ltd. (“Mitsui”, Head Office: Tokyo, President and CEO: Tatsuo Yasunaga), together with its partner Beach Energy Limited has made a final investment decision subject to necessary government approvals, as the operator of a gas development project relating to the Waitsia gas field (“Waitsia”) in the state of Western Australia, called the Waitsia Gas Project Stage 2 Development (“Stage 2 Development”). Mitsui holds a 50% interest in the Waitsia through AWE Pty Ltd (“AWE”).

In 2018, Mitsui acquired AWE which has an interest in Waitsia, located onshore approximately 350 km north of Perth, Western Australia. The acquisition was primarily to expand Mitsui’s competitive oil and gas portfolio in Australia and to gain operatorship capabilities.

The Waitsia discovery is one of the largest onshore natural gas fields in Australia. In addition to the increase of reserves confirmed after Mitsui’s acquisition of AWE, securing access to LNG markets, through the LNG facilities owned by the North West Shelf Joint Venture (“NWS JV”)¹ in which Mitsui participates, enabled the Stage 2 development to progress.²

The aim of the Stage 2 Development is to contribute to the stable supply of LNG to meet increasing global demand as well as to continue supplying domestic gas for use by Western Australian manufacturers and consumers. It will also contribute to a low-carbon society by promoting fuel conversion to gas in the medium term.

Through the Stage 2 Development, gas production capacity of 250 TJ/day will be added to the current Stage 1 capacity of 20 TJ/day. The Stage 2 Development involves the drilling of additional wells and the construction of a new gas plant with a gross capital expenditure of A\$768mil (JPY59.3 billion), of which A\$384mil (JPY 29.7 billion) net to Mitsui. The

¹ Mitsui has a 50% equity interest in Japan Australia LNG (MIMI) Pty Ltd, which holds a 16.67% participating interest in the NWS JV.

² A Gas Processing Agreement between NWS JV and the Waitsia Joint Venture with a parent company guarantee made by Mitsui in favor of NWS JV was signed to secure the right to use the LNG plant to liquefy and export Waitsia gas.

commencement of production from the Stage 2 Development is planned in the 2nd half of 2023.

Waitsia creates strategic value by enhancing Mitsui's function as an operator in the broad range of energy business. The project utilizes Mitsui's comprehensive strengths, and takes a lead in creating value across the gas supply chain. It also enables Mitsui to develop further business opportunities by utilizing its accumulated knowledge and expertise in areas such as gas value chain and carbon management.

The impact of this decision on Mitsui's profit for the year ending March 2021 is expected to be minor.

[Participating Interest Holders of Waitsia]

AWE Pty Ltd (operator)	50%
Beach Energy Limited	50%

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Notice:

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