

Developing New Mining Areas in the Bulga Coal Mine in Australia

JX Nippon Oil & Energy Corporation (President: Tsutomu Sugimori) is pleased to announce the decision to commence development of new mining areas at Bulga Coal Mine (hereinafter "Bulga") which its subsidiary company, JX Nippon Oil & Energy (Australia) Pty Ltd (President: Hiroshi Kodera) owns through their affiliate, Oakbridge Pty Ltd, in Australia.

Bulga produces 11 million tonnes per annum and is one of few mines in Australia of this scale. Bulga provides thermal and semi-hard coking coal to customers of which many are Japanese power utility and steel mill companies. Bulga's operation has been highly evaluated by its customers for its efficiency and quality control that characterize its performance as a consistent producer.

We are writing to notify that development consent from the Australian government has been granted and a decision to develop the project has been made. The new development consent maintains Bulga's current production rate and replaces the current consent which will mine out in 2017. While sustaining good relationships with the local communities, development will begin in December 2014 with production planned to start in 2016 (Full Production in 2018).

Based on our mission statement "JX Group will contribute to the development of a sustainable economy and society through innovation in the areas of energy, resources and materials"; we will continue to make our best efforts in expanding the coal business along our corporate growth strategy.

I. Information on Bulga Coal Mine

1. Local Participants in the Development: Bulga Joint Venture

| Participants | Equity Ratio | Notes | |
|--|--------------|--|-------|
| Oakbridge Pty Ltd | 87.5% | JX Nippon Oil & Energy (Australia) Pty Ltd | 15.2% |
| | | Glencore plc | 78.0% |
| | | Toyota Tsusho Corporation | 5.0% |
| | | JFE Shoji Trade Corporation | 1.8% |
| Nippon Steel & Sumitomo Metal Australia Pty. Limited | 12.5% | 100% Subsidiary of the Parent Company | |

2. Location : NSW, Australia

3. Production : 11 million tonnes per annum

: Japanese power utilities, steel mills, paper and chemical

4. Market Destination : companies, etc. (9.32 million tonnes handled by JX in 2013)

5. Total CAPEX : A\$704 million

II. The Location of Bulga Coal Mine and the area within the new development consent:

