MEDIA RELEASE

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INPEX WINS APPEA ENVIRONMENT AWARD 2009

INPEX today accepted an APPEA award for excellence and innovation in environmental management at the annual APPEA conference, being held in Brisbane.

The entry "Ichthys Project – Onshore Geotechnical Investigation, Blaydin Point, NT" was chosen by APPEA as the most outstanding entry in Category B Exploration Company.

INPEX Australia Managing Director Seiya Ito said the safety, environment and engineering teams exhibited true dedication in achieving the best outcome for the drilling program and the environment.

"I am very proud of the Ichthys Project team, which has worked collaboratively to produce such excellent results," Mr Ito said.

In 2009, INPEX conducted a geotechnical investigation at the Ichthys Project's proposed onshore processing plant location on Blaydin Point, Darwin, Northern Territory. The investigation was part of the front-end engineering and design (FEED) phase and the results are helping the engineering team design the most appropriate infrastructure for the onshore plant.

Mr Ito said that a number of the investigation boreholes were located in Darwin's intertidal mangrove areas and in salt flats.

"This presented a number of challenges for INPEX, in particular accessing and working in these areas, but also the environmental impact on Blaydin Point," Mr Ito said.

Some of the challenges included:

- regular tidal inundation
- working in soft substrates e.g. sand and mud
- presence of potential acid sulfate soils
- sensitivity of the mangrove environment
- potential threats from crocodiles, and
- being surrounded by biting insects.

Mr Ito said the challenges required an innovative approach, combining technology, safety and environmental innovations to achieve an integrated solution for the drilling program.

"Everything needed to be done to minimise clearing and promote rapid regeneration of cleared mangrove areas," Mr Ito said.

"We also had to minimise disturbance to potential acid sulfate soils, which could otherwise result in acid leachate.

"At the same time we needed to ensure a safe working platform and achieve the best results for the geotechnical investigation."

For clearing, INPEX used a modified swamp excavator with a purpose-built disc-cutting attachment, which allowed mangroves to be cut near ground level, leaving rootstock intact. For drilling, a number of options were considered and it was determined that an amphibious buggy ("marsh buggy") on which a drilling rig could be mounted, would be

used. As with the swamp excavator, the wide tracks of the buggy allowed for load distribution over a large area, which meant that it only exerted a ground pressure of approximately 1.8–2.2 psi. It was the first time the 'marsh buggy', which was sourced from Louisiana in the United States, had been used in Australia.

Mr Ito said the use of the buggy helped to maintain the stability and integrity of mangrove soils, reducing the potential risk of erosion and allowing for improved mangrove regeneration.

The geotechnical investigation was conducted on behalf of the Ichthys Project Joint Venture Participants INPEX and Total E&P Australia. INPEX was supported by lead contractor Arup and drilling contractor J&S Drilling.

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About INPEX

INPEX CORPORATION is a worldwide oil and gas exploration and production company currently involved in more than 70 projects across 26 countries. INPEX is ranked in the Top 50 global petroleum companies and is listed on the Tokyo Stock Exchange. INPEX has been a part of the Australian business community since 1986 and is involved in a number of projects in Australia and the Timor Sea, including the large scale Ichthys Project, Van Gogh Project, Ravensworth Project, Bayu-Undan Development and Darwin LNG.

About the Ichthys Project

The Ichthys Project is a Joint Venture between INPEX Browse Ltd (76%, the Operator) and Total E&P Australia (24%). Gas from the Ichthys Field, in the Browse Basin offshore of Western Australia, will undergo preliminary processing offshore to remove water and raw liquids, including condensate. The gas will then be exported to the onshore processing facilities in Darwin via an 885km subsea pipeline. The Ichthys Project is expected to produce 8.4 million tonnes of LNG and approximately 1.6 million tonnes of LPG per annum, along with 100,000 barrels of condensate per day at peak.

Innovative solution in a challenging mangrove environment: The amphibious marsh buggy exerted a ground pressure of only 1.8-2.2psi, which meant it could access boggy and potential acid sulfate soil areas with minimal disturbance to the soil surface. Importantly, the amphibious marsh buggy also provided a safe elevated working platform for the drilling team.