Code No. 1662
June 5, 2019
Hideichi Okada, President
Japan Petroleum Exploration Co., Ltd. (JAPEX)
1-7-12 Marunouchi, Chiyoda-ku, Tokyo

To All Shareholders:

Notification of the Convocation to the 49th Ordinary General Meeting of the Shareholders

The 49th Ordinary General Meeting of the Shareholders of Japan Petroleum Exploration Co., Ltd. (hereinafter referred to as the "JAPEX") will be held according to the details below, and we kindly ask for your attendance.

If you are unable to attend the meeting, you may exercise your voting rights through a written document (Voting Rights Exercise Form) or by electronic means (via the Internet). Please read the attached "Reference Documents for Shareholders' Meeting," and exercise your voting rights after referring to "4. Guidance on the Exercise of Voting Rights" on the following page, prior to 5:35 p.m., Wednesday, June 26, 2019.

Thank you very much for your attention and cooperation.

Details:

1. Date and Time: 10:00 a.m., June 27, 2019 (Thursday)
2. Location: Station Conference Tokyo "Sapia Hall" (Sapia Tower 5F)
   1-7-12 Marunouchi, Chiyoda-ku, Tokyo
3. Agenda:
   Announcements:
   1) Business report and consolidated financial report of the 49th Term (from April 1, 2018 to March 31, 2019), and audit reports from the accounting auditor and Board of Corporate Auditors on the consolidated financial report
   2) Financial report of the 49th Term (from April 1, 2018 to March 31, 2019)

   Resolution items:
   - Item 1: Appropriation of Surplus
   - Item 2: Election of Fourteen (14) Directors
   - Item 3: Election of One (1) Corporate Auditor
   - Item 4: Payment of Bonuses to Directors

NOTE: This document is an abridged translation of the Japanese "Notification of the Convocation to the 49th Ordinary General Meeting of the Shareholders" "Reference Documents for Shareholders' Meeting" and "Financial Report" of JAPEX. This translation is intended for reference and convenience purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail. JAPEX does not guarantee the accuracy and/or the completeness of this translation and shall have no liability for any errors or omissions therein.

4. Guidance on the Exercise of Voting Rights

[Exercise of Voting Rights in Writing (Voting Rights Exercise Form)]

Please indicate your approval or disapproval of each proposition on the enclosed Voting Rights Exercise Form and then send it back so that it reaches us no later than 5:35 p.m., Wednesday, June 26, 2019.

[Exercise of Voting Rights by Electronic Means (via the Internet)]

(1) To exercise your voting rights via the Internet, you must use the following voting service website (https://soukai.mizuho-tb.co.jp/) designated by the Company. You are cordially requested to exercise your voting rights via the Internet prior to 5:35 p.m., Wednesday, June 26, 2019.

(2) Please register your approval or disapproval of each proposition, by using the code and password provided on your Voting Rights Exercise Form enclosed herewith and following the directions on the screen. Please check the "Guidance on the Exercise of Voting Rights via the Internet" shown on page 18 of this notice for the details.

[Treatment of Voting Rights Exercised Repeatedly]

(1) If you exercise your voting rights both in writing and via the Internet, we will only accept the exercise of your voting rights via the Internet as valid.

(2) If you exercise your voting rights more than once via the Internet, we will only accept the last exercise of your voting rights as valid.

END

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*Upon your arrival at the Ordinary General Meeting of Shareholders, please submit the enclosed Voting Rights Exercise Form to the venue reception. Thank you.

*The following matters are not described in the Reference Documents of this Notification since they are posted on the JAPEX website (https://www.japex.co.jp/) in accordance with laws and regulations and with Article 17 of the Company's Articles of Incorporation.

1) "(5) System to Ensure Proper Business Operations and the State of Its Operation" and "(6) Basic Policy on Control of the Company" included in "2. Current State of the Company" of the business report
2) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" of the consolidated financial report
3) "Statement of Changes in Equity" and "Notes to Financial Statements" of the financial report

The business report, consolidated financial report and financial report audited by Corporate Auditors comprise the business report, consolidated financial report and financial report, which are attached to this Notification, as well as the items 1) to 3) above, which are posted on the JAPEX website.

The consolidated financial report and financial report audited by the Accounting Auditor comprise the consolidated financial report and financial report, which are attached to this Notification, as well as the items 2) and 3) above, which are posted on the JAPEX website.

*In case the Reference Documents for Shareholders Meeting, or business report, financial report or consolidated financial report is modified, such modification shall be posted on the JAPEX website. (https://www.japex.co.jp/)

* The notification of resolutions at the ordinary general meeting of the shareholders will no longer be delivered by mail. The results of this general meeting of shareholders will be posted on the JAPEX website (https://www.japex.co.jp/) after the meeting.

Reference Documents for Shareholders' Meeting

Item 1: Appropriation of Surplus

JAPEX employs the basic policy of long-term, stable distribution of dividends, comprehensively taking into account, among other factors, the profit or loss situation of each fiscal period and funding needs in the future, in the light of considering retained earnings to secure new oil and gas reserves and invest in the improvement and expansion of supply infrastructure, etc.

The year-end dividends for the 49th term will be as follows:

Details Concerning the Year-End Dividends

(1) Type of dividend property: Money

(2) Distribution and total amount of dividend property:
30 yen per share of common stock
Total amount of dividends: 1,714,577,070 yen

(3) Effective date of distribution of surplus: June 28, 2019

Item 2: Election of Fourteen (14) Directors

Upon closing of this general meeting of shareholders, the terms of office of all Directors Osamu Watanabe, Hideichi Okada, Hikaru Fukasawa, Yosuke Higai, Takahisa Inoue, Kazuhiko Ozeki, Hajime Ito, Hirotaka Tanaka, Toshiyuki Hirata, Michiro Yamashita, Yoshitaka Ishii, Akira Kojima, and Tetsuo Ito will expire. We kindly ask our shareholders to elect a total of fourteen (14) Directors, including one (1) additional Outside Director, in order to strengthen the management structure for the future and further promote the Company's long-term vision and mid-term business plan.

The candidates for Director are as listed below:

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX or Significant positions concurrently held	JAPEX shares owned
1	Osamu Watanabe (December 6, 1940) Renominated	April 1964 Joined Ministry of International Trade and Industry (hereinafter referred to as the "MITI") July 1997 Vice Minister of International Trade and Industry July 2002 Chairman at Japan External Trade Organization June 2007 Executive Vice President at JAPEX June 2008 President June 2016 Chairman (up to the present date) <Significant positions concurrently held> Director at Canada Oil Sands Co., Ltd. Director at JAPEX Offshore, Ltd.	40,000 shares
	[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019] 14 out of 14 meetings (100%) [Reasons for nomination as a candidate for Director] In addition to having distinguished insights through extensive administrative experience including energy administration in government positions, etc., Osamu Watanabe has held the positions of Executive Vice President and President at JAPEX in the period between 2007 and 2016, significantly contributing to the Group's business development. Since assuming the position of Chairman, he has appropriately provided management guidance from a broader perspective; therefore, we have continuously nominated him as a candidate for Director.		

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th>Brief history, Position and responsibilities in JAPEX or
Significant positions concurrently held</th><th>JAPEX shares owned</th></tr>
<tr><td rowspan="2">2</td><td>Hideichi Okada
(October 15, 1951)

Renominated</td><td>April 1976 Joined MITI
July 2010 Vice-Minister for International Affairs, Ministry of Economy, Trade and Industry (hereinafter referred to as the “METI”)
July 2014 Senior Executive Vice President at NEC Corporation
June 2016 President at JAPEX
June 2018 President, Chief Executive Officer (up to the present date)
<Significant positions concurrently held>
President at JAPEX Offshore, Ltd.
President at JAPEX Garraf Ltd.
Chairman at JAPEX Montney Ltd.
Outside Director at The Yokohama Rubber Co., Ltd.</td><td>3,800 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
Hideichi Okada has distinguished insights through extensive administrative experience including energy administration in government positions and a management career in other private sectors. In addition, since assuming the position of President in 2016, he has helmed the Group’s business development amid the tough business environment; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
<tr><td rowspan="2">3</td><td>Masahiro Fujita
(November 12, 1954)

Newly nominated</td><td>April 1977 Joined MITI
July 2008 Director-General of Trade and Economic Cooperation Bureau, METI
Nov. 2010 Executive Officer at SUMITOMO CORPORATION
June 2018 Representative Director, Executive Vice President at SUMITOMO CORPORATION
April 2019 Representative Director, Assistant to President and CEO at SUMITOMO CORPORATION (up to the present date; he intends to resign on June 21, 2019)</td><td>—</td></tr>
<tr><td colspan="3">[Reasons for nomination as a candidate for Director]
Masahiro Fujita has distinguished insights through extensive administrative experience including energy administration in government positions and a management career in other private sectors doing international resource and energy business. We expect JAPEX management will benefit from his experience and knowledge, and have therefore newly nominated him as a candidate for Director.</td></tr>
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<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th>Brief history, Position and responsibilities in JAPEX or
Significant positions concurrently held</th><th>JAPEX shares owned</th></tr>
<tr><td rowspan="2">4</td><td>Yosuke Higai
(April 9, 1955)

Renominated</td><td>April 1978 Joined JAPEX
Sep. 2003 General Manager of Procurement Dept.
June 2007 General Manager of Administration Dept.
June 2009 Executive Officer, General Manager of Administration Dept.
June 2010 Executive Officer
June 2012 Managing Executive Officer
June 2013 Managing Director
June 2015 Managing Director, President of Marketing & Sales Division and Vice President of Soma Project Division
June 2016 Senior Managing Director, President of Marketing & Sales Division and Vice President of Soma Project Division
June 2018 Director, Senior Managing Executive Officer, President of Marketing & Sales Division (up to the present date)
<Significant positions concurrently held>
Director at Japex Energy Co., Ltd.
Director at Kitakyushu LNG Sales and Lorry Transport Corp.</td><td>5,700 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
Yosuke Higai has extensive experience in and knowledge of operations in the areas of our procurement, administration, and marketing & sales divisions. Currently assisting the President in the overall administrative division as Director and Senior Managing Executive Officer in charge of the Secretary Office, Procurement Dept. and President of the Marketing & Sales Division, he has significantly contributed to appropriate administration and management of JAPEX as well as the Group’s business development; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
<tr><td rowspan="2">5</td><td>Takahisa Inoue
(April 18, 1955)

Renominated</td><td>April 1980 Joined JAPEX
March 2009 General Manager of Operations Dept., Development Division
July 2010 Vice President of Development Division
June 2011 Executive Officer, General Manager of Hokkaido District Office, Domestic Project Division
June 2014 Managing Executive Officer, General Manager of Hokkaido District Office, Domestic Project Division
June 2015 Managing Executive Officer, Vice President of Domestic Project Division
June 2016 Managing Director, President of Domestic Project Division and Vice President of Soma Project Division
June 2017 Managing Director, President of Domestic Project Division
June 2018 Director, Senior Managing Executive Officer, President of Domestic Project Division (up to the present date)
<Significant position concurrently held>
Director at JAPEX Offshore, Ltd.</td><td>2,200 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
In addition to specializing in oil and gas field development and production and operations management in Japan and overseas, Takahisa Inoue has extensive experience in and knowledge of our domestic project division. Currently serving as Director, Senior Managing Executive Officer and President of the Domestic Project Division, he has significantly contributed to the Group’s business development; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
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<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th>Brief history, Position and responsibilities in JAPEX or
Significant positions concurrently held</th><th>JAPEX shares owned</th></tr>
<tr><td rowspan="2">6</td><td>Kazuhiko Ozeki
(January 19, 1957)

Renominated</td><td>April 1980 Joined JAPEX
June 2005 General Manager of Iraq Project Dept., International Oil & Gas Division
Feb. 2010 Vice President of Iraq Project Division
June 2010 Executive Officer, Vice President of Iraq Project Division
June 2011 Executive Officer, Advisor to President of Middle East, Africa & Europe Project Division
June 2013 Managing Executive Officer, Advisor to President of Middle East, Africa & Europe Project Division
Aug. 2013 Managing Executive Officer, Vice President of Middle East, Africa & Europe Project Division
Jan. 2014 Managing Executive Officer
June 2015 Managing Director, President of Environment and Innovative Technology Projects Division
June 2016 Managing Director
June 2018 Director, Managing Executive Officer (up to the present date)</td><td>4,300 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
Kazuhiko Ozeki has extensive experience in and knowledge of operations in the areas of our overseas project, and environment and innovative technology projects divisions. Currently serving as Director and Managing Executive Officer, managing overall overseas business and being in charge of the Commercial Office for Overseas Projects, Corporate Strategy Dept., Media & Investor Relations Dept. and New Business Promotion Office, he has significantly contributed to appropriate administration and management of JAPEX; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
<tr><td rowspan="2">7</td><td>Hajime Ito
(May 27, 1957)

Renominated</td><td>April 1980 Joined MITI
July 2006 Deputy Director-General, METI
Oct. 2010 Advisor to President at JAPEX
June 2012 Executive Officer, Vice President of Americas & Russia Project Division
June 2015 Managing Executive Officer, Vice President of Americas & Russia Project Division
June 2016 Managing Director, Vice President of Americas & Russia Project Division
June 2018 Director, Managing Executive Officer, President of Americas & Russia Project Division (up to the present date)
<Significant positions concurrently held>
President at JAPEX Montney Ltd.
Director at Sakhalin Oil and Gas Development Co., Ltd.</td><td>2,300 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
Hajime Ito has international experience in government positions, as well as extensive experience and knowledge of energy administration in government offices and our overseas project divisions. Currently serving as Director, Managing Executive Officer and President of the Americas & Russia Project Division, he has significantly contributed to the Group’s business development; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
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<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th>Brief history, Position and responsibilities in JAPEX or
Significant positions concurrently held</th><th>JAPEX shares owned</th></tr>
<tr><td rowspan="2">8</td><td>Hirotaka Tanaka
(March 19, 1955)

Renominated</td><td>April 1978 Joined JAPEX
Feb. 2009 General Manager of Kangean Project Dept.
June 2012 Executive Officer
Oct. 2013 Executive Officer, Vice President of Asia & Oceania Project Division
June 2015 Managing Executive Officer, Vice President of Asia & Oceania Project Division
June 2016 Managing Director, President of Asia & Oceania Project Division
Sep. 2016 Managing Director
June 2018 Director, Managing Executive Officer (up to the present date)
<Significant positions concurrently held>
President at Kangean Energy Indonesia Ltd.</td><td>1,400 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
In addition to specializing in drilling technology in the oil and mining industries, Hirotaka Tanaka has extensive experience in and knowledge of our overseas project divisions. Currently serving as Director, Managing Executive Officer and President at Kangean Energy Indonesia Ltd., he has significantly contributed to the Group’s business development; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
<tr><td rowspan="2">9</td><td>Toshiyuki Hirata
(January 5, 1958)

Renominated</td><td>April 1981 Joined JAPEX
June 2005 President at Japan Canada Oil Sands Limited
June 2012 Executive Officer at JAPEX
June 2015 Managing Executive Officer
June 2017 Managing Director
June 2018 Director, Managing Executive Officer (up to the present date)
<Significant positions concurrently held>
Chairman at Japan Canada Oil Sands Limited
President at Canada Oil Sands Co., Ltd.</td><td>1,300 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
14 out of 14 meetings (100%)
[Reasons for nomination as a candidate for Director]
In addition to specializing in oil and gas field development and production and operations management in Japan and overseas, Toshiyuki Hirata has extensive experience in and knowledge of the oil sand business. Currently serving as Director and Managing Executive Officer in charge of the Canada Oil Sands Project Dept., he has significantly contributed to the Group’s business development; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
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<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th>Brief history, Position and responsibilities in JAPEX or
Significant positions concurrently held</th><th>JAPEX shares owned</th></tr>
<tr><td rowspan="2">10</td><td>Michiro Yamashita
(October 27, 1959)

Renominated</td><td>April 1982 Joined JAPEX
June 2005 General Manager of Corporate Planning Dept.
April 2010 Vice President of Environment and Innovative Technology Projects Division
June 2011 Vice President of Environment and Innovative Technology Projects Division
June 2013 Executive Officer
June 2016 Managing Executive Officer
June 2018 Director, Managing Executive Officer (up to the present date)
<Significant positions concurrently held>
Director at Japan Canada Oil Sands Limited
Director at Canada Oil Sands Co., Ltd.</td><td>1,200 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the period between his appointment on June 28, 2018 and March 31, 2019]
10 out of 10 meetings (100%)
[Reasons for nomination as a candidate for Director]
Michiro Yamashita has extensive experience in and knowledge of operations in the areas of our finance & accounting division. Currently serving as Director and Managing Executive Officer in charge of the Finance & Accounting Dept., he has significantly contributed to appropriate administration and management of JAPEX; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
<tr><td rowspan="2">11</td><td>Yoshitaka Ishii
(April 3, 1957)

Renominated</td><td>April 1981 Joined JAPEX
April 2010 General Manager of Technical Dept., Nagaoka Division Office
June 2014 Executive Officer, General Manager of Nagaoka Division Office, Domestic Project Division
April 2017 Executive Officer, General Manager of Nagaoka District Office
June 2017 Managing Executive Officer, General Manager of Nagaoka District Office
Nov. 2017 Managing Executive Officer, Vice President of Inter-regional Gas Supply Division and Vice President of Soma Project Division
June 2018 Director, Managing Executive Officer, President of Inter-regional Gas Supply Division and President of Soma Project Division
Oct. 2018 Director, Managing Executive Officer, President of Inter-regional Gas Supply Division and President of Soma Project & Power Business Division (up to the present date)
<Significant positions concurrently held>
President at Fukushima Gas Power Co., Ltd.</td><td>2,100 shares</td></tr>
<tr><td colspan="3">[Attendance at the Board of Directors meetings held in the period between his appointment on June 28, 2018 and March 31, 2019]
10 out of 10 meetings (100%)
[Reasons for nomination as a candidate for Director]
In addition to specializing in drilling technology in the oil and mining industries, Yoshitaka Ishii has extensive experience in and knowledge of our domestic project division. Currently serving as Director and Managing Executive Officer in charge of the Gas Pipeline Transportation Dept., President of Inter-regional Gas Supply Division and President of Soma Project & Power Business Division, he has significantly contributed to the Group’s business development; therefore, we have continuously nominated him as a candidate for Director.</td></tr>
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<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Brief history, Position and responsibilities in JAPEX or
Significant positions concurrently held</th><th>JAPEX shares owned</th></tr>
<tr><td rowspan="2">12</td><td>Akira Kojima
(July 18, 1942)

Renominated</td><td>April 1965
May 1997
May 2000
May 2003
May 2004
July 2009

April 2011

June 2015</td><td>Joined Nikkei Inc.
Director and Chief Editor at Nikkei Inc.
Managing Director and Chief Editor at Nikkei Inc.
Senior Managing Director at Nikkei Inc.
Chairman at Japan Center for Economic Research
Adjunct Professor at National Graduate Institute for Policy Studies
Member, Board of Trustees and Adjunct Professor at National Graduate Institute for Policy Studies (up to the present date)
Director at JAPEX (up to the present date)
<Significant positions concurrently held>
Member, Board of Trustees and Adjunct Professor at National Graduate Institute for Policy Studies</td><td>—</td></tr>
<tr><td colspan="4">[Number of years served as Director]
Four years
[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
13 out of 14 meetings (92%)
[Reasons for nomination as a candidate for Outside Director]
Akira Kojima has extensive experience and distinguished insights gained through his career in a newspaper company, etc. Currently serving as an Outside Director, he has supervised and provided wide-ranging proposals for JAPEX management; therefore, we have continuously nominated him as a candidate for Outside Director.</td></tr>
<tr><td rowspan="2">13</td><td>Tetsuo Ito
(March 15, 1948)

Renominated</td><td>April 1975
June 2001

Jan. 2009

April 2011

April 2011
June 2016

</td><td>Appointed prosecutor
Head of Special Investigation Force, Tokyo District Public Prosecutors Office
Deputy Prosecutor-General, Supreme Public Prosecutors Office
Recorded attorney (Daiichi Tokyo Bar Association) (up to the present date)
Of Counsel at Nishimura & Asahi (up to the present date)
Director at JAPEX (up to the present date)
<Significant positions concurrently held>
Of Counsel at Nishimura & Asahi
Outside Corporate Auditor at UNIZO Holdings Company, Limited
Outside Corporate Auditor at Takasago Thermal Engineering Co., Ltd.
Outside Corporate Auditor at Asahi Kasei Corp.</td><td>—</td></tr>
<tr><td colspan="4">[Number of years served as Director]
Three years
[Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019]
13 out of 14 meetings (92%)
[Reasons for nomination as a candidate for Outside Director]
Although Tetsuo Ito has no experience of being directly involved in corporate management, he has extensive knowledge and experience as a legal specialist. Currently serving as an Outside Director, he has supervised and provided wide-ranging proposals for JAPEX management; therefore, we have continuously nominated him as a candidate for Outside Director.</td></tr>
</table>

Candidate No.	Name (Date of birth)	Brief history, Position and responsibilities in JAPEX or Significant positions concurrently held	JAPEX shares owned
14	Yukari Yamashita (October 23, 1959) Newly nominated	Oct. 1985 Joined The Institute of Energy Economics, Japan June 2011 Board Member, Unit Manager of Global Environment & Sustainable Development Unit at The Institute of Energy Economics, Japan July 2011 Board Member, Director, Charge of Energy Data and Modelling Center at The Institute of Energy Economics, Japan (up to the present date) <Significant positions concurrently held> Board Member, Director, Charge of Energy Data and Modelling Center at The Institute of Energy Economics, Japan	—
	[Reasons for nomination as a candidate for Outside Director] Although Yukari Yamashita has no experience of being directly involved in corporate management, she has extensive knowledge through her research activities in a research lab studying energy economics and energy and environmental policy, etc. We expect her to supervise and provide wide-ranging proposals for JAPEX management, and have therefore newly nominated her as a candidate for Outside Director.		

(Notes)
1. Candidates Hideichi Okada and Hajime Ito are concurrently serving as the Chairman and President of JAPEX Montney Ltd., respectively. Candidate Toshiyuki Hirata is concurrently serving as the Chairman of Japan Canada Oil Sands Limited. JAPEX is providing debt guarantees to both of these companies. Candidate Hideichi Okada is concurrently serving as the President of JAPEX Garraf Ltd., with which JAPEX is engaged in crude oil transactions. In addition, he is concurrently serving as the President of JAPEX Offshore, Ltd., with which JAPEX is entrusted funds via the cash management system. Candidate Hirotaka Tanaka is concurrently serving as the President of Kangean Energy Indonesia Ltd., to which JAPEX is providing loans and debt guarantee. Candidate Yoshitaka Ishii is concurrently serving as the President of Fukushima Gas Power Co., Ltd., to which JAPEX is providing collateral, and with which JAPEX has concluded an outsourcing agreement.
   No significant interest-based relationship exists between other candidates for Director and JAPEX.
2. Akira Kojima and Tetsuo Ito are candidates for Outside Director. These two candidates have been registered with the Tokyo Stock Exchange as Independent Officers, pursuant to the rules of the Exchange, and they are scheduled to continue to be Independent Officers, subject to the approval of their reappointment under this proposal.
3. Yukari Yamashita is a candidate for Outside Director. She will be registered with the Tokyo Stock Exchange as Independent Officer, pursuant to the rules of the Exchange.
4. Tetsuo Ito has held the office of Outside Corporate Auditor at Takasago Thermal Engineering Co., Ltd. since June 2014. In November 2014, the company and its former employees were respectively fined and given a suspended jail sentence for violation of the Antimonopoly Act. In addition to these sanctions, in January 2015, the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) ordered the company to suspend its operations for 60 days; in October of the same year, the Japan Fair Trade Commission issued cease and desist orders and surcharge payment orders.
   Meanwhile, regarding Asahi Kasei Corp., for which he has served as Outside Corporate Auditor since June 2015, its subsidiary received administrative dispositions in January 2016 by MLIT for the violation of the Construction Business Act. MLIT ordered to suspend business for 15 days and business improvement, together with an instruction to take steps to prevent recurrence of the violation.
   He was not involved in any of the above operations that were subject to reprimand and he successfully fulfilled his duties by making opinions to prevent recurrence of a similar event.
5. The Company has concluded a limited liability agreement with Candidates Akira Kojima and Tetsuo Ito to limit their liability as stipulated in Article 423, Paragraph 1 of the Companies Act. The amount of liability under the agreement is limited to the amount provided by laws and regulations. The Company is scheduled to renew this agreement with each candidate, subject to the approval of their reappointment under this proposal.
6. When the election of Yukari Yamashita is approved, JAPEX plans to enter into a limited liability agreement with her in accordance with the provision of Article 427, Paragraph 1, of the Companies Act, to limit her liability as stipulated in Article 423, Paragraph 1, of the Companies Act. The amount of liability under the agreement is limited to the amount provided by laws and regulations.
7. Candidate Masahiro Fujita will assume the position of Director at JAPEX Offshore, Ltd. on June 26, 2019.
8. The registered name of candidate Yukari Yamashita is Yukari Niwa. This document adopts the name she uses in her business duties.

Item 3: Election of One (1) Corporate Auditor

Upon closing of this general meeting of shareholders, the term of office of Corporate Auditor Hiroyasu Watanabe will expire. We kindly ask our shareholders to elect one (1) Corporate Auditor.

The candidate for Corporate Auditor is as listed below.

The Board of Corporate Auditors consented to this proposal.

Name (Date of birth)	Brief history, Position in JAPEX or Significant positions concurrently held	JAPEX shares owned
Hiroyasu Watanabe (April 11, 1945) Renominated	July 1969 Joined The Ministry of Finance July 2002 Director-General of the National Tax Agency April 2004 Professor at Graduate School of Finance, Accounting and Law, Waseda University June 2015 Corporate Auditor at JAPEX (up to the present date) Dec. 2016 Advisor at Hibiya Park Law Offices (up to the present date) <Significant positions concurrently held> Advisor at Hibiya Park Law Offices	—
[Number of years served as Corporate Auditor] Four years [Attendance at the Board of Directors meetings held in the fiscal year ended March 31, 2019] 13 out of 14 meetings (92%) [Attendance at the Board of Corporate Auditors meetings held in the fiscal year ended March 31, 2019] 12 out of 12 meetings (100%) [Reasons for nomination as a candidate for Outside Corporate Auditor] Although Hiroyasu Watanabe has no experience of being directly involved in corporate management, he has considerable insights gained through his career as an administrator at The Ministry of Finance and other organizations and as a professor at a graduate school. Since assuming the position of Corporate Auditor in 2015, he has adequately performed his duties through auditing the execution of duties by Directors; therefore, we have continuously nominated him as a candidate for Outside Corporate Auditor.		

(Notes) 1. No significant interest-based relationship exists between Hiroyasu Watanabe and JAPEX.

2. Hiroyasu Watanabe is a candidate for Outside Corporate Auditor. He has been registered with the Tokyo Stock Exchange as Independent Officer, pursuant to the rules of the Exchange, and he is scheduled to continue to be Independent Officer, subject to the approval of his reappointment under this proposal.

3. The Company has concluded a limited liability agreement with Candidate Hiroyasu Watanabe to limit his liability as stipulated in Article 423, Paragraph 1 of the Companies Act. The amount of liability under the agreement is limited to the amount provided by laws and regulations. The Company is scheduled to renew this agreement with Candidate Hiroyasu Watanabe, subject to the approval of his reappointment under this proposal.

Item 4: Payment of Bonuses to Directors

In consideration of the amounts paid in the past and the business performance, etc. of the fiscal year ended March 31, 2019, the Company proposes to pay a total bonus amount of 19,515,000 yen to the thirteen (13) Directors that are not Outside Directors (of the total of sixteen (16) Directors) tenured during the fiscal year ended March 31, 2019.

Consolidated Balance Sheet

(As of March 31, 2019)

(Unit: millions of yen)

Accounting titles	Amount	Accounting titles	Amount
(Assets)		**(Liabilities)**	
Current assets	**166,087**	**Current liabilities**	**32,378**
Cash and deposits	117,468	Notes and accounts payable-trade	7,666
Notes and accounts receivable-trade	20,825	Provision for directors' bonuses	25
Securities	2,330	Other	24,686
Merchandise and finished goods	4,559	**Non-current liabilities**	**172,752**
Work in process	362	Long-term loans payable	127,715
Raw materials and supplies	7,589	Deferred tax liabilities	22,330
Short-term loans receivable	4,575	Provision for directors' retirement benefits	86
Other	8,410	Net defined benefit liability	3,452
Allowance for doubtful accounts	(33)	Asset retirement obligations	15,335
Non-current assets	**489,200**	Other	3,831
Property, plant and equipment	**309,114**	**Total liabilities**	**205,131**
Buildings and structures	185,198		
Wells	30,084		
Machinery, equipment and vehicles	39,018	**(Net assets)**	
Land	16,732	**Shareholders' equity**	**345,741**
Construction in progress	26,825	**Capital stock**	**14,288**
Other	11,254	**Capital surplus**	**157**
Intangible assets	**7,399**	**Retained earnings**	**331,306**
Other	7,399	**Treasury shares**	**(10)**
Investments and other assets	**172,686**	**Accumulated other comprehensive income**	**70,747**
Investment securities	137,794		
Long-term loans receivable	42	**Valuation difference on available-for-sale securities**	**66,296**
Deferred tax assets	7,713		
Net defined benefit asset	1,319	**Deferred gains or losses on hedges**	**(2)**
Other	26,920	**Foreign currency translation adjustment**	**3,338**
Allowance for doubtful accounts	(46)		
Allowance for overseas investment loss	(1,057)	**Remeasurements of defined benefit plans**	**1,114**
		Non-controlling interests	**33,668**
		Total net assets	**450,156**
Total assets	**655,288**	**Total liabilities and net assets**	**655,288**

(Amounts truncated to millions of yen)

Consolidated Statement of Income

(From April 1, 2018 To March 31, 2019)

(Unit: millions of yen)

Accounting titles	Amount	
Net sales		**267,980**
Cost of sales		**233,133**
Gross profit		**34,846**
Exploration expenses		**788**
Selling, general and administrative expenses		**31,743**
Operating profit		**2,313**
Non-operating income		
Interest income	1,598	
Dividend income	2,102	
Gain on sales of securities	2	
Share of profit of entities accounted for using equity method	12,550	
Gain on reversal of asset retirement obligations	3,293	
Other	1,258	20,804
Non-operating expenses		
Interest expenses	4,130	
Foreign exchange losses	5,296	
Other	1,167	10,594
Ordinary profit		**12,523**
Extraordinary income		
Gain on sales of non-current assets	716	716
Extraordinary losses		
Loss on sales of non-current assets	60	
Loss on retirement of non-current assets	74	
Impairment loss	30	165
Profit before income taxes		**13,074**
Income taxes-current	3,925	
Income taxes-deferred	(5,179)	(1,254)
Profit		**14,328**
Loss attributable to non-controlling interests		441
Profit attributable to owners of parent		**14,770**

(Amount truncated to millions of yen)

Consolidated Statement of Changes in Equity

(From April 1, 2018
To March 31, 2019)

(Unit: millions of yen)

	Shareholders' equity					Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	14,288	183	315,631	(10)	330,093	86,667	3	5,149	1,152	92,973	34,140	457,207
Cumulative effects of changes in accounting policies			2,047		2,047							2,047
Restated balance	14,288	183	317,679	(10)	332,140	86,667	3	5,149	1,152	92,973	34,140	459,255
Changes of items during period												
Dividends of surplus			(1,143)		(1,143)							(1,143)
Profit attributable to owners of parent			14,770		14,770							14,770
Change in ownership interest of parent due to transactions with non-controlling interests		(26)			(26)							(26)
Purchase of treasury shares				(0)	(0)							(0)
Net changes of items other than shareholders' equity						(20,370)	(5)	(1,810)	(38)	(22,225)	(472)	(22,698)
Total changes of items during period	—	(26)	13,627	(0)	13,600	(20,370)	(5)	(1,810)	(38)	(22,225)	(472)	(9,098)
Balance at end of current period	14,288	157	331,306	(10)	345,741	66,296	(2)	3,338	1,114	70,747	33,668	450,156

(Amount truncated to millions of yen)

Balance Sheet

(As of March 31, 2019)

(Unit: millions of yen)

Accounting titles	Amount	Accounting titles	Amount
(Assets)		**(Liabilities)**	
Current assets	**103,482**	**Current liabilities**	**40,388**
Cash and deposits	67,452	Accounts payable-trade	2,673
Accounts receivable-trade	11,973	Current portion of long-term loans payable	6,139
Merchandise and finished goods	3,890	Lease obligations	229
Raw materials and supplies	6,413	Accounts payable-other	1,773
Advance payments-trade	2,438	Accrued expenses	5,361
Prepaid expenses	518	Income taxes payable	183
Accrued income	86	Deposits received	119
Short-term loans receivable	280	Deposits received from subsidiaries and associates	20,536
Short-term loans receivable from subsidiaries and associates	7,127	Provision for directors' bonuses	19
Accounts receivable-other	602	Asset retirement obligations	244
Advances paid	630	Other	3,107
Other	2,066	**Non-current liabilities**	**36,042**
Non-current assets	**364,173**	Lease obligations	1,989
Property, plant and equipment	**99,676**	Deferred tax liabilities	19,212
Buildings	11,098	Provision for retirement benefits	2,753
Structures	32,645	Asset retirement obligations	11,719
Wells	1,068	Other	367
Machinery and equipment	34,988	**Total liabilities**	**76,431**
Vessels	0		
Vehicles	2		
Tools, furniture and fixtures	2,030		
Land	14,195	**(Net assets)**	
Leased assets	1,980	**Shareholders' equity**	**324,933**
Construction in progress	1,665	**Capital stock**	**14,288**
Intangible assets	**1,445**	**Retained earnings**	**310,655**
Leasehold right	174	Legal retained earnings	3,572
Software	1,083	Other retained earnings	307,083
Other	187	Reserve for overseas investment loss	3,567
Investments and other assets	**263,051**	Reserve for mine prospecting	14,600
Investment securities	117,493	Reserve for special depreciation	216
Shares of subsidiaries and associates	155,145	Reserve for advanced depreciation of non-current assets	593
Long-term loans receivable from subsidiaries and associates	5,199	Reserve for exploration	47,246
Long-term prepaid expenses	1,848	General reserve	171,600
Prepaid pension cost	57	Retained earnings brought forward	69,259
Other	1,110	**Treasury shares**	**(10)**
Allowance for doubtful accounts	(16)	**Valuation and translation adjustments**	**66,291**
Allowance for overseas investment loss	(17,786)	**Valuation difference on available-for-sale securities**	**66,294**
		Deferred gains or losses on hedges	**(2)**
		Total net assets	**391,225**
Total assets	**467,656**	**Total liabilities and net assets**	**467,656**

(Amount truncated to millions of yen)

Statement of Income

(From April 1, 2018 To March 31, 2019)

(Unit: millions of yen)

Accounting titles	Amount	
Net sales		**180,024**
Cost of sales		**149,434**
Gross profit		**30,590**
Exploration expenses		**812**
Selling, general and administrative expenses		**20,337**
Operating profit		**9,440**
Non-operating income		
Interest income	853	
Dividend income	15,412	
Other	1,313	17,578
Non-operating expenses		
Interest expenses	340	
Loss on valuation of shares of subsidiaries and associates	424	
Provision for overseas investment loss	4,020	
Inactive facility related expenses	444	
Inactive mine administrative expenses	54	
Other	199	5,483
Ordinary profit		**21,536**
Extraordinary income		
Gain on sales of non-current assets	713	
Gain from distribution of remained assets	368	1,082
Extraordinary losses		
Loss on retirement of non-current assets	64	
Impairment loss	30	94
Profit before income taxes		**22,524**
Income taxes-current	2,142	
Income taxes-deferred	(3,383)	(1,240)
Profit		**23,765**

(Amount truncated to millions of yen)

Statement of Changes in Equity

(From April 1, 2018 To March 31, 2019)

(Unit: millions of yen)

	Shareholders' equity											
		Retained earnings										
			Other retained earnings									
	Capital Stock	Legal retained earnings	Reserve for overseas investment loss	Reserve for mine prospecting	Reserve for special depreciation	Reserve for advanced depreciation of non-current assets	Reserve for exploration	General reserve	Retained earnings brought forward	Total retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	14,288	3,572	4,383	16,768	288	698	47,246	171,600	41,428	285,986	(10)	300,264
Cumulative effects of changes in accounting policies									2,047	2,047		2,047
Restated balance	14,288	3,572	4,383	16,768	288	698	47,246	171,600	43,476	288,033	(10)	302,311
Changes of items during period												
Reversal of reserve for overseas investment loss			(815)						815	–		–
Provision of reserve for mine prospecting				3,800					(3,800)	–		–
Reversal of reserve for mine prospecting				(5,968)					5,968	–		–
Reversal of reserve for special depreciation					(72)				72	–		–
Reversal of reserve for advanced depreciation of non-current assets						(104)			104	–		–
Dividends of surplus									(1,143)	(1,143)		(1,143)
Profit									23,765	23,765		23,765
Purchase of treasury shares										–	(0)	(0)
Net changes of items other than shareholders' equity												
Total changes of items during period	–	–	(815)	(2,168)	(72)	(104)	–	–	25,783	22,622	(0)	22,622
Balance at end of current period	14,288	3,572	3,567	14,600	216	593	47,246	171,600	69,259	310,655	(10)	324,933

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	86,660	3	86,664	386,928
Cumulative effects of changes in accounting policies				2,047
Restated balance	86,660	3	86,664	388,976
Changes of items during period				
Reversal of reserve for overseas investment loss				–
Provision of reserve for mine prospecting				–
Reversal of reserve for mine prospecting				–
Reversal of reserve for special depreciation				–
Reversal of reserve for advanced depreciation of non-current assets				–
Dividends of surplus				(1,143)
Profit				23,765
Purchase of treasury shares				(0)
Net changes of items other than shareholders' equity	(20,366)	(6)	(20,373)	(20,373)
Total changes of items during period	(20,366)	(6)	(20,373)	2,248
Balance at end of current period	66,294	(2)	66,291	391,225

(Amounts truncated to millions of yen)

Guidance on the Exercise of Voting Rights via the Internet

1. Exercising voting rights via the Internet

(1) You may, in lieu of exercising voting rights by a written ballot, exercise your voting rights via the Internet by accessing the website (see URL shown below) designated by the Company. If you intend to exercise your voting rights via the Internet, you are required to login the page entering a code for the exercise of voting rights and a password provided on the right-hand side of the enclosed Voting Rights Exercise Form. Then, please follow instructions on the screen. For security reasons, it is necessary to change the password at the first time of logging in.

https://soukai.mizuho-tb.co.jp/

(2) Voting via internet must be completed no later than 5:35 pm on Wednesday, June 26, 2019. The Company kindly request for voting to be carries out promptly.

(3) If you exercise your voting rights both in writing and via the Internet, the Company will only accept the exercise of your voting rights via the Internet as valid. If you exercise your voting rights more than once via the Internet, the Company will only accept the last exercise of your voting rights as valid.

(4) The cord and the password sent to you are valid only for this General Meeting of Shareholders. For the next General Meeting of Shareholders, a new code and a password will be issued.

(5) Any access charges or costs related to the Internet shall be borne by shareholders.

(Note)
- Password is important data to verify whether the person voting is a legitimate shareholder. The Company never asks for a password of shareholders for any purpose.
- If you enter your password incorrectly several times, your password is automatically locked out and you won't be able to login the page afterwards. Should that happen, please follow the instructions on the screen and follow the procedures.
- Operationality of the website for exercising voting rights is checked under the normal equipment/requirements for internet access. However, the website may not be available depending on your usage environment of the internet or device model you use.

2. Inquiries

If you have any questions about the exercise of voting rights via the Internet, please contact the transfer agent, Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd. (see below)

[For inquiries about how to exercise your voting rights via the Internet]
Phone: 0120-768-524 (toll free)
Hours: 9:00 a.m. to 9:00 p.m., excluding Saturdays, Sundays and national holidays

[To Institutional Investors]
Institutional investors may use the electronic platform for the exercise of voting rights operated by ICJ Inc. if you apply in advance.

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