Note: The following in an English translation of the Japanese-language original

August 6, 2026


Company Name: Japan Petroleum Exploration Co., Ltd. (JAPEX)
Securities Code: 1662 (Prime of the Tokyo Stock Exchange)
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# Notice Regarding Acquisition of Tight Oil and Gas Assets in the U.S. and Change in Status of Consolidated Subsidiary (Sub-Subsidiary)

Japan Petroleum Exploration Co., Ltd (JAPEX) announced that its Board of Directors resolved to enter into an agreement to acquire the entire equity interest in Fundare Resources Operating Company, LLC, Fundare Redtail, LLC, Rangeview Resources Operating Company, LLC, and Rangeview Green River, LLC (collectively "Fundare") which holds tight oil and gas assets in the U.S., through Peoria Resources Acquisition Company, LLC ("AcquCo") managed by Peoria Resources, LLC ("Peoria"), an overseas subsidiary, thereby upon closing of the transaction, making Fundare consolidated subsidiaries (sub-subsidiaries).

## 1. Acquisition of Tight Oil and Gas Assets through the Acquisition of Equity Interest in Fundare

### 1) Reasons and Purpose for the Acquisition

In April 2026, JAPEX formulated the "JAPEX Management Plan 2026-2035", in which the U.S. is positioned as the key strategic base for early earnings generation and capability enhancement.

JAPEX has now decided to acquire, through AcquCo, the entire interest in Fundare, which holds tight oil and gas assets in Colorado and Wyoming, U.S., from Fundare Resources Company HoldCo, LLC. The assets to be acquired include operated leases (*) , and a major portion of these leases are located in close proximity to the Verdad assets. The acquisition of the equity interests of Fundare will enable us to conduct more efficient development by leveraging our proximity to the site, and we anticipate cost reductions as a result of the expansion of our business scale. The production volume of Fundare averaged approximately 9,500boed (net) in the first quarter of 2026 (January to March), and we will expand production through efficient development.

JAPEX, through Peoria, and AcquCo will continue to pursue further business expansion and improve profitability in the U.S.

* In the U.S., land ownership extends underground, and underground minerals such as crude oil and natural gas belong to the owner of the land directly above them. This term refers to a contract in which a landowner grants extraction rights to a crude oil or natural gas developer.

### 2) Acquisition Price

Approximately US$320million (Total for Fundare)
(Planned to be funded by Peoria's cash flows and Reserved Based Lending)

### 3) Outline of the counterparty to the equity interest acquisition

| | | | |
|---|---|---|---|
| (1) | Corporate name | Fundare Resources Company HoldCo, LLC | |
| (2) | Head Office | Colorado, U.S.A | |
| (3) | Representative | President and CEO J. Cody Truitt | |
| (4) | Business Activates | Exploration, development, and production of oil and natural gas in the U.S. | |
| (5) | Date of Establishment | May 1, 2024 | |
| (6) | Net Asset | US$ 160,465,786 | |
| (7) | Total Asset | US$ 362,389,229 | |
| (8) | Shareholder | Fundare Resources Company, LLC 100% | |
| (9) | Relationship between the listed company and the company concerned | Capital Relationships | Not applicable. |
| | | Personal Relationships | Not applicable. |
| | | Business Relationships | Not applicable. |
| | | Related Party Status | Not applicable. |

*: LLC has no concept of share capital and does not recognize the amount of capital contributions as share capital

### 4) Outline of the equity interest acquisition

| | | | | |
|---|---|---|---|---|
| (1) | Corporate name | Fundare Resources Operating Company, LLC<br>Fundare Redtail, LLC<br>Rangeview Resources Operating Company, LLC<br>Rangeview Green River, LLC | | |
| (2) | Head Office | Colorado, U.S. A | | |
| (3) | Representative | President and CEO J. Cody Truitt<br>(Serves concurrently on president and CEO of four Fundare LLCs) | | |
| (4) | Business Activates | Exploration, development, and production of oil and natural gas in the U.S. | | |
| (5) | Date of Establishment | Fundare Resources Operating Company, LLC<br>Fundare Redtail, LLC<br>Rangeview Resources Operating Company, LLC<br>Rangeview Green River, LLC | | August 20, 2020<br>July 22, 2021<br>May 5, 2022<br>May 5, 2022 |
| (6) | Shareholder | Fundare Resources Company HoldCo, LLC 100% | | |
| (7) | Relationship between the listed company and the company concerned | Capital Relationships | Not applicable. | |
| | | Personal Relationships | Not applicable. | |
| | | Business Relationships | Not applicable. | |
| | | Related Party Status | Not applicable. | |

| | Operating results and financial position for the past three years in U.S. GAAP (US$) | | | |
|---|---|---|---|---|
| (8) | Fiscal yead ended | December 31, 2023 | December 31,2024 | December 31, 2025 |
| | Net assets | - | 114,548,028 | 149,862,453 |
| | Total assets | - | 288,429,734 | 327,802,749 |
| | Revenues | - | 118,215,314 | 96,656,731 |
| | Total operating costs and expenses | - | 86,293,618 | 76,633,239 |
| | Total other income (expense) | - | (21,418,663) | 585,819 |
| | Net income | - | 10,503,033 | 20,609,311 |

*1: LLC has no concept of share capital and does not recognize the amount of capital contributions as share capital.

*2: Due to the organizational structure and contractual provisions (Operating Agreements) of the LLCs, there is no statutory obligation to prepare financial statements, therefore no financial

statements in a disclosable format are available for the four acquired LLCs. With regard to "(8) Operating results and financial position for the past three years," we have cited the financial statements prepared for this transaction, which present combined figures for the four LLCs.

*3: Regarding (8) Operating results and financial position for the past three years, the figures for the financial year ended December 2023 are not available, as the current organizational structure was established in the financial year ended December 2024.

5) Overview of the subsidiary acquiring the equity interest

| | |
|---|---|
| (1) Corporate name | Peoria Resources Acquisition Company, LLC |
| (2) Head Office | Texas, U.S.A |
| (3) Representative | Chief Executive Officer Greg West<br>Chief Technical Officer David Kita |
| (4) Business Activates | Exploration, development, and production of oil and natural gas in the U.S. |

*1: LLC has no concept of share capital and does not recognize the amount of capital contributions as share capital.

*2: Peoria Resources Acquisition Company, LLC is a consolidated subsidiary (sub-subsidiary) of JAPEX, wholly owned by Peoria Resources, LLC, which is also a consolidated subsidiary (sub-subsidiary) of JAPEX.

6) Number of interests to be acquired

| | |
|---|---|
| (1) Number of interests held before acquisition | 0% |
| (2) Number of interests acquired | All interests of Fundare (100%) |
| (3) Number of interests held after acquisition | All interests of Fundare (100%) |

7) Schedule

| | |
|---|---|
| (1) Date of resolution by the Board of Directors | August 6, 2026 |
| (2) Date of contract | August 6, 2026 (Scheduled for local time) |
| (3) Date of Interest Transfer | Third quarter of the fiscal year ending March 2027 (Schedule) |

2. Outlook for future performance

Upon completion of the agreed closing procedures, JAPEX, through Peoria, plans to close the acquisition of Fundare's equity interest in the third quarter of the fiscal year ending March 2027. As Fundare has fiscal years ending in December, they will contribute to JAPEX's consolidated results from the fourth quarter of the fiscal year ending March 2027. We expect this equity interest acquisition to contribute approximately 1 billion yen or more to operating profit for the current fiscal year, which is incorporated into the consolidated financial forecast for the fiscal year ending March 2027 released today.

Furthermore, an annual operating profit contribution of approximately 15 billion yen is expected for the financial year ending March 2028.

(Reference) Overview of tight oil and gas assets

| | |
|---|---|
| Location | Denver-Julesburg Basin (D-J Basin) (Colorado)<br>Green River Basin (Wyoming) |
| Oil-gas production ratio | Denver-Julesburg Basin (D-J Basin) (Colorado)<br>Light oil: 55%, Natural gas liquids:19%, Natural gas:26%<br>Green River Basin (Wyoming)<br>Light oil: 7%, Natural gas liquids:18%, Natural gas:75% |
| Main assets | Wells in production: Approx.800 |
| Interest ratio | Varying by lease agreement |
| Sales and transportation | Selling to wholesale distributors within the U.S. |




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