

HOW ARE YOU, MASELA PROJECT?



MASELA'S WORKING AREA

Location	Arafura Sea 650 km from Maluku Islands 170 km from Babar & Tanimbar Islands
Working area	2,503 km ²
Ocean depth	400-800 m
Contract assignment	16 November 1998
Contract period	16 November 1998 - 15 November 2055 The contract has been extended from 30 years to 57 years.
LNG plant location	Yamdena Island

Source: SKK Migas, 2020



Natural Gas Cumulative Production

16.38
TCF (gross)

12.95
TCF (sales from 2027-2055)

Source: SKK Migas, 2020

Economic Assumptions Used for PoD-1

Oil price:
USD 65 / bbl

LNG price:
USD 7.47 / MMBTU

Pipeline gas price:
USD 6 / MMBTU

Source: SKK Migas, 2020

Total Investment

The largest Japan investment for Indonesia in the last 50 years. The 2nd largest Indonesia's foreign investment after Freeport project.
Total investment:

USD 19.8 Billion

Source: SKK Migas, 2020

Production Capacity

9.5
MTPA of LNG &

150
MMSCFD of pipeline gas &

255.28
MMSTB of condensate

Source: SKK Migas, 2020

Profit Share

Profit share between Indonesia's government & contractors:

50 : 50

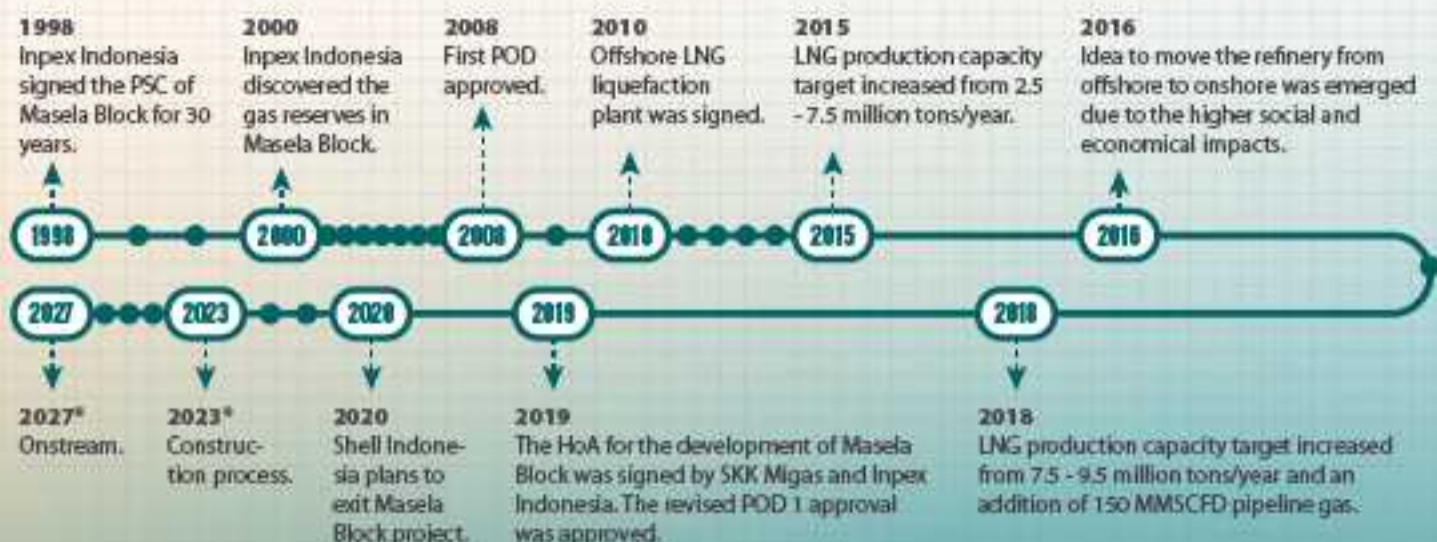
Participating interest between Inpex Indonesia & Shell Indonesia :

65 : 35

Source: INPEX Corporation & SKK Migas, 2020

TIMELINE

The preparation for Masela project has been started since 1998 and is considered as one of the nationally strategic gas projects. However, various circumstances, from permits to refinery location issues have hampered the project development. Currently, Shell Indonesia is looking for a possibility to sell its 35% stake of the Masela Project. Although Inpex Indonesia is still fully committed to continue the project, the move from Shell Indonesia will prove to be a challenge for the Masela Project development.



INDONESIA'S GAS BALANCE (2020-2030)

The enormous potential production capacity of Masela Block will significantly increase Indonesia's natural gas production in order to keep up with the increasing demand.



Source: SKK Migas, 2020

Notes:

- Contracted demand : Based on the Gas Sales Agreement (GSA).
- Committed demand : Based on the installed infrastructure capacities (Gas Sales Agreement/GSA has not been issued).
- Potential demand : Based on the development plan and the potential growth of natural gas demand from each of consumer sector.
- Potential supply : Based on the natural gas proven reserves that is considered economical to be developed and produced, but the PoD is yet to be processed.
- Project supply : Based on the potential natural gas supply from projects whose PoD has been approved or still in the process of PoD's approval, and from the facilities that have obtained guarantee of supply.

Abbreviations

- Bbl : Barrel
- HoA : Heads of Agreement
- LNG : Liquefied Natural Gas
- MMBTU : Million British Thermal Units
- MMSCFD : Million Standard Cubic Feet per Day
- MMSTB : Million Stock Tank Barrels
- MTPA : Million Tons per Annum
- POD : Plan of Development
- PSC : Production Sharing Contract
- TCF : Trillion Cubic Feet

Source: Processed by PYC team from various sources.

