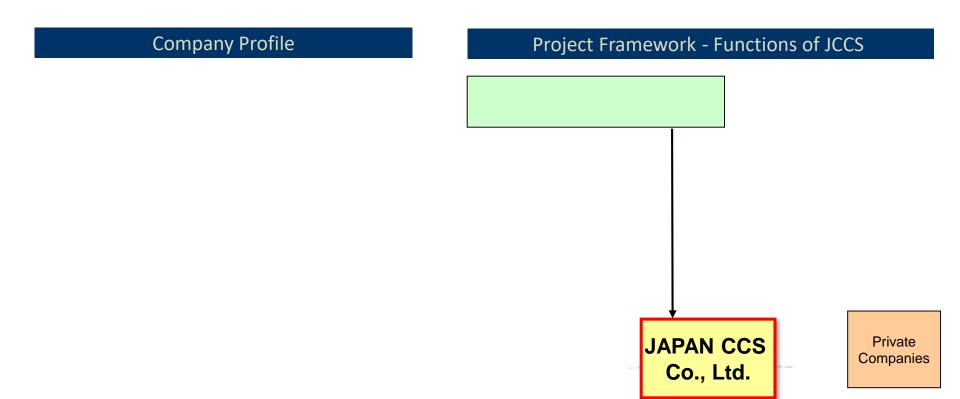


May 3, 2018

JCCS Company Profile and CCS Project Framework



Outline of Presentation

- Overview of Tomakomai Project
- Preliminary Results
- Project Summary

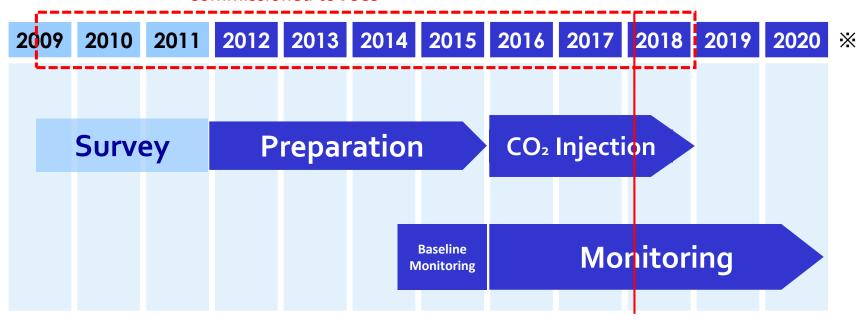


Overview of Tomakomai Project

Project Schedule

- Preparation (JFY2012-2015)
 - Design and construction of facilities
 - Drilling of injection and observation wells
 - Installation of monitoring system
- **→** CO₂ Injection and Monitoring (JFY2016-2020)
 - CO₂ Injection (JFY2016-2018)
 - Monitoring (JFY2016-2020)

Commissioned to JCCS



※ Japanese Fiscal Year (April - March of following year)

Objectives and Tasks of Tomakomai CCS Project

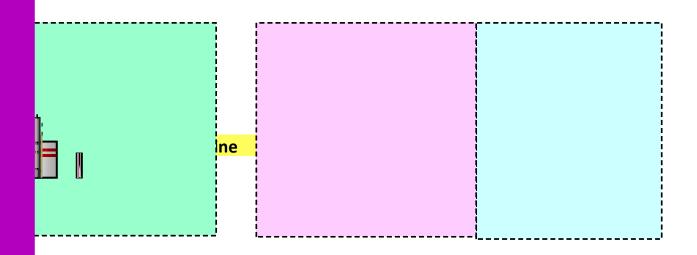
Develop practical CCS technology by around 2020

- demonstrate full cycle CCS system from capture to storage
- confirm existing technologies adopted in the system work properly and efficiently

Tasks

- demonstrate CCS system is safe and reliable
- confirm effectiveness of site selection guideline prepared by METI by demonstrating no leakage
- remove concerns about earthquakes by the data collected;
 - no influence by natural earthquakes on CO₂ stored
 - no perceptible earth tremors induced by CO₂ injection
- confirm guidelines for geological models (building and improvement)
- prepare technical standards regarding operation and safety of CCS projects
- disclose project information & data and enhance understanding of CCS by local residents
- clearly define areas to be improved or solved toward commercialization

w Scheme of CCS Demonstration Project

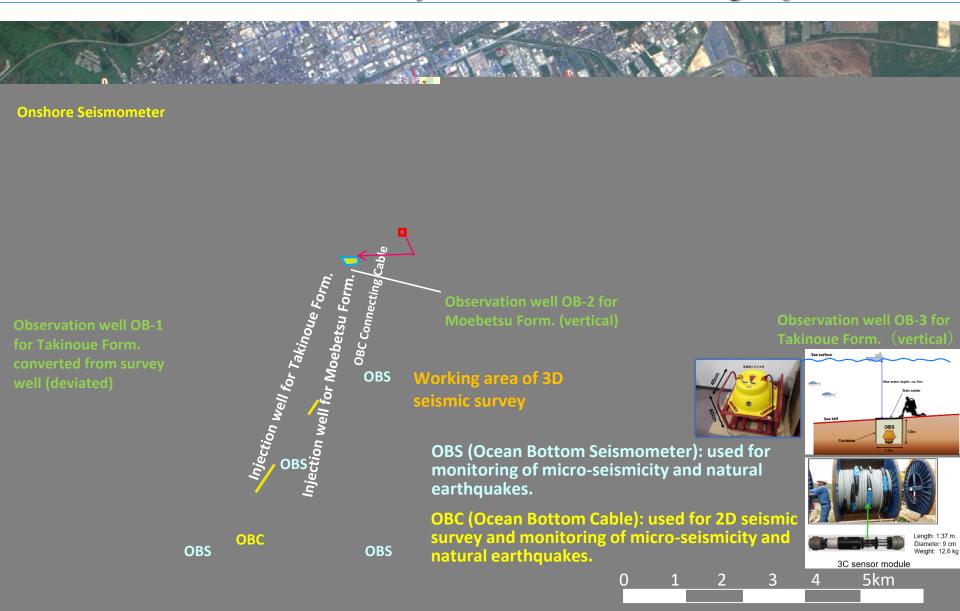


re Swing Adsorption)

of PSA Offgas

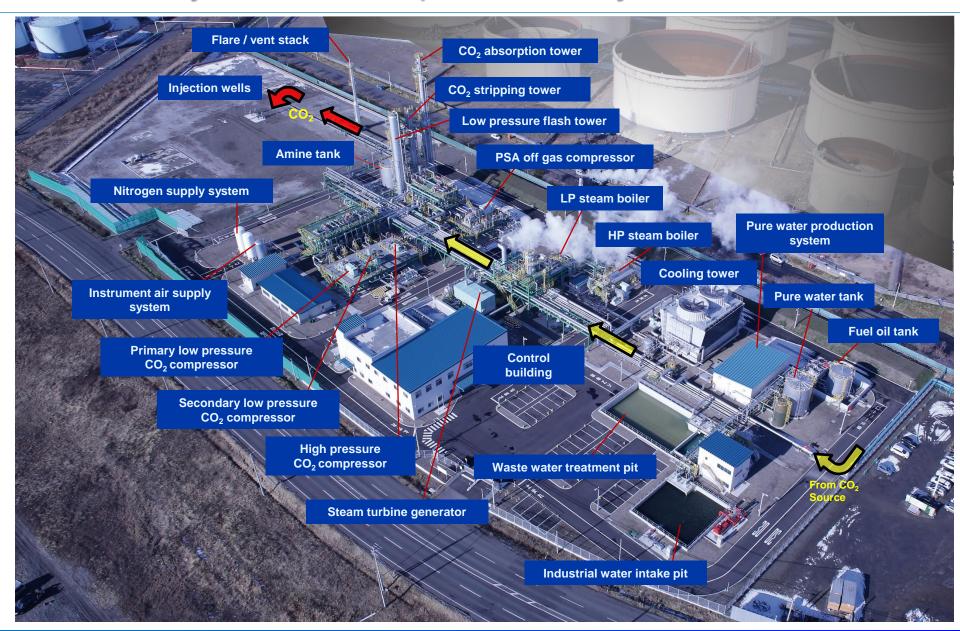
10%

Positional Relation of Injection & Monitoring Systems

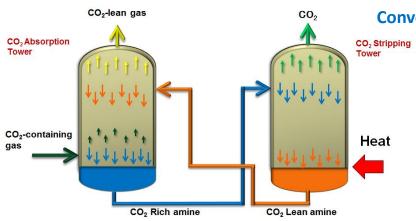


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Bird's Eye View of Capture and Injection Facilities



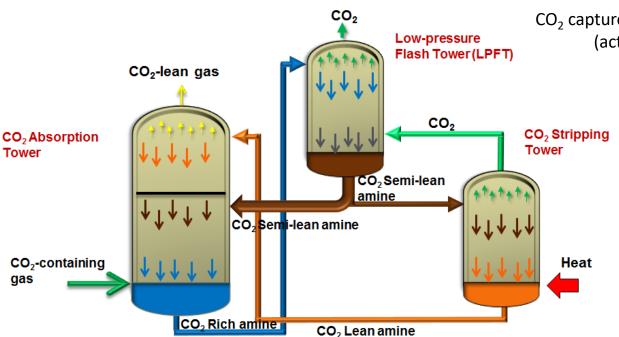
CO₂ Capture Process



Conventional CO₂ Capture Process (Hydrogen Production)

CO₂ capture energy = approx. 2.5 GJ/t-CO₂

Tomakomai CO₂ Capture Process (Hydrogen Production)

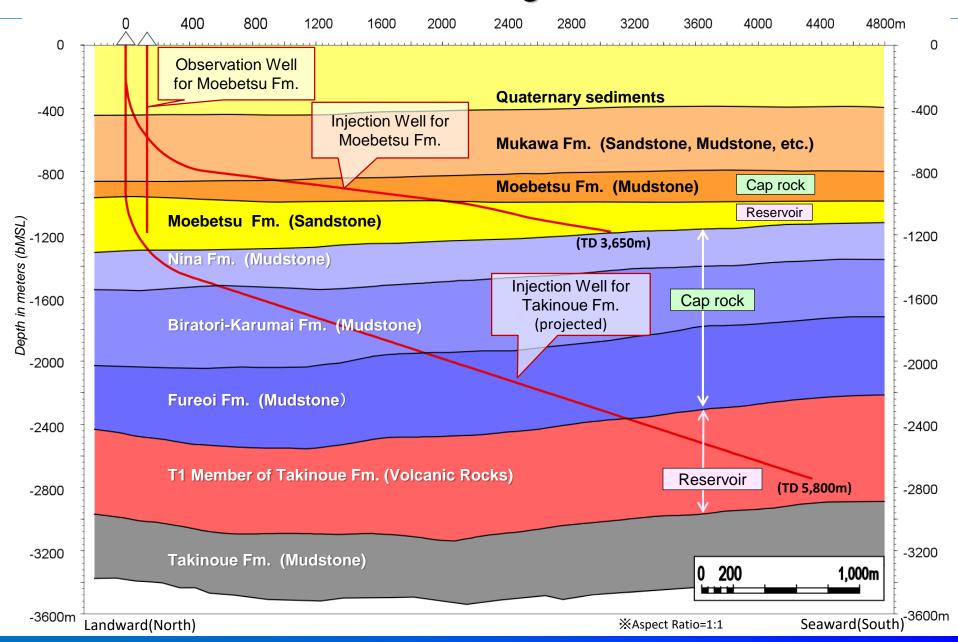


CO₂ capture energy = 1.16 GJ/t-CO₂ (actual measurement)

Note1 : CO₂ capture energy =[reboiler heat(steam) consumption / steam boiler efficiency + pump electricity consumption x electricity-heat conversion factor / power generation efficiency] / CO₂ flow rate

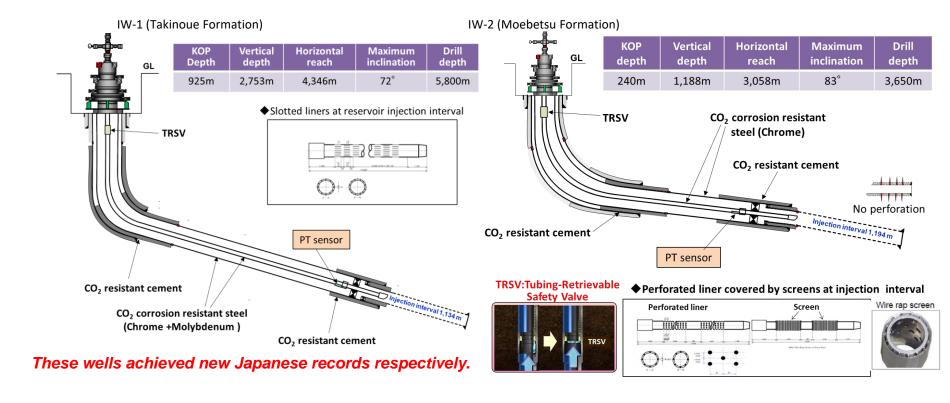
Note2: Two-stage Absorption and Lowpressure Flash Tower ⇒ Applicable to high pressure CO₂-containing gas and high partial pressure of CO₂ case

Schematic Geological Section

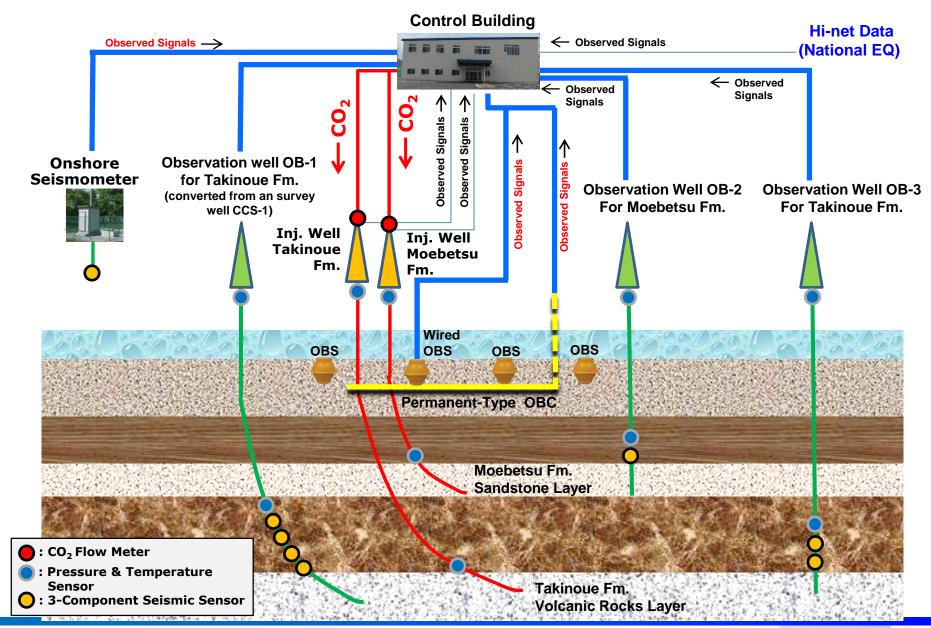


Deviated CO₂ Injection Wells

- ◆ Deviated CO₂ injection wells drilled into offshore reservoirs from an onshore site
 - Cost reduction of drilling, operation and maintenance
 - No disturbance on marine environment and harbor operation
 - > Injection interval length exceeding 1,100m to enhance injection efficiency



Schematic Diagram of Monitoring System



Marine Environmental Survey

- Japanese domestic law "Act on Prevention of Marine Pollution and Maritime Disaster" was amended to reflect London Protocol.
- Marine environment is surveyed based on this Act, by which geological storage of CO₂ under the seabed is regulated.

1. Survey Area

• 12 survey points in Tomakomai Port Area

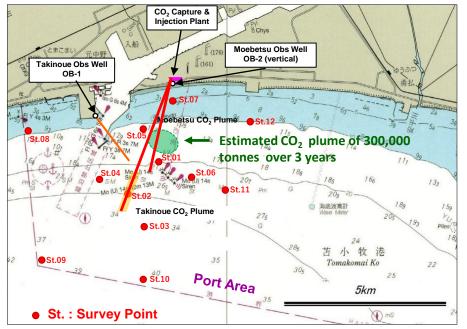
2. Methods of Survey

- Seabed survey by Side-Scan Sonar and Subbottom Profiler
- Current direction and speed survey by Current Meter
- Sampling of seawater by Water Sampler for concentration of CO₂ etc. and plankton observation
- Seabed mud survey by Bottom Sampler
- Collection of benthos by Net or Dredge Unit
- Observation of benthos by divers or ROV

3. Surveys in Three Stages

- · During EPC period
- · During demonstration operation
 - During CO₂ injection
 - After CO₂ injection
- · After demonstration operation

Environmental Survey Points







Side-Scan Sonar



Water Sampler



Bottom Sampler



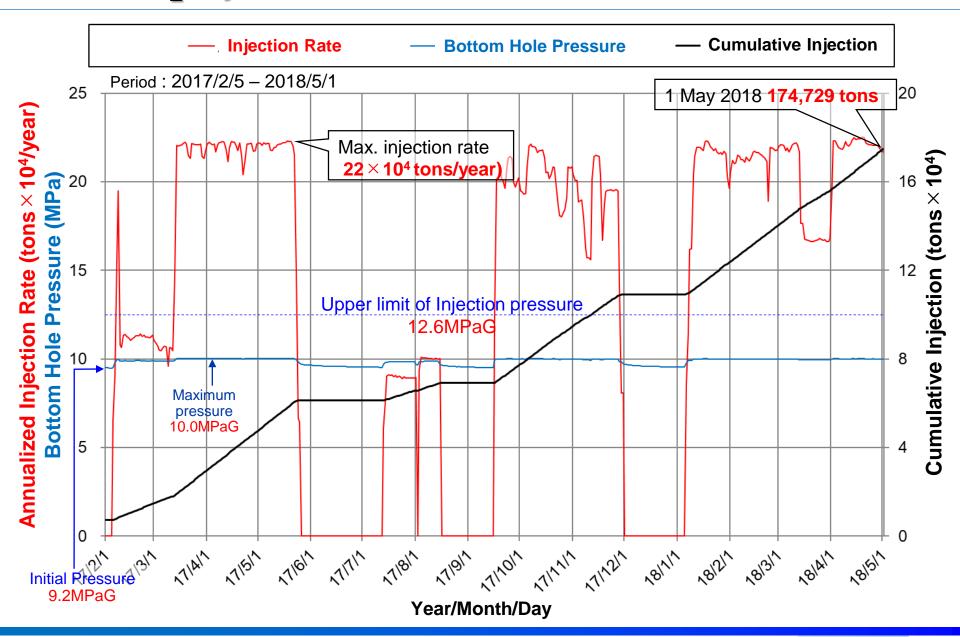
Dredge Unit



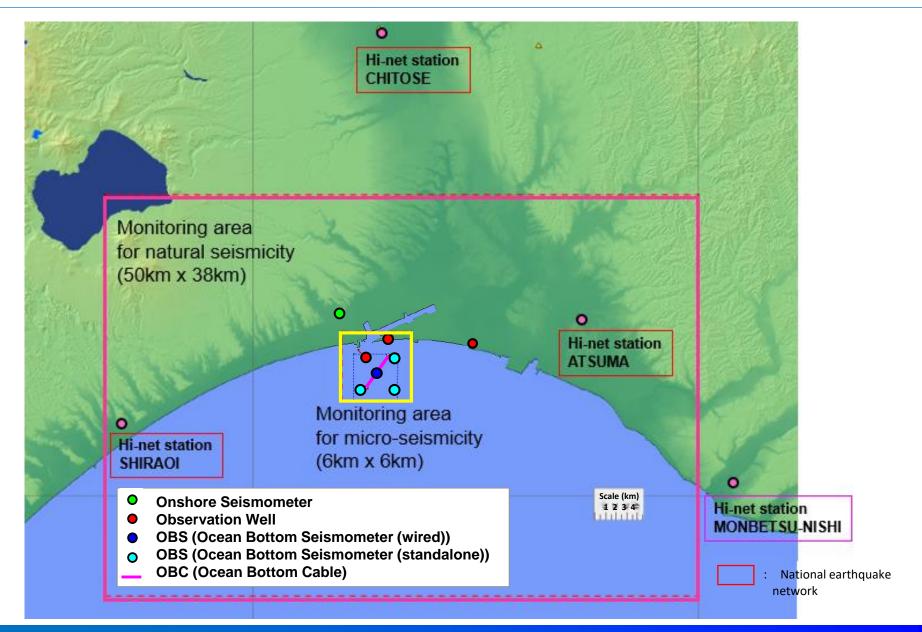
ROV

Preliminary Results

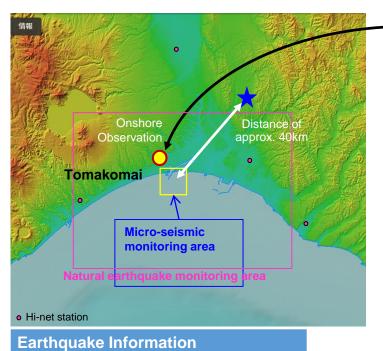
CO₂ Injection Record: Moebetsu Formation



Monitoring Area of Seismicity



Seismic Monitoring Results: Natural Earthquakes



Announced by the Japan Meteorological Agency Time & date 23:45:52.9(JST) 1 July, 2017 Epicenter Lat. 42° 47.2'N Lon. 141° 51.5'E Depth 27 km Magnitude 5.1

Lower 5- and 3

on Japanese seismic scale

on Mercalli intensity scale

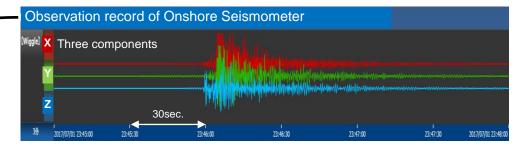
approx. VI and approx. IV

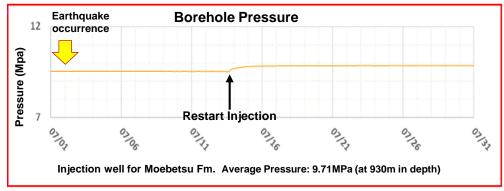
Seismic

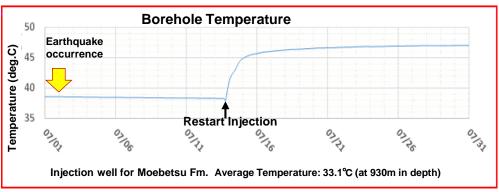
Intensity at near

epicenter and

Tomakomai

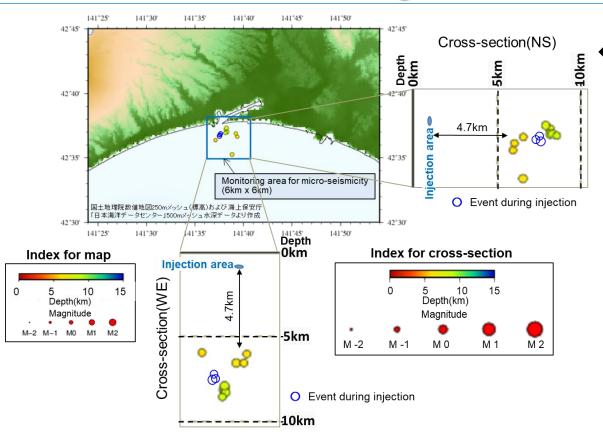






This earthquake had no influence on temperature and pressure of the cap rock strata.

Seismic Monitoring Results: Micro-seismicity



No micro-seismicity (Mw > -0.5) in/around the depth range of the reservoirs before and after the start of injection

Before Injection period

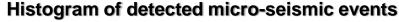
Total 9 events, Mw: - 0.09 ~ 0.24

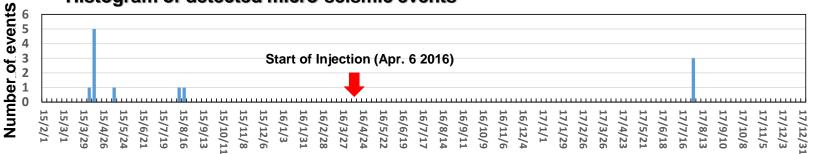
Depth: 5.9km ~ 8.6km

During Injection period

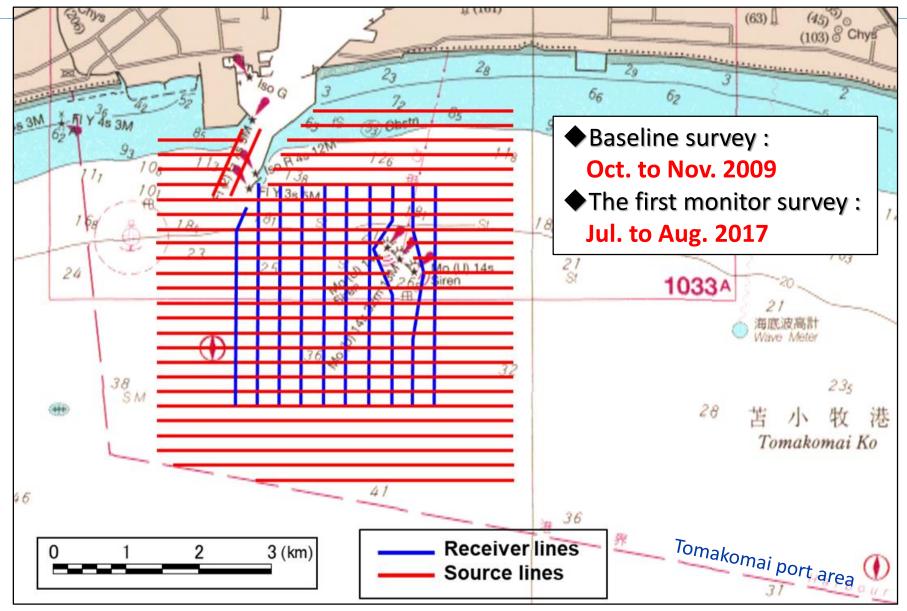
Total 3 events, Mw: 0.31 ~ 0.52

Depth: 7.4km ~ 7.7km Date: Aug. 2 2017



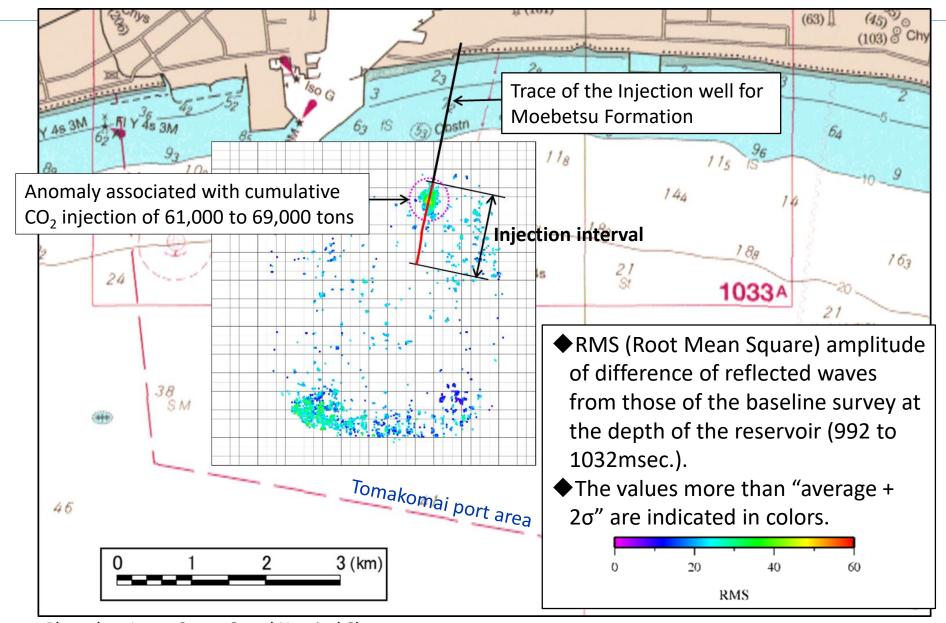


4D seismic survey : Survey lines (Baseline survey)



Plotted on Japan Coast Guard Nautical Chart

4D seismic survey: Preliminary result of the first monitor survey



Project Summary

Project Summary

- Unique features of project
 - Capture system with two stage absorption and low-pressure flash process providing significant reduction of capture energy
 - Deviated injection wells from onshore site into offshore reservoirs
 - Extensive monitoring system
- Successful Operation
 - Demonstration of safety and reliability of CCS system
 - Confirmed the design performance of facilities
 - High reliability despite variation of supplied CO₂ volume
 - No effect of natural earthquakes on injected CO₂, no induced seismicity attributable to injection
- Superior injectivity of shallow reservoir
- Extensive stakeholder engagement being undertaken

