

## Tokyo Gas signs Heads of Agreement to purchase LNG from LNG Canada Project

Tokyo Gas Co., Ltd.

Tokyo Gas Co., Ltd. (President: Takashi Uchida; hereafter “Tokyo Gas”) has signed a heads of agreement (HOA) for the supply of LNG from LNG Canada Project with Diamond Gas International Pte. Ltd. (CEO: Ryosuke Tsugaru; hereafter “DGI”), a fully owned subsidiary of Mitsubishi Corporation (President: Takehiko Kakiuchi). By signing this agreement, Tokyo Gas is contributing to the start-up of the very first large scale LNG production project in Canada.

This LNG project, of which Mitsubishi Corporation holds 15% interest, is expected to produce 14 million tons per annum (mtpa) of LNG by liquefying natural gas from large reserves in Western Canada at LNG liquefaction plant to be built in West Coast of Canada. Of all the volumes to be produced, DGI will offtake 2.1 mtpa, and Tokyo Gas will purchase LNG from DGI for the period of 13 years starting in 2026, for volume of up to 0.6 mtpa delivered on Ex-Ship (with destination flexibility). On top of the access to abundant natural gas in Canada, the proximity of the project to Japan, which allows the shipment to take only about 10 days, promises a stable long-term supply of LNG.

Tokyo Gas received Japan’s very first LNG cargo on November 4<sup>th</sup>, 1969, and 2019 marks its 50<sup>th</sup> anniversary. Tokyo Gas Group will continue to provide energy for all to enjoy with comfort.

### About the HOA

- Seller: Diamond Gas International Pte. Ltd.
- Buyer: Tokyo Gas Co., Ltd.
- Term: 13 years (April 2026 to March 2039)
- Volume: up to 0.6 million tons per annum
- Delivery terms: Ex-Ship

### About DGI

- Diamond Gas International Pre. Ltd.
- Established : Sep/2013
- Head Office: Singapore
- Business Description: (1) marketing of LNG produced by projects in the U.S. and Canada in which Mitsubishi Corporation has equities, (2) new business development in emerging LNG markets, and (3) LNG short-term trading and optimization
- Shareholder: Mitsubishi Corporation (100%)

Shareholders of LNG Canada Project

Shell Canada Energy	40%
North Montney LNG Limited Partnership (Subsidiary of PETRONAS)	25%
PetroChina Canada Ltd.	15%
Diamond LNG Canada (Subsidiary of Mitsubishi Corporation)	15%
Kogas Canada LNG Ltd.	5%

Other DGI project from which Tokyo Gas to procure LNG

- Cameron LNG Project (U.S.)
- Term: 19 years starting in 2020
- Volume: 3 Cargoes per annum (Approximately 0.2 million tons per annum)
- Delivery terms: Ex-ship