



ASX/MEDIA RELEASE

30 APRIL 2015

MAGNOLIA LNG PROJECT

FERC NOTICE OF SCHEDULE FOR ENVIRONMENTAL REVIEW RECEIVED

The Directors of Liquefied Natural Gas Limited (**the Company, ASX Code: LNG, OTC: LNgLY**) are pleased to advise that the United States Federal Energy Regulatory Commission (**FERC**) has issued the Notice of Schedule for Environmental Review (**SER**) for the Company's Magnolia LNG Project, setting November 16, 2015 as the anticipated date for issuance of the project's final environmental impact statement (**FEIS**).

The SER is a critical milestone for the Magnolia LNG project. In addition to establishing the FEIS issuance date, it also establishes a 90-day post-FEIS decision deadline for all agencies responsible for issuing related federal authorizations including FERC. The timeline for publishing the FEIS includes completion and issuance of the draft environmental impact statement (**DEIS**) and receipt, review, and incorporation of comments by government agencies, non-governmental organizations, and private citizens into the FEIS, as appropriate.

Issuance of the SER also signals that although FERC may solicit additional information from a project applicant during the period of time between the DEIS and the FEIS, FERC staff has the information necessary on the critical elements of the Magnolia LNG project for it to complete and issue the DEIS.

The Company's Managing Director, Mr. Maurice Brand said, "We are very pleased with our progress on the FERC regulatory aspects of the project. We appreciate the efforts of FERC and other agencies to process our application and remain confident that the Magnolia LNG project will meet or exceed all of the environmental and safety elements of the multi-agency review. We look forward to receiving our DEIS and continuing toward FERC's final order authorizing the Magnolia LNG project."

Attached is a copy of the announcement posted by FERC on 30 April 2015.

ABOUT MAGNOLIA LNG:

The Magnolia LNG Project is 100% owned by Magnolia LNG LLC, which is a wholly owned subsidiary of Liquefied Natural Gas Limited. The project comprises the proposed development of an 8 mtpa LNG project on a 115-acre site, located on an established LNG shipping channel in the Lake Charles District, State of Louisiana, United States of America. The project is based on the development of four x 2 mtpa LNG production trains using the Company's wholly owned OSMR® LNG process technology.

Magnolia LNG's business model provides liquefaction services to LNG buyers who pay a monthly fixed capacity fee, plus all LNG plant operating and maintenance costs. LNG buyers contract for liquefaction services under two contract models – a Liquefaction Tolling Agreement, whereby the LNG export terminal is only responsible for processing natural gas into LNG, and an LNG Sales and Purchase Agreement under which the customer buys LNG on a free on board basis (FOB).

ABOUT LIQUEFIED NATURAL GAS LIMITED

Liquefied Natural Gas Limited is an ASX listed company (Code: **LNG** and OTC ADR: **LNGLY**) whose portfolio consists of 100% ownership of the following companies:

- Magnolia LNG LLC (**Magnolia LNG**), a US - based subsidiary, which is developing an 8 mtpa LNG export terminal, in the Port of Lake Charles, Louisiana, USA;
- Bear Head LNG Corporation (**Bear Head**), a Canadian based subsidiary, which is developing an 8 mtpa LNG export terminal in Richmond County, Nova Scotia, Canada with potential for further expansion;
- Gladstone LNG Pty Ltd, a subsidiary which is progressing the 3.8 mtpa **Fisherman's Landing LNG (FLLNG) Project** at the Port of Gladstone in Queensland, Australia; and
- LNG Technology Pty Ltd, a subsidiary which owns and develops the Company's **OSMR® LNG liquefaction process**, a mid-scale LNG business model that plans to deliver lower capital and operating costs, faster construction, and improved efficiency, relative to larger traditional LNG projects.

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Disclaimer

Forward-looking statements may be set out within this correspondence. Such statements are only predictions, and actual events or results may differ materially. Please refer to our forward-looking statement disclosure contained on our website at www.LNGLimited.com.au and to the Company's Annual Report and Accounts for a discussion of important factors that could cause actual results to differ from these forward-looking statements. The Company does not undertake any obligation to update publicly, or revise, forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Magnolia LNG, LLC
Kinder Morgan Louisiana Pipeline, LLC

Docket Nos. CP14-347-000
CP14-511-000

**NOTICE OF SCHEDULE FOR ENVIRONMENTAL REVIEW OF THE
MAGNOLIA LNG AND LAKE CHARLES EXPANSION PROJECTS**

(April 30, 2015)

On April 30, 2014, Magnolia LNG, LLC (Magnolia) filed an application with the Federal Energy Regulatory Commission (FERC or Commission) in Docket No. CP14-347-000 requesting authorization pursuant to section 3(a) of the National Gas Act (NGA) and part 153 of the Commission's regulations to site, construct, and operate liquefied natural gas (LNG) facilities at a proposed site in Lake Charles, Calcasieu Parish, Louisiana (referred to as the LNG Terminal).

On June 30, 2014, Kinder Morgan Louisiana Pipeline, LLC (Kinder Morgan) filed an application with the FERC for a Certificate of Public Convenience and Necessity (Certificate) pursuant to section 7(c) of the NGA and part 157 of the Commission's regulations to construct and operate system modifications on its existing pipeline system that would allow the delivery of natural gas to Magnolia's proposed LNG Terminal.

The proposed projects, collectively referred to as the Magnolia LNG and Lake Charles Expansion Projects, would create a firm north-to-south service path on the existing pipeline system that would deliver the required volume of natural gas to the proposed LNG Terminal and create liquefaction facilities for LNG export overseas, LNG domestic marine distribution, and LNG trucking distribution to LNG refueling stations in Louisiana and surrounding states.

The FERC issued its Notice of Applications for the Magnolia LNG Project and the Lake Charles Expansion Project on May 13, 2014 and July 11, 2014, respectively. Among other things, the notices alerted other agencies issuing federal authorizations of the requirement to complete all necessary reviews and to reach a final decision on the request for a federal authorization within 90 days of the date of issuance of the Commission staff's final Environmental Impact Statement (EIS) for the Magnolia LNG and Lake Charles Expansion Projects. This notice identifies the FERC staff's planned schedule for completion of the final EIS for these two projects.

Schedule for Environmental Review

Issuance of Notice of Availability of the final EIS
90-day Federal Authorization Decision Deadline

November 16, 2015
February 14, 2016

If a schedule change becomes necessary, an additional notice will be provided so that the relevant agencies are kept informed of the Magnolia LNG and Lake Charles Expansion Projects' progress.

Project Description

Magnolia's proposed facilities include: two LNG storage tanks with a capacity of approximately 160,000 cubic meters; four liquefaction trains that each have a nominal capacity of 2.0 (metric) tonnes per annum; an LNG vessel berth and loading facilities; an LNG truck loading area; and other ancillary facilities. During operation of the project, Magnolia anticipates an average of 208 marine vessels (LNG carriers and barges) would make port calls and 52 LNG trucks would be loaded at the LNG Terminal each year.

Kinder Morgan's proposed facilities consist of: about 40 feet of 36-inch-diameter interconnect pipeline and a meter station within Magnolia's proposed LNG Terminal; a new compressor station consisting of four 16,000 horsepower compressor units; a new 1.2-mile-long, 36-inch-diameter low pressure natural gas header pipeline and a new 700-foot-long, 24-inch-diameter high pressure natural gas header pipeline that would be adjacent to the existing Kinder Morgan easement; and modifications at six existing meter stations. These activities would take place within Acadia, Calcasieu, and Evangeline Parishes, Louisiana.

Background

On March 20, 2013, the Commission staff granted Magnolia's request to use the FERC's pre-filing environmental review process and assigned the Magnolia LNG Project Docket No. PF13-9-000. On June 18, 2013, the Commission issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Planned Magnolia Liquefied Natural Gas Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meeting* (NOI). On August 11, 2014, the FERC issued a *Notice of Intent to Prepare an Environmental Impact Statement for the Proposed Lake Charles Expansion Project and Request for Comments on Environmental Issues*.

The Magnolia and Kinder Morgan NOIs were sent to federal, state, and local officials; agency representatives; conservation organizations; Native American tribes; local libraries and newspapers in the area; and property owners in the vicinity of the proposed facilities. Major issues raised during scoping include potential impacts on wetlands,

waterbodies, and threatened and endangered species; socioeconomic impacts; land use and recreational impacts; air quality; safety; potential cumulative impacts; and potential alternatives. The U.S. Army Corps of Engineers, U.S. Coast Guard, U.S. Department of Energy, U.S. Department of Transportation, and U.S. Environmental Protection Agency are cooperating agencies in the preparation of the EIS.

Additional information about the Magnolia LNG and Lake Charles Expansion Projects may be obtained by contacting the Environmental Project Manager, Janine Cefalu, by telephone at (202) 502-8271 or by electronic mail at Janine.Cefalu@ferc.gov.

Terry L. Turpin, Director
Division of Gas – Environment and Engineering