



ASX/MEDIA RELEASE

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BEAR HEAD LNG RECEIVES THE LAST OF THE INITIAL APPROVALS NECESSARY FOR CONSTRUCTION AND KICKS OFF FEED WITH KBR

HALIFAX, Nova Scotia – Bear Head LNG Corporation (**Bear Head LNG**, a 100% subsidiary of Liquefied Natural Gas Limited (ASX: LNG; OTC ADR: LNGLY) announced yesterday that it has received approval from the Nova Scotia Department of Environment (**NSE**) for its updated provincial Environmental Assessment for the development of an 8 mtpa LNG export facility in Point Tupper, Nova Scotia.

The NSE approval is the last of the 10 initial federal, provincial and local regulatory approvals needed to construct a LNG export facility on the Strait of Canso in Nova Scotia. Bear Head LNG is now the only LNG project in Eastern Canada with all of the 10 project approvals and permits in place necessary for construction. Some of these approvals would take a minimum of 18 months to secure if they had not been previously obtained and appropriately maintained as active.

"Receiving Nova Scotia Environment's approval is a significant step in the development of Bear Head LNG," said John Godbold, Project Director of Bear Head LNG. "With this achievement, Bear Head LNG is now advancing from the initial permitting phase to start actual execution of the project."

Bear Head LNG is also pleased to advise that it has kicked off the Front End Engineering & Design (**FEED**) work with KBR Inc., a global leader in the LNG engineering, procurement, and construction (**EPC**) business that has been involved in the delivery of about one third of the world's current LNG production capacity. KBR has knowledge of the local site, since they executed the FEED work for Bear Head LNG, when it was proposed as an LNG import facility. KBR is also the leader of the KBR/SKEC joint venture for the FEED and EPC contract for Magnolia LNG, another wholly owned subsidiary of Liquefied Natural Gas Limited (**LNGL**), Bear Head's parent company.

"We are excited to embark on the FEED phase of the project with KBR, a well-credentialed partner in the continued development of the Bear Head LNG export facility. Integration of KBR's prior FEED work for Bear Head LNG and the Magnolia LNG FEED will enable the Bear Head LNG project to be fast tracked toward a potential 2016 Final Investment Decision and initiation of construction," said John Godbold.

Bear Head LNG will be utilizing OSMR® liquefaction technology, a patented technology owned by parent company LNGL. OSMR® is patented in 16 countries/jurisdictions including the United States and Canada. "Bear Head LNG's use of OSMR® liquefaction provides a significant advantage over other LNG projects, especially those in Eastern Canada. It requires a lower CAPEX and significantly enhances energy efficiency and plant performance," said John Godbold.

“These attributes of the OSMR® technology enable the project to be economically viable at 2 million tonnes per annum (**mtpa**). While Bear Head LNG is currently permitted as an 8 mtpa facility with a pending application with the Canadian National Energy Board to export 12 mtpa, the Bear Head economics with OSMR® provides an opportunity to engage in a step-wise approach to capacity which enables Bear Head LNG greater flexibility relative to other developing LNG projects to align itself with differing timelines for gas supply and infrastructure availability in Eastern Canada, and provide for the future expansion to at least 8 mtpa through incremental phases.”

The Managing Director of LNGL, Maurice Brand said, “The Board is very pleased with the progress of the Bear Head LNG project. As part of the transition from the initial permitting phase, expenditures will focus on access to the feed gas supplies and FEED for a full 8 mtpa export facility, maximizing the use of the completed FEED for the Magnolia LNG export project. LNGL’s capital raise of A\$174 million, which closed today, will be used in part to support Bear Head’s initiatives.”

For reference, Bear Head LNG Corp. holds the following approvals and permits:

- Environmental Assessment Approval (NSE)
- Permit to Construct (Nova Scotia Utility and Review Board)
- Navigable Waters Protection Act Authorizations (Federal Government)
- Transport Canada CEAA Screening (Federal Government)
- Fisheries and Oceans Canada CEAA Screening (Federal Government)
- Authorization for Works or Undertakings Affecting Fish Habitat (Federal Government)
- Environment Act Water Approval – Wetland Infill (Government of Nova Scotia)
- Breaking Soil of Highways Permit (Government of Nova Scotia)
- Development Permit (Municipality of Richmond County)
- Beaches Act Clearance (Government of Nova Scotia)

About Bear Head LNG Corporation

Bear Head LNG is wholly owned by Liquefied Natural Gas Limited. Bear Head LNG proposes to develop an eight million ton per annum liquefied natural gas export facility on the Strait of Canso, Nova Scotia, Canada.

About Liquefied Natural Gas Limited

Liquefied Natural Gas Limited is an Australian listed company (Code: LNG and OTC ADR: LNGLY) focused on development of mid-scale LNG plants. LNGL’s business strategy aims to deliver lower capital and operating costs, faster construction timelines and improved efficiency, relative to larger traditional LNG projects. LNGL’s portfolio includes 100 per cent ownership in Magnolia LNG LLC, Bear Head LNG Corporation, Gladstone LNG Pty Ltd, which is progressing the 3.8 mtpa Fisherman’s Landing LNG project at the Port of Gladstone in Queensland, Australia, and LNG Technology Pty Ltd, which owns and develops the OSMR® LNG liquefaction process.

About KBR Inc. (NYSE: KBR)

KBR is a global technology, engineering, procurement and construction company with around 27,000 people worldwide, customers in over 70 countries and operations in 40 countries across three distinct global businesses:

- Technology & Consulting, including proprietary technology in refining, ethylene, ammonia and fertilizers, and gasification; and niche consulting and know-how through Granherne/Energo and GVA;
- Engineering & Construction, including Upstream Oil & Gas; LNG/GTL; Downstream Petrochemicals and Chemicals; and differentiated EPC; and
- Government Services, including program management and long term annuity contracts. KBR is proud to work with its customers across the globe to provide technology, value-added consulting and integrated EPC skills to ensure a consistent project delivery with predictable results. At KBR, we deliver. Visit www.kbr.com.

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