

Liquefied Natural Gas Limited



Clarksons Platou Investor Presentation



January 2016

ASX: LNG and OTC ADR: LNGLY

Forward looking statement / all jurisdictions

The information in this presentation is not an offer or recommendation to purchase or subscribe for securities in any one or more entities in the LNGL Group or to retain or sell any securities currently being held. This presentation does not take into account, nor is it intended to take into account, the potential and/or current individual investment objectives and/or the financial situation of investors.

This presentation was prepared with due care and attention and the information contained herein is, to the best of LNGL Group's knowledge, as of the date of the presentation.

This presentation contains forward-looking statements that are subject to risk factors associated with the gas and energy industry. The expectations reflected in these statements are currently considered reasonably based, but they may be affected by a range of variables that could cause actual results or trends to differ materially, including but not limited to: price and currency fluctuations, the ability to obtain reliable gas supply, gas reserve estimates, the ability to locate markets for LNG, fluctuations in gas and LNG prices, project site latent conditions, approvals and cost estimates, development progress, operating results, legislative, fiscal and regulatory developments, economic and financial markets conditions, including availability of financing.

No representation or warranty (express or implied) is or will be made by any person (including LNGL Group and its officers, directors, employees, advisers and agents) in relation to the accuracy or completeness of all or part of this document, or any constituent or associated presentation, information or material (collectively, the Information), or the accuracy, likelihood of achievement or reasonableness of any projections, prospects or returns contained in, or implied by, the Information or any part of it. The Information includes information derived from third party sources that has not necessarily been independently verified.

Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, LNGL Group disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in this presentation to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statements were based.

To the maximum extent permitted by law, each entity in the LNGL Group, along with each entity's respective officers, employees and advisers, excludes all liability (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from.

All references to dollars, cents or \$ in this document is a reference to US Dollars, unless otherwise stated.

Corporate snapshot

Corporate data


• ASX / US OTC ADR code	LNG / LNGLY
• Cash balance as at 31 December 2015	~ A\$114 million
• Debt outstanding as at 31 December 2015	None
• Market capitalization (A\$0.64/share) as at 15 January 2016	~ A\$322 million
• Current Shares on issue	503.2 million
• Current performance rights	13.2 million
• Current unlisted options in issue	2.5 million

Share register (as at 31 December 2015)

• North America (NA)	~ 50%
• Top 20	~ 58%
• Substantial Shareholders	
– Baupost Group	12.4%
– Valinor Management	10.3%
• Number of shareholders	9,418

Experienced leadership


Board of Directors




Richard Bensford
Chairman
Over 50 years experience in international energy industry, including British Gas plc, Woodside Petroleum Ltd, and CLP Power Hong Kong




Mauro Brand
Managing Director / CEO
Extensive experience in the global energy industry since 1985 - Founder of LNG Limited




Lesanne Bond
Non-Executive Director
A professional company director with board roles in the energy, water and engineering services sectors



Philip D Moeller
Non-Executive Director
Former Commissioner for the Federal Energy Regulatory Commission (FERC), and worked for Alliant Energy and Calpine Corp in Washington, DC



Paul Cavicchi
Non-Executive Director (US-Based)
Over 25 years leadership experience in international energy industry, including Executive Vice President of GDP SUEC Energy North America, Inc.



Michael Stewart
Non-Executive Director (US-Based)
Over 30 years senior leadership experience, including engineering and construction industry as CEO & Senior Vice President at Fluor Corporation

Experienced Board of Directors oversee LNG's growth


Executive Management

- Deep LNG experience
- Post AGM events
 - Anthony Gelotti, Chief Development Officer
 - John Baguley, Chief Technical Officer


Board of Directors

- Broad energy experience
- Three US-based directors
- Post AGM event
 - Phil Moeller, former FERC commissioner

LNG executive management




Mauro Brand
Managing Director / CEO of LNG Limited / CEO of LNG
Extensive experience in the global energy industry since 1985 - Founder of LNG




Mike Mott
Chief Financial Officer
Over 30 years of finance and accounting experience in senior executive roles, including with the BG Group, Dynegy Inc. and Price Waterhouse LLP. Mike is based in Houston




Kings Davis
General Counsel and Joint Company Secretary
Over 20 years of experience leading global energy companies, including progressively senior executive roles at Pacific Drilling, Pryde International, Core Labs and energy practice in two top tier national law firms. Kings is based in Houston.



Neville Marshall
Group Executive - Strategic Development
Over 20 years in investment banking and project financing with the Commonwealth Bank and four years with on-going project developer Portman Mining



Anthony Gelotti
Chief Development Officer
Over 40 years' experience in the energy and LNG industry in senior executive roles, including President in southern LNG and in P - Global LNG Marketing and Trading with Chevron Corporation



John Baguley
Chief Operating Officer (LNG) and Chief Technical Officer (LNG)
Over 30 years of experience with the global engineering, procurement and construction (EPC) company, KBR Inc

Experienced team with technical, commercial, legal and financial skills to deliver LNG's goals

Corporate mission and strategy

- **Strategy**

- Achieve mid-scale LNG sector market leadership
- Satisfy customers' needs competitively, reliably, and with integrity
- Contribute to growth and economic development in the communities in which we operate
- Emphasize creating safe working conditions and minimize environmental impacts where we do business

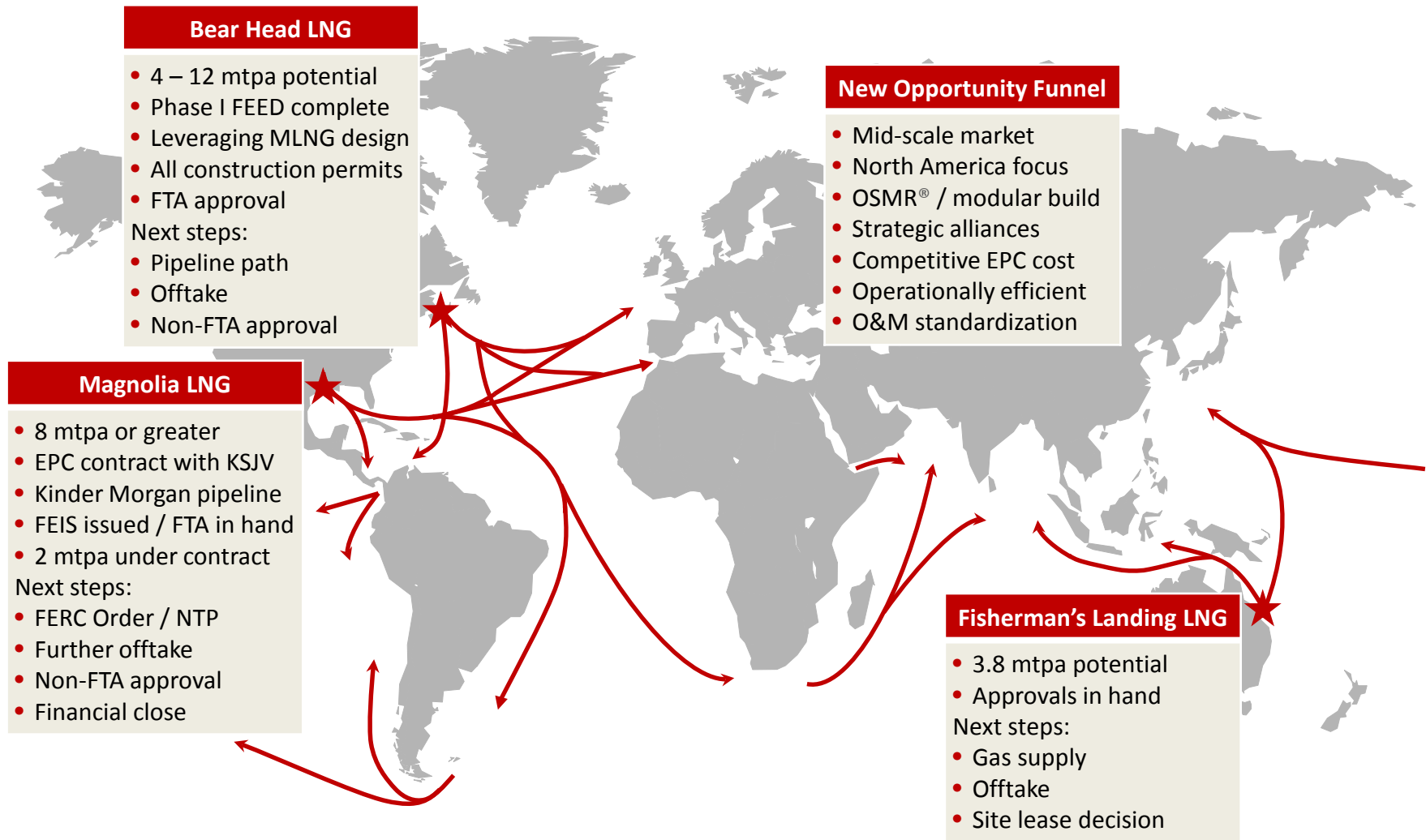
- **Execution**

- Identify and secure strategically located sites to build, own, and operate LNG export facilities
- Use the OSMR[®] LNG process to deliver liquefied natural gas efficiently and cost effectively
- Commercial solutions for LNG buyers and natural gas producers that enhance their business outcomes
- Target geographically diverse portfolio of operated LNG export facilities

- **OSMR[®] technology platform**

- Innovative, low cost, highly efficient, environmentally friendly, robust, and low risk technology
- Combines several well-proven, existing industrial technologies into one integrated system
- Integrated system delivers a market-leading LNG export capital cost
- Design arrangement is highly efficient, generating lower emissions and improved economics

LNG Limited project portfolio



Geographically diverse portfolio has current potential for greater than 20 mtpa capacity

North American pipeline and gas supply strategy

Magnolia LNG

Connecting natural gas transmission pipelines

- 20 year legally binding pipeline capacity agreement with Kinder Morgan Louisiana Pipeline LLC (KMLP)
- KMLP pipeline:
 - Crosses Magnolia LNG site
 - Delivers full 8 mtpa of project feed gas
 - Feed gas aggregation procured from transmission grid
- In July 2014, FERC accepted KMLP's filing application for the installation of compression and related facilities on the KMLP pipeline
- Gas Pipeline Interconnect Agreement between MLNG and KMLP sets out technical scope and specifications for gas supply
- FERC issued FEIS for the KMLP combined with Magnolia LNG

The Magnolia LNG project site is well connected to natural gas transmission pipelines

Magnolia LNG

- KMLP pipeline agreement
- Deep and liquid Gulf Coast infrastructure
- Accesses onshore / offshore and conventional / unconventional resources
- Other pipeline options can de-risk

Bear Head LNG

- Multiple pipeline options under review
- Gas supply potential:
 - Western and Eastern Canada
 - Offshore Nova Scotia
 - U.S.

Bear Head LNG

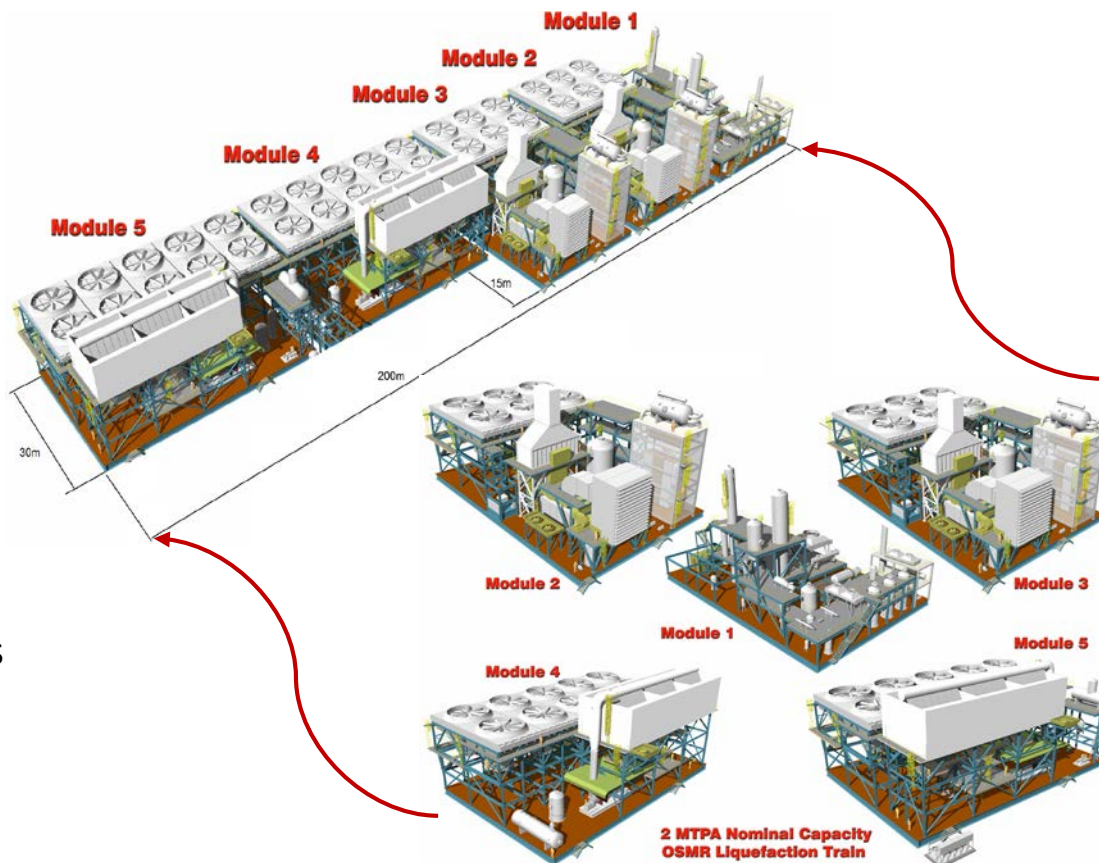
Connecting natural gas transmission pipelines

Gas Supply potential from West Canada, U.S and in East Canada, including offshore Nova Scotia

Mid-scale design, modular build, and construction approach

Strategic Advantages

- Facilitates project scaling
- Smaller footprint minimizes environmental impact
- Standardized specifications maximized
- Increased procurement competition
- Fabrication yard construction
 - Quality and schedule control
 - Inherently safer approach
- Standardized mid-scale modules enable rapid, cost-effective construction
- Reduced project site labor
- Highly reliable and efficient “2-in-1” design configuration



OSMR® LNG process technology and smaller train size allows easy modularization and economic project development

Magnolia LNG - EPC contract

EPC Contract

1. Legally binding LSTK EPC contract with KSJV
2. \$4.345 billion, validity to 30 April 2016
3. Typical full wrap LSTK EPC contract scope
4. EPC contract price includes:
 - Siemens and Chart costs
 - Mobilization and de-mobilization costs
 - Capital spares & contractor provided insurances
 - Profit, risk/liability funds, escalation, contingency

Other Costs

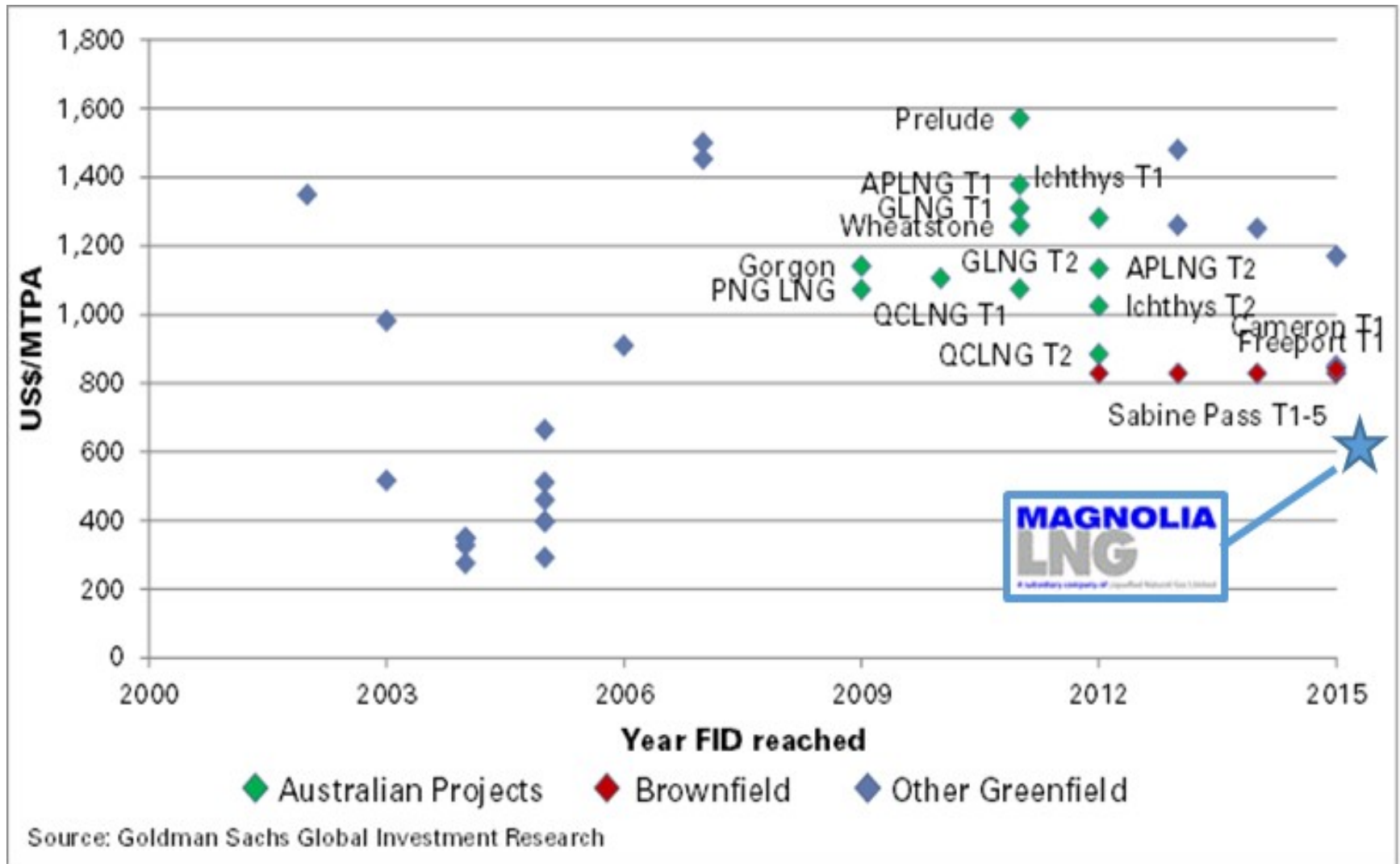
1. Estimated at 13.5% to 15.5% of EPC cost
2. 'Other Costs' estimate includes:
 - Owner's engineer
 - Regulatory, permitting, and environmental costs
 - Commissioning gas and cost
 - O&M mobilization and other minor contracts
 - Internal capitalized costs from financial close
3. Excludes cap interest & financing costs

Magnolia LNG

1. LSTK plant design utilises LNG's patented OSMR® technology
2. EPC guaranteed production of 7.6 mtpa, 0.8 mtpa greater than previous guidance
3. Guaranteed 92% feed gas production efficiency, LNG plant fuel gas consumption of 8% or less
4. Scope:
 - Four LNG production trains with design capacity of 2 mtpa or greater each
 - Two 160,000m³ full containment storage tanks
 - Marine, barge & truck loading, supporting infrastructure and all required post-FID approvals and licenses
5. Final design capacity shall be based on closing design at FID

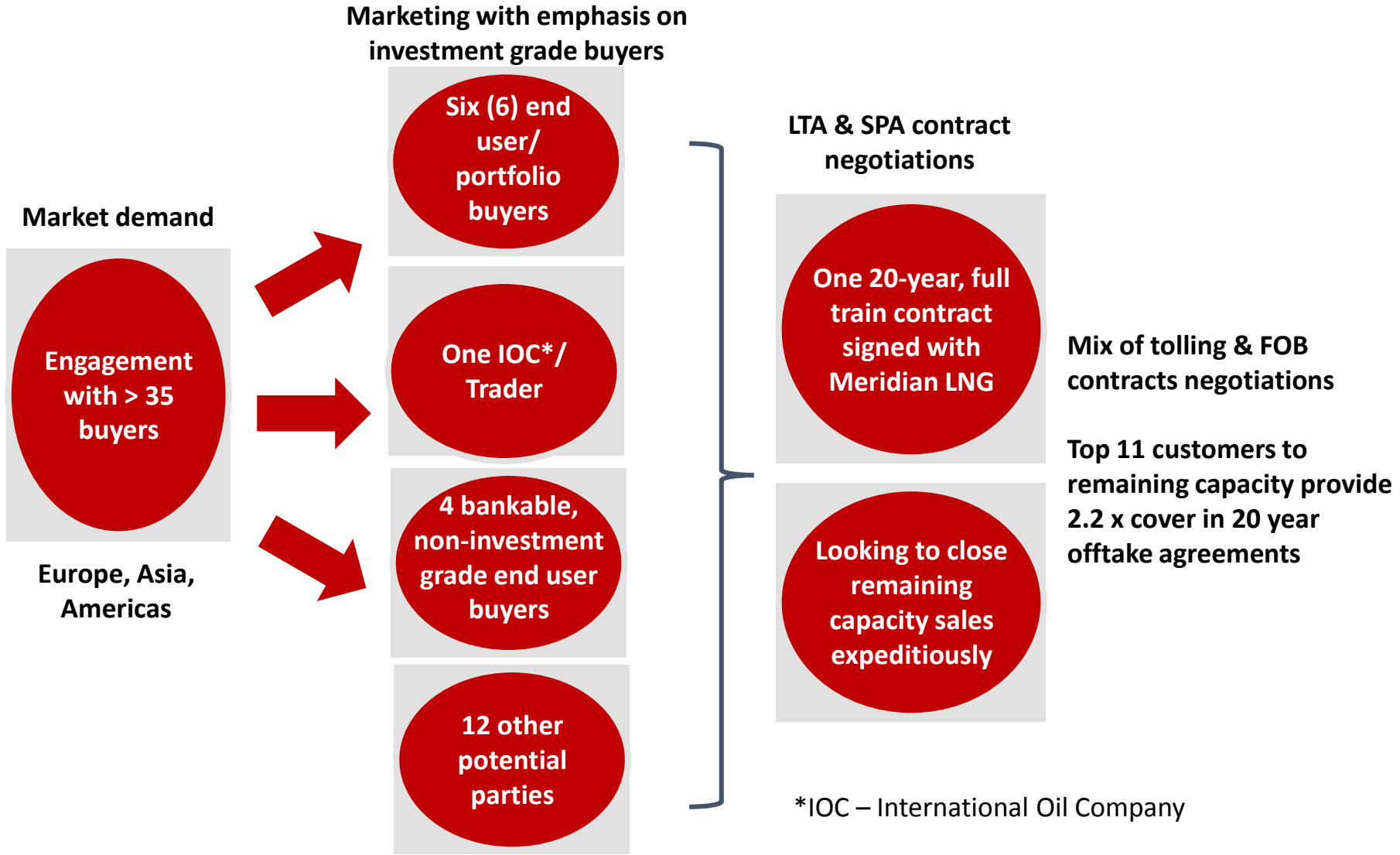
The total EPC capital cost is in the range of US\$495 to US\$544 per tonne

Lowest cost project



EPC + Other Costs per tonne range of US\$549 to US\$628 based on final FID design capacity

Magnolia LNG - targeted marketing approach



In commercial discussions with multiple counterparties to close out remaining capacity

Project financing

Stonepeak Equity Commitment Agreement (ECA)

- 100% of Train 1 & 2 equity up to US\$800 million, with equity contribution shared in Trains 3 & 4, all subject to CPs
- Stonepeak appointed one seat to Board of Magnolia LNG LLC – no voting rights prior to Financial Close and equity contribution
- Following execution of EPC, the current ECA can now be revised with Stonepeak to address project upgrade from 2 to 4 trains

LNG Equity

- ECA is a two-step financing with LNGL's equity interest in Trains 1 & 2 carried by Stonepeak
- Each party contributes equity in Trains 3 & 4
- Part of Stonepeak revision is to determine equity contributions in a one-step financing
- LNGL exploring options for its equity funding in parallel with the Stonepeak negotiations

BNP Paribas acting as Financial Advisor

- BNP has MLNG mandate as Financial Advisor
- Key deliverables
 - Project risk and bankability reviews
 - Review all material project agreements
 - Project debt financing structure option analysis
 - Preparation of Project Information Memorandum
 - Develop financing alternatives and funding sources
 - Deliver debt financing package at Financial Close
- Key lender consultants
 - White & Case (legal counsel)
 - Merlin (engineer and technical advisor)
 - Poten & Partners (marketing consultant)
 - AON (insurance consultant)

Liquidity management plan

- Strong cash position of ~ A\$114 million at 31 December 2015
- Majority of existing cash position held in U.S. dollars
- Multi-faceted cash management execution plan in place
- Revised cash commitments and planned obligations
- Planned prospective burn rate sustains operations for 36 plus months
- Key plan attributes
 - Focus personnel and financial resources on contracting offtake capacity
 - Explore all areas of enterprise activities aimed at minimizing future cash outflows
 - Place EPC activities on hold till FID
 - Agree prospective scope with key contractors till FID
 - Complete pending regulatory approval processes
 - Implement tighter limits on approving any new commitments

LNGL's competitive advantages

LNG Export Market Strategy

- Mid-scale LNG projects
- Commercially viable at 2 mtpa or greater
- Modular build
- Rapid, cost-effective deployment
- Competitive capital cost
- Operationally and environmentally efficient
- Enhanced processing technologies
 - OSMR® liquefaction process
 - Uses proven equipment and proven processes
 - Improved fuel efficiency
 - Substantially smaller footprint
- Leverage strategic alliances into new options

North American Market Focus

- Abundant low-cost gas reserves
- Extensive, open access gas pipeline infrastructure
- Henry Hub linked pricing
- Gas cost forecasted to be competitive on a global basis long-term
- Country stability and transparency
- Clear, well-defined regulatory process
- Strong expertise available in the US for development, construction, and operation
- Two premium, permitted NA sites
- Third NA LNG site option under review

Mr Maurice Brand
Managing Director & Chief Executive Officer

Mr Michael Mott
Chief Financial Officer

Mr Andrew Gould
Group Development Manager

Liquefied Natural Gas Limited

Level 1, 10 Ord Street, West Perth WA 6005, Australia

Telephone: (08) 9366 3700; Facsimile: (08) 9366 3799

and 1001 McKinney, Suite 600

Houston, Texas 77002, USA

Telephone: +1 713 815 6900; Facsimile: +1 713 815 6905

Email: LNG@LNGLimited.com.au Web site: www.LNGLimited.com.au

Forward looking statement / Non-GAAP financial measures

The following presentation, together with all information and data contained in verbal and other written statements or presentations made by or on behalf of Liquefied National Gas Limited ("LNG") (ASX: LNG) (OTC ADR: LNGLY), whether related to LNG or any of its assets, affiliates or subsidiaries, including, without limitation, Magnolia LNG, LLC ("Magnolia LNG"), LNG Technology Pty Ltd ("LNG Technology"), Gladstone LNG Pty Ltd ("Gladstone LNG"), Bear Head LNG Corporation ("Bear head LNG") (LNG, Magnolia LNG, LNG Technology, Gladstone LNG, Bear Head LNG and any other assets, affiliates or subsidiaries, whether named or unnamed, are referred to herein as the "LNG Group"), contains forward-looking statements concerning LNG Group's strategy, operations, financial performance, plans, projections and expectations, all of which are subject to uncertain conditions and circumstances in the various countries, sectors and markets in which LNG Group operates or is planning to operate.

The Private Securities Litigation Reform Act of 1995 ("PSLRA") provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. LNG Group intends to rely on the benefits of the safe harbor provisions of the PSLRA and includes this cautionary statement for purposes of disclosure and disclaimer. Forward-looking statements are based on assumptions involving judgments and predictions concerning the future and are not statements of historical facts. Without limitation, the words "anticipate," "assumptions," "believe," "could," "enable," "estimate," "estimated," "expect," "expected," "forecast," "formulated," "intends," "may," "on track," "opportunity," "pending," "plan," "potential," "progress," "project," "ready," "replicate," "should," "targeting," "tracking," and similar expressions identify forward-looking statements. Forward-looking statements are not guarantees of outcome, results, performance or any projections, and involve significant risks, uncertainties and assumptions, the results of which often differ materially from those expressed in the forward-looking statements. Factors influencing these results are beyond LNG Group's ability to control or predict.

LNG Group's ability to fulfill its objectives, goals, strategies, synergies and revenue, income or cash flow are subject to significant national, international, regional and local economic, competitive and regulatory conditions and developments, as well as technological competitive developments; energy, credit and capital markets conditions; inflation and interest rates; political and economic instability of oil producing and consuming nations; business and regulatory or legal challenges, decisions and outcomes; timing and success of business development efforts and opportunities; as well as weather conditions and other uncertainties. No person or company should put undue reliance on forward-looking statements. Nothing in this presentation or any forward-looking statement should be used as a substitute for any party's own due diligence investigation, nor relied upon by any party in deciding to invest in LNG Group or any of its projects, or to retain or sell any securities in any one or more of the entities in the LNG Group. No person acting directly or indirectly for LNG Group is authorized to make any representation or warranty, express or implied, concerning the accuracy or completeness of the information in this presentation and any forward-looking statements.

LNG Group undertakes no obligation to update any forward-looking statements, and does not assume or accept any responsibility or liability for any inaccuracies in this presentation or forward-looking statements. Neither this presentation nor any forward-looking statement made by or on behalf of LNG Group shall constitute an offer to sell or the solicitation of an offer to sell any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under application securities laws of such jurisdiction. No offer of securities in LNG Group shall be made except by means of a prospectus satisfying the standards of the Securities Act of 1933, as amended or other applicable law.

LNG Group may use or express non-generally accepted accounting principles ("non-GAAP") financial measures in this presentation and forward-looking statements. LNG Group undertakes no obligation to reconcile non-GAAP financial measure to comparable GAAP measures. Non-GAAP measures should not be considered an alternative to or substitute for GAAP financial measures.

NOTHING IN THIS PRESENTATION OR FORWARD-LOOKING STATEMENTS SHALL SERVE AS A SUBSTITUTE FOR ANY REGISTRATION STATEMENT, PROXY STATEMENT OR PROSPECTUS, IF ANY, FILED BY LNG GROUP WITH APPLICABLE SECURITIES EXCHANGES. INVESTORS AND INTERESTED PARTIES ARE URGED TO CAREFULLY REVIEW ANY REGISTRATION STATEMENTS, PROXY STATEMENTS AND PROSPECTUS, IF ANY, FILED WITH APPLICABLE SECURITIES EXCHANGES.