



ASX/MEDIA RELEASE

8 June 2011

HQCEC Transaction Approved by Shareholders HQCEC Address to Shareholders Shareholder Presentation

The Directors of Liquefied Natural Gas Limited (ASX: LNG, *LNG LTD*) are pleased to announce that at a meeting of shareholders, on 7 June 2011, shareholders approved:

- The placement of 53,250,000 fully paid ordinary shares to China Huanqiu Contracting & Engineering Corporation (*HQCEC*);
- The election of HQCEC's nomination, Madam Wang Xinge, as an Executive Director; and
- The election of HQCEC's nomination, Mr Zhang Gaowu, as a Non-Executive Director.

Following shareholder approval, the final remaining condition precedent, to the share placement, is **approval from the Ministry of Commerce of the People's Republic of China.**

Attached to this announcement are:

- General Meeting of Members Results (Attachment 1);
- Address by Mr Liu Yawei, Senior Vice President and CFO of HQCEC, given after the general meeting (Attachment 2); and
- Shareholder presentation by LNG LTD's Managing Director and Chief Executive Officer (*CEO*), Maurice Brand, given after the general meeting (Attachment 3).

LNG LTD's Chairman, Mr Richard Beresford, said "the directors welcome HQCEC as LNG LTD's largest shareholder and are very pleased with the level of shareholder support for the 19.92% share placement. The share placement is important to LNG LTD's future prospects, with HQCEC bringing to LNG LTD the technical and financial credibility needed to recommence development of the initial 3.0 million tonne per annum Gladstone LNG Project, at "Fisherman's Landing", Port of Gladstone, Queensland.

Mr Maurice Brand, said "he looks forward to Madam Wang joining the Board as an Executive Director and Co-CEO and Mr Zhang as a Non-Executive Director. Both HQCEC and LNG LTD are aligned to speed up the development of the Fisherman's Landing LNG Project, the marketing of LNG LTD's OSMR[®] technology and the achievement of LNG LTD's business model".

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LIQUEFIED NATURAL GAS LIMITED
ABN 19 101 676 779

7 JUNE 2011

GENERAL MEETING OF MEMBERS RESULTS

The following resolutions were put to a General Meeting of Members held on 7 June 2011 and were all passed by a show of hands without amendment.

Resolutions

Resolution 1 – Approve Share to the HQCEC Group.

Resolution 2 – Election of Director – Madam Wang Xinge.

Resolution 3 – Election of Director – Mr Zhang Gaowu.

In respect of each resolution, the total number of proxy votes exercisable by all proxies validly appointed are set out below:

	For	Against	Abstain	Proxy's discretion
Resolution 1	76,687,732	1,001,749	49,572	143,004
Resolution 2	75,918,460	1,785,773	30,820	143,004
Resolution 3	76,855,832	839,397	39,824	143,004

A handwritten signature in black ink, appearing to read 'David Gardner'.

David Gardner
 Company Secretary

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Ladies and Gentlemen:

My name is Liu Yawei, senior vice president and CFO of HQCEC. It is my honor today to represent HQCEC at this meeting of LNG Limited shareholders and I extend a warm welcome to all shareholders.

Madam Wang Xinge, senior vice president of HQCEC and HQCEC's nominated executive director and joint CEO of LNG Limited is presently closing a major overseas project for HQCEC and unable to attend today. Please accept Madam Wang's apologies.

On behalf of HQCEC, Madam Wang and Mr Zhang, I sincerely thank LNG Limited shareholders for approving all the resolutions today. The 19.9% shareholding is strategically important to HQCEC and we will actively work with LNG Limited to assist implement its LNG business model and deliver improved shareholder value. We consider the 19.9% shareholding in LNG Limited by HQCEC represents a win-win cooperation, which is in line with HQCEC's strategy of green development and is helpful for HQCEC to expand its markets. The co-operation is also beneficial for improving the corporate profile and value of LNG Limited.

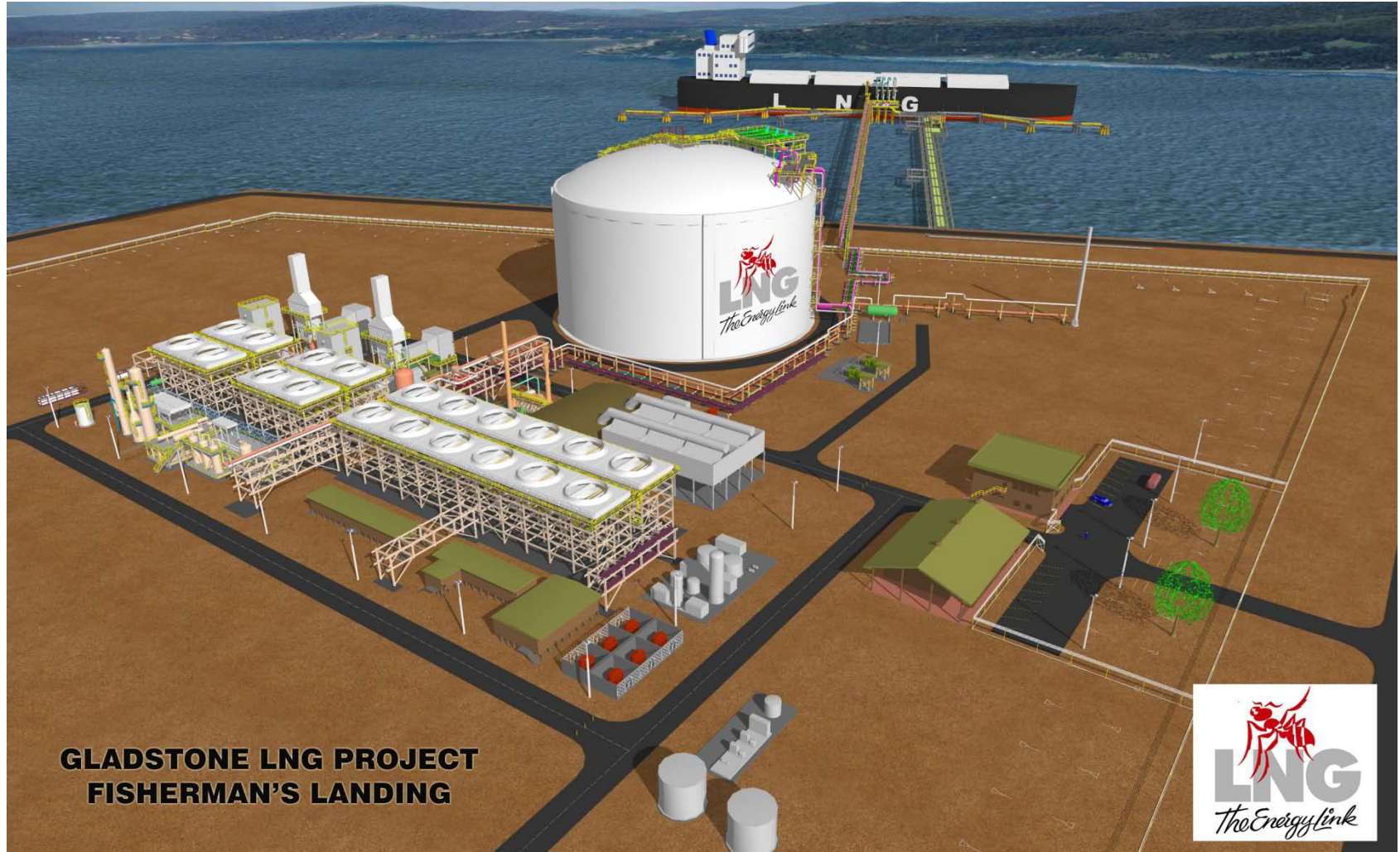
HQCEC also looks forward to working with LNG Limited's management to speed up the development of its Fisherman's Landing LNG project, to market its OSMR LNG process technology and to help LNG Limited to achieve better and faster growth. We will perform our duty under relevant laws and regulations to maximize LNG Limited's shareholders' value.

Finally, I believe LNG Limited will definitely have a bright future and success in all endeavors. Thank you again for your support and I wish all of you good health and happiness.

June 7, 2011

Gladstone LNG Project “Fisherman’s Landing”

A Shared Vision of HQCEC and LNG Limited



**GLADSTONE LNG PROJECT
FISHERMAN'S LANDING**



Shareholder Presentation: 7 June 2011

LNG Ltd - Corporate Overview

“Post HQCEC Transaction”

- ▶ **ASX Code:** LNG
- ▶ **Market Cap.:** A\$ 120 million (267 million shares at A\$ 0.45 / share)
- ▶ **Cash Reserves:** A\$ 30.3 million (as at Placement, no debt)
- ▶ **Top 5 Shareholders:** 45.12% ownership
- ▶ **Major Shareholders:** HQCEC (19.91%)
Copulos Group (10.09%)
Dart Energy Limited (5.37%)
P W Bridgwood (4.97%)
F M Brand (4.77%)
- ▶ **Key Messages:** 100% owner of the Gladstone LNG Project
Strategic Partner with global expectations for LNG
Endorsement of business model and technology
HQCEC committed to deliver Gladstone LNG Project
Tight Capital Structure
Directors' commitment to shareholder value
Strong and experienced board and executives

HQCEC Transaction

Remaining Condition Precedent

- ▶ HQCEC receiving approval from the Ministry of Commerce of the People's Republic of China

Key Points

- ▶ HQCEC to subscribe for 53,250,000 shares (~19.9%) in LNG Ltd
- ▶ Appointment of **Madam Wang Xinge** as an Executive Director and Co Chief Executive Officer of LNG Ltd, to work with the existing Managing Director/Chief Executive Officer, Maurice Brand. Madam Wang is currently a Senior Vice President of HQCEC, responsible for the international global operations of HQCEC
- ▶ Appointment of **Mr Zhang Gaowu** as a Non-Executive Director to the Board of LNG Ltd. Mr Zhang is the Deputy Director of Finance & Asset Management Division of HQCEC
- ▶ CNPC (or affiliate) as potential LNG off-taker and arranger of project funding
- ▶ Shared Vision:
 - ▶ Gladstone LNG Project “Fisherman’s Landing” to showcase the capabilities of LNG Ltd and HQCEC
 - ▶ Marketing of the OSMR[®] technology

Who is China Huanqiu Contracting & Engineering Corporation (HQCEC)?

- ▶ Wholly owned by CNPC, with over 9,500 employees
- ▶ Technology focussed engineering, procurement, construction, consulting, R&D, manufacturing and project management group
- ▶ HQCEC has delivered more than 2,000 projects over its 50 years of operation
- ▶ Executed and delivered Guangdong LNG receiving terminal; Jiangsu LNG receiving terminal near Shanghai; Dalian LNG receiving terminal; and likely EPC contractor for the Tangshan LNG receiving terminal near Beijing
- ▶ EPC contractor for the Ansai LNG plant (500,000 tpa) in China using own technology

Who is China National Petroleum Corporation (CNPC)?

- ▶ China's largest oil (54% share) and gas (82% share) producer and supplier
- ▶ Top 5 global oil and gas company, with over 1.6 million employees
- ▶ Ranked 10 in revenue amongst 2010 Fortune Global 500 companies
- ▶ Oil and gas assets and interest in 29 countries and presence in almost 70 countries
- ▶ Businesses covering petroleum exploration & production, natural gas & pipelines, refining & marketing, oilfield services, engineering construction, equipment manufacturing, R&D, capital management, finance and insurance services

Gladstone LNG Project “Fisherman’s Landing”

Project Description

- ▶ 3 mtpa LNG Plant to be located on Fisherman’s Landing, an existing reclaimed site on the mainland, Port of Gladstone. Project utilises existing Berth #5 and other port infrastructure. Key approvals and licences in place
- ▶ HQCEC actively supporting LNG Ltd’s gas supply plan
- ▶ HQCEC to provide proposal for the EPC Contract for the LNG Plant
- ▶ CNPC (or affiliate) to potentially be appointed LNG off-taker and arranger of project funding

Project Schedule Targets

- ▶ Finalise gas supply arrangements
- ▶ Re-commence construction
- ▶ 30 month construction schedule
- ▶ Capable of commencing LNG production



Key Targets for 2011

▶ Review Jemena's Pre-Feed Study

- ▶ Expected Outcome: ability to delivery 260 TJ/day of gas from Wallumbilla to Gladstone in second half 2014

▶ Commence Jemena FEED Study and negotiate Gas Transportation Agreement between LNG Ltd and Jemena

▶ Finalise Gas Supply Arrangements

- ▶ Establish gas hubs at both Callide and Wallumbilla
- ▶ Finalise gas supply arrangements, target groups being

Curtis Island Projects

- ▶ Ramp-up gas supply (short term)
- ▶ Spot gas supply due to excess gas production at field(s)

Established Gas Producers

- ▶ Short term / long term supply

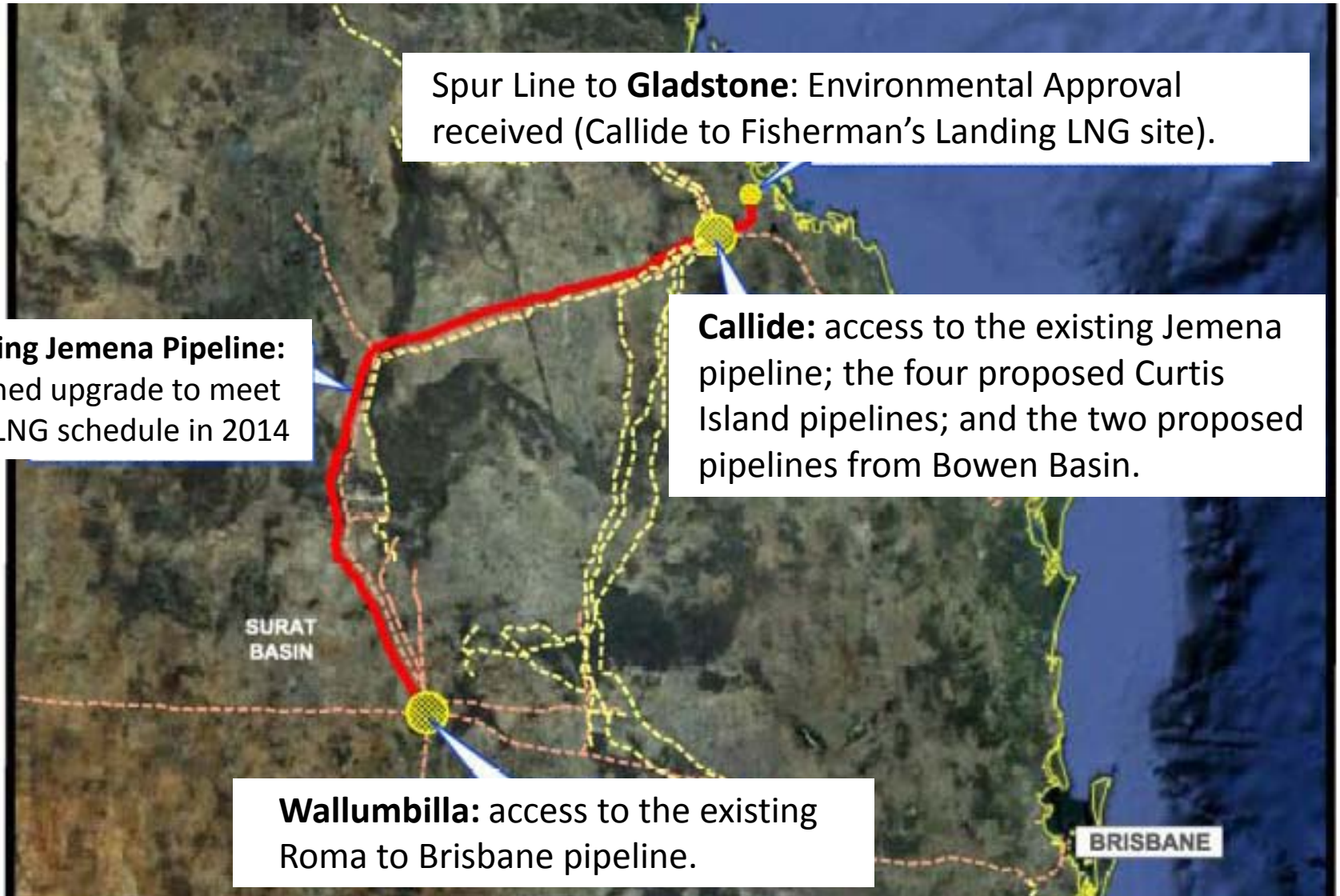
CSG Exploration Companies

- ▶ Long term supply, through gas supply agreements and/or farm-in arrangements to compliment any short term supply arrangements

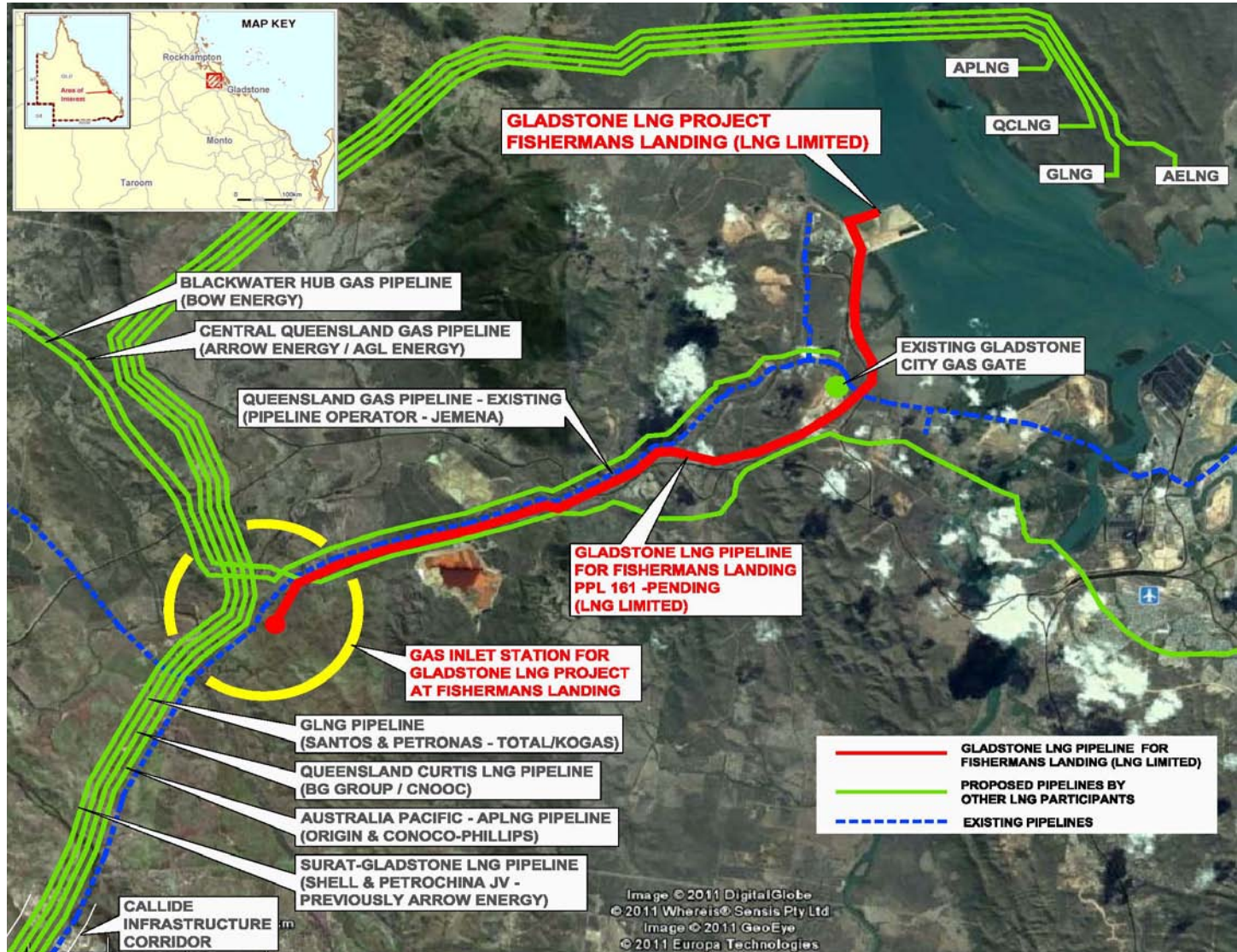
▶ HQCEC Agreements

- ▶ EPC Contract proposal from HQCEC. Cost estimate in June, proposal by Sep 2011
- ▶ Arrange LNG off-take and funding arrangements

Gas Delivery Plan



Gladstone LNG "Spur" Pipeline



QUEENSLAND / NSW CSG COMPANIES

- ▶ **Curtis Island LNG Projects**
 - ▶ QCLNG (BG/CNOOC/Tokyo Gas)
 - ▶ GLNG (Santos / Petronas / Total / KOGAS)
 - ▶ APLNG (Origin / ConocoPhillips / Sinopec)
 - ▶ AELNG (Shell / PetroChina)
- ▶ **Established Gas Producers (outside the Curtis LNG Projects)**
 - ▶ AGL
 - ▶ Origin
 - ▶ Santos
- ▶ **Other CSG Companies such as:**
 - ▶ Bow Energy
 - ▶ Mitsui
 - ▶ Westside
 - ▶ Molopo
 - ▶ Senex Energy
 - ▶ Blue Energy
 - ▶ Metgasco
 - ▶ Eastern Star Gas

HQCEC TRANSACTION

Major shareholding in LNG Ltd by HQCEC demonstrates

- ▶ HQCEC's confidence in LNG Ltd's OSMR® LNG process technology
- ▶ HQCEC's confidence in securing gas for the Gladstone LNG Project "Fisherman's Landing"
- ▶ HQCEC's confidence in reaching FID for the Gladstone LNG Project "Fisherman's Landing"

Shared Vision

- ▶ Gladstone LNG Project "Fisherman's Landing" to showcase the capabilities of HQCEC and LNG Ltd:
 - ▶ HQCEC to become the global LNG EPC contractor of first choice
 - ▶ LNG Ltd's OSMR® technology to become the global LNG process technology of first choice
 - ▶ CNPC potentially securing additional LNG supply for the Chinese market

HQCEC – ALWAYS BUILDS SUCCESS

Disclaimer

The information in this presentation is not an offer or recommendation to purchase or subscribe for securities in Liquefied Natural Gas Limited (ASX:LNG) or to retain any securities currently being held. This presentation does not take into account the potential and current individual investment objectives or the financial situation of investors.

This presentation was prepared with due care and attention and the information contained herein is current at 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 reasonable, 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, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

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



Our Logo:

We chose the red ant as our logo because it is distinctive and bold and represents strength, energy, hard work and perseverance – characteristics we aim to make trademarks of our corporate culture.