



ASX/MEDIA RELEASE

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MAGNOLIA LNG PROJECT BNP PARIBAS APPOINTED AS PROJECT FINANCE ADVISOR

Liquefied Natural Gas Ltd (Company) is pleased to advise that its 100% owned project company, Magnolia LNG, LLC (**Magnolia**), has appointed BNP PARIBAS bank as its Project Finance Advisor for the Magnolia LNG Project in Lake Charles, Louisiana, United States (**MLNG Project**).

The MLNG Project comprises the planned development of an 8 million tonne per annum (**mtpa**) LNG export terminal, with the US\$2,200 million Stage 1 development comprising two liquefaction trains (each of 2 mtpa nominal LNG production capacity), two LNG storage tanks (each of 160,000m³ capacity), and jetty and ship loading facilities to accommodate LNG ships of up to 180,000m³.

As previously advised, Magnolia has signed an Equity Commitment Agreement with New York based Stonepeak Partners LP (**Stonepeak**) in relation to provision of the US\$660 million Stage 1 development equity financing requirement from financial close.

Magnolia will now work closely with Stonepeak, EAS Advisors LLC (being Magnolia's New York based general financial advisor) and BNP PARIBAS to secure the proposed US\$1,540 million project debt financing for the Stage 1 development.

Under the engagement terms BNP PARIBAS's roles include:

- Detailed project risk and bankability review to enable any potential project debt financing issues to be identified early and addressed.
- Detailed review of all material project agreements to ensure compatibility with project lenders' requirements.
- Project debt financing structure option analysis including bridging finance, long term bank financing, Export Credit Agency financing, bond markets and supplier finance, etc.
- Completion of a detailed Project Information Memorandum for presentation to potential project lenders.

BNP PARIBAS, with a Standard and Poors' Foreign Long Term credit rating of A+, is a highly experienced project finance advisor and debt arranger with a global network, an active involvement in the LNG industry, strong relationships with key Export Credit Agencies and a history of participating directly in project debt financing transactions. BNP PARIBAS has a comprehensive presence in the United States and its New York based team will have primary management responsibility under the engagement.

The Company's Chief Financial Officer Norm Marshall said, "The engagement of BNP PARIBAS is the culmination of a comprehensive evaluation process and they bring to the MLNG Project an impressive project financing history and substantial capabilities and resources. BNP PARIBAS and the Company have a relationship spanning over 7 years with BNP PARIBAS having been previously appointed as the project finance advisor to the Company's now suspended Fisherman's Landing LNG Project in Gladstone, Queensland."

“We are excited at BNP PARIBAS’s interest in being involved in the MLNG Project. Over the term of the relationship with BNP PARIBAS they have developed a very close understanding of the Company’s LNG industry business objectives and LNG project development philosophy. BNP PARIBAS, together with Stonepeak and EAS Advisors LLC, provides Magnolia with a project debt and equity financing team comparable to any”, Mr Marshall further said.

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