



ASX/MEDIA RELEASE

24 March 2017

MAGNOLIA LNG SITE LEASE AGREEMENT

Liquefied Natural Gas Limited (**ASX: LNG, OTC ADR: LNGLY**) (**LNGL or the Company**) is pleased to advise that its wholly owned subsidiary, Magnolia LNG LLC (Magnolia) has requested the Lake Charles Harbor and Terminal District proceed with finalizing the Ground Lease for the Magnolia LNG project located in the Port of Lake Charles, Louisiana, USA.

“The Lake Charles port property was originally secured under an option agreement in 2013, and finalizing the ground lease is critical to maintaining the status of our Magnolia project as fully construction ready”, said John Baguley, Chief Operating Officer for Magnolia. “A significant element of our success is the superiority of this site as well as the capacity of the Lake Charles Harbor & Terminal District and their experience in the successful operation of the port, including more than 30 years of excellence in LNG shipping operations. We look forward to working closely with the port to extend this enviable record far into the future.”

Greg Vesey, Managing Director & CEO of LNGL, further advised, “Obviously, we are pleased to enter into this long-term partnership with the Lake Charles Harbor & Terminal District. Still, the pacing item for our Final Investment Decision and initiation of construction for Magnolia remains finalization of our LNG offtake agreements. An update on our current status and strategies in this regard has been previously announced for Friday, 31 March.”

ABOUT MAGNOLIA LNG PROJECT

Magnolia LNG proposes to construct and operate up to four liquefaction production trains, each with a capacity of 2 mtpa or greater using the Company’s patented OSMR® LNG process technology. Construction and operation includes two 160,000 m³ full containment storage tanks, ship, barge, and truck loading facilities, and supporting infrastructure. The LSTK EPC contract includes all elements of the project necessary to bring the facility into full guaranteed production operations. Magnolia LNG is fully permitted, having received its FERC Order and both FTA and non-FTA approval from the DOE. Final investment decision and initiation of construction is expected upon execution of sufficient offtake agreements to support financing.

ABOUT LIQUEFIED NATURAL GAS LIMITED

LNGL 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 or greater LNG export terminal, in the Port of Lake Charles, Louisiana, USA;
- Bear Head LNG Corporation Inc. (**Bear Head LNG**), a Canadian based subsidiary, which is developing an 8 mtpa or greater LNG export terminal in Richmond County, Nova Scotia, Canada with potential for further expansion;
- Bear Paw Pipeline Corporation Inc. (**Bear Paw**), proposing to construct and operate a 62.5 km gas pipeline lateral to connect gas supply to Bear Head LNG;
- Gladstone LNG Pty Ltd, a subsidiary which plans to develop the 3.5 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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