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19 June 2014

**BY ELECTRONIC LODGEMENT**

Company Announcements Office  
Australian Securities Exchange  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

**ashurst**

Dear Sir / Madam

**Fairview Capital Investment Management, LLC – Notice of initial substantial holder in Liquefied Natural Gas Limited**

We act for Fairview Capital Investment Management, LLC (**FCIM**).

We **enclose**, on behalf of FCIM, a copy of a Form 603 Notice of Initial Substantial Holder in relation to Liquefied Natural Gas Limited (ASX: LNG).

Yours faithfully



**Ashurst Australia**

AUSTRALIA BELGIUM CHINA FRANCE GERMANY HONG KONG SAR INDONESIA (ASSOCIATED OFFICE) ITALY JAPAN PAPUA NEW GUINEA  
SAUDI ARABIA SINGAPORE SPAIN SWEDEN UNITED ARAB EMIRATES UNITED KINGDOM UNITED STATES OF AMERICA

Ashurst Australia (ABN 75 304 286 095) is a general partnership constituted under the laws of the Australian Capital Territory and is part of the Ashurst Group. The Ashurst Group has an office in each of the places listed above.

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**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme Liquefied Natural Gas Limited (LNG Limited)

ACN/ARSN ABN 19 101 676 779

This notice is given by Fairview Capital Investment Management, LLC on behalf of itself and Darlington Partners, L.P., Fairview Capital and Andrew F. Mathieson

**1. Details of substantial holder (1)**

Name Darlington Partners, L.P. (Darlington), Fairview Capital Investment Management, LLC (FCIM), Fairview Capital and Andrew F. Mathieson

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 18/06/2014

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	33,000,000	33,000,000	7.39%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Darlington	Relevant interest under section 608(1) of the Corporations Act 2001 pursuant to a Placement Allocation Letter between Foster Stockbroking, as lead manager, and FCIM, as the general partner of Darlington, dated 2 May 2014 (a copy of which accompanies this notice and is marked "Annexure A") and the issue to Darlington of a total of 33,000,000 fully paid ordinary shares in LNG Limited on 13 May 2014 (tranche 1) and 18 June 2014 (tranche 2) under that letter.	33,000,000 fully paid ordinary shares
FCIM	<p>Taken under sections 608(1)(b) and 608(1)(c) of the Corporations Act 2001 to have a relevant interest by reason of having control of the voting and disposal of the securities as general partner to Darlington.</p> <p>Taken under section 608(3)(b) of the Corporations Act 2001 to have the same relevant interest by reason of having control of Darlington.</p>	33,000,000 fully paid ordinary shares
Fairview Capital	Taken under sections 608(3)(a) and 608(3)(b) of the Corporations Act 2001 to have a relevant interest by reason of having control of, and voting power of more than 20% in, FCIM.	33,000,000 fully paid ordinary shares
Andrew F. Mathieson	Taken under sections 608(3)(a) and 608(3)(b) of the Corporations Act 2001 to have a relevant interest by reason of having control of, and voting power of more than 20% in, Fairview Capital.	33,000,000 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Those entities listed in paragraph 3 above	Darlington	Darlington	33,000,000 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Those entities listed in paragraph 3 above	13/05/2014	A\$6,293,463, payable by Darlington	N/A	11,442,660 fully paid ordinary shares
Those entities listed in paragraph 3 above	18/06/2014	A\$11,856,537, payable by Darlington	N/A	21,557,340 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Darlington	300 Drakes Landing Road, Suite 250, Greenbrae, CA 94904
FCIM	300 Drakes Landing Road, Suite 250, Greenbrae, CA 94904
Fairview Capital	300 Drakes Landing Road, Suite 250, Greenbrae, CA 94904
Andrew F. Mathieson	300 Drakes Landing Road, Suite 250, Greenbrae, CA 94904

Signature

print name Scott W. Clark

sign here *Scott W. Clark*

*Managing Partner of  
Fairview Capital  
Investment  
Management, LLC*

capacity

date 18 10/2014

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg, a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ANNEXURE A

FAIRVIEW CAPITAL INVESTMENT MANAGEMENT, LLC

This is the annexure of 7 pages (including this cover page) marked "Annexure A" referred to in the Form 603 Notice of initial substantial shareholder.

Signed by me and dated 18/06/2014



.....  
Scott W. Clark  
Managing Partner of Fairview Capital Investment Management, LLC



RF  
4m  
372114

**URGENT ATTENTION REQUIRED**

Signed Acceptance Required: 4pm (AEST) Friday 2 May 2014  
 DVP Settlement (Tranche 1): Monday 12 May 2014  
 DVP Settlement (Tranche 2): Tuesday 17 June 2014

**PRIVATE AND CONFIDENTIAL**

Our Ref: 1

2 May 2014

Ramsey Jishi  
Fairview Capital

Via Email: ramsey@darlingtonlp.com

Dear Ramsey

**Placement Offer**

**1. OVERVIEW**

Foster Stockbroking Pty Ltd (FSB) has been appointed as Lead Manager by Liquefied Natural Gas Limited ABN 19 101 676 779 (Company) in respect of a placement of 90m fully paid ordinary shares (Placement Shares) at an issue price of A\$0.55 per share to raise A\$49.5m (Placement). The Company can issue up to 31,207,254 Shares using the available placement capacity under LR 7.1 and LR 7.1A (Unconditional Placement). The balance of 58,792,746 Shares will be issued subject to shareholder approval at an Extraordinary General Meeting to be held on or about 16 June 2014 (Conditional Placement).

The Placement is being made to sophisticated/qualified clients of Foster Stockbroking Pty Ltd. The placement shares are proposed to rank equally with the existing capital.

The purpose of the Placement is to fund the ongoing activities associated with the Magnolla LNG project targeting Financial Close in H1 2015.

The purpose of this letter is to confirm the terms on which you agree to accept your allocation of shares in the Placement.

**2. ALLOCATION**

On behalf of the Company, FSB confirms the irrevocable allocation of the Placement Shares to you (Firm Commitment) as set out below:

	Number of Shares @ A\$0.55/sh	Amount A\$
<b>TOTAL COMMITMENT</b>	<b>33,000,000</b>	<b>\$18,150,000.00</b>
Unconditional Placement	11,442,660	\$6,293,463.00
Conditional Placement	21,557,340	\$11,856,537.00

### 3. TIMETABLE

The proposed Placement timetable is as follows; all dates and times are Sydney:

Return Signed Acceptance Form to FSB	4pm Friday, 2 May 2014
Announcement released to ASX	10am Monday, 5 May 2014
Unconditional Placement Settlement Date (DvP)	Monday 12 May 2014
Unconditional Placement Quotation	Tuesday 13 May 2014
Dispatch Notice of Meeting	Monday 19 May 2014
Extraordinary General Meeting	Monday 16 June 2014
Conditional Placement Settlement Date (DvP)	Tuesday 17 June 2014
Conditional Placement Quotation	Wednesday 18 June 2014

The above timetable may change without consultation. Even though the timetable may change you will remain bound to accept and pay for your Firm Commitment, except if the Conditional Placement has not been approved by the Company's shareholders by 5.00pm Sydney time on 18 July 2014, in which case you may elect to terminate your Firm Commitment for Placement Shares not yet issued to you.

### 4. ACCEPTANCE

By accepting your Firm Commitment you are irrevocably bound by all the terms set out in this letter.

Your acceptance requires that you subscribe for the shares in your Firm Commitment that are allocated to you.

To confirm your irrevocable acceptance of the terms of the Placement and your Firm Commitment, please sign and return a copy of the Firm Allocation Acceptance Form to:

**Kate Duffield**  
**Foster Stockbroking**  
Fax: +61 2 9221 1031 or email [kate.duffield@fostock.com.au](mailto:kate.duffield@fostock.com.au)  
by 4pm (Sydney) Friday 2 May 2014.

### 5. SETTLEMENT

You must subscribe for your Firm Allocation by taking the following actions:

- i) Providing FSB with the attached DvP Card Forms in respect of the two tranches of shares to be settled, completed with your subscriber details; and
- ii) Instructing your settlement custodian to settle with FSB via CHES.

If you have any queries you should contact Kate Duffield on 02 9993 8120 to discuss arrangements.

### 6. ASX LISTING

The Company will apply to ASX Limited (ASX) for the Placement Shares to be admitted to official quotation. The Placement Shares are being issued to you in reliance on section 708A(5) of the Corporations Act. The Company will be providing the ASX with a notice in accordance with section 708A (5)(e) of the Corporations Act on the date of issue of the Placement Shares. This Offer will not and need not be made by way of any disclosure document. The Company has represented that it will satisfy the criteria required under the Corporations Act to permit you to transfer and on-sell the Placement Shares without restriction following allotment of the Placement Shares.

### 7. FEES

No fees are payable to you in connection with Placement Shares.

**8. CONFIDENTIALITY**

You must treat any confidential information provided to you in relation to the Company and the offer as strictly confidential and not to disclose it to any other person. You must not purchase or sell any shares or other securities in the Company or procure another person to do so if such conduct would constitute a breach of the insider trading provisions of the Corporations Act.

**9. OFFER PERSONAL**

This offer is personal to you and does not constitute an offer to any other person. You may not deal in any manner with your Placement Shares or the rights or obligations under this offer without the prior written agreement of the Company.

**10. REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGEMENTS**

By participating in the offer and accepting the offer of Placement Shares, you warrant the matters set out in **Annexure A** for the benefit of the Company, FSB and each of their respective related bodies corporate and their respective officers, employees and advisers, and any person acting on behalf of any of them (together the **Beneficiaries**).

In entering into the arrangements contemplated by this letter the Beneficiaries are relying on the representations, warranties and acknowledgements provided by you.

**11. ENTIRE AGREEMENT**

This letter (together with Annexure A and your Firm Allocation Acceptance Form) constitutes the entire agreement between us as to this offer and your participation in it. Any variation of the terms of this offer must be in writing signed by each of us.

Yours Sincerely

FOSTER STOCKBROKING PTY LTD



**Mark Hinsley**  
Head of Equity Capital Markets

**DISCLAIMER & DISCLOSURE OF INTEREST**

FSB and their directors and/or employees, make no recommendation as to whether you should participate in the Placement by lodging the attached Firm Allocation Acceptance Form in response to the offer nor do they make any recommendation or warranty to you concerning the shares or accuracy, reliability or completeness of the information provided or the performance of the Company.

This offer is intended to provide background information only and does not purport to make any recommendation that any securities transaction is appropriate to your particular objectives, financial situation or particular needs. Prior to making any investment decision, you must assess, or seek advice or make your own assessment and investigation of the opportunity and should not rely on any statement or the adequacy or accuracy of the information provided by FSB. The information provided does not purport to cover all relevant information about any potential investment in the Company. Accordingly, potential investors are advised to seek appropriate independent advice, if necessary, to determine the suitability of this investment.

Shares of small to mid-sized companies typically involve a higher degree of risk and more volatility than securities of larger more established companies. As such, an investment in the Company must be considered as speculative.

FSB and its directors and persons associated with them may have an interest in the securities of the Company and may earn brokerage, commissions, fees and other benefits and advantages in connection with making of a recommendation or a dealing by you in these securities. Additionally you should be aware that our Property Authority holders may be remunerated by way of commission.

FSB and its directors and staff may hold securities in the company and may participate in the Placement. FSB may also participate as principal in the Placement.

## ANNEXURE A

### YOUR REPRESENTATIONS

By participating in the Offer and accepting the offer of Placement Shares, you warrant for the benefit of the Company, FSB and each of their respective related bodies corporate and their respective officers, employees and advisers, and any person acting on behalf of any of them (together the Beneficiaries) as follows:

- a) you and each person, if any, for whom you are acquiring Placement Shares that is a resident of Australia, is either:
  - i. a "sophisticated investor" under section 708(8) of the Corporations Act;
  - ii. a "professional investor" under section 708(11) of the Corporations Act; or
  - iii. a person who has obtained this Offer through a financial services licensee in accordance with, and in compliance with, section 708(10) of the Corporations Act;
- b) you confirm that your acceptance of the offer of Placement Shares and your performance of the obligations under this Offer complies with the requirements of all relevant laws and regulations of Australia (including the requirements of the *Foreign Acquisitions and Takeovers Act 1975* (Australia)) and any other applicable jurisdiction;
- c) you will not offer, sell or pledge any Placement Shares in the United States of America or to any person acting for the account of any U.S. person until the Placement Shares are registered under the Securities Act of 1933, as amended (Securities Act) (which the Company has no obligation to do) unless the Placement Shares are offered, sold or pledged in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and the laws of any state or other jurisdiction in the United States of America;
- d) you are purchasing the Placement Shares for your account or for the account of one or more persons for investment purposes only and not with a view to resale or distribution. Neither you nor any other person for whose account you are purchasing the Placement Shares has any intention to distribute either directly or indirectly any of Placement Shares in the United States of America;
- e) you have sufficient knowledge and experience in financial matters and expertise in assessing credit and all other relevant risks, and you are capable of independently evaluating the merits of investment in the Company's securities;
- f) you have independently evaluated and conducted an appropriate analysis of, the merits and risks of a purchase of the Placement Shares for yourself and each other person, if any, on whose account you are acquiring any Placement Shares and you have determined that the Placement Shares are a suitable investment for yourself and each other person, if any, for whose account you are acquiring any Placement Shares, both in the nature and the number of the Placement Shares being acquired;
- g) you have not relied upon any act, investigation, research, recommendation or representation made by FSB or any person acting on behalf of FSB;
- h) if you are in the United States, you are a "qualified institutional buyer", as such term is defined in Rule 144A under the U.S. Securities Act of 1933 as amended (a "QIB") and are acquiring the Placement Shares for your own account or as a fiduciary agent for one or more of the other QIBs for whom you are authorised to act and as to which you have and are exercising investment discretion;
- i) you are aware that publicly available information about the Company can be obtained from the Australian Securities and Investments Commission (including its web site at <http://www.asic.gov.au>), the ASX (including its web site at <http://www.asx.com.au>) and that certain publicly available information about the Company can be obtained from the Company's web site;
- j) you have obtained your own advice regarding the tax consequences in any jurisdiction of purchasing, owning or disposing of any Placement Shares;
- k) you acknowledge that except for any liability that cannot be excluded by law, FSB does not make any warranty or representation as to the accuracy or completeness of any information given to you or which is publicly available, and that FSB excludes and disclaims all liability (including but not limited to negligence) for any expense, loss or damage or cost that may be incurred by you or any other person as a result of the information being inaccurate or incomplete in any way for any reason;
- l) you are not a Related Party (as defined in section 228 of the Corporations Act) of the Company and you are not an Associate (as defined in Division 2 of Part 1.2 of the Corporations Act) of the Company; and
- m) if you are acquiring any Placement Shares for an account of one or more persons, you have full power to make the above warranties on behalf of each such person and you will take reasonable steps to ensure that each such person will comply with its obligations under this Offer.

**LIQUEFIED NATURAL GAS LTD  
FIRM ALLOCATION ACCEPTANCE FORM**

**THIS FORM MUST BE RETURNED BY NO LATER THAN  
4PM (AEST) FRIDAY 2 MAY 2014**

To: Foster Stockbroking Pty Ltd  
Facsimile: (02) 9221 1031; Email: kate.duffield@fostock.com.au

Our Ref: 1

We accept your Offer to subscribe for the Firm Allocation Shares in the Company on the terms and set out in your Offer dated 2 May 2014 and as summarised below:

Name	Fairview Capital
Firm Allocation of Shares	33,000,000
Application Price	A\$0.55/sh
Dollar Amount (A\$)	\$18,150,000.00

We unconditionally agree to be bound by all the terms set out in your Offer dated 2 May 2014 and upon acceptance we agree to be irrevocably bound to subscribe for the Firm Allocation Shares.

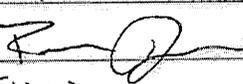
**PLEASE COMPLETE AND SIGN BELOW**

**REGISTRATION DETAILS:**

Applicant: please print full name	Fairview Capital
Contact Name:	Ramsey B. Tishi
Telephone: 415-464-4640	Facsimile: 415-464-0290
E-mail Address: ramsey@darlingtonlp.com	
Address: 300 Drakes Landing Rd #200 Arcata, CA 95521	

**DETAILS OF AUTHORISED SIGNATORY:**

Signed for on behalf of the Applicant by a duly authorised representative of the Applicant

Name: (please print full name)	Ramsey B. Tishi
Title: Member	Signature: 
Organisation: Fairview Capital	Date: 5/2/2014

**FOSTER STOCKBROKING CONTACT**

Contact Name: Kate Duffield  
Phone: 02 9993 8120  
Fax: 02 9221 1031  
E-mail address: kate.duffield@fostock.com.au