



ASX/MEDIA RELEASE

7 November 2014

**BEAR HEAD LNG FILES EXPORT APPLICATION WITH THE
CANADIAN NATIONAL ENERGY BOARD**

Liquefied Natural Gas Limited (**ASX:LNG; OTC ADR:LNGLY**) wishes to announce that its wholly owned subsidiary, Bear Head LNG Corporation (**Bear Head LNG**) has filed an application with Canada's National Energy Board (**NEB**) for an export license for up to 12 million tonnes per year of liquefied natural gas.

Please refer to the Media Release on the following pages for more information.

For further information contact:

Mr Maurice Brand
Managing Director/ CEO

Mr David Gardner
Company Secretary

Mr Andrew Gould
Group Development Manager

Liquefied Natural Gas Limited
Level 1 10 Ord Street, West Perth WA 6005
Telephone: +61 8 9366 3700 **Facsimile:** +61 8 9366 3799
Email: LNG@LNGLimited.com.au
Web site: www.LNGLimited.com.au

Disclaimer

Forward-looking statements may be set out within this correspondence. Such statements are only predictions, and actual events or results may differ materially. Please refer to our forward-looking statement disclosure contained on our website at www.LNGLimited.com.au. For a discussion of important factors which could cause actual results to differ from these forward-looking statements, please refer to LNG Limited's Annual Report and Accounts. LNG Limited does not undertake any obligation to update publicly, or revise, forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.



News Release– Nov. 6, 2014

Bear Head LNG files export application with the Canadian National Energy Board

HALIFAX, Nova Scotia – Bear Head LNG Corporation (Bear Head LNG), a wholly owned subsidiary of Liquefied Natural Gas Limited, has filed an application with Canada’s National Energy Board (NEB) for an export licence for up to 12 million tonnes per year (mtpa) of liquefied natural gas (LNG), Chief Operating Officer and Project Director John Godbold announced today. The Application also seeks a licence to import up to 503 billion cubic feet (Bcf) of natural gas annually from the United States. “At this point, all of our major Canadian governmental approvals are in place or applications are before the regulators. Our NEB filing represents a major milestone for the Bear Head LNG project,” Mr. Godbold said.

Bear Head LNG is seeking licences to import natural gas from the United States and export LNG from Nova Scotia for a 25-year term. Under the NEB filing, exports would be authorized at 8 mtpa beginning in 2019, increasing to 12 mtpa in 2024 depending on market and supply conditions. Natural gas from producing basins in both Canada and the United States, potentially including the Marcellus shale, provide options for natural gas supply to the facility. Bear Head LNG had initially proposed start-up production of only 4 mtpa of LNG, stepping up to 8 mtpa in 2021 and 12 mtpa in 2024. Ian Salmon, Chief Financial Officer and Chief Commercial Officer, said the decision to expand the initial capacity of the facility was based on market response and gas supply projections. “The market is stronger than we anticipated and we are well-positioned to meet customer needs,” said Mr. Salmon.

Bear Head LNG retained Roland Priddle, former Chair of the NEB, to assess if the project’s proposed export volumes are surplus to reasonably foreseeable Canadian requirements. Mr. Priddle’s report notes that the NEB’s “confidence in Canadian and North American gas resource has been well placed, continental production has expanded dramatically and Canadians have continued to be able to meet their gas requirements in an entirely satisfactory manner at prevailing market prices.” Mr. Priddle also suggests that the Nova Scotia and Maritimes natural gas market could benefit from projects anchoring large-volume incremental supplies of natural gas. “In this connection, the Bear Head LNG project, because of its major gas requirements, could be the catalyst for a more effective Maritimes gas market functioning.”

A separate study conducted by Ziff Energy for Bear Head LNG concludes export proposed by Bear Head LNG “will not cause Canadians any difficulty in meeting their natural gas requirements at fair market prices during the forecast period.” The Ziff Energy report also stated that that “Canada and the US have productive natural gas potential resources in excess of projected demand during the forecast period.”

Bear Head LNG already has 12 permits in place to build an LNG import facility, including an approved Environmental Assessment (EA); permits to construct a gas plant facility from Nova Scotia Environment (NSE) and the Nova Scotia Utility and Review Board (UARB); and a Development Permit from the municipal government in Richmond County. Modifications for the conversion from an LNG import to export facility were the subject of regulatory filings presented to the UARB and NSE on Oct. 31.

The prior owners of Bear Head LNG spent more than \$100 million to design, and complete engineering work and site construction of the Bear Head LNG site in the early 2000s. Since then, it has maintained the facility in “hot-idle” status. Site preparedness will enable Bear Head LNG to fast-track development of the facility. “With the existing permitting and the construction that was already initiated, we have a material head start of six- to 12-months against competing LNG projects,” said Mr. Godbold.

The Bear Head LNG site is located on the Strait of Canso near Point Tupper, Richmond County, Nova Scotia, which is about half the shipping distance to major European markets compared to U.S. Gulf ports. The location puts Bear Head LNG closer than its North American competitors, including those in British Columbia, to burgeoning natural gas markets in India. Bear Head LNG is being developed on a 255-acre site comprising industrial-zoned land (180 acres) and deep-water acreage (75 acres).

Bear Head LNG is a wholly-owned subsidiary of LNGL. LNGL, based in Perth, Australia, is also developing the 8 mtpa Magnolia LNG project at Lake Charles, Louisiana, using LNGL's highly efficient and patented OSMR® technology (Project). LNGL purchased 100% of the stock and assets of Bear Head LNG on 27 August 2014 from Anadarko Petroleum Corporation (Anadarko) for US\$11 million. A final investment decision on the Bear Head LNG project is expected in late 2015 to 2016.

-30-

For further information, contact:

email: Info@BearHeadLNG.com

phone: 011-902-425-1600 (Calls from within North America)

011-902-425-1600 (International calls)

www.BearHeadLNG.com

Forward-looking statements may be set out within this News Release. Such statements are only predictions, and actual events or results may differ materially. Please refer to our forward-looking statement disclosure contained on our website at www.LNGLimited.com.au. For a discussion of important factors which could cause actual results to differ from these forward-looking statements, please refer to LNG Limited's Annual Report and Accounts. LNG Limited does not undertake any obligation to update publicly, or revise, forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.