

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Liquefied Natural Gas Limited (“LNGL”)

ABN

19 101 676 779

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|---|---|
| 1 +Class of +securities issued or to be issued | July 1, 2015 Unlisted Performance Rights (“ 2015 Performance Rights ”)

July 1, 2017 Unlisted Retention Rights (“ 2017 Retention Rights ”)

July 1, 2018 Unlisted Incentive Rights (“ 2018 Performance Rights ” and “ 2018 Retention Rights ”). |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,244,449 - 2015 Performance Rights lapsed.

839,750 - 2017 Retention Rights partially vested and Ordinary Shares issued.

3,114,000 - 2018 Performance Rights issued

2,076,000 - 2018 Retention Rights issued |

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>3,420,194 2015 Performance Rights were granted to Executives and Staff in 2015. 1,175,745 of these 2015 Performance Rights were previously forfeited due to staff departure. The remaining 2,244,449 2015 Performance Rights lapsed due to the Performance Measures not being achieved.</p> <p>These measures related to: (i) the Company's Total Shareholder Return (TSR) relative to the Total Shareholder Return of the All Ordinaries Index); and (ii) financial close in relation to financing the Magnolia LNG Project and Bear Head LNG Project during the measurement period (July 1, 2015 to June 30, 2018).</p> <p>2,082,000 2017 Retention Rights were granted to Executives (other than the MD/CEO) and Staff in 2017. 402,500 of these 2017 Retention Rights were previously forfeited due to staff departure. One-half of these 2017 Retention Rights (839,750) vested and converted into Ordinary Shares at June 30, 2018 pursuant to the grant terms and conditions.</p> <p>640,000 2017 Retention Rights were granted to the MD/CEO in 2017. These 2017 Retention Rights all have a vesting date of June 30, 2020 and are governed by the terms and conditions of that grant.</p> <p>3,114,000 2018 Performance Rights were granted to Executives (other than the MD/CEO) and Staff on July 1, 2018 and will partially or fully vest if the Company's total shareholder return (TSR) is greater than 100% of the TSR of the All Ordinaries Accumulation Index ("XAOAI") (with 25% vesting at 100% and full vesting achieved at 200% and the percentages calculated using linear interpolation for relative TSR between 100% and 200%) at the end of the measurement period, June 30, 2021. The percentage is capped at 50% in the event Company's TSR is negative. The grant price, based on the 30-day VWAP of Liquefied Natural Gas Limited's Ordinary Shares ending June 30, 2018, was A\$0.52. The XAOAI price at June 30, 2018 was 62,434.9.</p> <p>960,000 2018 Performance Rights were earmarked for grant to the MD/CEO on July 1, 2018. The grant of these 2018 Performance Rights are subject to an affirmative shareholder vote at the 2018 Annual General Meeting.</p>
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+ See chapter 19 for defined terms.

If granted, these 2018 Performance Rights will vest consistent with the terms and conditions outlined in the immediately preceding paragraph.

2,076,000 2018 Retention Rights were granted on July 1, 2018, and will vest 50% on the first anniversary of the grant date and 50% on the second anniversary of the grant date provided that participant remains employed on each respective vesting date.

640,000 2018 Retention Rights were earmarked for grant to the MD/CEO on July 1, 2018. The grant of these 2018 Retention Rights are subject to an affirmative shareholder vote at the 2018 Annual General Meeting. If granted, these 2018 Retention Rights will vest on June 30, 2021 if the MD/CEO remains employed on June 30, 2021 or on a pro rata basis consistent with the terms and conditions of the grant.

- 4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes, the vested 2017 Retention Rights rank equally in all respects from the issue date with other outstanding shares of Liquefied Natural Gas Limited's Ordinary Shares.

The 2018 Performance Rights and the 2018 Retention Rights are not listed and do not carry a right to vote, receive dividends or generally participate in other corporate actions.

- 5 Issue price or consideration

There was no consideration paid by the holders of the vesting 2017 Retention Rights on the vesting date.

The Ordinary Shares issued pursuant to the 2017 Retention Rights vesting had a fair market value of A\$0.58/share on the vesting date.

6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>The 2015 Performance Rights granted in 2014 described in this Appendix 3B lapsed on terms summarized in the 2015 Notice of Annual General Meeting.</p> <p>The terms and conditions of the 2017 Retention Rights granted in 2017, which partially vested at June 30, 2018, are summarized in the 2017 Notice of Annual General Meeting.</p> <p>5,190,000 Incentive Rights, consisting of the 2018 Performance Rights and 2018 Retention Rights, respectively, granted at July 1, 2018 were issued as long-term incentives in accordance with the Company's Remuneration Policy.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No.
6b The date the security holder resolution under rule 7.1A was passed	n/a
6c Number of +securities issued without security holder approval under rule 7.1	n/a
6d Number of +securities issued with security holder approval under rule 7.1A	n/a
6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	n/a
6f Number of +securities issued under an exception in rule 7.2	n/a
6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	n/a

+ See chapter 19 for defined terms.

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

n/a

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

Not applicable as the Company is no longer an eligible entity.
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7 +Issue dates
 Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
 Cross reference: item 33 of Appendix 3B.

2017 Retention Rights converted to Ordinary Shares on July 5, 2018.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	570,986,206	Ordinary Shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	16,722,273	Incentive Rights (Performance Rights and Retention Rights)

10 Dividend Policy (in the case of a trust, distribution policy) on the increased capital (interests)

No dividends are currently paid to outstanding Ordinary Shares
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Part 2 - Pro rata issue

11 Is security holder approval required?

Part 2 is not applicable.

12 Is the issue renounceable or non-renounceable?

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13 Ratio in which the +securities will be offered

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- | | | |
|----|---|--|
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | <p>Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | |

+ See chapter 19 for defined terms.

26 Date entitlement and acceptance form and offer documents will be sent to persons entitled

27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders

26 Date entitlement and acceptance form and offer documents will be sent to persons entitled

27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders

28 Date rights trading will begin (if applicable)

29 Date rights trading will end (if applicable)

30 How do security holders sell their entitlements *in full* through a broker?

31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 +Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

+ See chapter 19 for defined terms.

39 +Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Kinga Doris
General Counsel & Joint Company Secretary

Date: 10 July 2018

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+ See chapter 19 for defined terms.