



## ASX/MEDIA RELEASE

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# MAGNOLIA LNG FILES FERC APPLICATION FOR LOUISIANA EXPORT PROJECT, ACHIEVES ANOTHER SIGNIFICANT MILESTONE

### Highlights

- **Magnolia LNG Project files formal application with the U.S. Federal Energy Regulatory Commission**
- **Among leading U.S.-based LNG export projects to have completed this milestone**
- **Represents significant step towards achieving a Final Investment Decision in late 2014 and Financial Close mid-2015**
- **Completion of the FERC filing process is a critical step toward permitting and approval necessary for the Project's construction**

Liquefied Natural Gas Limited (**ASX: LNG; OTC ADR: LNGLY**) (**LNGL** or **the Company**) advises that its wholly owned subsidiary, Magnolia LNG, LLC, has filed an application with the US Federal Energy Regulatory Commission (**FERC**) seeking authorisation for the siting, construction, ownership and operation of the proposed Magnolia LNG Project. This project is located along the Calcasieu River, near Lake Charles, Louisiana, United States of America (refer to Figure 1).

The FERC filing follows extensive work performed by the LNGL and Magnolia LNG teams on Front End Engineering Design (**FEED**), pre-filing consultation and preparation of 13 draft Resource Reports for FERC. The work, which has been ongoing since early 2013, also has involved consultation with other federal, state and local agencies, such as the Louisiana Department of Environmental Quality, U.S. Department of Transportation and the U.S. Coast Guard. The FERC filing process is an established and well-defined regulatory process.

Magnolia LNG anticipates receiving all approvals during 2015. Such approvals will be a key requirement for Financial Close. Construction will commence shortly thereafter with first LNG exports planned for the second half of 2018.

The Project will provide a direct benefit for the local southwest Louisiana economy, resulting in 70 direct jobs, 175 indirect jobs and up to 1,000 jobs during the construction phase of the first two trains.

## **Managing Director and Joint CEO Comments**

The Company's Managing Director, Maurice Brand, said "This is a significant milestone for the Magnolia LNG Project, placing it among a small group of projects to have formally filed an application with FERC. We are committed to meeting all FERC safety and environmental requirements during construction and operation and anticipate Financial Close of the Project in mid-2015. The Magnolia LNG Project will bring jobs and economic growth to southwest Louisiana".

"Moving forward, FERC will prepare an Environmental Impact Statement (**EIS**) to satisfy the National Environmental Policy Act (**NEPA**) with the input of the public and other cooperating agencies. Our regulatory team looks forward to working with FERC and other agencies in this process".

"During this time, the focus of LNG Limited's and Magnolia LNG's management teams will be to deliver a bankable EPC contract and finalise legally binding Liquefaction Tolling Agreements with counterparties", said Mr Brand.

### **For further information contact:**

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**Managing Director & Joint Chief Executive Officer**

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## About Liquefied Natural Gas Limited

Liquefied Natural Gas Limited is an ASX listed company (Code: **LNG** and OTC ADR: **LNGLY**) whose portfolio consists of 100% ownership of the following assets:

- Magnolia LNG LLC (**Magnolia LNG**), a US-based wholly owned subsidiary of LNGL, which is developing an 8 million tonne per annum (mtpa) LNG export terminal, in the Port of Lake Charles, Louisiana, US;
- Gladstone LNG Pty Ltd, a wholly owned subsidiary, which is working on gas supply agreements for the **Fisherman's Landing LNG (FLLNG) Project** at the Port of Gladstone in Queensland, Australia; and
- LNG Technology Pty Ltd, a wholly owned subsidiary, which owns and develops the Company's **OSMR® LNG liquefaction process**, a mid-scale LNG business model that plans to deliver: lower capital operating costs; faster construction; and improved efficiency, relative to larger traditional LNG projects.

## About the Magnolia LNG Project

The Magnolia LNG Project is 100% owned by Magnolia LNG LLC, which is a wholly owned subsidiary of Liquefied Natural Gas Limited. The project comprises the proposed development of an 8 mtpa LNG project on a 115-acre site, in an established LNG shipping channel in the Lake Charles District, State of Louisiana, United States of America.

The development is based on the development of 4 x 2 mtpa LNG production trains using the Company's wholly owned OSMR® LNG process technology and the completed LNG plant front end engineering and design of the Company's Gladstone Fisherman's Landing LNG Project in Queensland, Australia.

The business model being adopted for the Magnolia LNG Project is to provide liquefaction services to LNG buyers who pay a monthly fixed capacity fee, plus all LNG plant operating and maintenance costs. In addition, each LNG Tolling Party is responsible for supplying and transporting gas to the Magnolia LNG Project at its own expense.

For further information on the Magnolia LNG project, please visit our website: [www.magnolialng.com](http://www.magnolialng.com).

Figure 1 – Schematic Representation of the Proposed Magnolia LNG Project at the Port of Lake Charles, Louisiana, US

