

MAGNOLIA LNG



Proposed Magnolia LNG Project - 8 MTPA

“Magnolia LNG receives overwhelming support for its Lake Charles project.”

-American Press, July 23, 2013

- U.S. Senator Mary Landrieu and U.S. Rep. Charles Boustany
- Entire Southwest Louisiana State Delegation including the Speaker of the House
- Port of Lake Charles, Calcasieu Parish Police Jury, City of Lake Charles, City of Sulphur, City of DeQuincy and Calcasieu Parish District Attorney
- SWLA Economic Development Alliance and Lake Charles Pilots Association

- **Company Name** Magnolia LNG LLC, 100% US-based subsidiary of Liquefied Natural Gas Limited, Australian publicly listed company
- **Capital Investment** An estimated \$3.5 billion capital investment on Port of Lake Charles property
- **Jobs** 65-70 direct jobs; 175 indirect jobs; 1,000 construction jobs
- **Location** Industrial Canal South Shore PLC Tract 475, approximately 115-acre site, Port of Lake Charles
- **Plant Capacity** 8 mtpa (four x 2.0 mtpa LNG trains)
- **LNG Process** Optimised SMR process (patented as OSMR[®] technology by Liquefied Natural Gas Ltd)
- **Gas Connection** Kinder Morgan Louisiana Pipeline (KMLP) which crosses property site

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Project Location





Magnolia LNG facility to be located along Industrial Canal on Port property.

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Proposed Project 3D-Layout

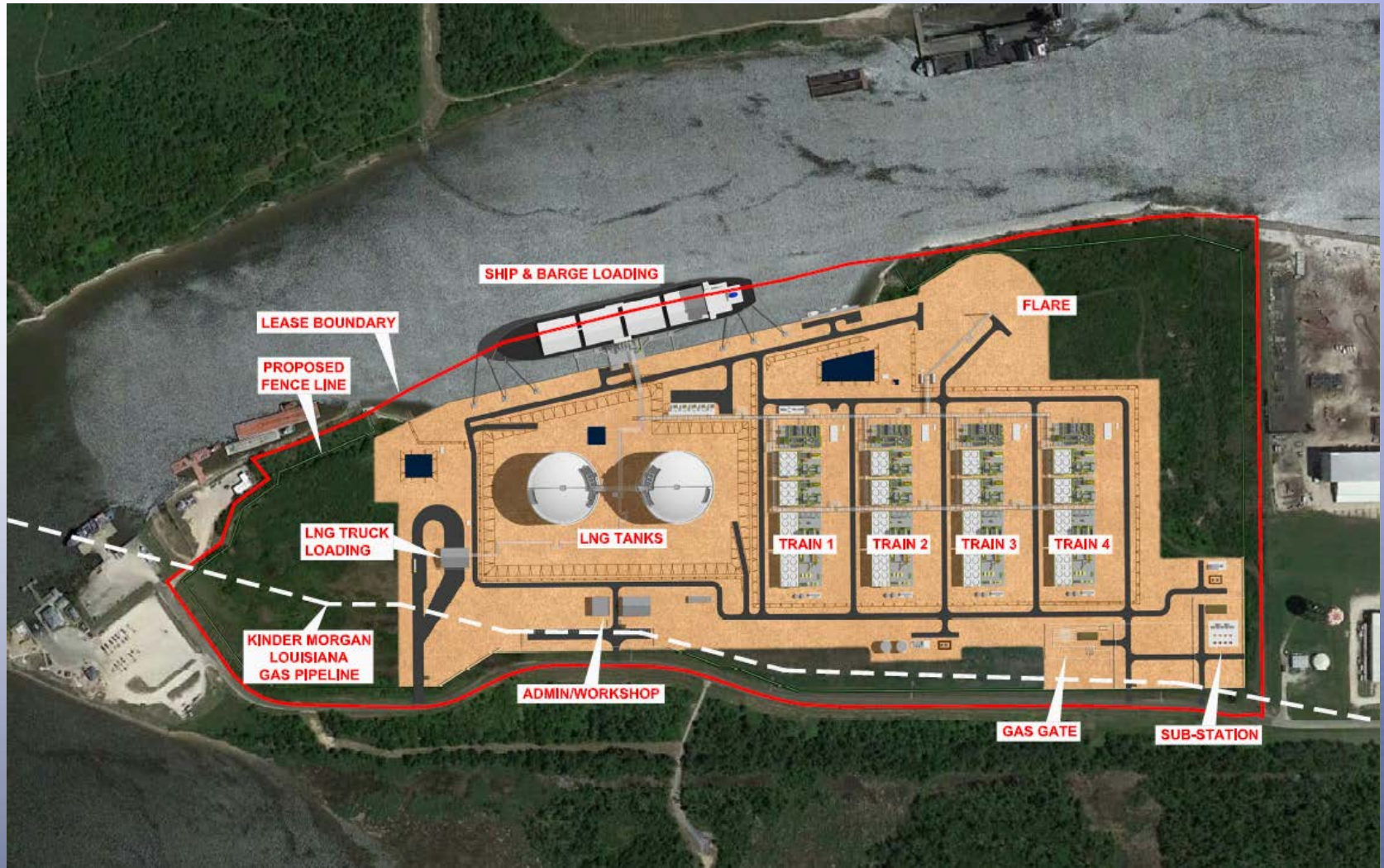


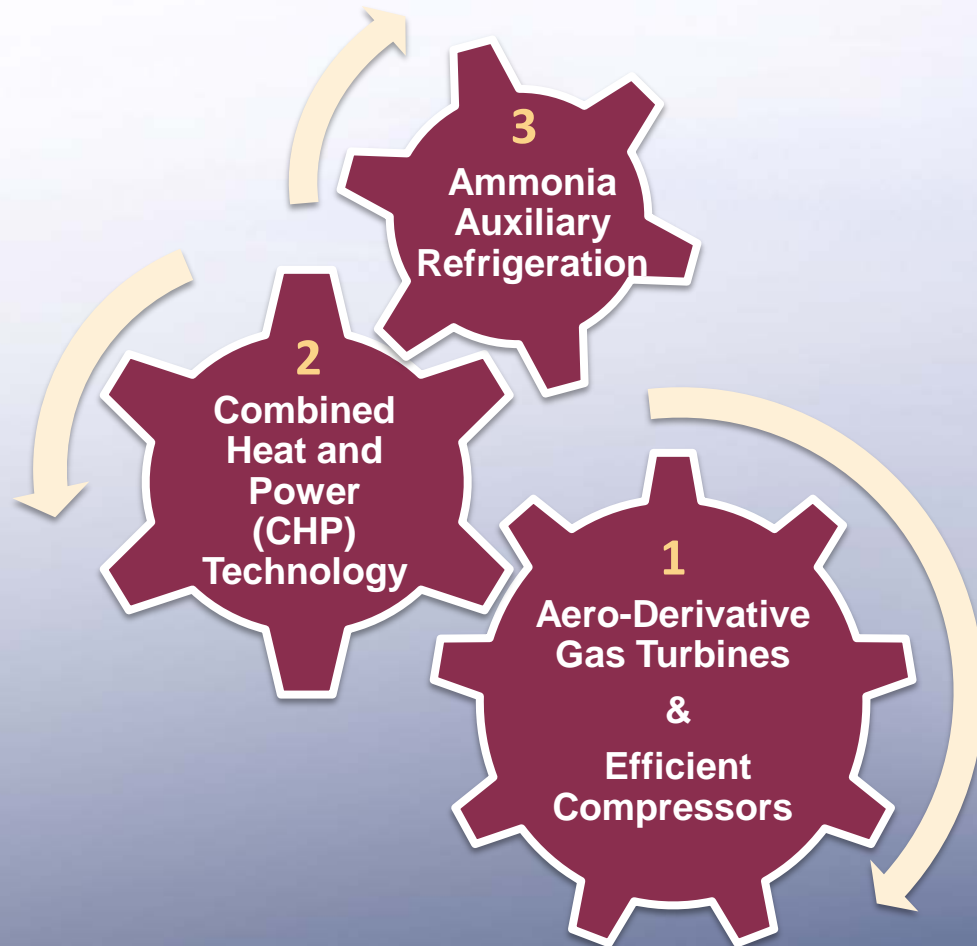
Artist's Impression of 8 mtpa Magnolia LNG facility

- **Jan 2013** Announced plans for LNG Export Facility located in Lake Charles, LA
- **Feb 2013** Received DOE approval for 4 mtpa of exports to FTA countries
- **Mar 2013** Received Federal Energy Regulatory Commission (FERC) pre-filing approval
- **Mar 2013** Signed Site Lease Option Agreement with Port of Lake Charles
- **July 2013** FERC Scoping meeting. Signed Term Sheet with Gunvor for up to 2 mtpa.
- **Aug 2014** Signed Heads of Agreement with Gas Natural Fenosa for up to 2 mtpa
- **Oct 2013** Opened office in Houston. Submitted non-FTA application to DOE. Signed \$660 million Equity Contribution Agreement with Stonepeak Partners
- **Nov 2013** Submitted draft Resource Reports to FERC. Signed Term Sheet with LNG Holdings
- **Jan 2014** Opened office in Lake Charles. Signed Precedent Agreement with KMLP
- **Feb 2014** Engaged Financial Advisor (BNP Paribas) and signed MOU for FEED/EPC (SKEC)
- **Mar 2014** Received DOE approval for additional 4 mtpa exports to FTA countries. Signed Term Sheet with AES Group
- **Apr 2014** Appointed key executive positions. Formal Application to be submitted to FERC
- **Mid-2015** Targeted commencement of construction
- **Mid-2018** Planned initial start-up of operations

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Proposed Project Site (Plot Plan)





Simplicity in design, construction and operation

- Faster construction / modular
- Proven technology
- Reduced capital cost
- Less footprint required
- Simple start-up & operation

High efficiency and low emissions

- Improved efficiency ~ 8% internal use
- Reduced emissions ~ 30%

OSMR[®] is 100% developed and owned by Liquefied Natural Gas Limited

**“...Major Steps for Magnolia LNG Project”
-LNG Global**

- In July 2013, Tolling Agreement – Term Sheet executed with Brightshore Overseas Ltd (Brightshore), an affiliate of the Gunvor Group. The Term Sheet details the key terms to be included in a proposed 20 year legally binding tolling agreement, for 1.7 mtpa of firm and 0.3 mtpa of interruptible LNG production capacity; representing 1 full train.
- In August 2013, Tolling Agreement – Heads of Agreement executed with Gas Natural SDG, S.A. (GNF). The Heads of Agreement details the key terms to be included in a proposed 20 year legally binding tolling agreement, for up to 1.7 mtpa of firm and up to 0.3 mtpa of interruptible LNG production capacity.

**“...Major Steps for Magnolia LNG Project”
-LNG Global**

- In November 2013, Tolling Agreement – Term Sheet executed with LNG Holdings Corp. The Term Sheet details the key terms to be included in a proposed 20 year legally binding tolling agreement, for 1.7 mtpa of firm and 0.3 mtpa of interruptible LNG production capacity; representing 1 full train.
- In March 2014, Tolling Agreement – Term Sheet executed with AES Latin America Development Ltd, a wholly-owned subsidiary of The AES Corporation Group for between 0.8 and 1.0 mtpa.

“Stonepeak to provide Magnolia LNG project equity.”
-Project Finance Magazine

- Stonepeak Partners LP executed Equity Contribution Agreement with Magnolia LNG LLC to provide \$660 million of project equity for the Project at financial close. It is assessed that Stonepeak will hold 50% of the Magnolia LNG project after contributing its project equity requirement.

- Ecology & Environment – Environmental Consultant
- CH-IV International – Technical Consultant
- AcuTech Group – Safety/Reliability Consultant
- Sutherland – Commercial Legal Advisor
- K&L Gates – FERC/DOE Regulatory Legal Advisor
- Winfield Little – Local Legal Advisor
- Ginger Adam Corley, LLC – Louisiana Government Consultant
- The O’Carroll Group – Public Relations and Marketing
- Providence Shipping Group – Marine Consultant
- BNP Paribas – Financial Advisor
- SKEC – FEED/EPC Contractor
- AON – Insurance Advisor



Contact Us

Maurice Brand

President

+61 417 194 678

Ernie Megginson

VP-Project Development

+1 (713) 815-6910

Website: www.magnolialng.com

Email: emegginson@magnolialng.com

Address: 1001 McKinney, Suite 400, Houston, TX 77002

One Lakeshore Drive, Suite 1810, Lake Charles, LA 70629