



ASX/MEDIA RELEASE

18 AUGUST 2014

MAGNOLIA LNG WELCOMES US DOE FINAL REVISED PROCEDURES TO AUTHORISE LNG EXPORTS TO NON-FTA COUNTRIES

The Directors of Liquefied Natural Gas Limited (**Company**) are pleased to advise that the United States Department of Energy (**DOE**) has revised procedures for processing applications to export LNG to non-Free Trade Agreement (Non-FTA) countries. Details were posted on the US government's Federal Register website on Friday 15 August 2014 and can be found using the following link: www.federalregister.gov/a/2014-19364

Magnolia LNG, LLC, a wholly owned subsidiary of the Company, plans to export 8 million tonnes per annum (**mtpa**) of LNG, from its proposed LNG project site at the Port of Lake Charles, Louisiana (**Magnolia LNG Project**). As at the date of the DOE announcement, the Company has approval to export 8 mtpa of LNG to Free Trade Agreement (**FTA**) countries. DOE's 15 August revised procedures apply only to pending long term Non-FTA LNG export applications. As previously reported, Magnolia LNG filed its application with the DOE in October 2013, to export 8 mtpa to Non-FTA countries and that application is currently pending with the agency.

Securing Non-FTA approval will allow the Company's proposed LNG Toller's to export their LNG to all major global LNG markets.

Managing Director Maurice Brand said "DOE reiterates that the procedural changes will enable it to focus on projects that are more likely to advance to commercial operation, referencing commencement and continued progress through and completion of the National Environmental Policy Act (NEPA) process as an indicator. Importantly, focusing on these real projects will aid DOE in assessing cumulative market and other impacts. By placing the most viable projects first based on objective factors like the completion of the robust NEPA review, DOE's new procedures ensure that such projects are not disadvantaged by the creation of an artificially high cumulative non-FTA export volume from projects that have not made significant progress towards securing authorisation for the physical export facilities".

"Magnolia LNG is well advanced in the NEPA process at FERC. Based on the current state of the regulatory review, we expect to receive the draft Environmental Impact Statement (DEIS) in 2014, and the Final Environmental Impact Statement (FEIS) likely will issue approximately 4 months after the DEIS. With today's announced final revised DOE process, Magnolia LNG is confident that it will advance more quickly to its Non-FTA authorisation because the trigger for commencement of the Non-FTA process now is based on completion of the FERC NEPA process, rather than the old queue," said Mr Brand.

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