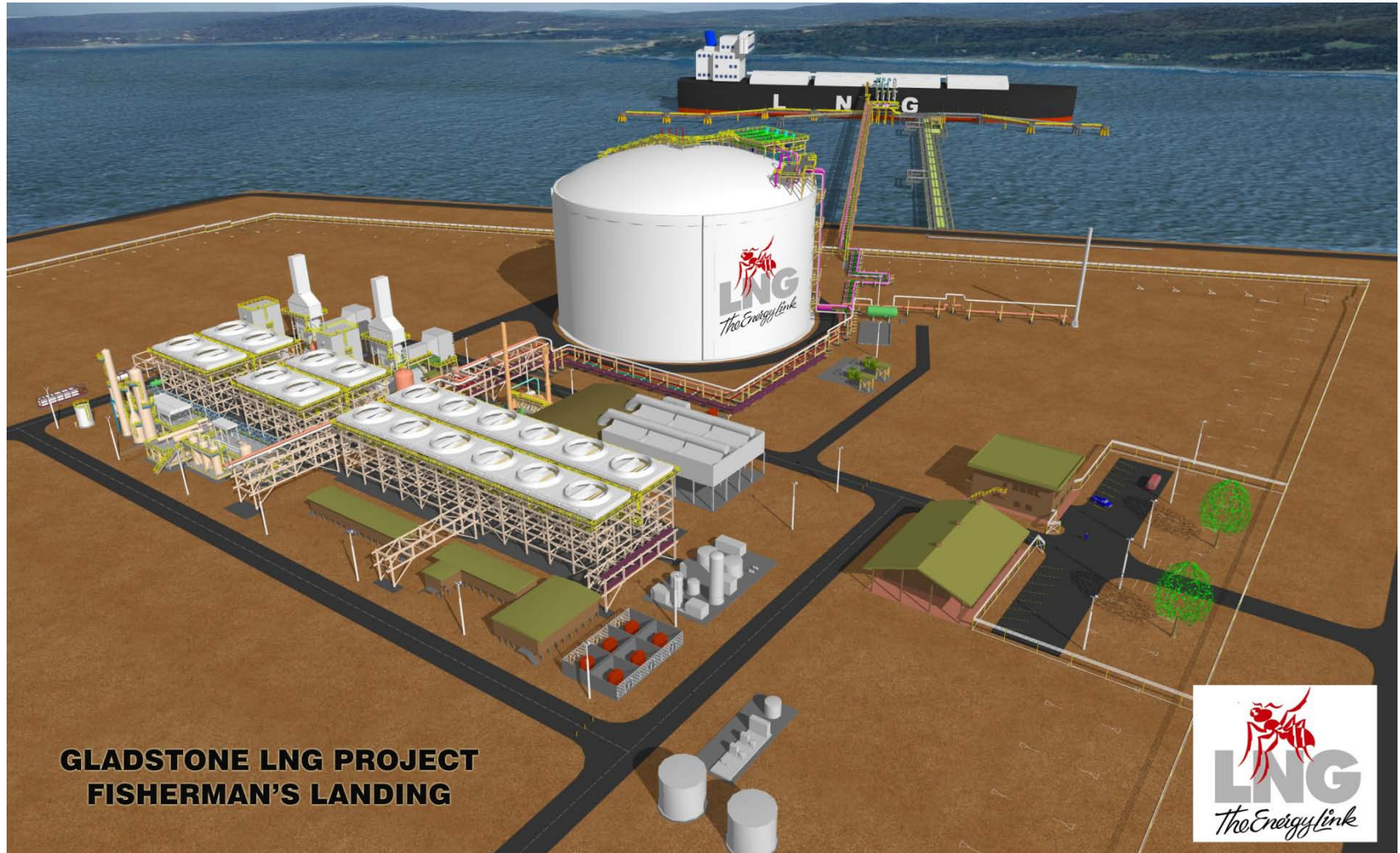


Gladstone LNG Project “Fisherman’s Landing”

A Shared Vision of HQCEC and LNG Limited



**GLADSTONE LNG PROJECT
FISHERMAN'S LANDING**



Corporate Presentation: 30 May 2011

LNG Ltd - Corporate Overview

“Post HQCEC Transaction”

- ▶ **ASX Code:** LNG
- ▶ **Market Cap.:** A\$ 120 million (267 million shares at A\$ 0.45 / share)
- ▶ **Cash Reserves:** A\$ 30.3 million (as at Placement, no debt)
- ▶ **Top 5 Shareholders:** 45.12% ownership
- ▶ **Major Shareholders:**
 - HQCEC (19.91%)
 - Copulos Group (10.09%)
 - Dart Energy Limited (5.37%)
 - P W Bridgwood (4.97%)
 - F M Brand (4.77%)
- ▶ **Key Messages:**
 - 100% owner of the Gladstone LNG Project
 - Strategic Partner with global expectations for LNG
 - Endorsement of business model and technology
 - HQCEC committed to deliver Gladstone LNG Project
 - Tight Capital Structure
 - Directors' commitment to shareholder value
 - Strong and experienced board and executives

HQCEC Transaction

Remaining Conditions Precedent

- ▶ HQCEC receiving approval from the Ministry of Commerce and the National Development and Reform Commission of the People's Republic of China
- ▶ LNG Ltd obtaining shareholder approval (at General Meeting, 7 June 2011)

Key Points

- ▶ HQCEC to subscribe for 53,250,000 shares (~19.9%) in LNG Ltd
- ▶ Appointment of **Madam Wang Xinge** as an Executive Director and Co Chief Executive Officer of LNG Ltd, to work with the existing Managing Director/Chief Executive Officer, Maurice Brand. Madam Wang is currently a Senior Vice President of HQCEC, responsible for the international global operations of HQCEC
- ▶ Appointment of **Mr Zhang Gaowu** as a Non-Executive Director to the Board of LNG Ltd. Mr Zhang is the Deputy Director of Finance & Asset Management Division of HQCEC
- ▶ CNPC (or affiliate) as potential LNG off-taker and arranger of project funding

Who is China Huanqiu Contracting & Engineering Corporation (HQCEC)?

- ▶ Wholly owned by CNPC, with over 9,500 employees
- ▶ Technology focussed engineering, procurement, construction, consulting, R&D, manufacturing and project management group
- ▶ HQCEC has delivered more than 2,000 projects over its 50 years of operation
- ▶ Executed and delivered Guangdong LNG receiving terminal; Jiangsu LNG receiving terminal near Shanghai; Dalian LNG receiving terminal; and likely EPC contractor for the Tangshan LNG receiving terminal near Beijing
- ▶ EPC contractor for the Ansai LNG plant (500,000 tpa) in China using own technology

Who is China National Petroleum Corporation (CNPC)?

- ▶ China's largest oil (54% share) and gas (82% share) producer and supplier
- ▶ Top 5 global oil and gas company, with over 1.6 million employees
- ▶ Ranked 10 in revenue amongst 2010 Fortune Global 500 companies
- ▶ Oil and gas assets and interest in 29 countries and presence in almost 70 countries
- ▶ Businesses covering petroleum exploration & production, natural gas & pipelines, refining & marketing, oilfield services, engineering construction, equipment manufacturing, R&D, capital management, finance and insurance services

Gladstone LNG Project “Fisherman’s Landing”

Project Description

- ▶ 3 mtpa LNG Plant to be located on Fisherman’s Landing, an existing reclaimed site on the mainland, Port of Gladstone. Project utilises existing Berth #5 and other port infrastructure. Key approvals and licences in place
- ▶ HQCEC actively supporting LNG Ltd’s gas supply plan
- ▶ HQCEC to provide proposal for the EPC Contract for the LNG Plant
- ▶ CNPC (or affiliate) to potentially be appointed LNG off-taker and arranger of project funding

Shared Vision

- ▶ Gladstone LNG Project “Fisherman’s Landing” to showcase the capabilities of HQCEC and LNG Ltd

Project Schedule Targets

- ▶ Finalise gas supply arrangements
- ▶ Re-commence construction
- ▶ 30 month construction schedule
- ▶ Capable of commencing LNG production in late 2014



Key Milestones (1st Half 2011)

- ▶ 27 Jan 2011: Placement & Strategic Partner Term Sheet signed by LNG Ltd and HQCEC
- ▶ 25 Feb 2011: Environmental Approval granted for ~ 20 km gas spur pipeline from Callide to Fisherman's Landing (520 TJ/day capacity)
- ▶ 22 Mar 2011: LNG Ltd signed Pre-FEED Study Agreement with Jemena, to evaluate the expansion capacity of the existing Jemena's Queensland Gas Pipeline, to transport gas from the Wallumbilla Gas Hub to the Callide Gas Hub at Gladstone
- ▶ 22 Mar 2011: Petroleum Facility Licence granted
- ▶ Mar 2011: Confirmation that dredging/ reclamation program received Environmental Approval (via Gladstone Port Corporation's Western Basin Dredging/ Disposal Project)
- ▶ 4 May 2011: Execution of Placement Agreement and Process Deed with HQCEC
- ▶ 13 May 2011: Extension to the "Agreement for Lease" to 30 June 2012 with Gladstone Port Corporation for Fisherman's Landing site (proposed 30 year lease)

June 2011 Targets

- ▶ 7 June 2011: Shareholders' Meeting to vote on the HQCEC transaction
- ▶ 10 June 2011: Issuance of shares and receipt of funds from HQCEC
- ▶ 10 June 2011: Submission of Jemena's Pre-FEED Study (Wallumbilla to Gladstone)
Expected outcome - ability to delivery 260 TJ/day of gas from Wallumbilla to Gladstone in second half 2014

Key Targets for 3rd Quarter 2011

▶ Commence Jemena FEED Study

- ▶ Following review of Jemena's Pre-FEED study
- ▶ Negotiate Gas Transportation Agreement between LNG Ltd and Jemena

▶ Finalise Gas Supply Arrangements

- ▶ Establish gas hubs at both Callide and Wallumbilla
- ▶ Finalise gas supply arrangements, target groups being

Curtis Island Projects

- ▶ Ramp-up gas supply (short term)
- ▶ Spot gas supply due to excess gas production at field(s)

Established Gas Producers

- ▶ Short term / long term supply

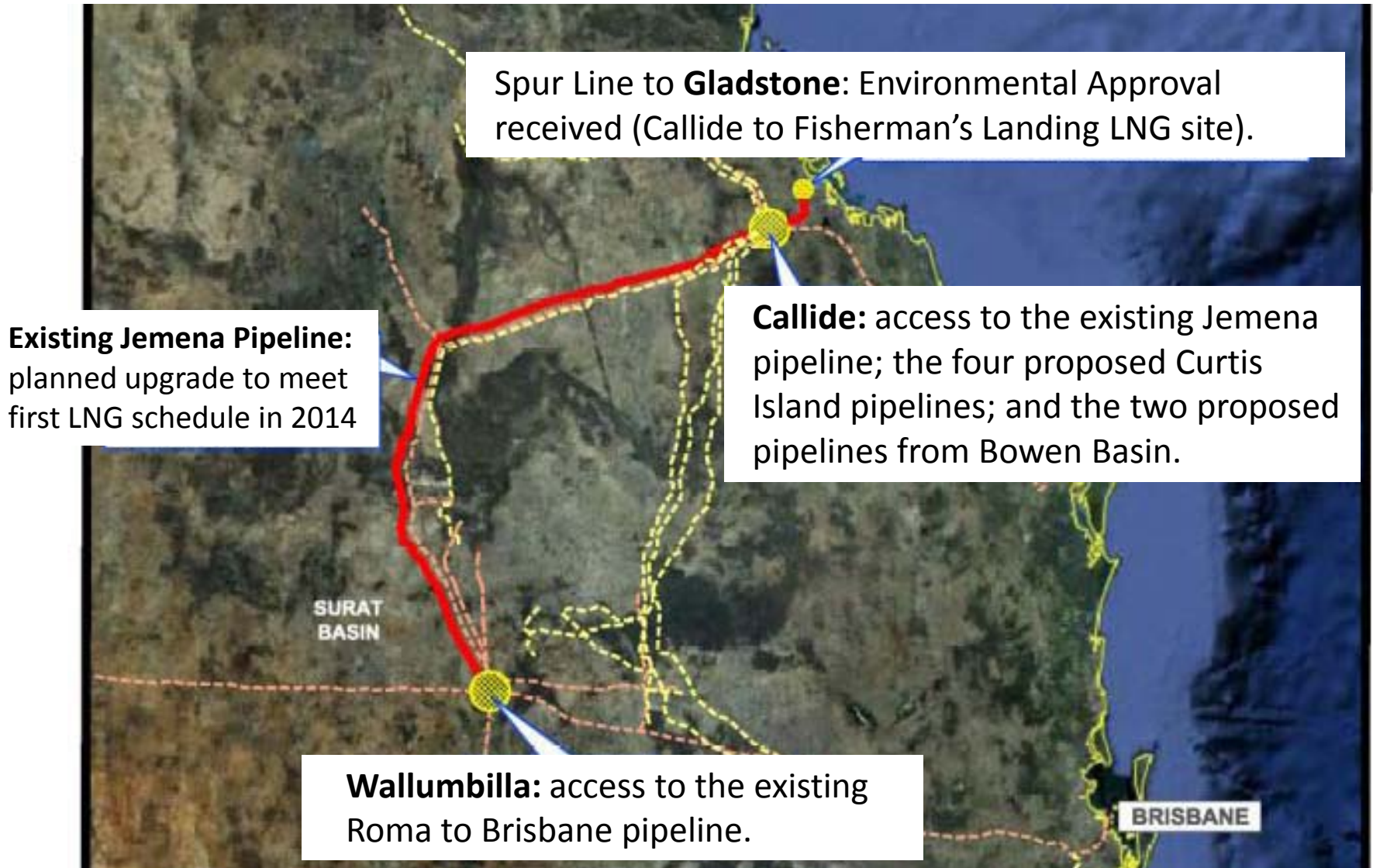
CSG Exploration Companies

- ▶ Long term supply, through gas supply agreements and/or farm-in arrangements to compliment any short term supply arrangements

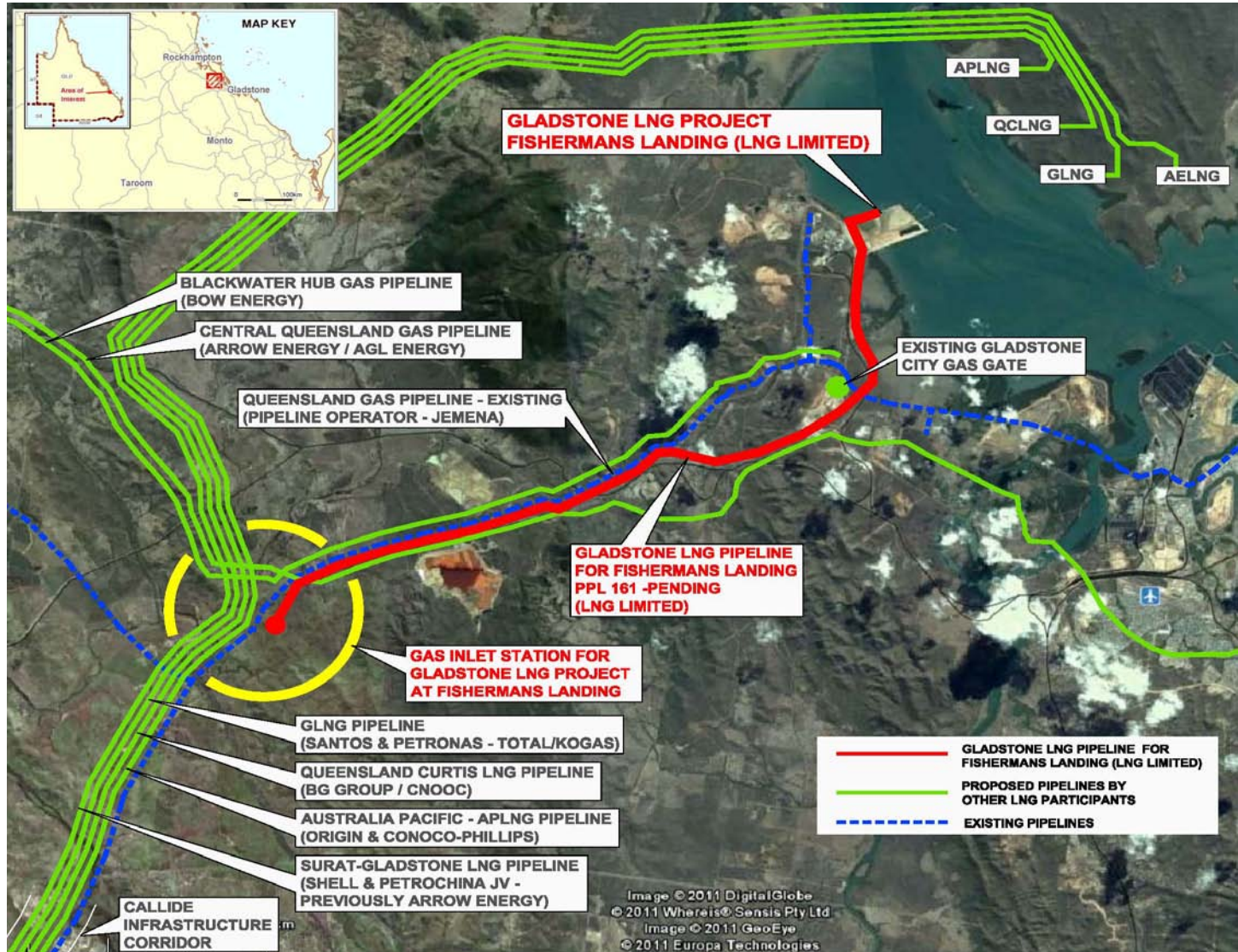
▶ HQCEC Agreements

- ▶ EPC Contract proposal from HQCEC. Cost estimate in June, proposal by Sep 2011
- ▶ Discuss LNG off-take and funding arrangements with CNPC

Gas Delivery Plan



Gladstone LNG “Spur” Pipeline



QUEENSLAND / NSW CSG COMPANIES

- ▶ **Curtis Island LNG Projects**
 - ▶ QCLNG (BG/CNOOC/Tokyo Gas)
 - ▶ GLNG (Santos / Petronas / Total / KOGAS)
 - ▶ APLNG (Origin / ConocoPhillips / Sinopec)
 - ▶ AELNG (Shell / PetroChina)
- ▶ **Established Gas Producers** (outside the Curtis LNG Projects)
 - ▶ AGL
 - ▶ Origin
 - ▶ Santos
- ▶ **Other CSG Companies such as:**
 - ▶ Bow Energy
 - ▶ Mitsui
 - ▶ Westside
 - ▶ Molopo
 - ▶ Senex Energy
 - ▶ Blue Energy
 - ▶ Metgasco
 - ▶ Eastern Star Gas

SHARE PRICE HISTORY (LNG Ltd)

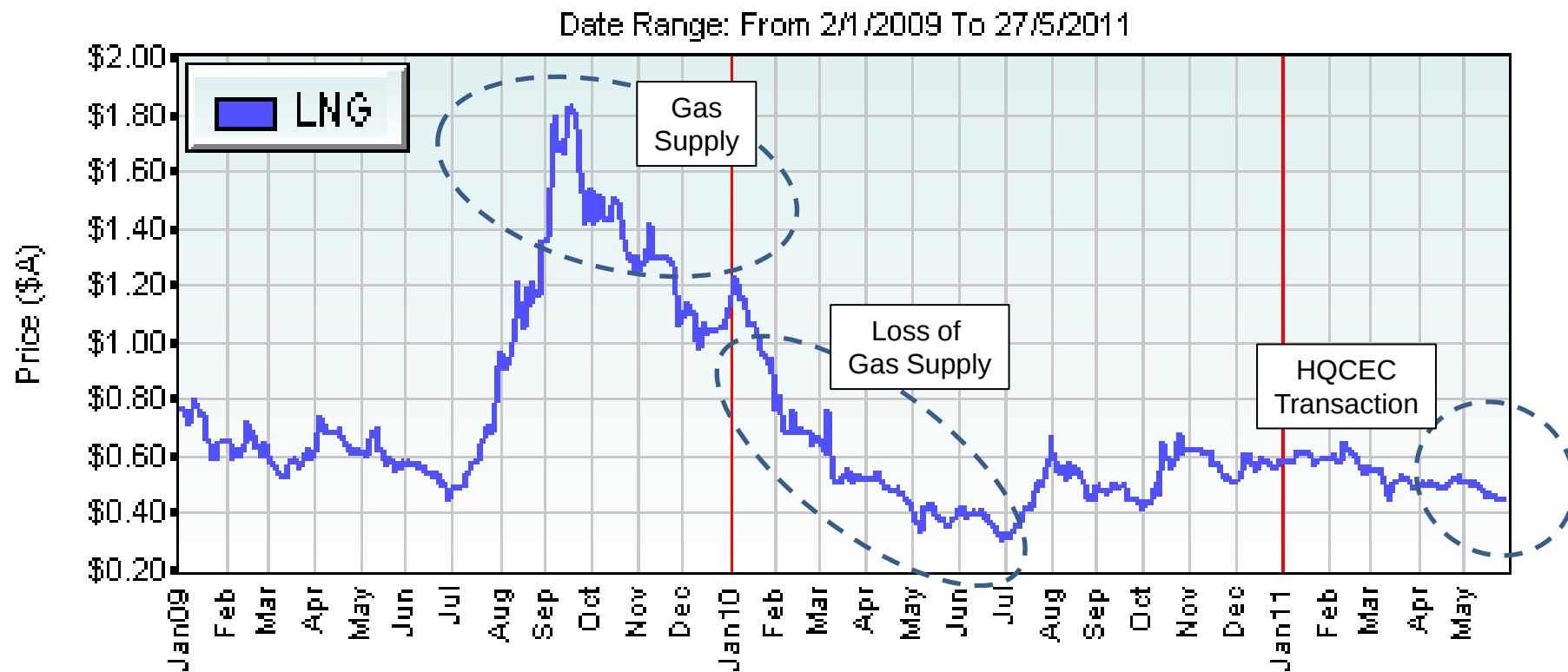


Chart by Weblink -- <http://www.weblink.com.au/>

HQCEC TRANSACTION

Major shareholding in LNG Ltd by HQCEC demonstrates

- ▶ HQCEC's confidence in LNG Ltd's OSMR® LNG process technology
- ▶ HQCEC's confidence in securing gas for the Gladstone LNG Project "Fisherman's Landing"
- ▶ HQCEC's confidence in reaching FID for the Gladstone LNG Project "Fisherman's Landing"

Shared Vision

- ▶ Gladstone LNG Project "Fisherman's Landing" to showcase the capabilities of HQCEC and LNG Ltd:
 - ▶ HQCEC to become the global LNG EPC contractor of first choice
 - ▶ LNG Ltd's OSMR® technology to become the global LNG process technology of first choice
 - ▶ CNPC potentially securing additional LNG supply for the Chinese market

HQCEC – ALWAYS BUILDS SUCCESS

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All references to dollars, cents or \$ in this document is a reference to Australian Dollars, unless otherwise stated.



Our Logo:

We chose the red ant as our logo because it is distinctive and bold and represents strength, energy, hard work and perseverance – characteristics we aim to make trademarks of our corporate culture.