



ASX/MEDIA RELEASE

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MLNG AND VGS SIGN HOA FOR SALES TO KGLNGT TERMINAL IN INDIA

Liquefied Natural Gas Ltd (**LNGL** or the **Company**) is pleased to advise that its 100% owned subsidiary, Magnolia LNG, LLC (**MLNG** or **Magnolia**), has signed a Heads of Agreement (**HOA**) with Vessel Gasification Solutions, Inc. (**VGS**) in relation to the Magnolia LNG Project, in Lake Charles, Louisiana, United States (**MLNG Project**). The non-binding HOA provides for a 20-year Free-on-Board (**FOB**) Sale and Purchase Agreement (**SPA**) of up to 4 million metric tonnes per annum (**mtpa**). The obligations of the parties are conditional upon MLNG's satisfaction with or waiver of conditions precedent including financial close of the KGLNGT terminal and satisfaction by VGS of defined credit requirements underpinning their LNG purchases within agreed timeframes.

LNG Limited's Managing Director & CEO, Mr. Greg Vesey, said, "We look forward to supplying long term volumes to the Indian market to meet their growing needs for clean energy. Overall, this agreement represents another important step forward for the MLNG Project."

"With the execution of this agreement, VGS is now in a prime position to execute on the first-mover advantage we have established on India's East Coast," said Gaurav Tiwari, President of VGS. "We are very excited to take this step forward in our relationship with Magnolia, and we look forward to working with the Magnolia team to bring a significant tranche of U.S.-produced LNG to a key new market on the East Coast of India."

ABOUT VGS

The VGS Group is developing a floating LNG import and regasification terminal situated offshore at Kakinada Deepwater Port in Andhra Pradesh, India. The Kakinada based Krishna Godavari LNG Import Terminal will be East Coast India's first LNG import project to become operational, and it will allow for the full utilization of close to 7,000 MW of near-idled power plants and lay the groundwork for an industrial renaissance in the industrial belt that girds the coastal region of Andhra Pradesh and Orissa. VGS has targeted being the 'First Mover on a Fast Track' in India's heavily industrialized, yet gas starved, Andhra Pradesh-Orissa coastal region.

ABOUT MAGNOLIA LNG PROJECT

Magnolia LNG proposes to construct and operate up to four liquefaction production trains, each with a capacity of 2 mtpa or greater using the Company's patented OSMR® LNG process technology. Construction and operation includes two 160,000m³ full containment storage tanks, ship, barge, and truck loading facilities, and supporting infrastructure. The LSTK EPC contract includes all elements of the project necessary to bring the facility into full guaranteed

production operations. Magnolia LNG is fully permitted, having received its FERC Order and both FTA and non-FTA approval from the DOE. Final investment decision and initiation of construction is expected upon execution of sufficient offtake agreements to support financing.

ABOUT LIQUEFIED NATURAL GAS LIMITED

LNGL is an ASX listed company (Code: **LNG** and OTC ADR: **LNGLY**) whose portfolio consists of 100% ownership of the following companies:

- Magnolia LNG, LLC (Magnolia LNG), a US-based subsidiary, which is developing an 8 mtpa or greater LNG export terminal, in the Port of Lake Charles, Louisiana, USA;
- Bear Head LNG Corporation Inc. (Bear Head LNG), a Canadian based subsidiary, which is developing an 8 mtpa or greater LNG export terminal in Richmond County, Nova Scotia, Canada;
- Bear Paw Pipeline Corporation Inc. (Bear Paw), which is proposing to construct and operate a 62.5 km gas pipeline lateral to connect gas supply to Bear Head LNG;
- Gladstone LNG Pty Ltd, a subsidiary which plans to develop the 3.5 mtpa Fisherman's Landing LNG (FLLNG) project at the Port of Gladstone in Queensland, Australia; and
- LNG Technology Pty Ltd, a subsidiary which owns and develops the Company's OSMR® LNG liquefaction process, a mid-scale LNG business model that plans to deliver lower capital and operating costs, faster construction, and improved efficiency, relative to larger traditional LNG projects.

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Disclaimer

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