ASX/MEDIA RELEASE

23 APRIL 2015

MAGNOLIA LNG PROJECT
TOLLING AGREEMENT UPDATE WITH MERIDIAN LNG

The Directors of Liquefied Natural Gas Limited (**the Company, ASX Code: LNG**) are pleased to advise that its 100% owned project company, Magnolia LNG, LLC (**Magnolia**), has been notified by Meridian LNG Holdings Corp. (**Meridian LNG**) that Meridian LNG intends to progress the 20-year liquefaction tolling agreement (**LTA**) with Magnolia, now that Meridian LNG has executed a 20-year gas sales agreement (**GSA**) with E.On Global Commodities SE (a wholly owned company of E.On (www.eon.com).

Please see the attached Press Release from E.ON.

Magnolia and Meridian LNG have substantially completed the negotiation of a LTA, agreeing key commercial terms and will now move forward to complete binding agreements for a total of 2 million ton per annum (**mtpa**). The Company will announce the LTA terms upon execution of the binding contract.

Under the proposed LTA, Meridian LNG will be responsible for delivery of gas to Magnolia for liquefaction, plant usage, storage, and delivery onto LNG ships arranged by Meridian. Magnolia will be paid monthly capacity fees over the 20-year tolling term.

Meridian LNG, together with its operating partner Höegh LNG, will deliver LNG from Magnolia to the Port Meridian LNG import terminal in the UK, as well as potentially to other destinations compatible with Höegh's Floating Storage and Regasification Units (FSRU) vessels. Meridian LNG will deliver re-gasified LNG to E.On Commodities on the UK NTS (National Transmission System) pursuant to the GSA.

See the attached map showing the LNG and gas supply chain.

Magnolia's Chief Commercial Officer, Mr. Rick Cape, said, "We congratulate Meridian LNG on the signing of its Gas Sales Agreement with E.On and look forward to concluding negotiations and execution of the Meridian LTA."

"We are also pleased with the progress being made on additional tolling agreements, and LNG sales and purchase agreements and are confident we will close out the full 8 mtpa of Magnolia LNG production capacity," said Mr. Cape.

By way of background, on 26 November 2013, Magnolia and Meridian LNG announced that they had entered into a 20-year tolling agreement term sheet (with a five year option) for firm LNG production capacity of 1.7 mtpa with a possible further 300,000 mtpa under preferred conditions. Since that time both parties have progressed development of their respective projects, culminating in this status update.

ABOUT MAGNOLIA LNG:

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, located on an established LNG shipping channel in the Lake Charles District, State of Louisiana, United States of America. The project is based on the development of four x 2 mtpa LNG production trains using the Company's wholly owned OSMR® LNG process technology.

Magnolia LNG's business model provides liquefaction services to LNG buyers who pay a monthly fixed capacity fee, plus all LNG plant operating and maintenance costs. LNG buyers contract for liquefaction services under two contract models – a Liquefaction Tolling Agreement, whereby the LNG export terminal is only responsible for processing natural gas into LNG, and an LNG Sales and Purchase Agreement under which the customer buys LNG on a free on board basis (FOB).

PORT MERIDIAN

Port Meridian will consist of a floating storage and regasification unit (FSRU), a subsea pipeline, and onshore facilities connecting into the UK National Transmission System. All major construction permits and planning approvals for Port Meridian have been obtained. Gas deliveries are expected to commence in 2019 subject to Ofgem granting a third party access exemption to Port Meridian and Meridian LNG. For more information, please visit www.portmeridian.com

HÖEGH JDA

Meridian LNG, through a Joint Development Agreement (JDA) with Höegh LNG, will ship LNG to Port Meridian using a combination of traditional LNG carriers as well as the FSRU. Höegh will act as the supplier and operator of the FSRU and carriers (collectively the "Vessels") and under an option agreement included in the Joint Development Agreement would retain a 51% interest in the Vessels with Meridian LNG owning the remaining 49%, should Meridian choose to exercise that option. For more information on Höegh LNG, please visit www.hoeghlng.com

MERIDIAN LNG

Meridian LNG is a wholly owned portfolio company of a fund advised by West Face Capital Inc., one of Canada's leading alternative investment manager. Meridian LNG is focused on the development of Port Meridian as well as its co-ownership of Vessels with Höegh LNG under the Höegh JDA. Meridian LNG also has plans to build an LNG import terminal located offshore Long Island, NY (www.portambrose.com) to address seasonal or peak natural gas demand.

For further information, please contact: info@meridianlng.com.

E.ON GLOBAL COMMODITIES

E.ON Global Commodities (**EGC**) is the energy trading arm of E.ON, one of the world's largest investor-owned power and gas companies. As the commercial hub for E.ON to the international wholesale markets, it sources, stores, transports, markets and trades energy commodities on a global scale. The company also owns and operates a pipeline infrastructure business, which supports gas supply and trading activities, and an unbundled gas storage business. EGC is involved in regasification terminals across Europe and has booked 1.7 billion cubic meters (bcm) per year of long-term capacity at the Grain LNG Terminal in the UK and 3 bcm per year of long-term capacity at the Gate Terminal in the Netherlands. Further, EGC has access to Spanish regasification capacity in Huelva and Barcelona.

For more information, please visit www.eon.com

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 companies:

- Magnolia LNG LLC (**Magnolia LNG**), a US ‐ based subsidiary, which is developing an 8 mtpa LNG export terminal, in the Port of Lake Charles, Louisiana, USA;
- Bear Head LNG Corporation (**Bear Head**), a Canadian based subsidiary, which is developing an 8 mtpa LNG export terminal in Richmond County, Nova Scotia, Canada with potential for further expansion;
- Gladstone LNG Pty Ltd, a subsidiary which is progressing the 3.8 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.

LNG and Gas Supply Chain

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Press Release

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April 23, 2015

E.ON Global Commodities and Meridian LNG announce UK Gas Sales agreement

Meridian LNG Holdings Corp. (Meridian LNG) and E.ON Global Commodities SE (EGC), the trading unit of E.ON SE, have entered into a 20-year gas sales agreement under which EGC has agreed to purchase up to two million tons of regasified LNG per year (2.0 mtpa) from Meridian LNG at market-reflective conditions to be delivered at UK's National Balancing Point. Meridian LNG intends to deliver such LNG through its planned Port Meridian import and regasification terminal.

Under the terms of the gas sales agreement, EGC will also have the opportunity to purchase incremental volumes should they be made available, of up to 750 million standard cubic feet a day, the estimated maximum daily throughput of the Port Meridian terminal.

Meridian LNG has previously signed a 20-year, 2.0 mtpa liquefaction term sheet with Magnolia LNG LLC (Magnolia LNG), the owners of the proposed Magnolia LNG facility in Lake Charles, LA, and anticipates entering into a binding liquefaction tolling capacity agreement shortly. The tolling agreement together with related supply and pipeline agreements is expected to provide 2.0 mtpa of LNG to Meridian LNG from early 2019. Magnolia LNG is a wholly owned subsidiary of Liquefied Natural Gas Limited (ASX: LNG), based in Perth, Western Australia.

Christopher Delbrück, CEO of EGC SE, said: "This contract is an important step forward for our gas business. It builds on our already diverse supply portfolio and provides further momentum for the business. As gas markets in North America, Europe and Asia become increasingly interconnected, LNG is becoming a critical enabler for the optimization of E.ON's asset base."

"This gas sale agreement with EGC is a very significant step forward for Meridian LNG. The offtake agreement is a critical requirement for the launch of our Port Meridian UK regasification terminal, which when combined with our Joint Development Agreement with shipping and regasification partner Höegh LNG, and the anticipated supply from Magnolia LNG, completes a unique, low-cost and flexible LNG supply chain into Europe," said Meridian LNG President and CEO, Roger Whelan.

Port Meridian

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SE does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to conform them to future events or developments.