



Outlook for U.S. LNG Exports

METI, Japan -- LNG Producer-Consumer Conference
Charif Souki
CEO, Cheniere Energy Inc.

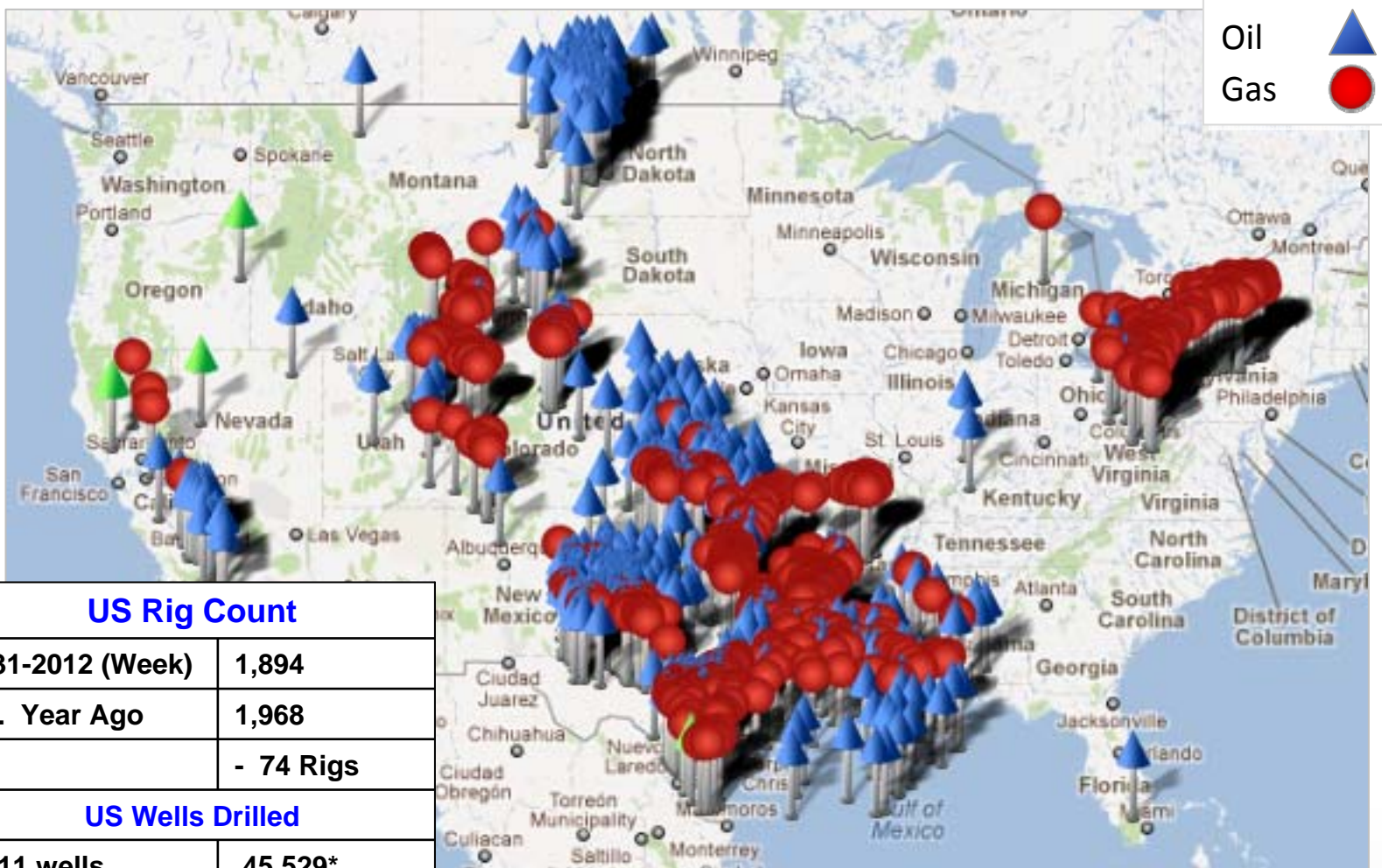
Forward Looking Statements

This presentation contains certain statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1933, as amended. All statements, other than statements of historical facts, included herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things:

- Statements that we expect to commence or complete construction of a liquefaction facility by certain dates, or at all;
- Statements that we expect to receive authorization from the Federal Energy Regulatory Commission, or FERC, or the Department of Energy, or DOE to construct and operate a proposed liquefaction facility by a certain date, or at all;
- Statements regarding future levels of domestic or foreign natural gas production and consumption, or the future level of LNG imports into North America or exports from the U.S., or regarding projected future capacity of liquefaction or regasification facilities worldwide;
- Statements regarding any financing transactions or arrangements, whether on the part of Cheniere or at the project level;
- Statements regarding any commercial arrangements marketed or potential arrangements to be performed in the future, including any cash distributions and revenues anticipated to be received;
- Statements regarding the commercial terms and potential revenues from activities described in this presentation;
- Statements that our proposed liquefaction facility, when completed, will have certain characteristics, including a number of trains;
- Statements regarding our business strategy, our business plan or any other plans, forecasts, examples, models, forecasts or objectives: any or all of which are subject to change;
- Statements regarding estimated corporate overhead expenses; and
- Any other statements that relate to non-historical information.

These forward-looking statements are often identified by the use of terms and phrases such as “achieve,” “anticipate,” “believe,” “estimate,” “example,” “expect,” “forecast,” “opportunities,” “plan,” “potential,” “project,” “propose,” “subject to,” and similar terms and phrases. Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in “Risk Factors” in the Cheniere Energy, Inc. and Cheniere Energy Partners, L.P. Current Reports on Form 8-K filed with the Securities and Exchange Commission, which are incorporated by reference into this presentation. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these “Risk Factors”. These forward-looking statements are made as of the date of this presentation, and we undertake no obligation to publicly update or revise any forward-looking statements.

Growth in Rig Activity Despite Decline in Prices



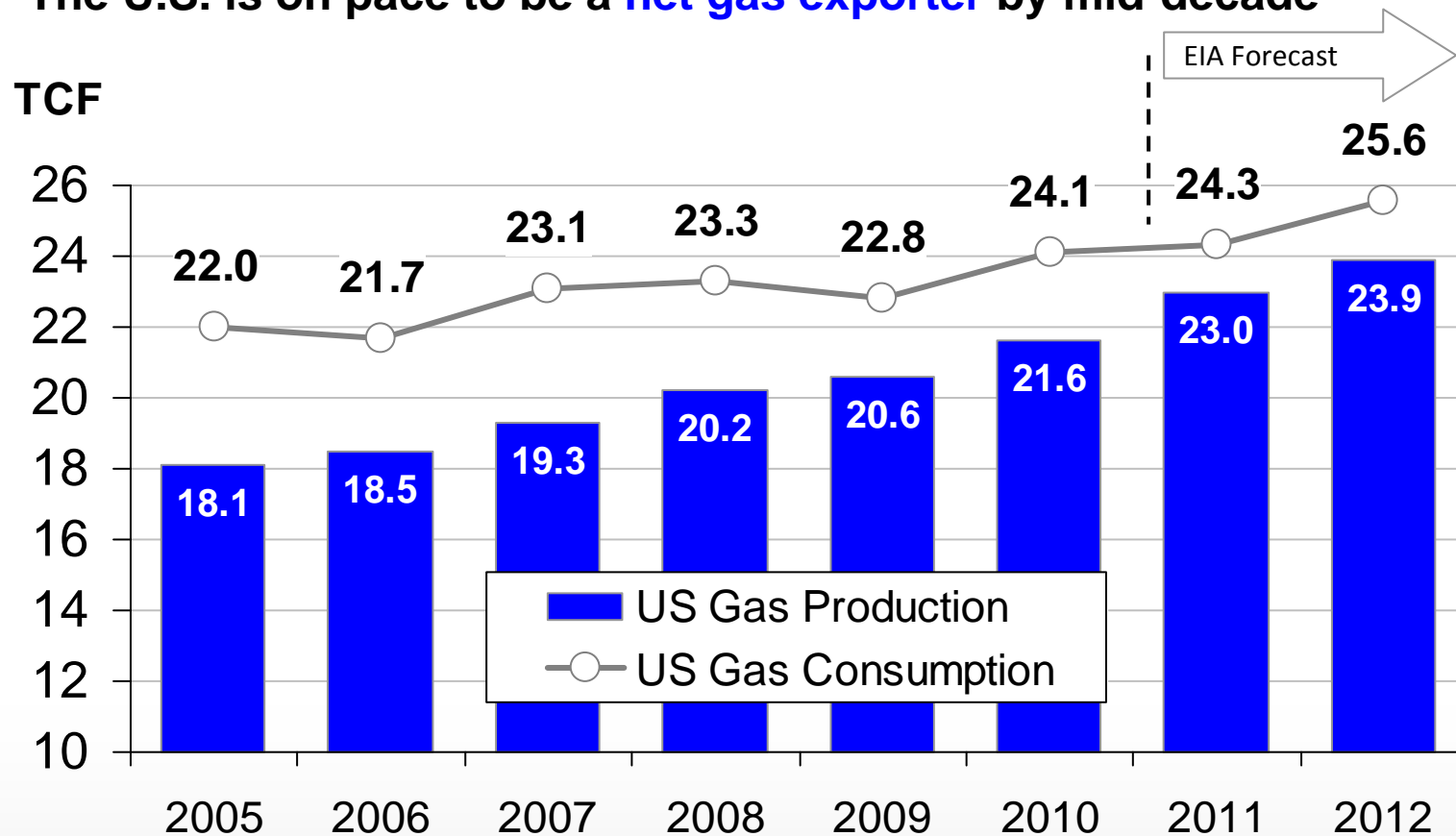
US Rig Count	
8-31-2012 (Week)	1,894
vs. Year Ago	1,968
	- 74 Rigs
US Wells Drilled	
2011 wells	45,529*
2010 wells	38,322
	+ 7,207 Wells

Source: Baker Hughes (rigs); US Energy Information Administration (wells drilled)

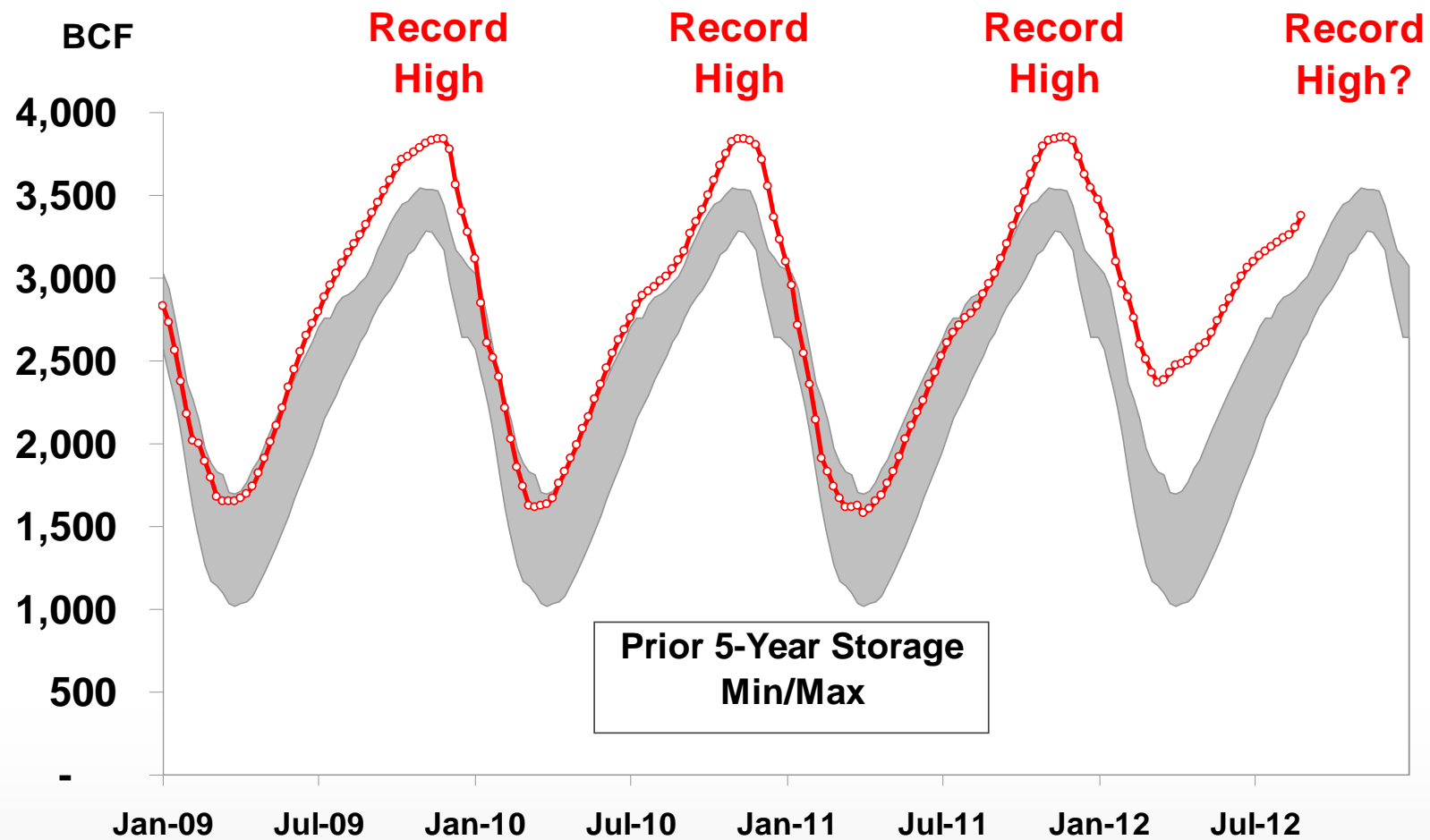
* Estimated -- 38,747 US wells drilled through Oct. 2011 (EIA)

U.S. Gas Consumption vs Production

- Since 2005, U.S. production growth = 4.9 Tcf; demand growth = 2.3 Tcf
- Imports cut -2.6 Tcf (-58%) over this period
- The U.S. is on pace to be a **net gas exporter** by mid-decade



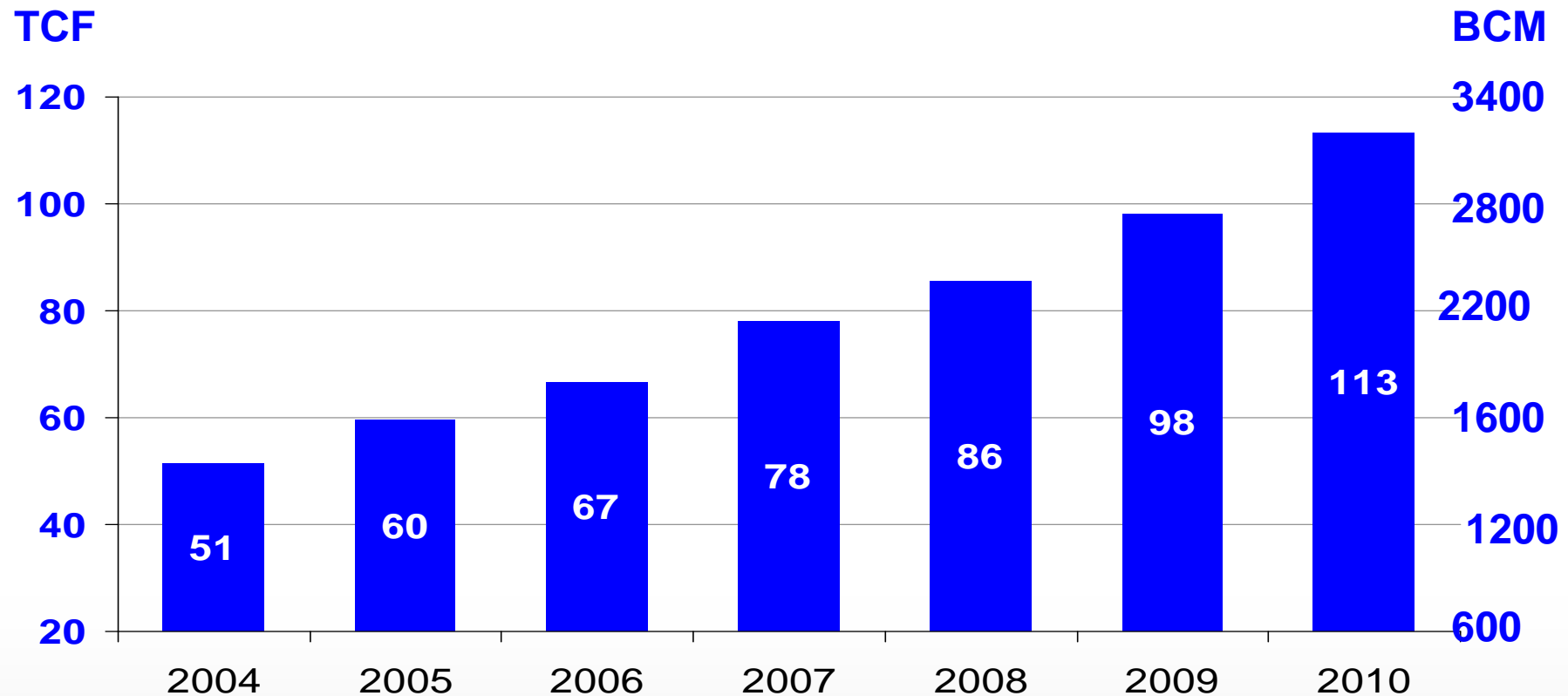
U.S. Natural Gas Storage



Source: US EIA, Weekly Working Gas in Storage

U.S. Proved Non-Producing Reserves

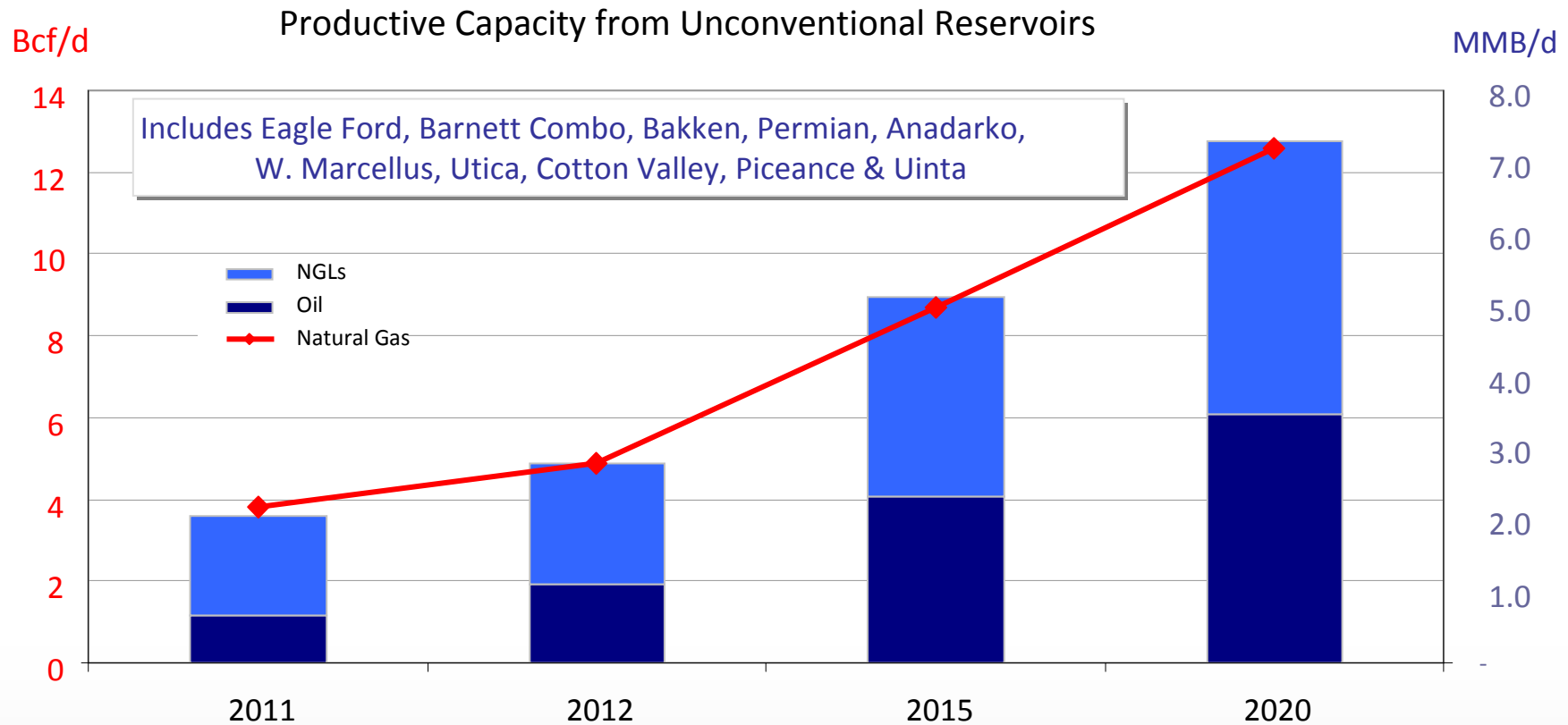
- Non-producing proved U.S. gas reserves +120% since 2004 to 113 Tcf
- Represents 115 MTA (15 Bcf/d) of LNG exports for 20+ years



Source: EIA, US Crude Oil, Natural Gas and Natural Gas Liquids Proved Reserves, 2010

Oil Production Drives Investment Decisions for Gas

- Liquids production from shale plays > 7 million b/d by 2020
- Associated natural gas > 12 Bcf/d of “costless” supply



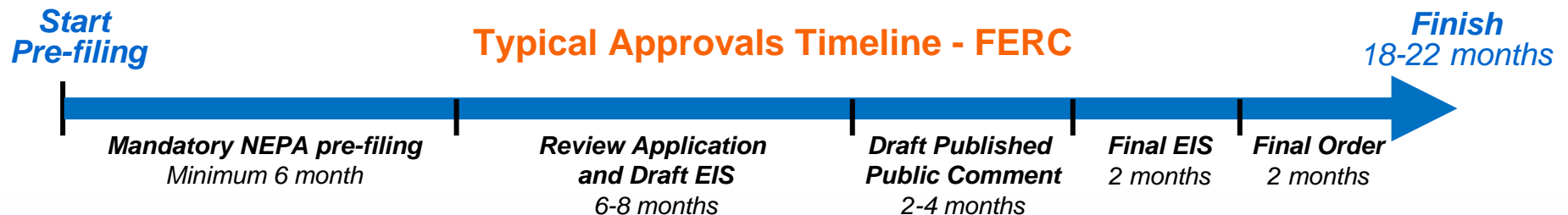
Source: Advanced Resource Intl presentation to Cheniere Board, March 2012; Cheniere Research

Regulatory Process

FERC Authority

FERC Authority

- FERC is the coordinating agency that leads federal and state review of LNG projects
- National Environmental Policy Act (NEPA) empowers FERC to prepare an Environmental Impact Statement for a project in cooperation with other state and federal agencies
- EPACT 2005 confirms FERC's role as lead agency to review LNG projects
- FERC application cost: ~\$100 Million



Regulatory Process

DOE Authority

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- DOE is a cooperating agency with FERC
- DOE authorizes license to import and export natural gas
- Section 3 of 1938 Natural Gas Act requires DOE to authorize exports to a foreign country unless there is a finding that such exports “will not be consistent with the public interest”
- Section 3 creates a statutory presumption in favor of approval by DOE of export applications, which opponents bear the burden of overcoming

Regulatory Process

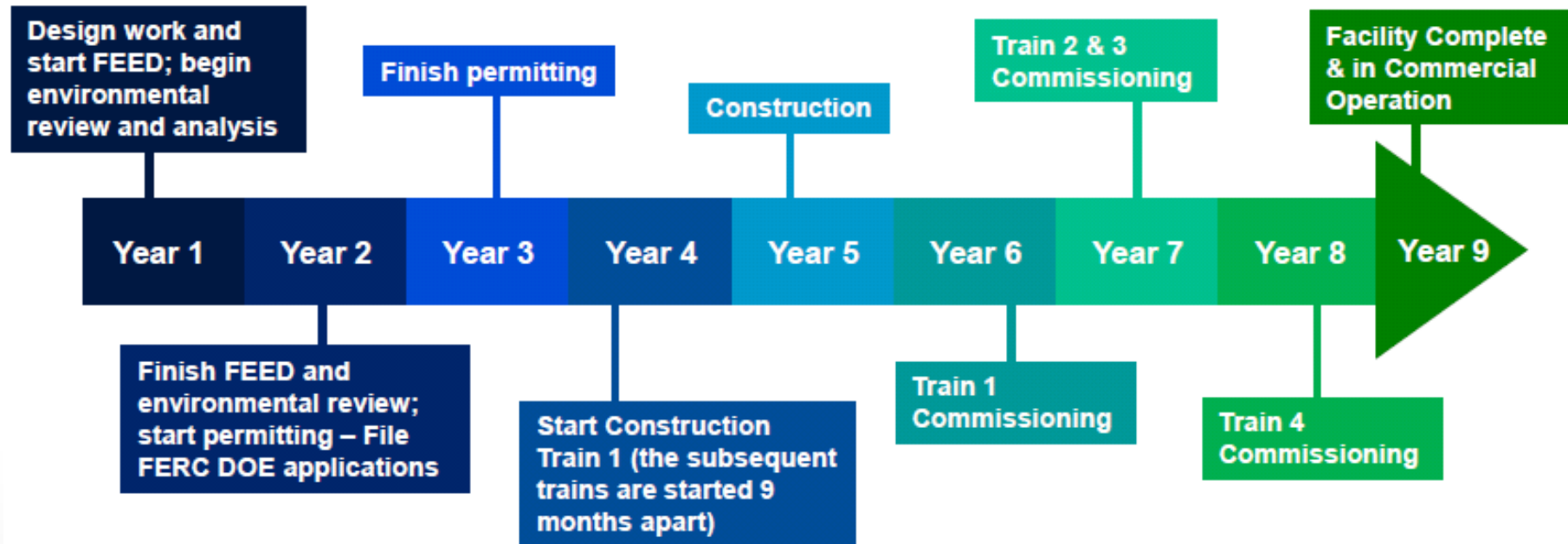
Other Considerations

World Trade Organization Commitments

- The WTO framework forbids the U.S. from placing constraints on the export of its natural resources
- The U.S. has concluded a successful WTO case vs China that found improper restrictions by China on its export of numerous raw materials (eg. bauxite)
- The U.S. is leading a second WTO case vs China alleging improper restrictions on its export of rare earth minerals critical to renewable energy technologies

Permitting & Construction Timeline

- Only two LNG projects have filed FERC Applications after Sabine Pass (Corpus Christi & Freeport LNG)
- Permits for new LNG projects not likely to be issued before 2014



Conclusions

- **LNG exports are necessary to maintain balance in U.S. energy markets**
 - U.S. natural gas demand cannot keep pace with supply growth
 - U.S. markets will see significant volumes of associated supply from 'liquid' unconventional plays indifferent to price
 - 'Liquid' production only limited by demand growth & infrastructure
- **LNG exports are required to maintain development of 7+ million b/d oil & NGL production**
- **Permitting of LNG export projects is incremental, predictable and expensive**
- **Process will happen slowly**
- **Expect 4-6 LNG projects completed by mid-2020s**
 - ~10-12 Bcfd of export capacity