
CHENIERE ENERGY, INC.

Matt Barr

Director, Government and Public Affairs



LNG Market Outlook
National Association of State Energy Officials

September 18, 2017

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Safe Harbor Statements

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 of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included or incorporated by reference herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things:

- ✓ statements regarding the ability of Cheniere Energy Partners, L.P. to pay distributions to its unitholders or Cheniere Energy Partners LP Holdings, LLC or Cheniere Energy, Inc. to pay dividends to its shareholders;
- ✓ statements regarding Cheniere Energy, Inc.’s, Cheniere Energy Partners LP Holdings, LLC’s or Cheniere Energy Partners, L.P.’s expected receipt of cash distributions from their respective subsidiaries;
- ✓ statements that Cheniere Energy Partners, L.P. expects to commence or complete construction of its proposed liquefied natural gas (“LNG”) terminals, liquefaction facilities, pipeline facilities or other projects, or any expansions or portions thereof, by certain dates or at all;
- ✓ statements that Cheniere Energy, Inc. expects to commence or complete construction of its proposed LNG terminals, liquefaction facilities, pipeline facilities or other projects, or any expansions or portions thereof, by certain dates or at all;
- ✓ statements regarding future levels of domestic and international natural gas production, supply or consumption or future levels of LNG imports into or exports from North America and other countries worldwide, or purchases of natural gas, regardless of the source of such information, or the transportation or other infrastructure, or demand for and prices related to natural gas, LNG or other hydrocarbon products;
- ✓ statements regarding any financing transactions or arrangements, or ability to enter into such transactions;
- ✓ statements relating to the construction of our proposed liquefaction facilities and natural gas liquefaction trains (“Trains”) and the construction of the Corpus Christi Pipeline, including statements concerning the engagement of any engineering, procurement and construction (“EPC”) contractor or other contractor and the anticipated terms and provisions of any agreement with any EPC or other contractor, and anticipated costs related thereto;
- ✓ statements regarding any agreement to be entered into or performed substantially in the future, including any revenues anticipated to be received and the anticipated timing thereof, and statements regarding the amounts of total LNG regasification, natural gas, liquefaction or storage capacities that are, or may become, subject to contracts;
- ✓ statements regarding counterparties to our commercial contracts, construction contracts and other contracts;
- ✓ statements regarding our planned development and construction of additional Trains or pipelines, including the financing of such Trains or pipelines;
- ✓ statements that our Trains, when completed, will have certain characteristics, including amounts of liquefaction capacities;
- ✓ statements regarding our business strategy, our strengths, our business and operation plans or any other plans, forecasts, projections or objectives, including anticipated revenues, capital expenditures, maintenance and operating costs, run-rate SG&A estimates, cash flows, EBITDA, Adjusted EBITDA, Net Loss, As Adjusted, and Net Loss Per Share, As Adjusted, any or all of which are subject to change;
- ✓ statements regarding projections of revenues, expenses, earnings or losses, working capital or other financial items;
- ✓ statements regarding legislative, governmental, regulatory, administrative or other public body actions, approvals, requirements, permits, applications, filings, investigations, proceedings or decisions;
- ✓ statements regarding our anticipated LNG and natural gas marketing activities; and
- ✓ any other statements that relate to non-historical or future information.

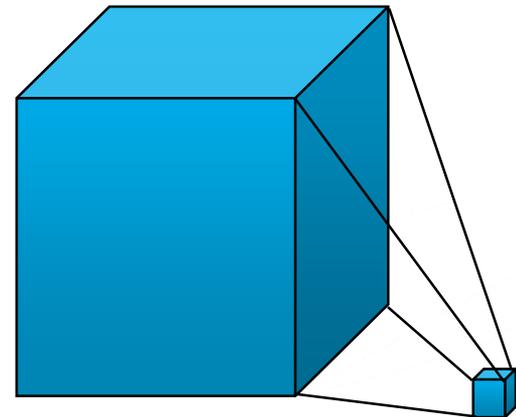
These forward-looking statements are often identified by the use of terms and phrases such as “achieve,” “anticipate,” “believe,” “contemplate,” “develop,” “estimate,” “example,” “expect,” “forecast,” “goals,” “opportunities,” “plan,” “potential,” “project,” “propose,” “subject to,” “strategy,” “target,” and similar terms and phrases, or by use of future tense. 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. Furthermore, in connection with our proposal to Cheniere Energy Partners LP Holdings LLC (“CQH”), there can be no assurance that any discussions that may occur between us and CQH will result in the entry into of a definitive agreement concerning a transaction or, if such a definitive agreement is reached, will result in the consummation of a transaction provided for in such definitive agreement. 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., Cheniere Energy Partners, L.P. and Cheniere Energy Partners LP Holdings, LLC Annual Reports on Form 10-K filed with the SEC on February 19, 2016, 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 other than as required by law, we undertake no obligation to update or revise any forward-looking statement or provide reasons why actual results may differ, whether as a result of new information, future events or otherwise..

Reconciliation to U.S. GAAP Financial Information

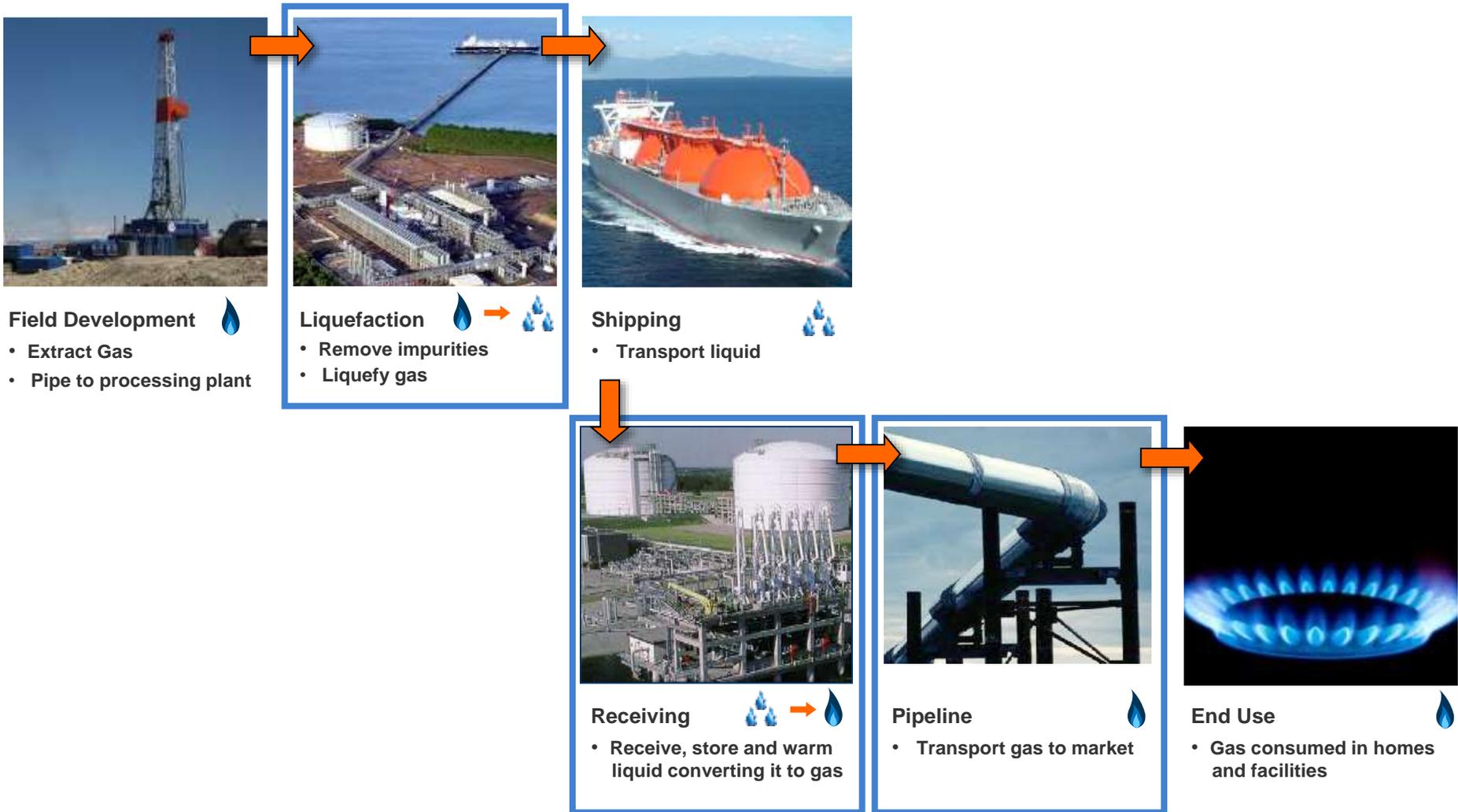
The following presentation includes certain “non-GAAP financial measures” as defined in Regulation G under the Securities Exchange Act of 1934, as amended. Schedules are included in the appendix hereto that reconcile the non-GAAP financial measures included in the following presentation to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

What Is Liquefied Natural Gas (LNG)?

- LNG is natural gas that has been super-cooled to -260°F and changed from gas to liquid
- Liquefaction reduces volume by 600-to-1
- Stored cold in insulated containers at near atmospheric pressure
- Safe to store and transport
- LNG is colorless, odorless, non-corrosive, and non-toxic
- Becomes lighter than air when vaporized



LNG Value Chain

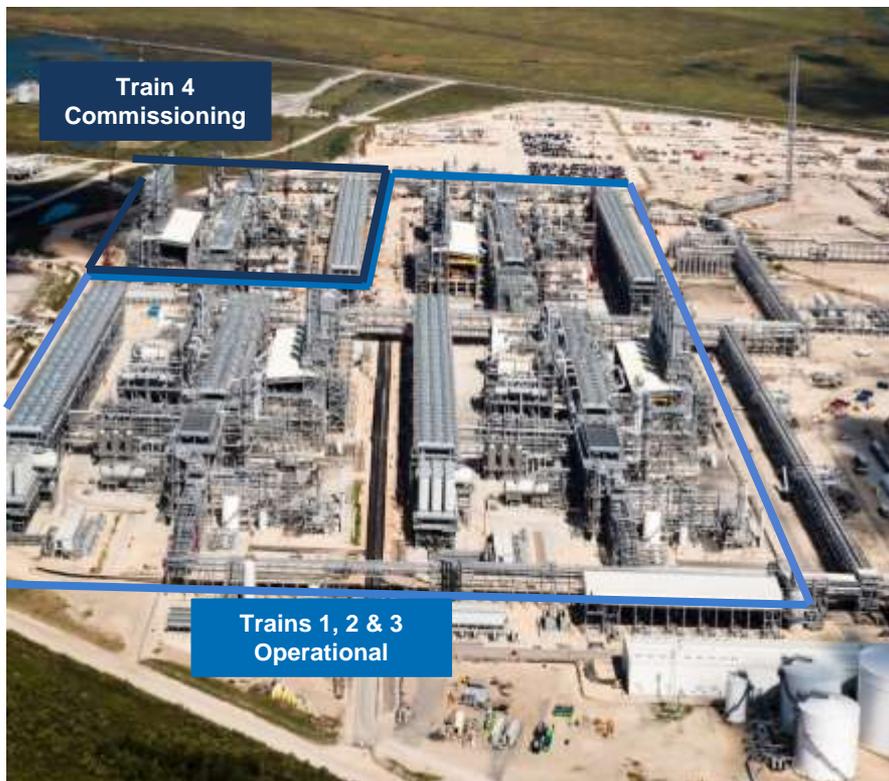


LNG is Safe and Reliable

- Mature industry with 50+ years of experience
- Proven technical designs
- High standards of operation and maintenance
- At present (2015):
 - 92 Liquefaction trains in 20 countries
 - 110 receiving terminals in 30 countries
 - 100+ peak shaving plants in U.S.
 - 420+ ships with over 80,000 cargoes delivered without loss since 1964

Sabine Pass Liquefaction (SPL)

A \$18 B investment with ~4,500 construction and permanent jobs in Cameron Parish, Louisiana



Existing Operational Facility

- ~1,000 acres in Cameron Parish, LA
- 2 berths; 4 dedicated tugs
- 5 LNG storage tanks (~17 Bcfe of storage)

Liquefaction Trains 1 – 3: Operational

- T1, T2, & T3 Operational

Liquefaction Trains 4 – 5: Under Construction

- T4 Commissioning – estimated 3Q 2017
- T5 Under Construction – estimated 3Q 2019

Liquefaction Train 6: Fully Permitted

- FID upon obtaining commercial contracts and financing

Significant infrastructure in place including storage, marine and pipeline interconnection facilities; pipeline quality natural gas to be sourced from U.S. pipeline network

Contracts:



BG Gulf Coast LNG



Gas Natural Fenosa



Korea Gas Corporation



GAIL (India) Limited



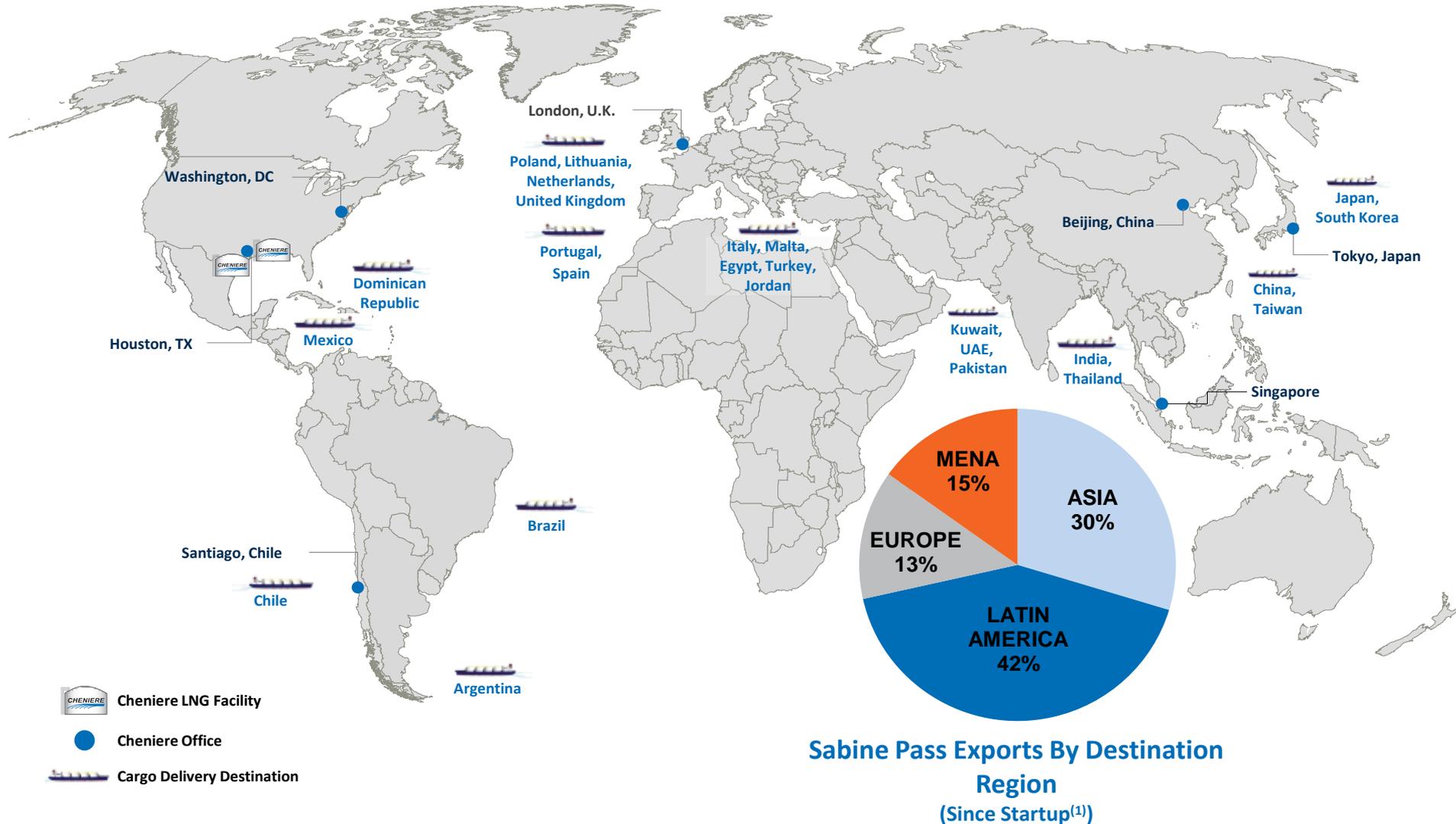
Total Gas & Power N.A.

centrica

Centrica PLC

Destination of Sabine Pass Cargoes

Since Start Up, More than 170 Cargoes Loaded and Delivered to 25 Countries



Sources: Cheniere Research, Kpler
 MENA – Middle East – North Africa

⁽¹⁾Date reflects cargo loading date until August 24, 2017, representing all cargoes that have loaded and discharged.

Corpus Christi LNG Terminal (CCL)

A \$12 B investment with ~4,500 construction jobs and permanent jobs in Corpus Christi, TX



Liquefaction Trains 1 – 2: Under Construction

- T1 & T2 Under Construction – estimated 1Q and 2Q 2019

Liquefaction Train 3: Fully Permitted

- Partially commercialized
- FID upon obtaining commercial contracts and financing

Liquefaction Trains 4 – 5: Initiated Development

- Permitting Process began June 2015

Exploring modular LNG trains

- Executed FEED contract with a leading consortium
- Smaller, modular Trains with shorter investment cycles
- Reduced minimum efficiency scale could optimally match LNG to power opportunities
- Expect competitive capital costs through modularization and less bespoke engineering

Pipeline quality natural gas to be sourced from U.S. pipeline network

Contracts:



PT Pertamina
(Persero)



Endesa S.A



Iberdrola S.A.



Gas Natural
Fenosa



Woodside Energy
Trading



Électricité de France



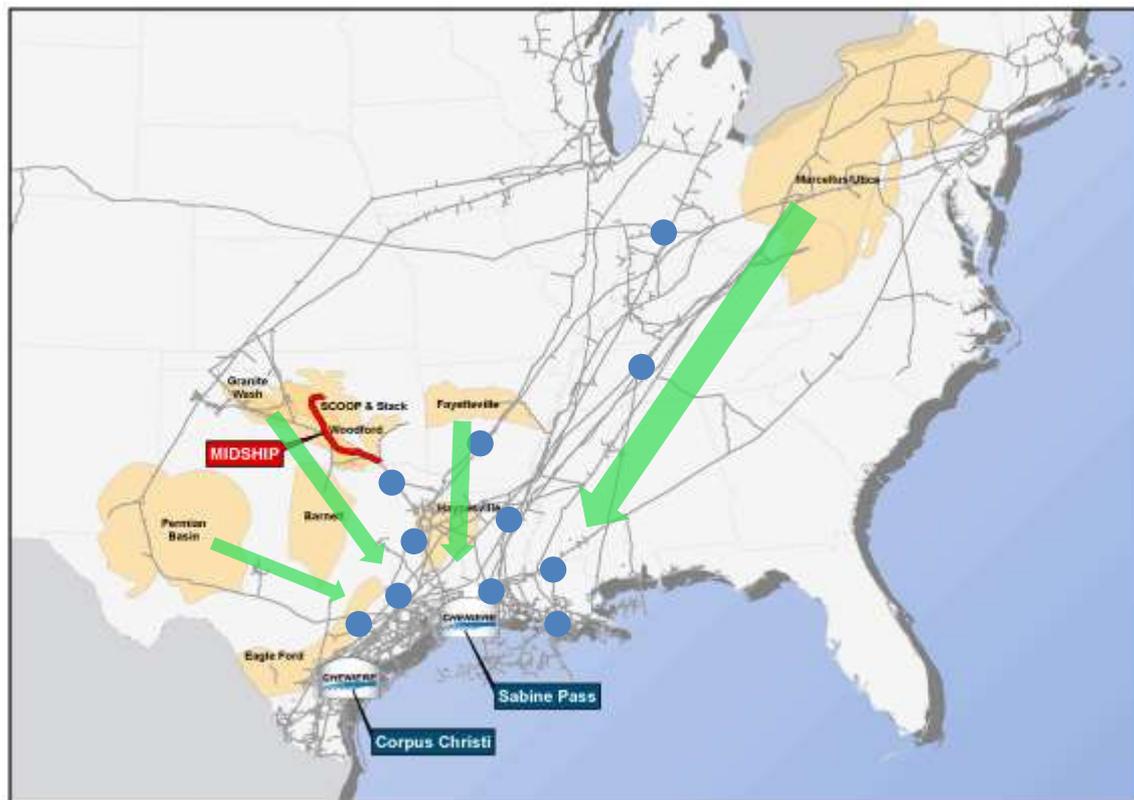
EDP Energias de
Portugal S.A.

Cheniere is One of the Largest Consumers of U.S. Natural Gas

Gas Procurement Will Drive Domestic Energy Production & Infrastructure Growth

Cheniere Gas Supply Team

- Cheniere sources domestic natural gas from across the U.S.
- Largest consumer of U.S. natural gas with ~5 billion cubic feet of gas per day expected when fully operational
- Key form of demand to drive domestic oil & gas production and infrastructure growth
 - Associated job growth from oilfield services, equipment/material manufacturer, and construction sectors
 - Tax revenue for local communities
 - Royalty payments for local landowners

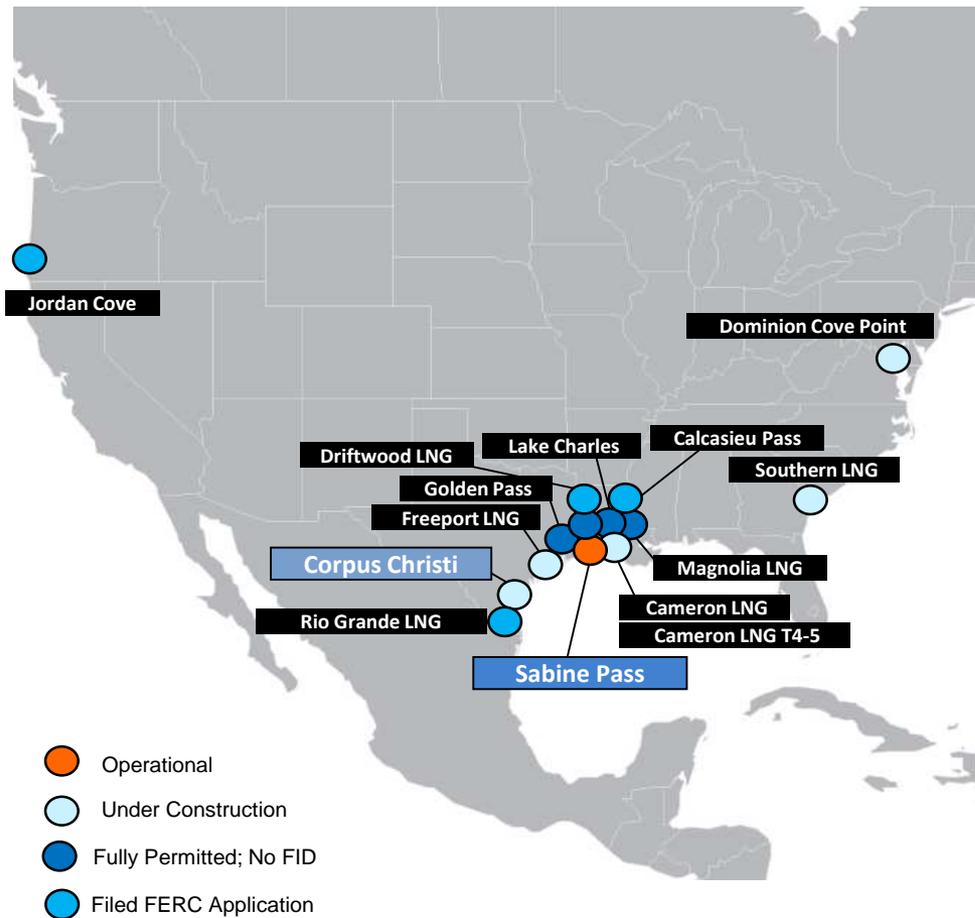


● Cheniere term gas purchase locations

Midship Pipeline Project

- Developing a 200 mile large diameter pipeline in Oklahoma to connect the prolific STACK and SCOOP plays to Gulf Coast demand

U.S. LNG Export Projects



Company	Quantity (Bcf/d)	DOE	FERC	Contracts	Under Construction
Cheniere Sabine Pass T1 – T4	2.2	Fully permitted		Fully Subscribed	✓
Cheniere Corpus Christi T1 – T3	2.1	Fully permitted		T1-2 Subscribed	✓
Cheniere Sabine Pass T5 – T6	1.3	Fully permitted		T5 Subscribed	✓
Freeport	1.8	Fully permitted		Fully Subscribed	✓
Lake Charles	2.0	Fully permitted		Fully Subscribed	
Dominion Cove Point	1.0	Fully permitted		Fully Subscribed	✓
Cameron LNG T1-3	1.7	Fully permitted		Fully Subscribed	✓
Jordan Cove	1.2/0.8	FTA	❖	Partially Subscribed	
Southern LNG	0.5	FTA	✓	Fully Subscribed	✓
Magnolia LNG	0.5	Fully permitted		Partially Subscribed	
Golden Pass LNG	2.0	Fully permitted		Fully Subscribed	
Cameron LNG T4-5	1.4	Fully permitted		Unsubscribed	
Calcasieu Pass LNG	1.7	FTA	❖	Partially Subscribed	
Rio Grande LNG	3.6	FTA	❖	Unsubscribed	
Driftwood LNG	4.1	FTA	❖	Unsubscribed	

Source: Office of Oil and Gas Global Security and Supply, Office of Fossil Energy, U.S. Department of Energy; U.S. Federal Energy Regulatory Commission; Company releases

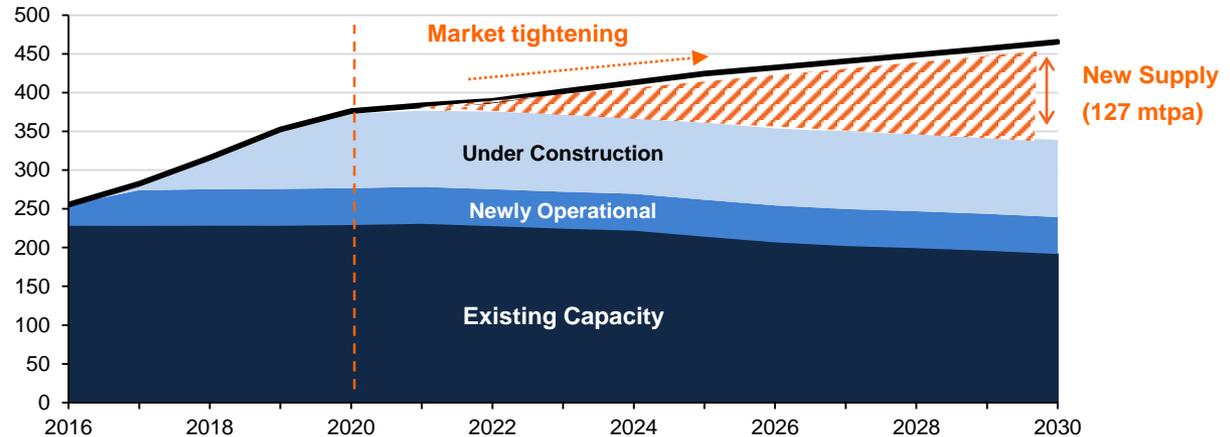
LNG Fundamentals are Supportive of Long-Term Growth

Global LNG market needs competitive new supplies to fill the approaching supply gap

Expiration of contracts will result in significant portfolio gaps

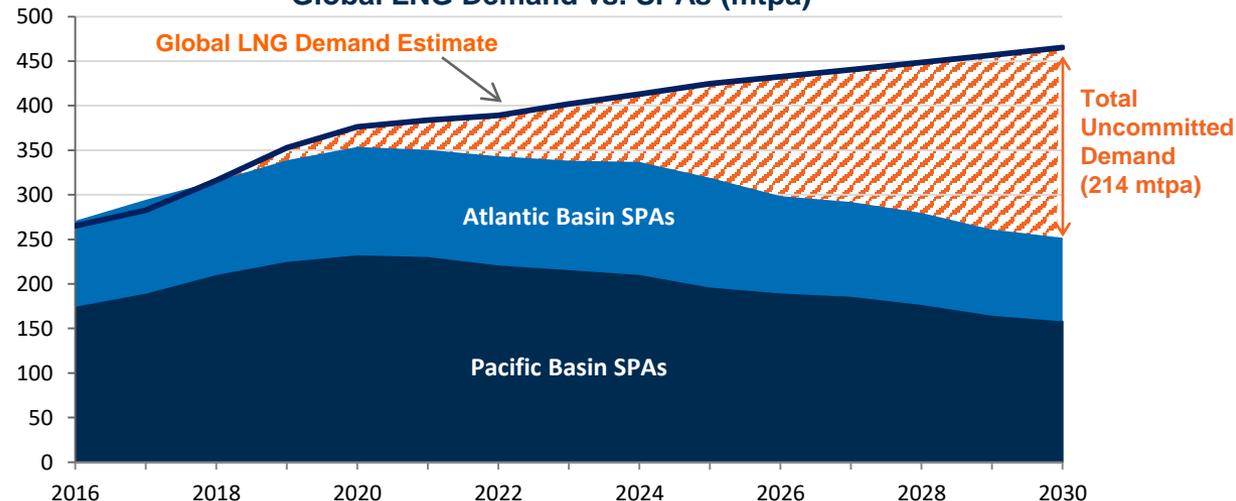
~90 mtpa of recontracting demand in addition to underlying market growth

LNG Demand vs. Supply (mtpa)



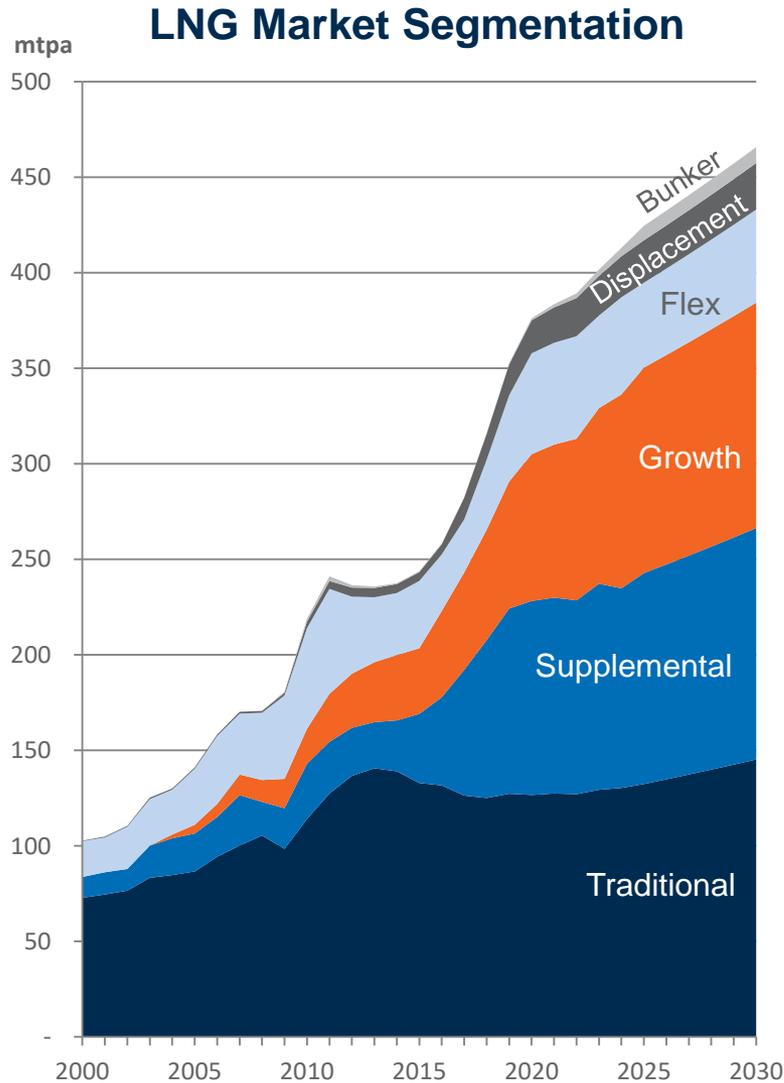
- Projects under construction not sufficient to satisfy growth and ensure stability of prices

Global LNG Demand vs. SPAs (mtpa)



- Expiring contracts create incremental opportunity, especially in Asia

Demand Forecast to Grow More than 200 mtpa by 2030 Driven by Supplemental & Growth Markets



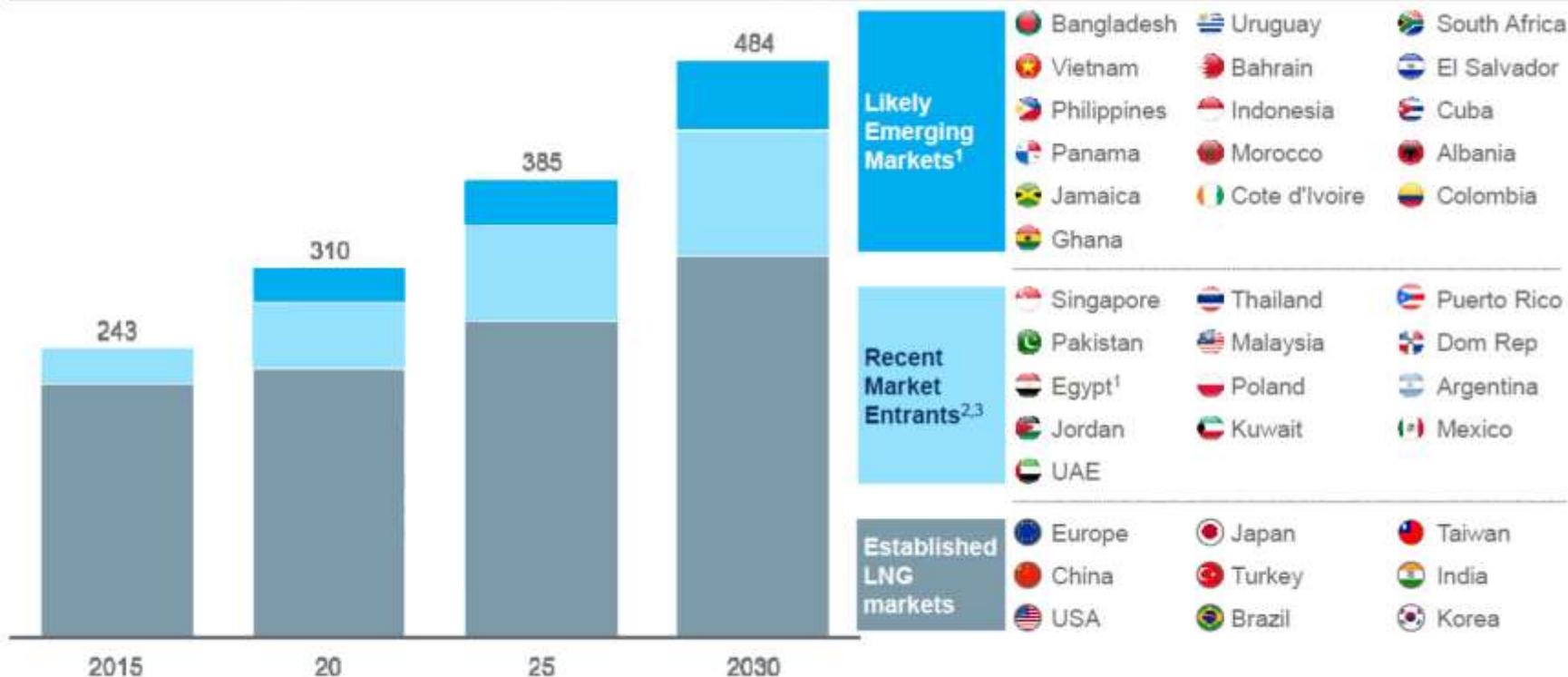
Source: Cheniere Research

Note: Projected demand growth between 2015 and 2030

Type	Characteristics	Locations	Demand Growth (mtpa)
Supplemental	Countries with maturing indigenous resource bases require new sources of gas	Indonesia Malaysia Egypt Pakistan Thailand Bahrain Southeast Europe...	+85
Growth	Growing economies seeking cleaner and more diverse fuel mix	China India	+84
Flex	Seasonal / weather influenced and price sensitive demand	Northwest Europe Brazil Argentina...	+13
Displacement	Diversifying energy mix away from oil / coal	Caribbean countries Kuwait South Africa	+20
Bunkering	Adopting cleaner ship fuels due to stricter emission standards	Singapore Gibraltar Tenerife...	+8
Traditional	Legacy importers with flat to declining demand	Japan Korea Taiwan	+12

Emerging Markets Will Help Underpin New Liquefaction Capacity

LNG demand by country for recent and likely market entrants, Mtpa



¹ Including South East Europe

² Egypt (Zohr) and Argentina (unconventional gas), both of which currently import LNG but are not forecast to do so in 2030 due to recovering domestic production

³ Including Other Latin America & Baltics

Questions?



Matt Barr

Director, Government and Public Affairs

713-375-5660

matt.barr@cheniere.com