



Press Release

FREEPORT LNG RECEIVES FINAL FERC AND DOE APPROVALS

Close on financing and start of construction on first two trains expected by month end

HOUSTON, November 17, 2014 – Freeport LNG Expansion, L.P. (Freeport LNG) today announced it has received final approvals for its proposed natural gas liquefaction and LNG export facility on Quintana Island near Freeport, Texas. On November 13, the Federal Energy Regulatory Commission (FERC) denied pending rehearing requests and, on November 14, Freeport received a final authorization from the Department of Energy (DOE) to export to Non-Free Trade Agreement countries.

“We’re very pleased to have received the final two approvals needed to begin construction and operation of our three liquefaction trains,” said Michael Smith, Chairman and CEO, Freeport LNG. “As I said at our ceremonial groundbreaking just last Monday, this project will have a significant economic impact on this region and our nation, and achieving these milestones is gratifying. We look forward to moving quickly towards financing close and start of construction.”

Freeport LNG received conditional authorization from the DOE to export the entire contracted LNG production volume of the initial three trains of the liquefaction project. On July 30, 2014, Freeport LNG received FERC approval for the initial three-train liquefaction project, and in October 2014, FERC granted Freeport LNG authorization to proceed with construction. Now, with receipt of an order from FERC denying pending rehearing requests and a final export authorization from DOE, Freeport anticipates closing on financing and beginning construction on the first two trains later this month. Financing and commencement of construction on the third train is expected in second quarter 2015.

Freeport LNG awarded contracts to a joint venture between CB&I, Inc. and Zachry Industrial, Inc. to construct the initial two trains of the liquefaction project. The first two trains are anticipated to commence operations 45 and 50 months from start of construction, respectively, with the third train expected to be in operation approximately six months following the second train. Each liquefaction train has a nameplate design capacity of 4.64 million tonnes per annum. Approximately 13.2 million tonnes per annum of the production capacity of the three liquefaction trains has been contracted under use-or-pay liquefaction tolling agreements with Osaka Gas, Chubu Electric, BP Energy Company, Toshiba Corp. and SK E&S LNG, LLC.

Documentation pertaining to the liquefaction project, including regulatory applications and related materials, is available on Freeport LNG’s website at www.freeportlng.com.

About Freeport LNG

Freeport LNG Expansion, L.P. is a wholly owned subsidiary of Freeport LNG Development, L.P., which owns and operates an existing LNG regasification terminal located near Freeport, Texas. The terminal started commercial operation in June 2008. Freeport LNG Development, L.P.'s limited partners are: Freeport LNG Investments, LLLP and FLNGI Option Holdco, LLC, each owned by Michael S. Smith; ZHA FLNG Purchaser LLC, a Delaware limited liability company; Texas LNG Holdings, LLC, a wholly owned subsidiary of The Dow Chemical Company; and Turbo LNG, LLC, a wholly owned subsidiary of Osaka Gas Co., Ltd.

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