



Press Release

FREEPORT LNG RECEIVES DOE APPROVAL TO EXPORT LNG TO NON-FREE TRADE AGREEMENT COUNTRIES

- **20-year approval to export up to 511 billion cubic feet (BCF) per year**
- **Export approval sufficient for initial two trains of liquefaction project**
 - **Final investment decision on track for fourth quarter 2013**

HOUSTON, May 17, 2013 – Freeport LNG Expansion, L.P. (Freeport LNG) today announced that it had received authorization from the U.S. Department of Energy (DOE) to export domestically produced liquefied natural gas (LNG) to any country that has, or in the future develops, the capacity to import LNG and with which trade is permissible. This order supplements the DOE authorization received by Freeport LNG in February 2011 authorizing LNG exports to Free Trade Agreement (FTA) countries, and concludes a key regulatory milestone for the Freeport LNG natural gas liquefaction and LNG export project.

Under the DOE's order, Freeport LNG received authority to export on its own behalf, or as agent for others, up to the equivalent of 511 BCF per year of domestically produced LNG. The authorization is for a term of 20 years, and commences the earlier of the date of first export or seven years from the date of authorization.

“Receipt of DOE non-FTA approval completes a key development milestone for the initial phase of the Freeport LNG liquefaction project,” said Michael S. Smith, Chief Executive Officer of Freeport LNG. “We applaud the DOE on its thorough and balanced analysis of the public benefits of LNG exports to the United States. The overwhelming evidence in favor of LNG exports generated during the DOE's two-and-a-half year review, definitively confirms that the DOE should act swiftly to approve additional pending LNG export applications.”

Mr. Smith added, “LNG exports will play a vital role in supporting sustained development of U.S. natural gas supplies to meet growing domestic energy needs, while delivering significant job creation, economic stimulus, balance of trade improvement and national security benefits to the United States. Freeport LNG looks forward to helping to deliver these benefits to our nation.”

Project Update

In July 2012, Freeport LNG executed liquefaction tolling agreements (LTAs) with Osaka Gas Co., Ltd. (Osaka Gas) and Chubu Electric Power Co. (Chubu) for the volume equivalent of the initial train of the liquefaction project. In February 2013, Freeport LNG executed an LTA with BP Energy Company (BP Energy) for the volume equivalent of the second train of the liquefaction project.

Freeport LNG has contracted with CB&I, Inc. and Zachry Industrial, Inc. to conduct the front end engineering and design for the liquefaction project. Macquarie Capital and Credit Suisse are serving as Freeport LNG's financial advisors with respect to the proposed financing for the first two trains of the project. Brownstein Hyatt Farber & Schreck is advising Freeport LNG on DOE matters. 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. has four limited partners: (1) Freeport LNG Investments, LLLP, an entity owned by Michael S. Smith; (2) ZHA FLNG Purchaser, LLC, a Delaware limited liability company; (3) Texas LNG Holdings, LLC, a wholly owned subsidiary of The Dow Chemical Company; and (4) Turbo LNG, LLC, a wholly owned subsidiary of Osaka Gas Co., Ltd.

For further information, please visit our website at www.freeportlng.com or contact:

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