



**Cheniere Energy**  
**Citi Global Energy Conference**  
**June 5, 2012**

# 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 herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things:

- statements regarding our ability to pay distributions to our unitholders;
- statements regarding our expected receipt of cash distributions from Sabine Pass LNG, L.P.;
- statements regarding future levels of domestic natural gas production, supply or consumption; future levels of liquefied natural gas imports into North America; sales of natural gas in North America or other markets; exports of LNG from North America; and the transportation, other infrastructure or prices related to natural gas, LNG or other energy sources;
- statements regarding any financing or refinancing transactions or arrangements, or ability to enter into such transactions or arrangements, whether on the part of Cheniere Energy Partners, L.P. or any subsidiary or at the project level;
- statements regarding any commercial arrangements presently contracted, optioned or marketed, or potential arrangements, to be performed substantially in the future, including any cash distributions and revenues anticipated to be received and the anticipated timing thereof, and statements regarding the amounts of total LNG regasification, liquefaction or storage capacity that are, or may become, subject to such commercial arrangements;
- statements regarding counterparties to our commercial contracts, construction contracts and other contracts;
- statements relating to the construction and operations of our proposed LNG liquefaction facilities, including statements concerning the completion by certain dates or at all, the costs related thereto and certain characteristics, including amounts of liquefaction capacity and storage capacity and the number of LNG trains;
- statements that we expect to receive an order from the Federal Energy Regulatory Commission authorizing us to construct and operate our proposed liquefaction facilities by certain dates, or at all;
- statements regarding any business strategy, any business plans or any other plans, forecasts, projections or objectives, including potential revenues and capital expenditures, 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, requirements, permits, investigations, proceedings or decisions; 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,” “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 Partners, L.P. Annual Report on Form 10-K filed with the SEC on February 24, 2012, 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.

# Sabine Pass LNG



# Current Prices = ~\$3B-\$4B of Spread for Each Bcf/d

## Worldwide Gas Prices = 11% to 15% of Crude Oil

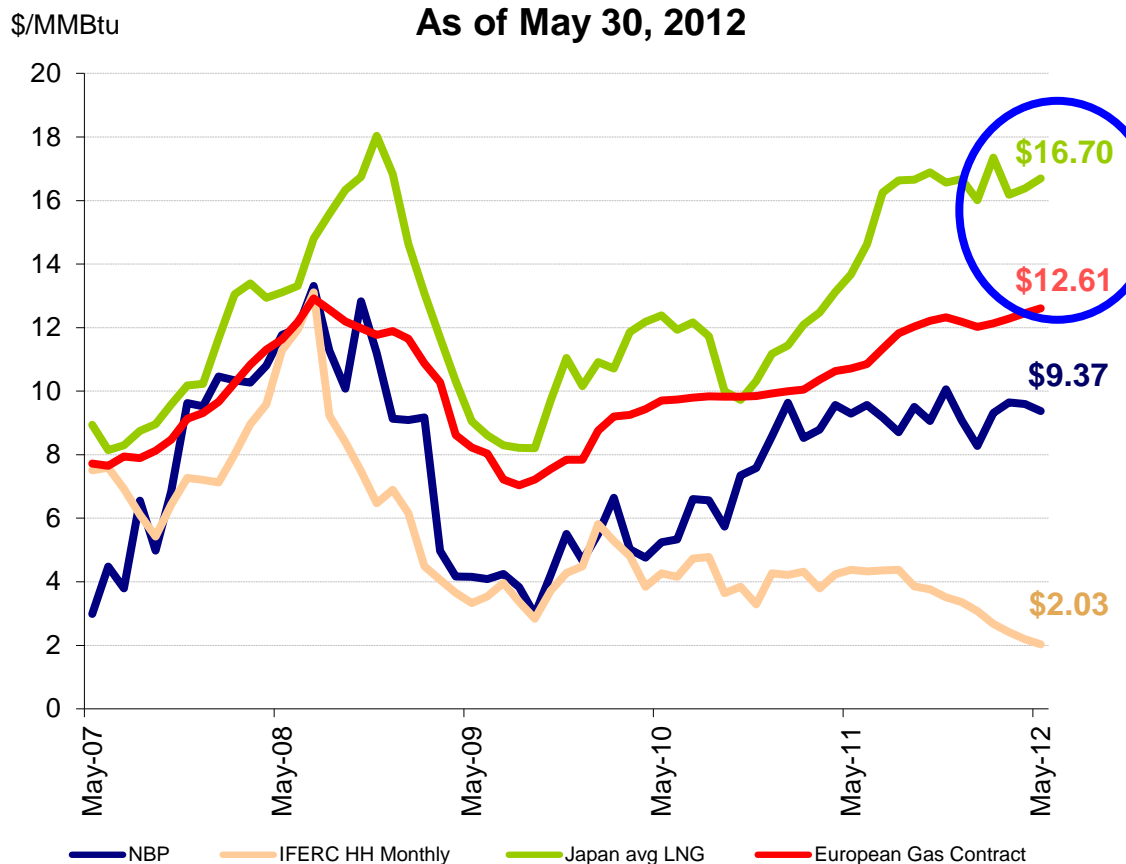
### Estimated Prices

Henry Hub: \$3.00 / MMBtu

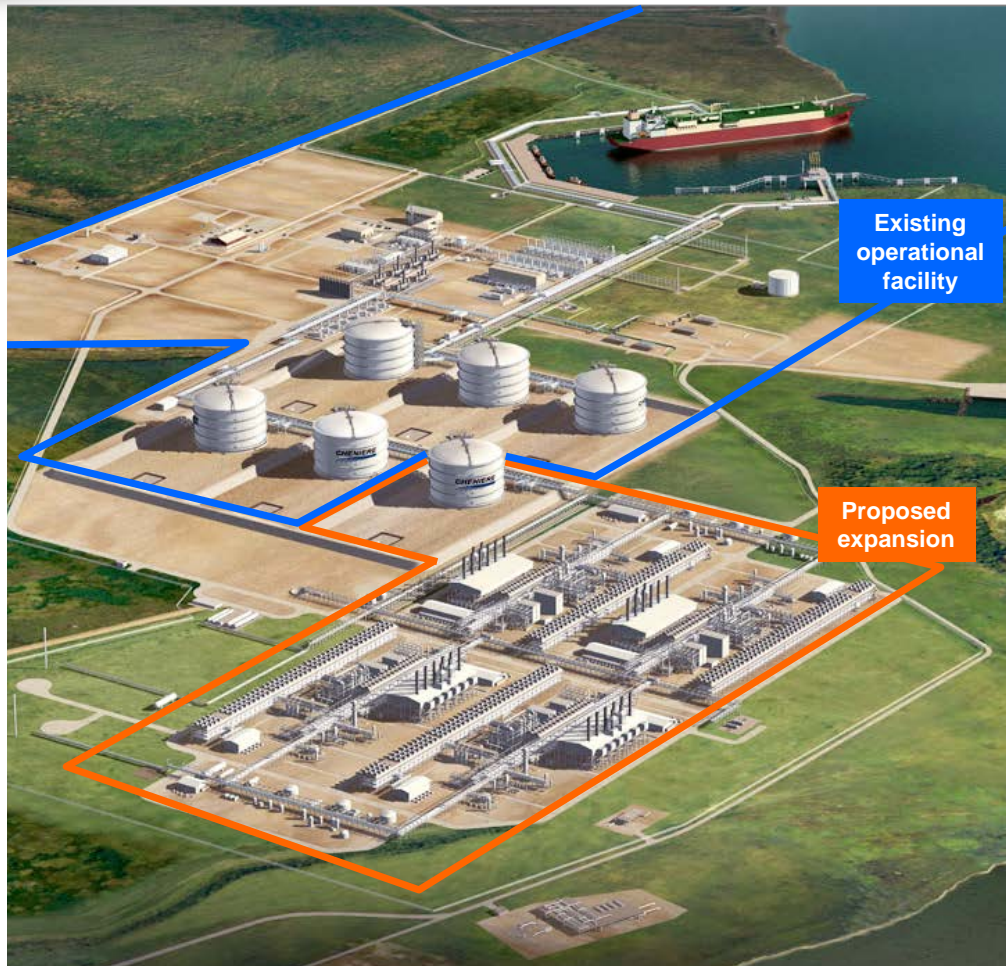
Brent Crude: \$100 / Barrel

(\$/MMBtu)	<u>Americas</u>	<u>Europe</u>	<u>Asia</u>
Henry Hub	\$ 3.00	\$ 3.00	\$ 3.00
Liquefaction	3.00	3.00	3.00
Shipping	0.75	1.25	3.00
Fuel/Basis	0.45	0.45	0.45
<b>Delivered Cost</b>	<b>\$ 7.20</b>	<b>\$ 7.70</b>	<b>\$ 9.45</b>
	@ 15%	@ 12%	@ 15%
<b>Regional Price</b>	<b>15.00</b>	<b>12.00</b>	<b>15.00</b>
<b>Margin</b>	<b>\$ 7.80</b>	<b>\$ 4.30</b>	<b>\$ 5.55</b>

### Regional Natural Gas & LNG Prices As of May 30, 2012



# Proposed SPL Project: Development Utilizing Existing Assets



## Current Facility

- ~1,000 acres in Cameron Parish, LA
- 40 ft ship channel 3.7 miles from coast
- 2 berths; 4 dedicated tugs
- 5 LNG storage tanks (17 Bcf of storage)
- 4.3 Bcf/d peak regasification capacity
- 5.3 Bcf/d of pipeline interconnection to the US pipeline network



## Liquefaction Expansion

- LSTK EPC contract w/Bechtel for Trains 1 & 2
- Up to four liquefaction trains designed with ConocoPhillips' Optimized Cascade® Process technology
- Six GE LM2500+ G4 gas turbine driven refrigerant compressors per train
- Gas treating and environmental compliance
- Modifications to the Creole Trail Pipeline for bi-directional service
- Sixth tank if needed for fourth train

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

# Contracted Capacity at SPL Sale and Purchase Agreements (SPAs)

Long-term, “take-or-pay” style commercial contracts equating to ~16 mtpa

	 <b>BG GROUP</b> BG Gulf Coast LNG <sup>(1)</sup>	 Gas Natural Fenosa <sup>(1)</sup>	 Korea Gas Corporation <sup>(1)</sup>	 GAIL (India) Limited <sup>(1)</sup>
Annual Contract Quantity (MMBtu)	286,500,000	182,500,000	182,500,000	182,500,000
Annual Fixed Fees <sup>(5)</sup>	~\$723 MM	~\$454 MM	~\$548 MM	~\$548 MM
Fixed Fees \$/MMBtu <sup>(2)</sup>	\$2.25 - \$3.00	\$2.49	\$3.00	\$3.00
Term <sup>(4)</sup>	20 years	20 years	20 years	20 years
Guarantor	BG Energy Holdings Ltd.	Gas Natural SDG S.A.	N/A	N/A
Guarantor Credit Rating <sup>(3)</sup>	A2/A	Baa2/BBB	A / A1	Baa2/NR/BBB-
Fee During Force Majeure	Up to 24 months	Up to 24 months	N/A	N/A
Contract Start Date	Train 1 + additional volumes with Trains 2,3,4	Train 2	Train 3	Train 4

(1) Conditions precedent must be satisfied by December 31, 2012 for BG Group and Gas Natural Fenosa and by June 30, 2013 for KOGAS and GAIL (India) Ltd. or either party can terminate. CPs include financing, regulatory approvals, positive final investment decision, issuance of notice to proceed and entering into common facilities agreements (other than KOGAS and GAIL (India) Ltd.).

(2) A portion of the fee is subject to inflation, approximately 15% for BG Group, 13.6% for Gas Natural Fenosa and 15% for KOGAS and GAIL (India) Ltd.

(3) Ratings may be changed, suspended or withdrawn at anytime and are not a recommendation to buy, hold or sell any security.

(4) SPAs have a 20 year term with the right to extend up to an additional 10 years. Gas Natural Fenosa has an extension right up to an additional 12 years in certain circumstances.

(5) BG will provide annual fixed fees of approximately \$520 million for trains 1-2 and \$203 million for trains 3-4.

# Proposed Financing Structure

~\$6.5B total funding for Liquefaction Trains 1 & 2 and Creole Trail Acquisition

- *Structuring to maintain 65/35 Debt to Equity ratio at Liquefaction*

## Equity \$2.0B CQP Class B Units

- \$1.5B Blackstone
- \$0.5B Cheniere

## Debt \$4.5B Bank Debt + Term Loan B

- \$2.5B Bank Debt
- \$2.0B Term Loan B<sup>(1)</sup>
  - \$1.25B @ Liquefaction for the Liquefaction Project
  - \$0.75B @ CQP for the Creole Trail Acquisition

# Progress on Liquefaction Project

**Trains 1 & 2: Obtaining financing is last step prior to commencing construction**

**Trains 3 & 4: Commercial contracts complete**

Milestone	Target Date	
	Trains 1 & 2	Trains 3 & 4
▪ DOE export authorization	✓	✓
▪ Definitive commercial agreements	✓	✓
▪ EPC contract	✓	4Q12
▪ FERC construction authorization	✓	✓
▪ Financing commitments	2Q12	1Q13
▪ Commence construction	2012	2013
▪ Commence operations	2015/2016	2017/2018

Project teams in place with the same key people that developed Sabine Pass LNG and Creole Trail Pipeline on-time and on-budget



# Strategic Focus: Projects under Development and Future Growth

## Sabine Pass LNG Exports – 18.0 mtpa facility

- *\$2.6B Estimated EBITDA*
- *90% under long-term, 20 yr. contracts*

## Cheniere Marketing

- *2.0 mtpa LNG export volumes to be sold from SPL*

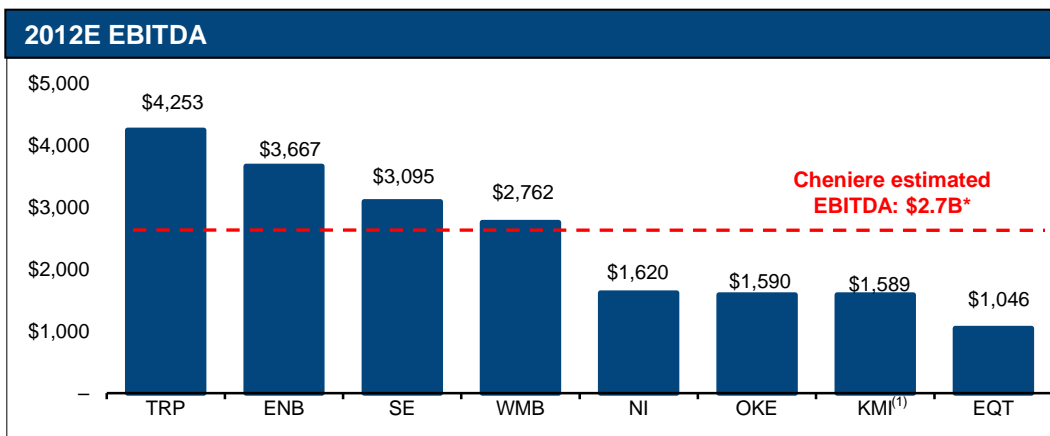
## Corpus Christi LNG Exports – 13.5 mtpa project

- *Under development – permitting stage*

# Cheniere Ranks Among Large Cap Midstream/Pipeline C-Corps by EBITDA with Sabine Liquefaction Contracts

## Cheniere's EBITDA expected to be bolstered from Sabine Liquefaction contracts

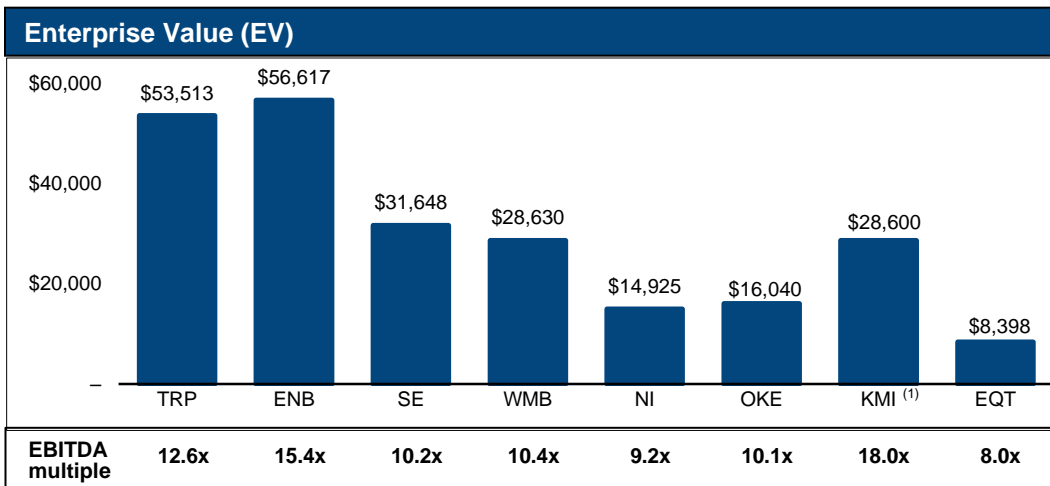
(\$ in millions)



- Cheniere's estimated contracted EBITDA (2017) expected to be comparable to large-cap midstream/pipeline energy companies
  - Estimated EBITDA includes SPAs at SPL for ~16.0 mtpa and additional LNG sales of ~2.0 mtpa of excess volumes plus existing TUAs at SPLNG for 2.0 Bcf/d

(1) Estimated based on May 10, 2012 Kinder Morgan investor presentation.

(\$ in millions)



- Energy group trades at an average multiple of > 10x (EV/2012E EBITDA)
  - Cheniere's current EV is ~\$3.5B
  - Estimated capital costs for 4 liquefaction trains, before financing costs, are ~\$9.0B to ~\$10.0B

*Note: Estimates represent a summary of internal forecasts, are based on current assumptions and are subject to change. Actual performance may differ materially from, and there is no plan to update, the forecast. EBITDA is a non-GAAP figure and does not include projections of depreciation and amortization. See "Forward Looking Statements" cautions.*

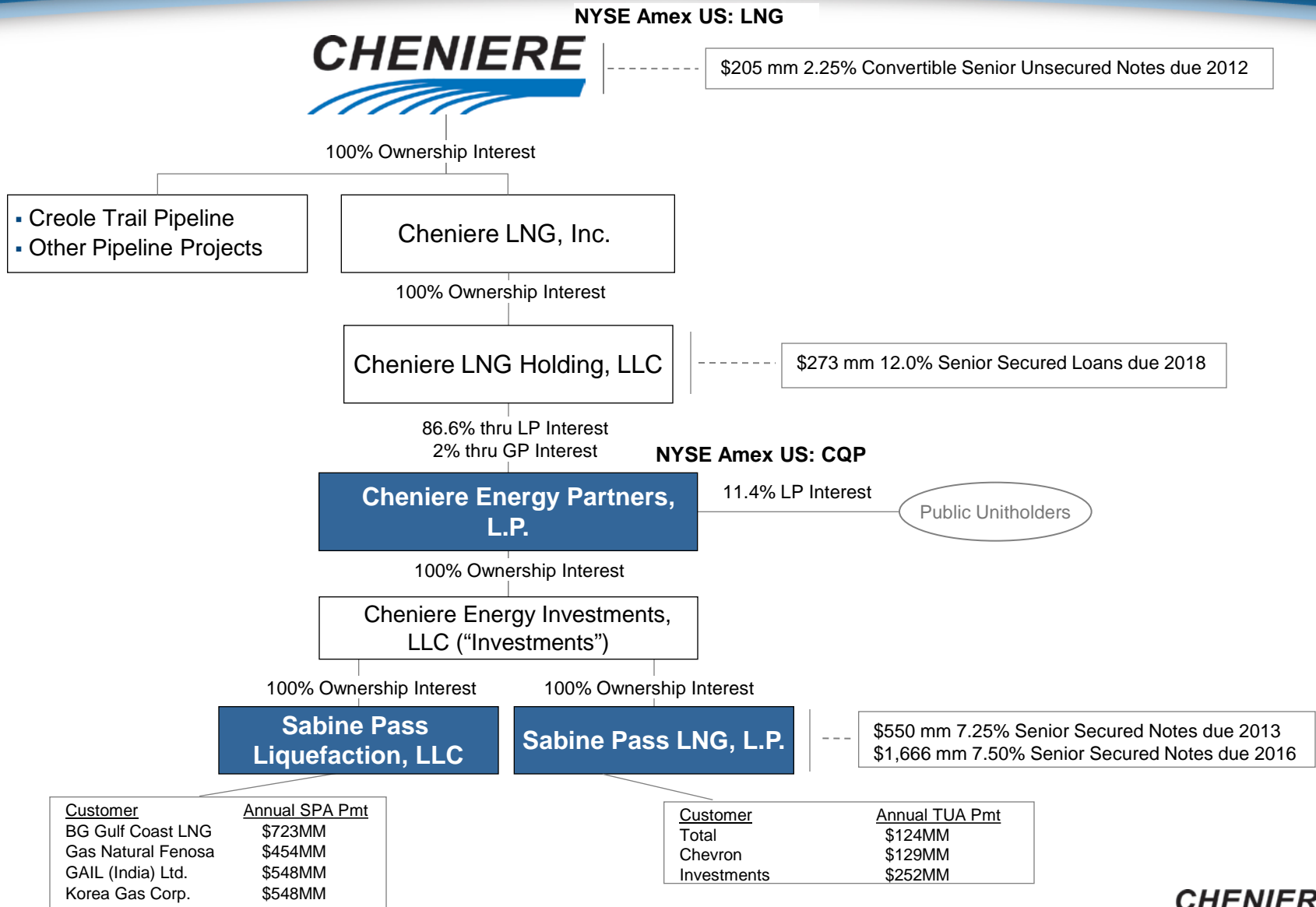
(1) Estimated based on May 10, 2012 Kinder Morgan investor presentation.





## Appendix

# Current Organizational Structure



# Condensed Balance Sheets

## As of March 31, 2012

	(\$ in MM)		
	<b>Cheniere Energy Partners, L.P.</b>	<b>Other Cheniere Energy, Inc. <sup>(1)</sup></b>	<b>Consolidated Cheniere Energy, Inc. <sup>(2)</sup></b>
<b>Unrestricted cash and equivalents</b>	\$ -	\$ 440	\$ 440
<b>Restricted cash and securities <sup>(3)</sup></b>	197	9	206
<b>Accounts and interest receivable</b>		2	2
<b>Property, plant and equipment, net</b>	1,505	588	2,093
<b>Goodwill and other assets</b>	60	134	194
<b>Total assets</b>	<u>\$ 1,762</u>	<u>\$ 1,173</u>	<u>\$ 2,935</u>
<b>Deferred revenue and other liabilities</b>	\$ 143	\$	\$ 143
<b>Current &amp; long-term debt <sup>(4)</sup></b>	2,194	481	2,675
<b>Non-Controlling interest</b>	-	201	201
<b>Deficit</b>	<u>(575)</u>	<u>491</u>	<u>(84)</u>
<b>Total liabilities and deficit</b>	<u>\$ 1,762</u>	<u>\$ 1,173</u>	<u>\$ 2,935</u>

(1) Includes intercompany eliminations and reclassifications.

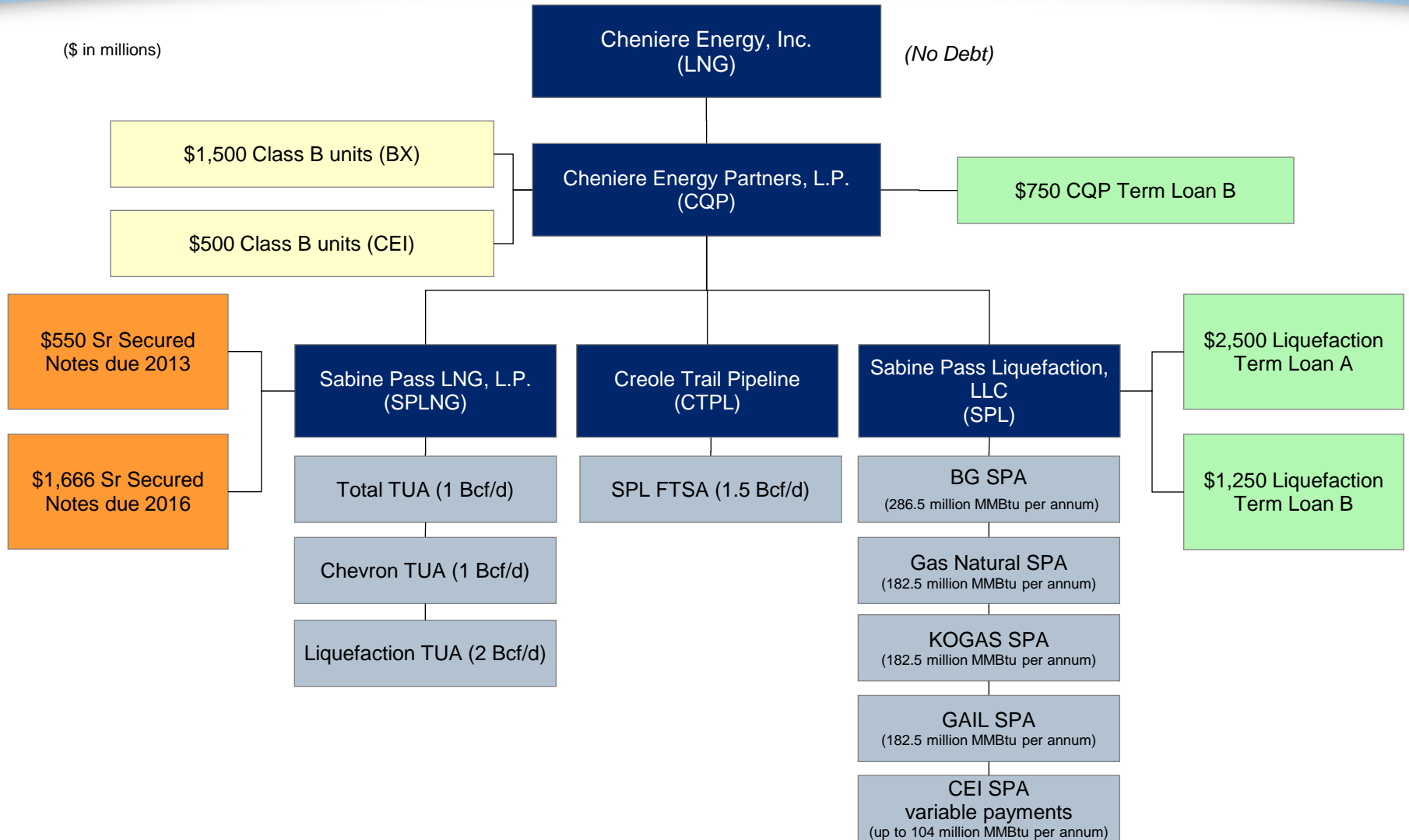
(2) For complete balance sheets, see the Cheniere Energy, Inc., Cheniere Energy Partners, L.P and Sabine Pass LNG, L.P. Quarterly Reports on Form 10-Q for the period ended March 31, 2012, filed with the SEC.

(3) Restricted cash includes debt service reserves as required per Sabine Pass indenture. Cash is presented as restricted at the consolidated level

(4) Includes related parties



# Pro Forma Organizational Structure



Note: BG SPA of 286.5 million MMBtu per annum includes 104.5 million MMBtu per annum that is allocated with 36.5 million MMBtu per annum for train 1 and 67.5 million MMBtu per annum with the start of trains 3 and 4

# Summary Steady State Cash Flows

## Trains 1 & 2

(\$ in millions)	<b>SPLNG</b>	<b>CTPL</b>	<b>SPL</b> <sup>(4)</sup>
Contracted payments	\$250	–	\$980
Other cash received	10	–	130
Operating expenses <sup>(1)</sup>	(50)	(20)	(150)
<b>EBITDA before intercompany</b>	<b>\$210</b>	<b>(\$20)</b>	<b>\$960</b>
Intercompany TUA payments <sup>(2)</sup>	265	–	(140)
Creole Trail Pipeline fees	–	80	(80)
<b>EBITDA</b> <sup>(3)</sup>	<b>\$475</b>	<b>\$60</b>	<b>\$740</b>

(1) Includes operating expenses, management fees, maintenance expenditures and marketing costs associated with purchasing gas.

(2) TUA payments to SPLNG to increase from original \$250MM per year for inflation indexation and cargo loading fees.

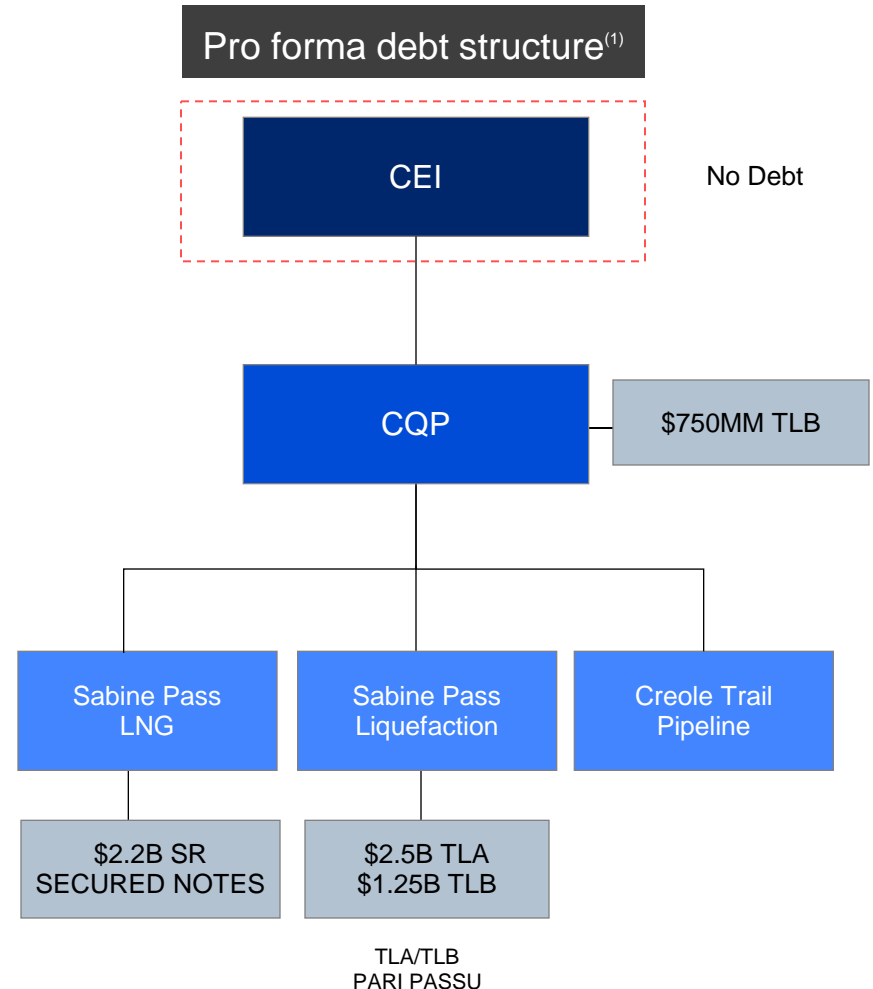
(3) EBITDA is computed as total revenues less non-cash deferred revenues, operating expenses, assumed commissioning costs and state and local taxes. It does not include depreciation expenses and certain non-operating items. Because we have not forecasted such depreciation expense and non-operating items, we have not made any forecast of net income, which would be the most directly comparable financial measure under generally accepted accounting principles, or GAAP. As a result, we are unable to reconcile differences between forecasts of EBITDA and net income.

(4) Excludes potential EBITDA from marketing activities.

# CEI Investing \$500MM in CQP Class B Units for Liquefaction

Pro forma Liquefaction financing and Aug 2012 maturity, CEI to be debt free

- CEI raised ~\$800MM in net proceeds from equity offerings to strengthen its balance sheet
  - Repaid \$298MM Term Loan due 2012
  - Has available funds to pay the \$205MM convertible due in Aug 2012
  - Cash on hand - adequate liquidity through construction
- In addition, Temasek and RRJ purchased 19.9% of CEI for \$468MM
  - CEI to invest \$500MM in CQP Class B Units pari passu with Blackstone
- CQP to purchase CTPL from CEI for \$300MM cash & 12MM Class B Units
  - CEI to use the proceeds to pay down debt & for general corporate purposes

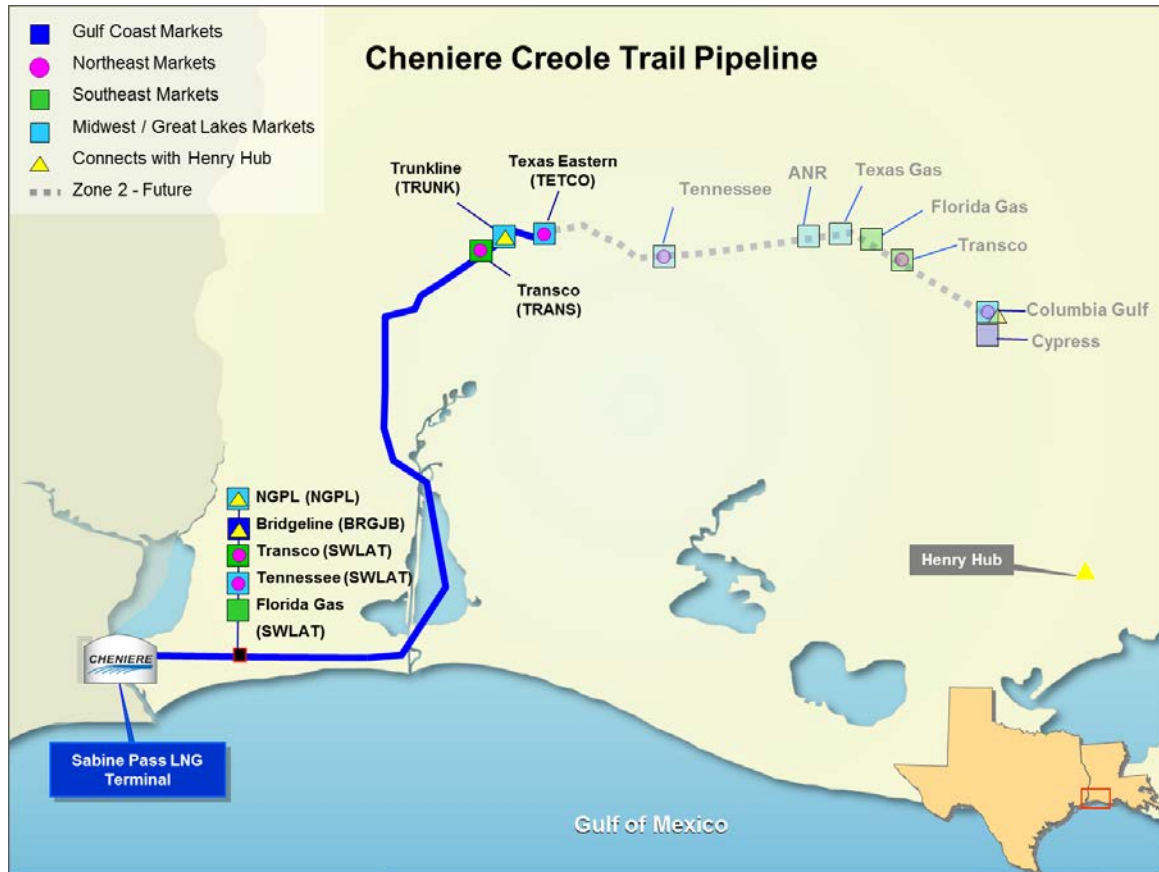


(1) Reflects proposed financing structure which may not be achieved on acceptable terms or at all and results may differ materially from results shown.



# CQP to Purchase Creole Trail Pipeline

- CTPL infrastructure is critical to purchasing gas & providing Liquefaction services
- CQP to purchase CTPL for \$300MM cash plus 12MM Class B Units
  - *CEI to use proceeds to pay down debt and for general corporate purposes*
- Sabine Pass Liquefaction & CTPL to enter into a Firm Transport Service Agreement
  - *~\$80MM annual payments to CTPL after in-service of Liquefaction Train 1*



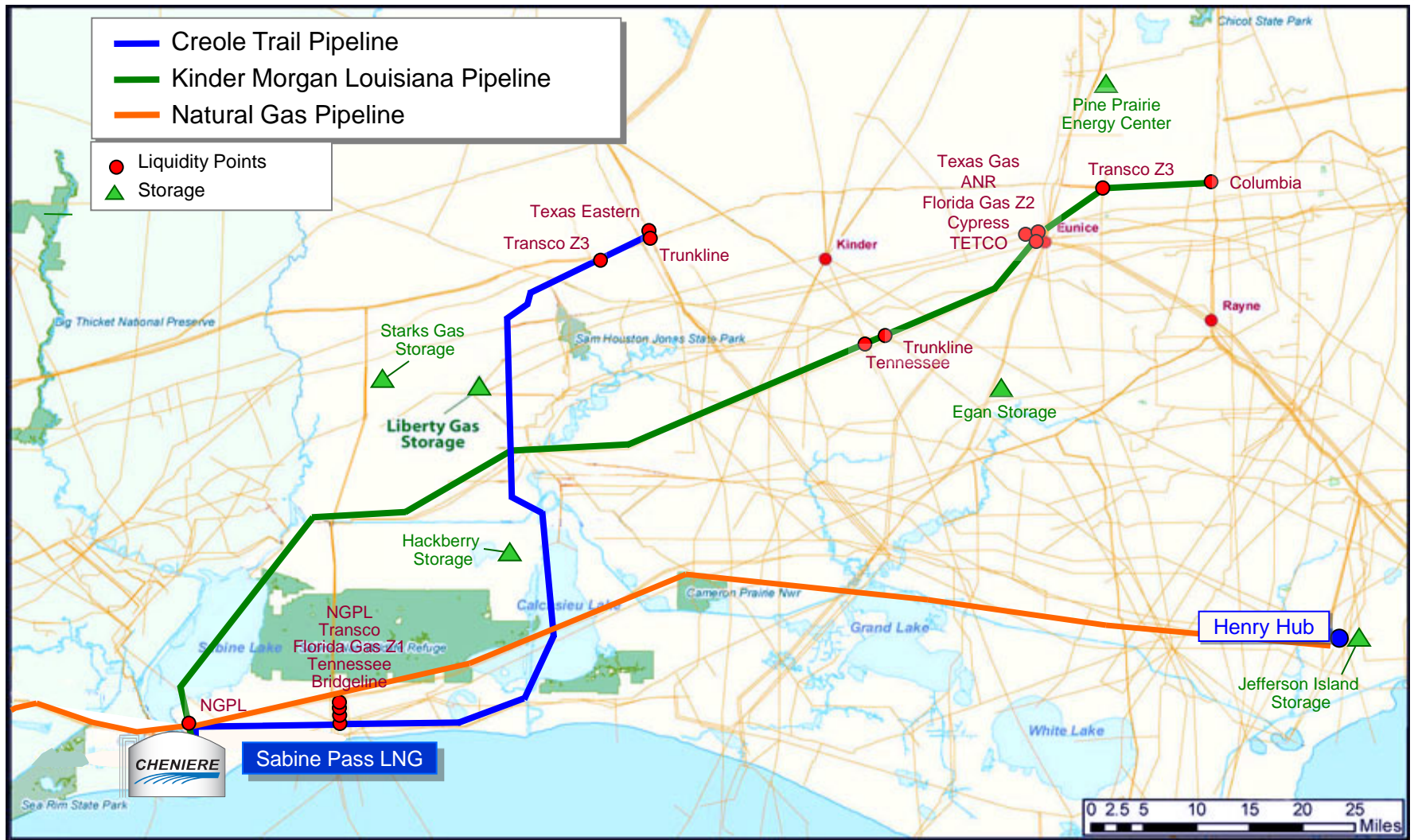
## Current Facility

- Delivery from SPLNG: 2.0 Bcf/d
- Diameter: 42-inch
- Length: 94 miles
- Interconnects: NGPL, Transco, TGPL, FGT, Bridgeline, Tetco, Trunkline

## Pipeline Modifications

- Reconfigure for bi-directional flow
- One new compressor station with three new units
- Two new meter stations
- Modification of existing meter stations
- Est. ~\$90MM capital cost
- Delivery to SPLNG: 1.5 Bcf/d
- Est. in-service: 4Q2014 – 4Q2015

# Potential Links to Upstream Pipelines



# EPC Contract with Bechtel and Expansion Minimize Construction Costs and Risks

## Why Bechtel

- Constructed one third of the world's liquefaction - more than any other contractor
- All Bechtel LNG facilities have been completed on time or ahead of schedule
- Top US construction contractor for 13 straight years by Engineering News-Record

## Bechtel Experience

Project name	Country	COD date	Type
Wheatstone LNG	Australia	TBD	Cost replacement
Gladstone LNG	Australia	2015	Lump sum
Australia Pacific LNG	Australia	2015	Lump sum
Curtis LNG	Australia	2014	Lump sum
Angola LNG	Angola	2012	Lump sum
Equatorial Guinea LNG	Equatorial Guinea	2007	Lump sum
Darwin LNG	Australia	2006	Lump sum
Atlantic LNG	Trinidad & Tobago	2006 <sup>(1)</sup>	Lump sum
Egypt LNG	Egypt	2005 <sup>(2)</sup>	Lump sum
Kenai LNG	Alaska	1969	Construction only



(1) Commercial operation of Train 1 in 1999, Train 2 in 2002, Train 3 in 2003 and Train 4 in 2006.

(2) Commercial operation of Trains 1 & 2 in 2005.

## Key Competitive and Cost Advantages

- Existing SPLNG infrastructure provides significant cost advantages
  - Jetty, pipeline, control room, 17 Bcf storage tanks, etc.
- Economies of scale from building multiple trains
- Easy access to the Gulf Coast labor pool, labor relations are strong
- Established marine and road access provide easy delivery of materials

Note: Past results not a guarantee of future performance.

# Regulatory Approvals Received Strong Project Support

First and only project in the Lower 48 with all key DOE and FERC approvals

- Very strong local support: Cameron Parish officials, Louisiana state and federal congressional delegations, parish & state agencies
- Strong support from gas producing states
- Exporting natural gas will
  - stimulate the U.S. economy through job creation
  - provide a boost to American global competitiveness
  - promote domestic production of U.S. energy, helping reduce reliance on foreign sources
  - further public initiatives, such as improving the U.S. balance of trade and replacing environmentally damaging fuels with a cleaner source

## Regulatory

### FERC: Authorization to Construct

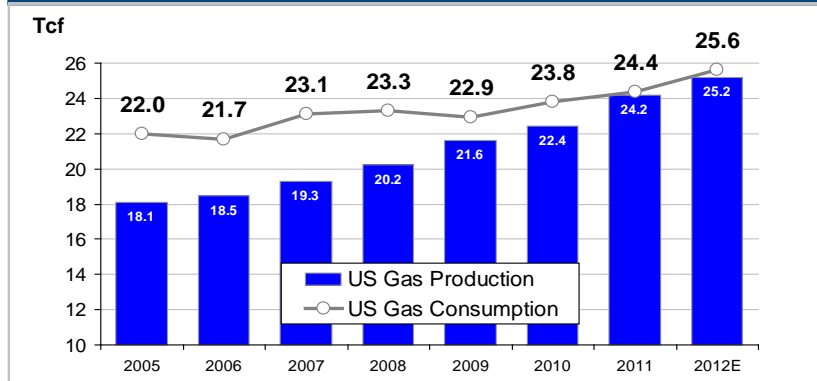
- Base site permitted
- NEPA pre-filing 7/2010 for expansion, but was not granted until 8/2010
- Formal application filed 1/2011
- FERC Order received 4/2012 for all four trains
- First notice to proceed received to start work at the site 5/2012

### DOE: Authorization to Export

- Filed two applications in 8/2010 & 9/2010
- Approval to export 2 Bcf/d for 30 years to Free Trade nations received 9/2010
- Public comment period to export to non-free trade nations closed 12/2010
- Approval to export to non FT nations received 5/2011

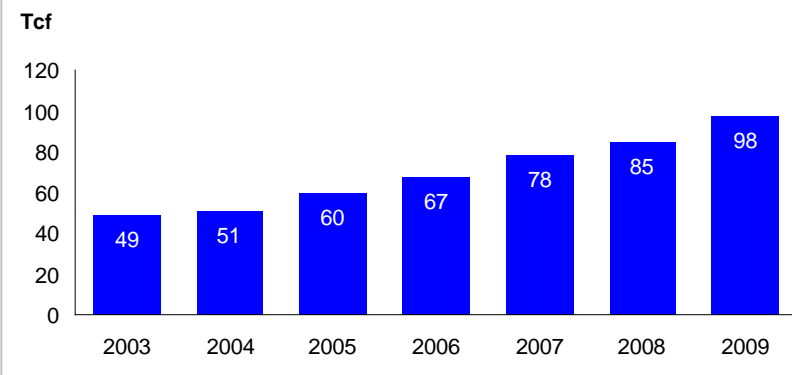
# U.S. Natural Gas Markets

## US Gas Consumptions vs. Production



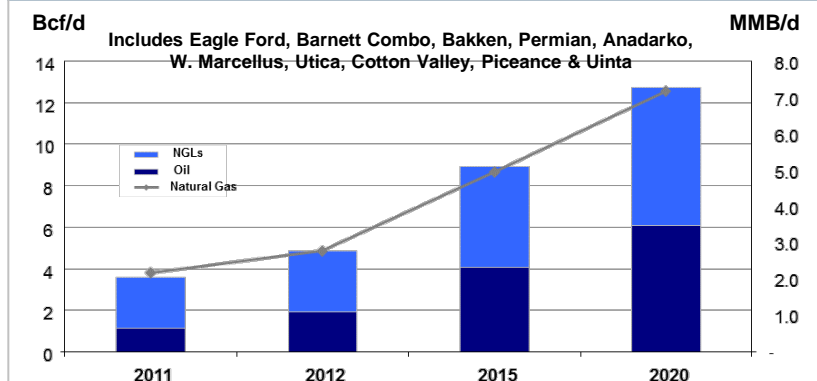
Source: EIA historical, May 2012 Short-Term Energy Outlook (2011 data).

## US Proved Non-Producing Reserves



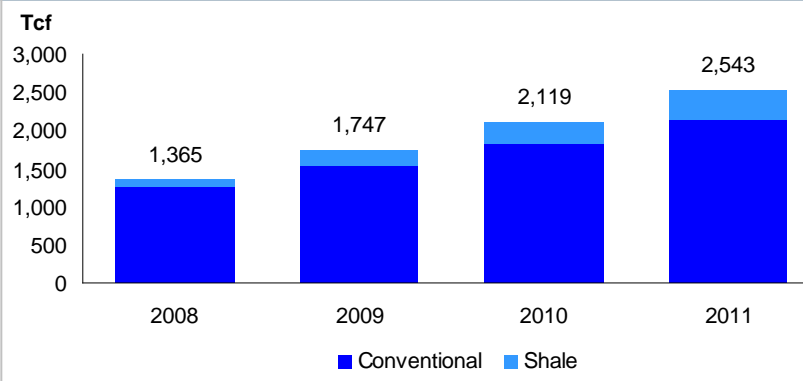
Source: EIA, US Crude Oil, Natural Gas and Natural Gas Liquids Proved Reserves, 2009.

## Productive Capacity from Unconventional Reservoirs



Source: Advanced Resource Intl; Cheniere Research.

## US Natural Gas Resources

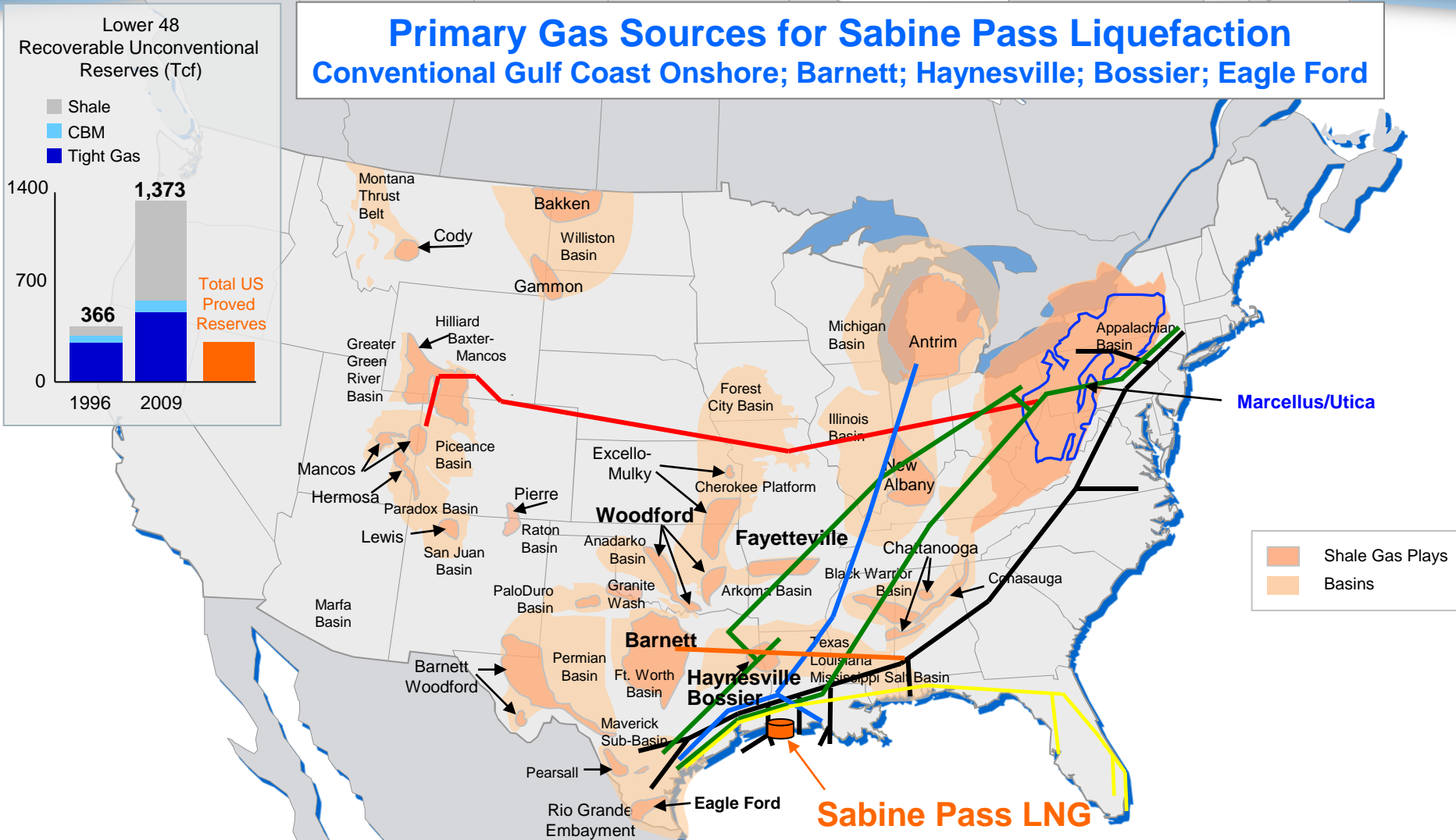


Source: DOE, Annual Energy Outlook 2008-2011.

- Current market fundamentals in the U.S. – increased production, increased natural gas reserves and lackluster increase in natural gas demand – have created an opportunity to expand into exports – benefitting U.S. economy, creating jobs and reducing balance of trade

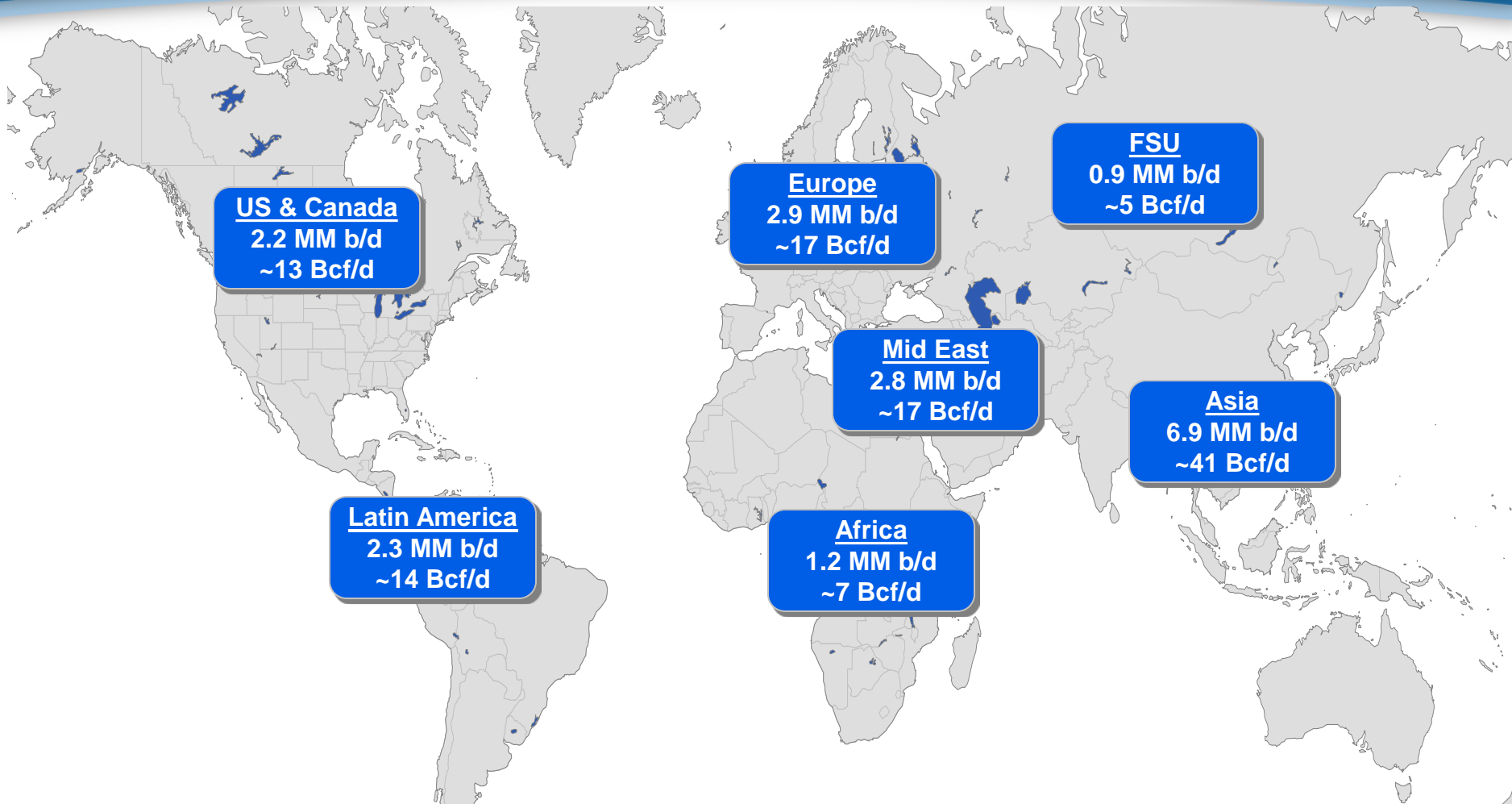
# Strategically Located – Extensive Market Access to Gas

## Primary Gas Sources for Sabine Pass Liquefaction Conventional Gulf Coast Onshore; Barnett; Haynesville; Bossier; Eagle Ford



Sources: EIA (US map graphic, pipelines and LNG terminals placed by Cheniere).  
 Advanced Resources Intl (Lower 48 Unconventional Recoverable Reserves), ARI shale estimates updated April 2010.  
 Depicted Pipelines: Rockies Express, Texas Eastern, Trunkline, Transco, FGT, C/P/SESH/Gulf Crossing (as a single route).  
 Depicted LNG terminal: Sabine Pass LNG.

# Global Petroleum Demand – Stationary Sources



Global oil use totals 19 million b/d (~22%) in stationary sources, such as industrial, power and heating, that could be switched to natural gas: equivalent to 100+ Bcf/d natural gas demand

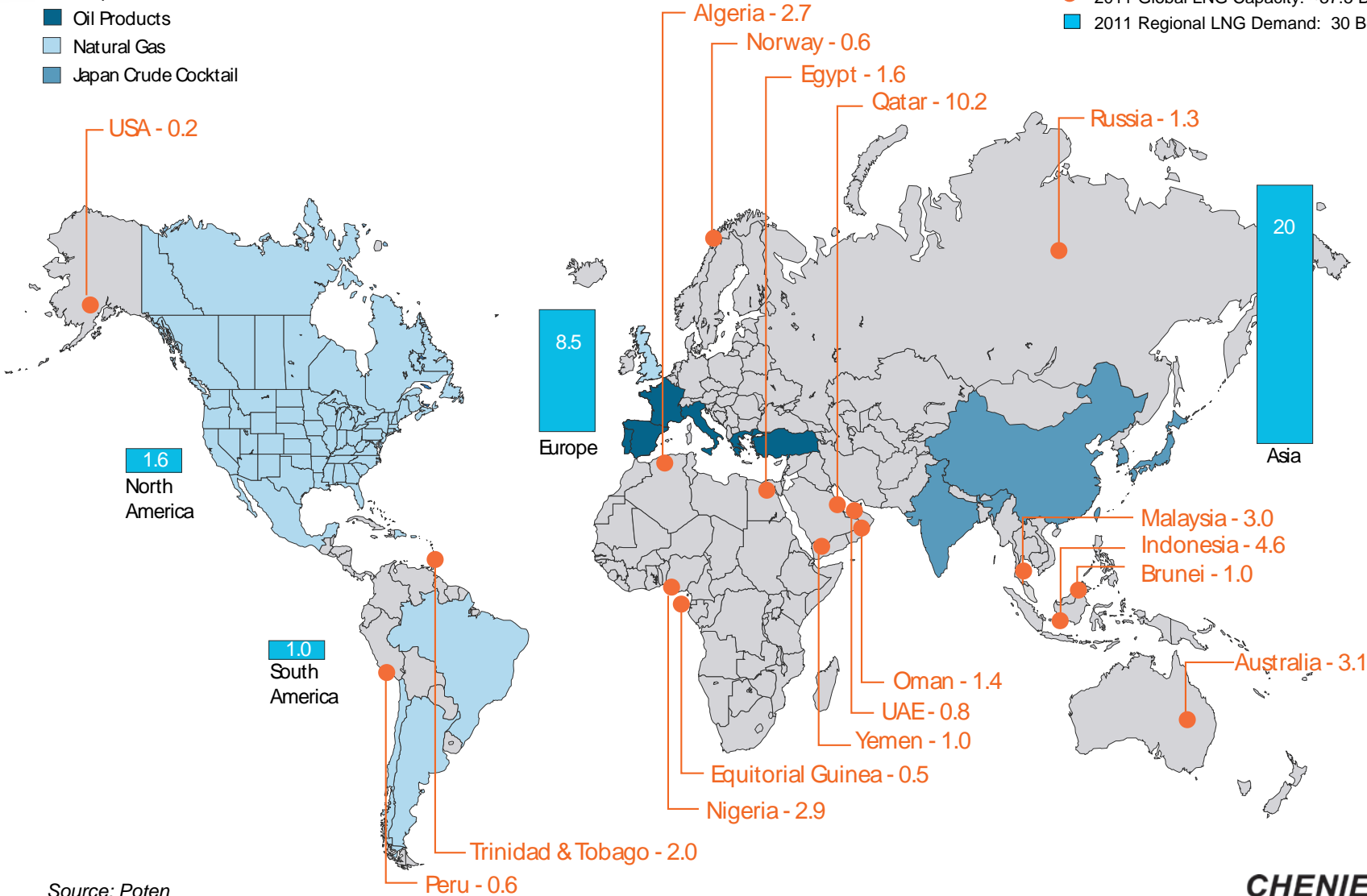
Source: PIRA Energy Group, "The Potential for Natural Gas Substitution of Stationary Petroleum Demand", January 2010

# Global LNG Market

LNG Importers - Price Indexation

- Oil Products
- Natural Gas
- Japan Crude Cocktail

- 2011 Global LNG Capacity: ~37.5 Bcf/d
- 2011 Regional LNG Demand: 30 Bcf/d

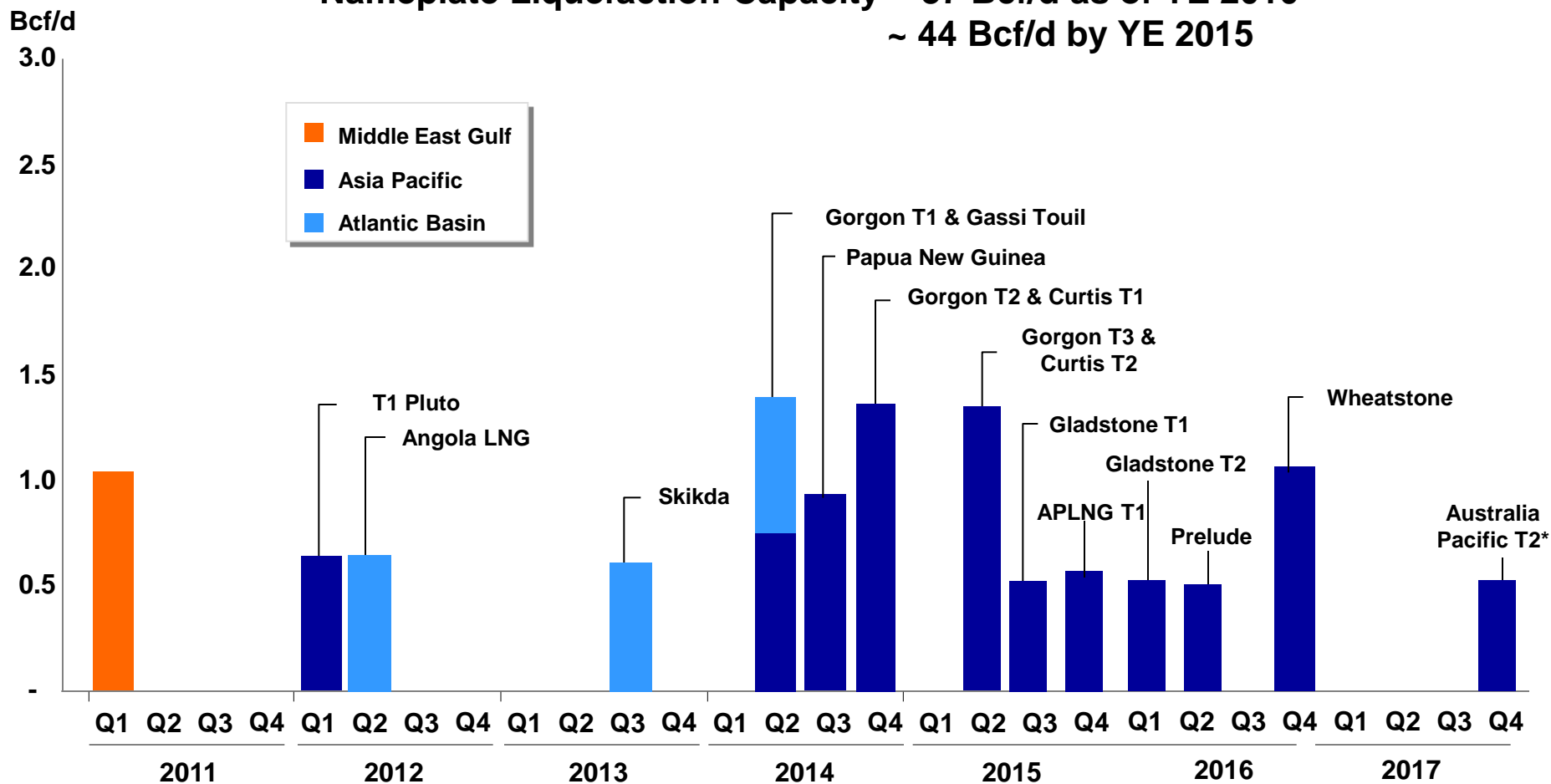


Source: Poten





# Firm Liquefaction Capacity Additions

Nameplate Liquefaction Capacity ~ 37 Bcf/d as of YE 2010  
 ~ 44 Bcf/d by YE 2015



# Contracted Capacity at SPLNG Third Party Terminal Use Agreements (TUAs)

Long-term, 20 year “take-or-pay” style commercial contracts

	 <b>TOTAL</b> Total Gas & Power N.A.	 <b>Chevron</b> Chevron USA
<b>Capacity</b>	1.0 Bcf/d	1.0 Bcf/d
<b>Fees <sup>(1)</sup></b>		
Reservation Fee <sup>(2)</sup>	\$0.28/MMBTU	\$0.28/MMBTU
Opex Fee <sup>(3)</sup>	\$0.04/MMBTU	\$0.04/MMBTU
<b>2011 Full-Year Payments</b>	\$124 million	\$129 million
<b>Term</b>	20 years	20 years
<b>Guarantor</b>	Total S.A.	Chevron Corp.
<b>Guarantor Credit Rating**</b>	Aa1/AA	Aa1/AA
<b>Payment Start Date</b>	April 1, 2009	July 1, 2009

(1) Fees do not vary with the actual quantity of LNG processed; tax reimbursement not included in the fees.

(2) No inflation adjustments.

(3) Subject to annual inflation adjustment.

Note: Termination Conditions – (a) force majeure of 18 months (b) unable to satisfy customer delivery requirements of ~192MMbtu in a 12-month period, 15 cargoes over 90 days or 50 cargoes in a 12-month period. In the case of force majeure, the customers are required to pay their capacity reservation fees for the initial 18 months.

\*\*Ratings may be changed, suspended or withdrawn at anytime and are not a recommendation to buy, hold or sell any security.



## Cheniere Energy

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