

# ***CHENIERE ENERGY, INC.***

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\* Sabine Pass LNG, L.P.  
Cheniere Energy Partners, L.P.  
Cheniere Energy, Inc. 91%



\*Corpus Christi LNG, LLC  
Cheniere Energy, Inc. 100%



\*Creole Trail LNG, L.P.  
Cheniere Energy, Inc. 100%



\*Freeport LNG Development, L.P.  
Cheniere Energy, Inc. 30%

## **FBR Capital Markets 2007 Investor Conference** **November 28, 2007**

\*Artist's Rendition

**CHENIERE**

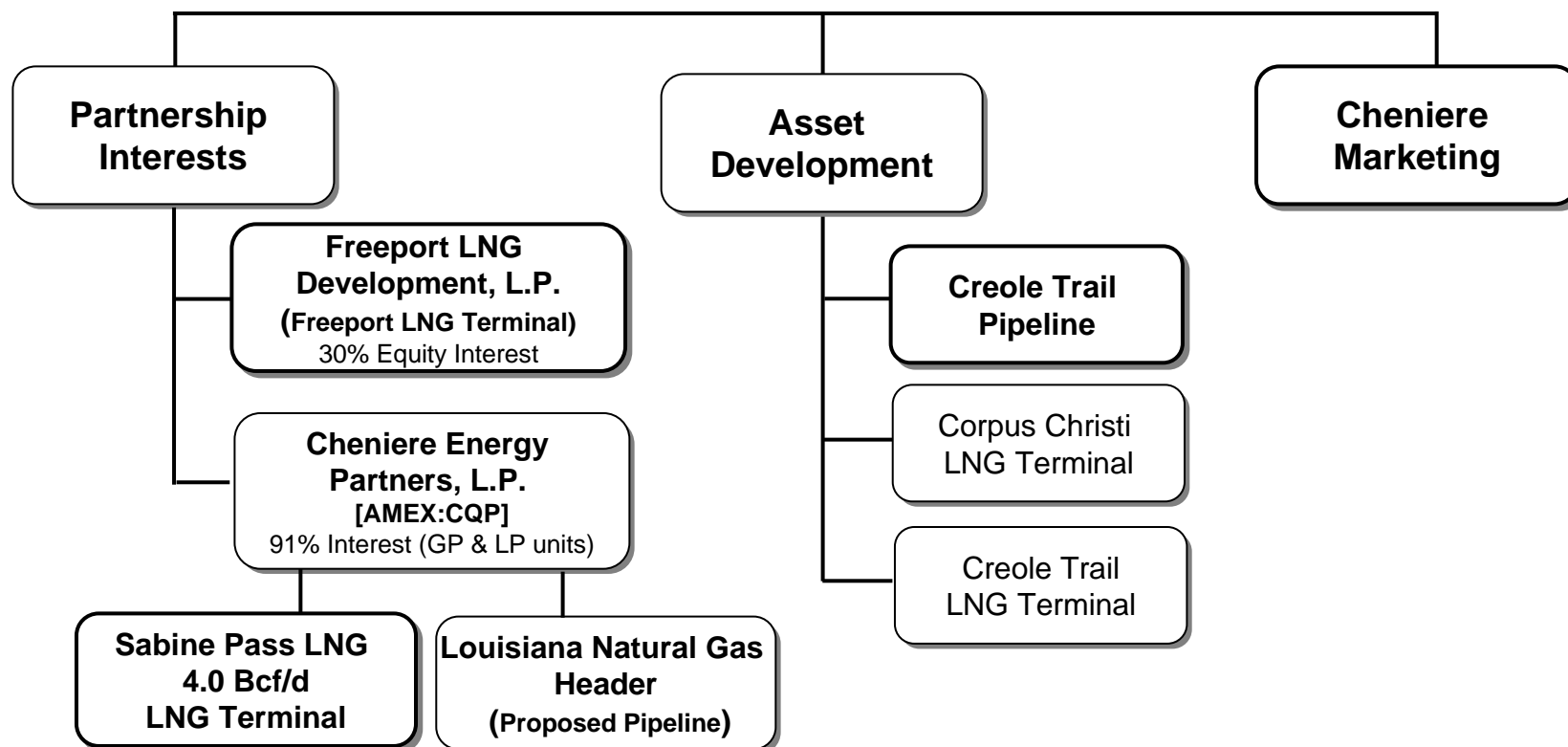
# Safe Harbor Act

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 1934, as amended, or the Exchange Act. 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 each or any of our proposed liquefied natural gas, or LNG, receiving terminals by certain dates, or at all;
- statements that we expect to receive authorization from the Federal Energy Regulatory Commission, or FERC, to construct and operate proposed LNG receiving terminals by a certain date, or at all;
- statements regarding future levels of domestic natural gas production and consumption, or the future level of LNG imports into North America, or regarding projected future capacity of liquefaction or regasification, liquifaction utilization or total monthly LNG trade facilities worldwide, regardless of the source of such information
- statements regarding any financing transactions or arrangements, whether on the part of Cheniere or at the project level;
- statements relating to the construction of our proposed LNG receiving terminals, including statements concerning estimated costs, and the engagement of any EPC contractor;
- statements regarding any Terminal Use Agreement, or TUA, or other commercial arrangements presently contracted, optioned, marketed or potential arrangements to be performed substantially 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 regarding the commercial terms or potential revenue from any arrangements which may arise from the marketing of uncommitted capacity from any of the terminals, including the Creole Trail and Corpus Christi terminals which do not currently have contractual commitments;
- statements regarding the commercial terms or potential revenue from any arrangement relating to the proposed contracting for excess or expansion capacity for the Sabine Pass LNG Terminal or the Indexed Purchase Agreement (“IPA”) or LNG spot purchase examples described in this presentation;
- statements that our proposed LNG receiving terminals, when completed, will have certain characteristics, including amounts of regasification and storage capacities, a number of storage tanks and docks and pipeline interconnections;
- statements regarding Cheniere and Cheniere Marketing forecasts, and any potential revenues and capital expenditures which may be derived from any of Cheniere business groups;
- statements regarding Cheniere Pipeline Company, and the capital expenditures and potential revenues related to this business group; statements regarding our proposed LNG receiving terminals’ access to existing pipelines, and their ability to obtain transportation capacity on existing pipelines; statements regarding the Louisiana Natural Gas Header, and its potential business opportunities
- statements regarding possible expansions of the currently projected size of any of our proposed LNG receiving terminals;
- statements regarding the payment by Cheniere Energy Partners, L.P. of cash distributions;
- statements regarding our business strategy, our business plan or any other plans, forecasts, examples, models, 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. Annual Report on Form 10-K for the year ended December 31, 2006, 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.

# Value Drivers



# Freeport LNG Development, L.P.

## Cheniere Energy, Inc. 30%



Sold – Terminal Use Agreement (TUA)	Capacity	Est. Annual Distribution to Cheniere Energy, Inc.*
Conoco	1.0 Bcf/d	~ \$15 MM
Dow	0.5 Bcf/d	

\* Expect to begin cash distributions in 3<sup>rd</sup> quarter 2008





# Cheniere Energy Partners, L.P. (AMEX: CQP)

## Sabine Pass LNG, L.P.

Cheniere Energy, Inc. 91%



Sabine Pass Construction Site – November 2007

Sold – Terminal Use Agreement (TUA)	Capacity	2010 Full-Year Revenue (\$MM)
Total, S.A.	1.0 Bcf/d	~ \$126
Chevron	1.0 Bcf/d	~ \$130
Cheniere Marketing	2.0 Bcf/d	~ \$256
<b>Estimated Annual Distribution from CQP to Cheniere Energy, Inc.</b>		
2010	~ \$254 MM	



# Sabine Pass Terminal Update November 2007



# Cheniere Energy Partners Growth Projects

- Fuel Efficiency Projects at Sabine Pass LNG
  - Waste Heat Recovery and Ambient Air Vaporizers (AAV)
  - More economical process to reheat LNG, replaces SCVs
  - Developed over next few years, expected in-service 2010 – 2011
  - Funding from excess cash and financing
- Louisiana Natural Gas Header
  - Proposed pipeline extending from Louisiana to Alabama

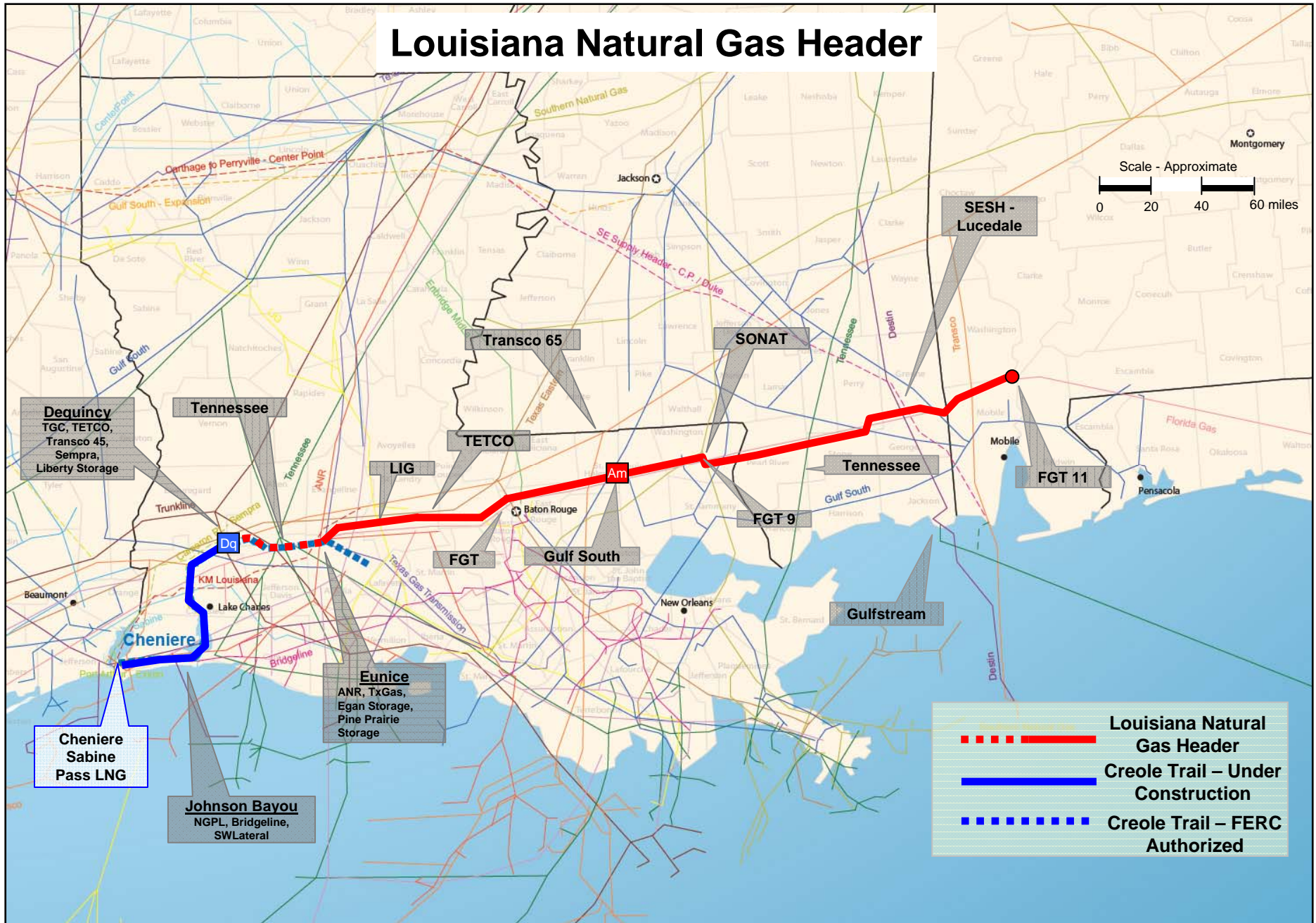
# Louisiana Natural Gas Header

## Proposed Pipeline

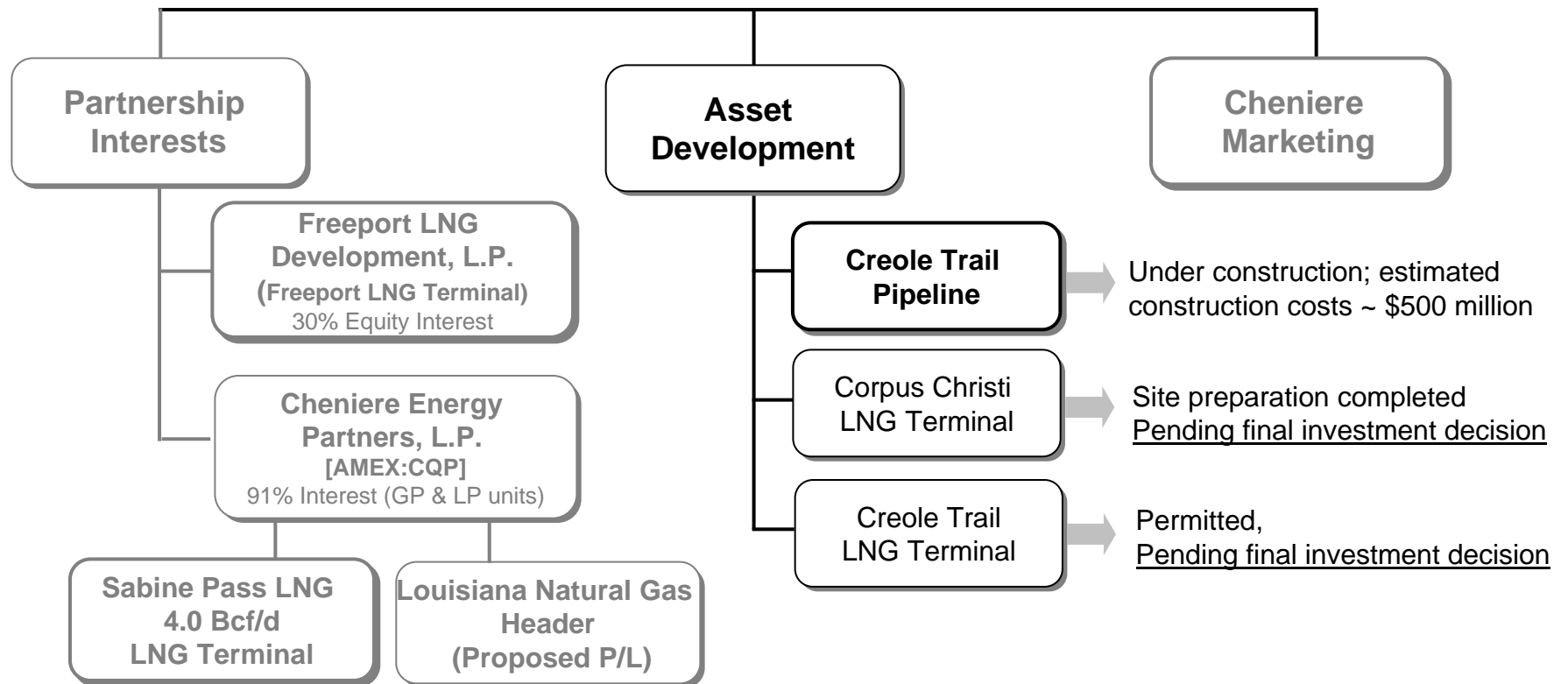
- After construction completion it will provide supply diversity
  - Access to new and existing LNG gas supply in and around Louisiana; nearly 10 Bcf/d regas capacity by 2010
  - Access to traditional offshore, onshore and recently developed unconventional supply
- Connect to growing Southeast demand markets
  - Natural gas demand expected to increase driven by electric generation
  - Incremental natural gas necessary to satisfy new electric generation in Florida alone is estimated at 1Bcf/d
- ~330-mile long proposed interstate pipeline system comprised of both 42-inch and 36-inch diameter pipeline
- Expected in-service date as early as mid 2010
- Non-binding open season held from November 15 to January 15 to gauge prospective shipper interest



# Louisiana Natural Gas Header



# Value Drivers



Potential Pipeline Interconnects:

- Gulf Coast Markets
- Northeast Markets
- Southeast Markets
- Midwest / Great Lakes Markets
- ▲ Connects with Henry Hub

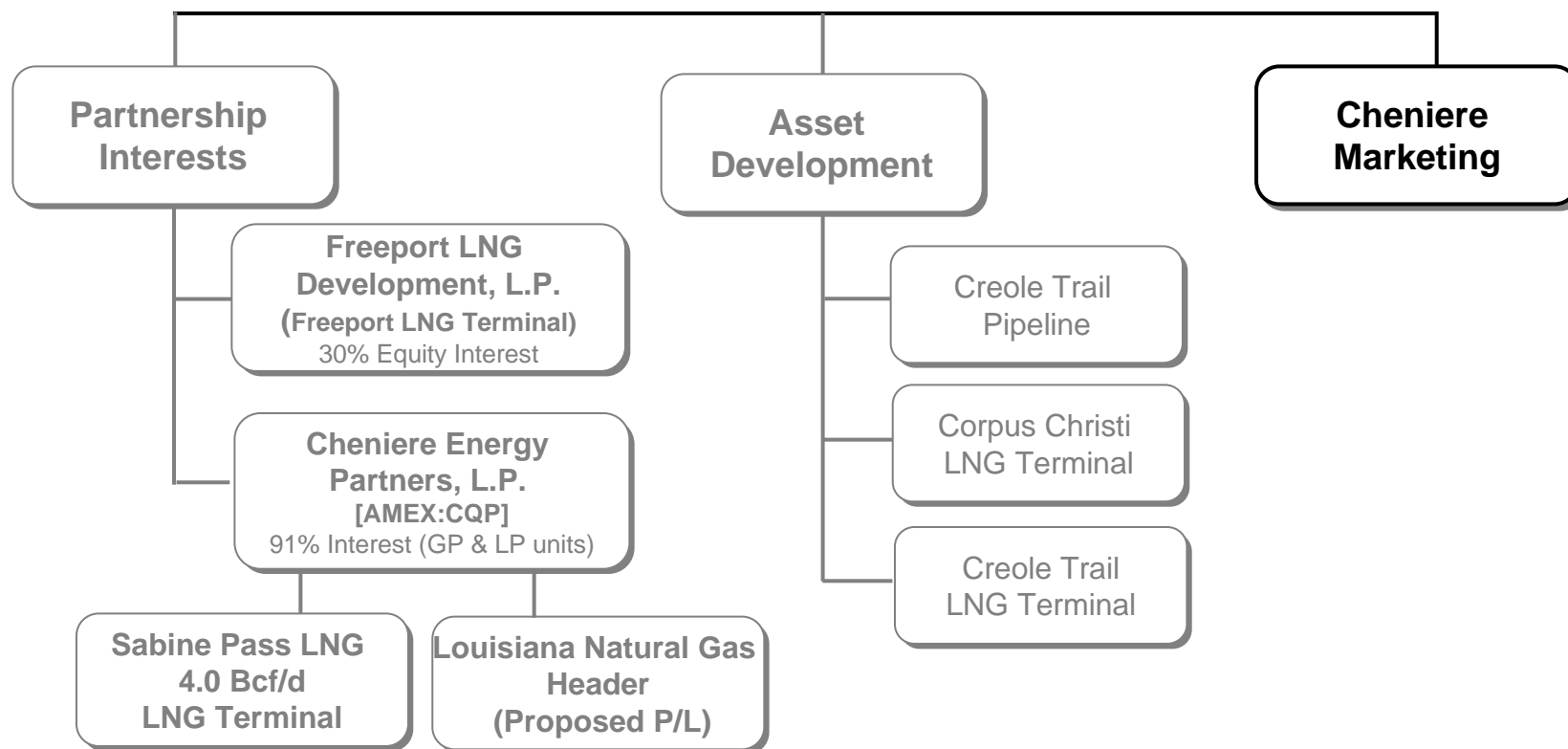
- Creole Trail – MP 58\*
- - - Creole Trail – Phase II

# Creole Trail Pipeline\*



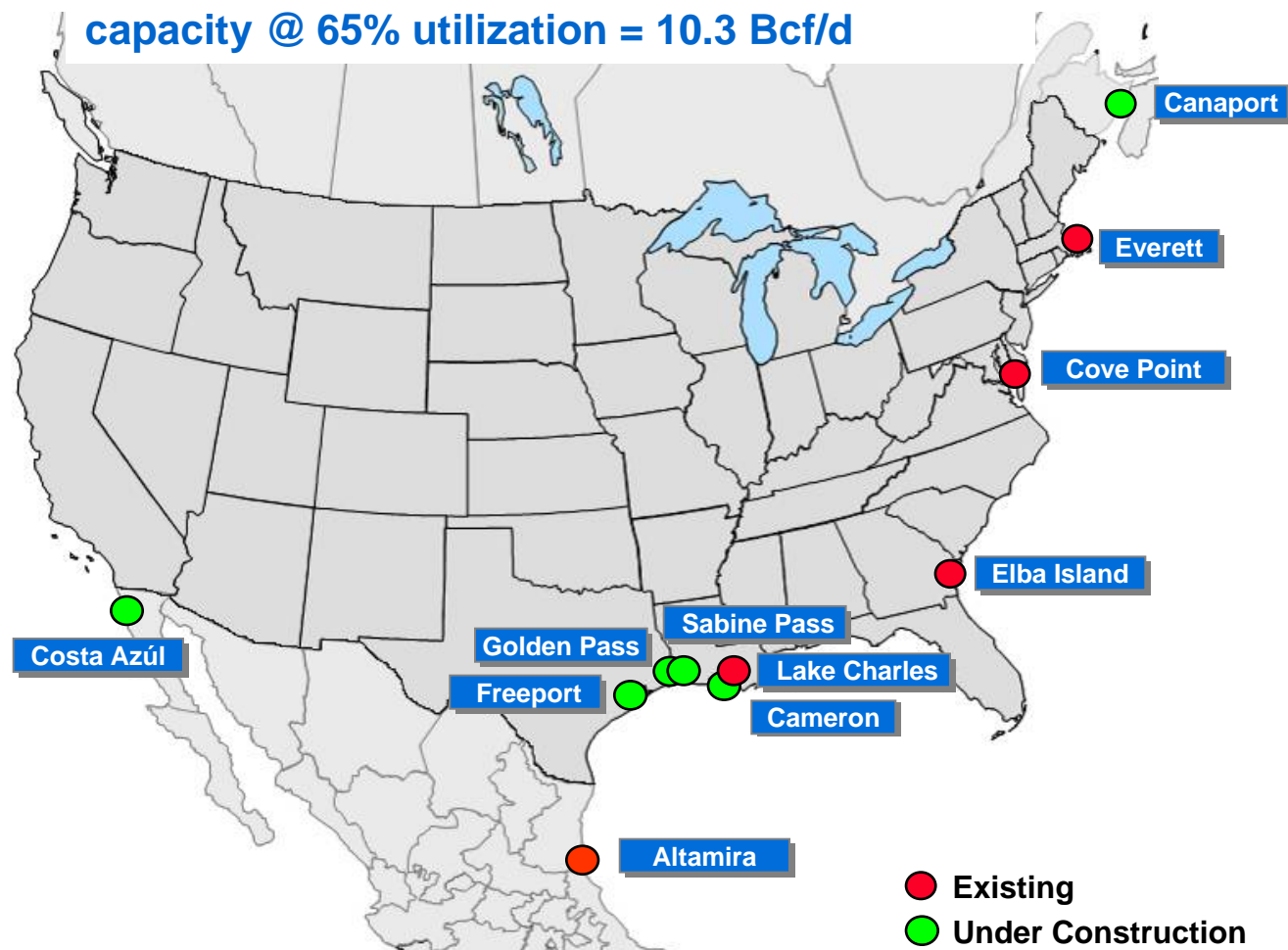


# Value Drivers



# North America Onshore Regasification Capacity By 2010

15.8 Bcf/d North American Atlantic Basin capacity @ 65% utilization = 10.3 Bcf/d



Terminal Capacity Holder	Baseload Sendout (MMcf/d)
Canaport Irving, Repsol	1,000
Everett - Suez	700
Cove Point BP, Statoil, Shell	1,800
Elba Island BG, Marathon, Shell	800
Lake Charles - BG	1,800
Freeport ConocoPhillips, Dow	1,500
Sabine Pass Total, Chevron, Cheniere	4,000
Cameron Sempra, ENI	1,500
Golden Pass ExxonMobil, ConocoPhillips, QP	2,000
Altamira Shell, Total	700
Costa Azul Shell, Sempra	1,000
<b>Total</b>	<b>16,800</b>

# Constraint is not Regasification but Natural Gas Consumption

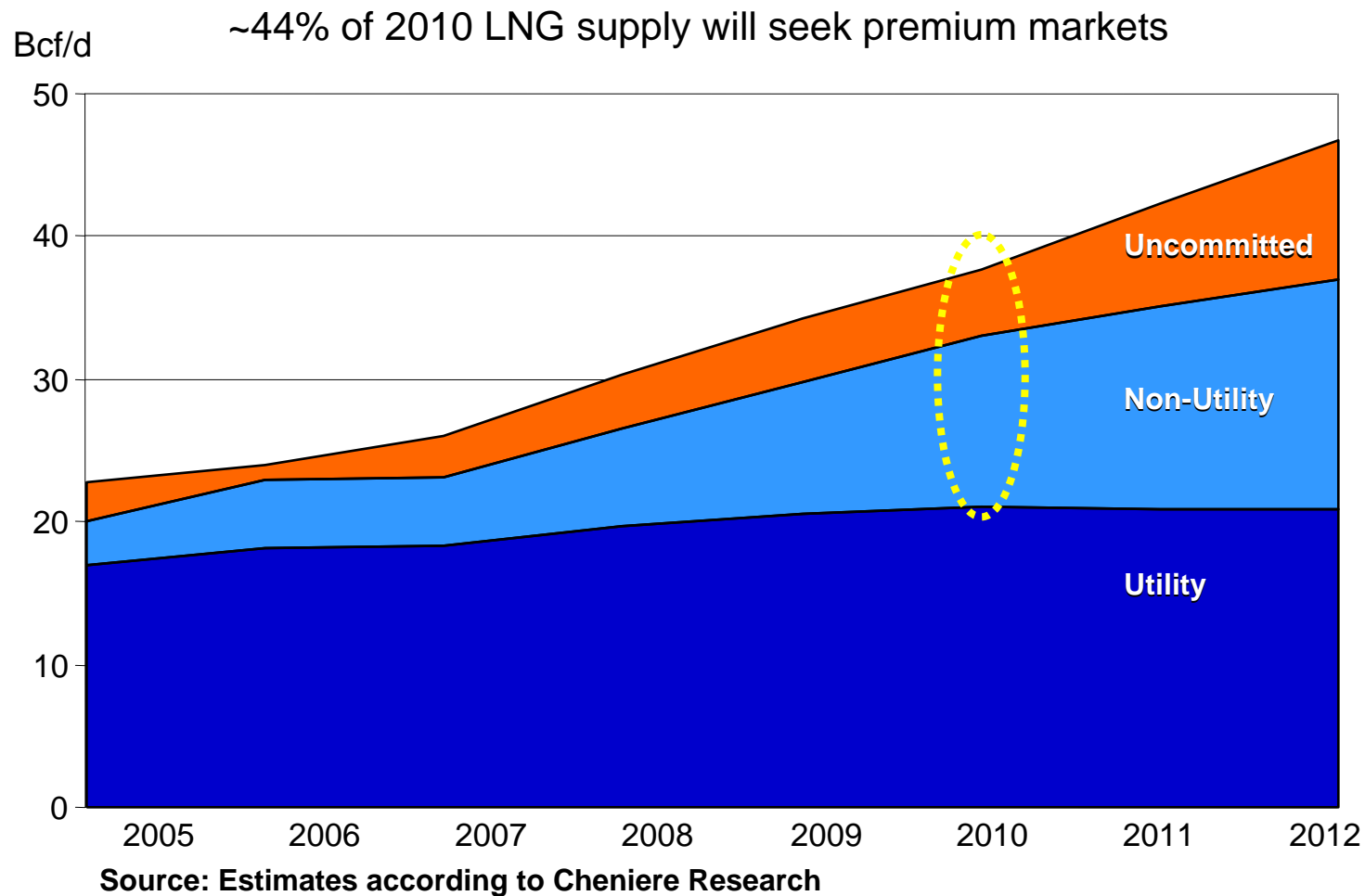
- Regasification is built for peak utilization because of seasonal variations

	2000		2007		2010	
	LNG Consumption	Regas Capacity	LNG Consumption	Regas Capacity	LNG Consumption	Regas Capacity
Asia	9.8	27.5	13.9	34.7	~ 16	34.7
Europe	3.3	4.9	4.8	9.6	~ 6	18.4
North America	0.7	1.5	2.8	5.9	~ 10	18.8

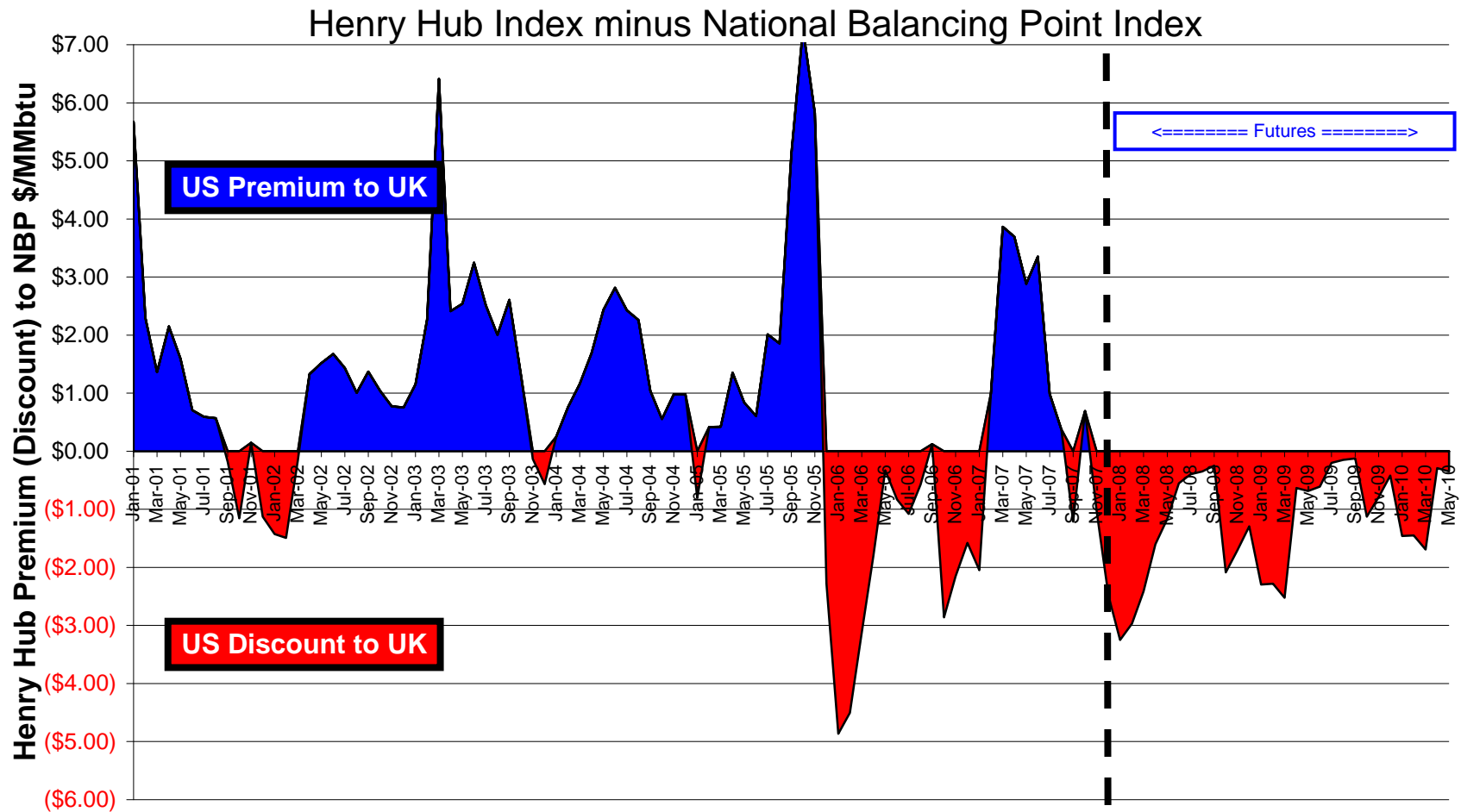
Source: GIIGNL; Waterborne LNG, Cheniere Research



# Contractual Trends Away from Utilities

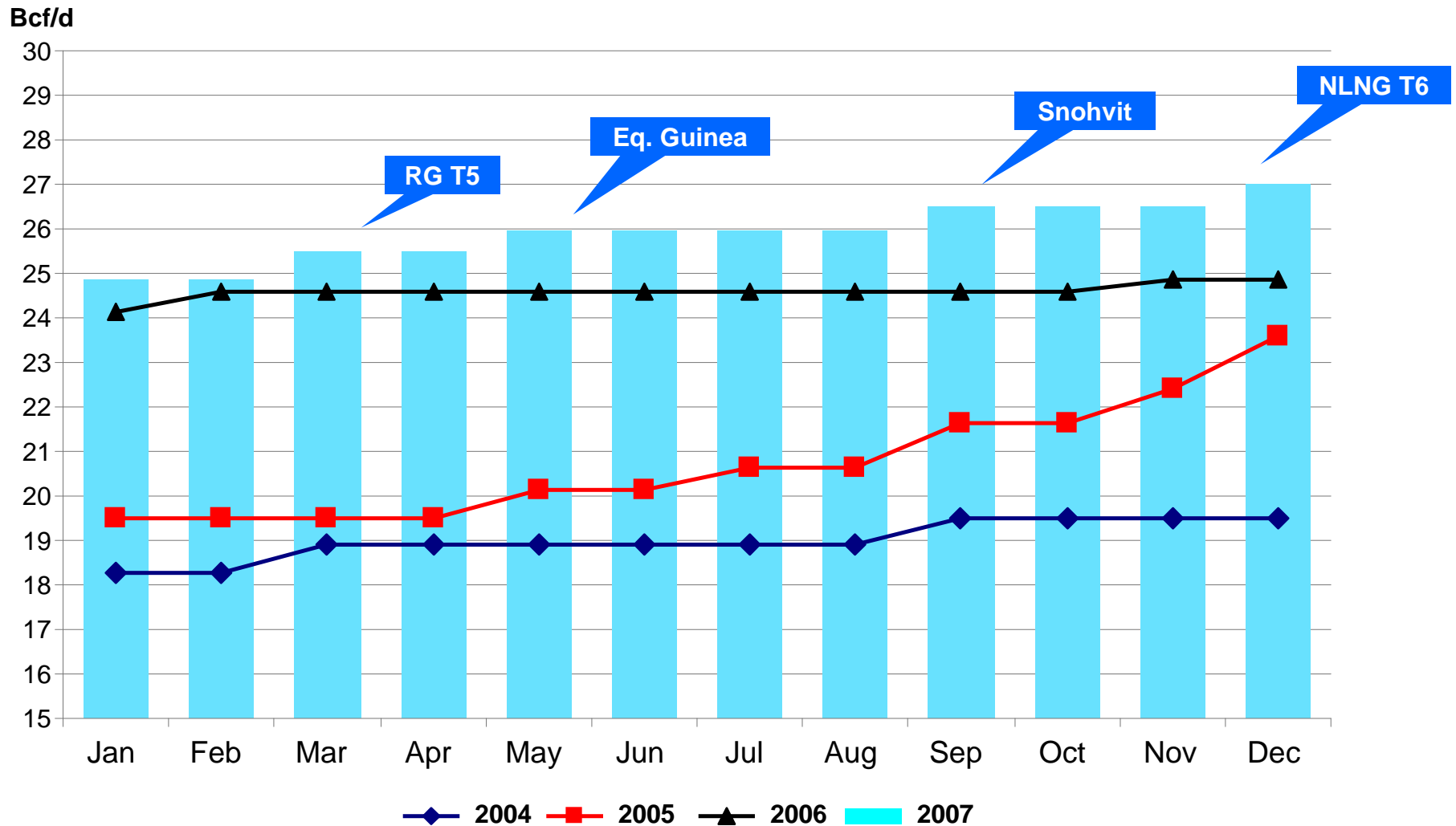


# NYMEX vs. NBP – November 2, 2007



Historical Data  
Futures as of 11/02/07

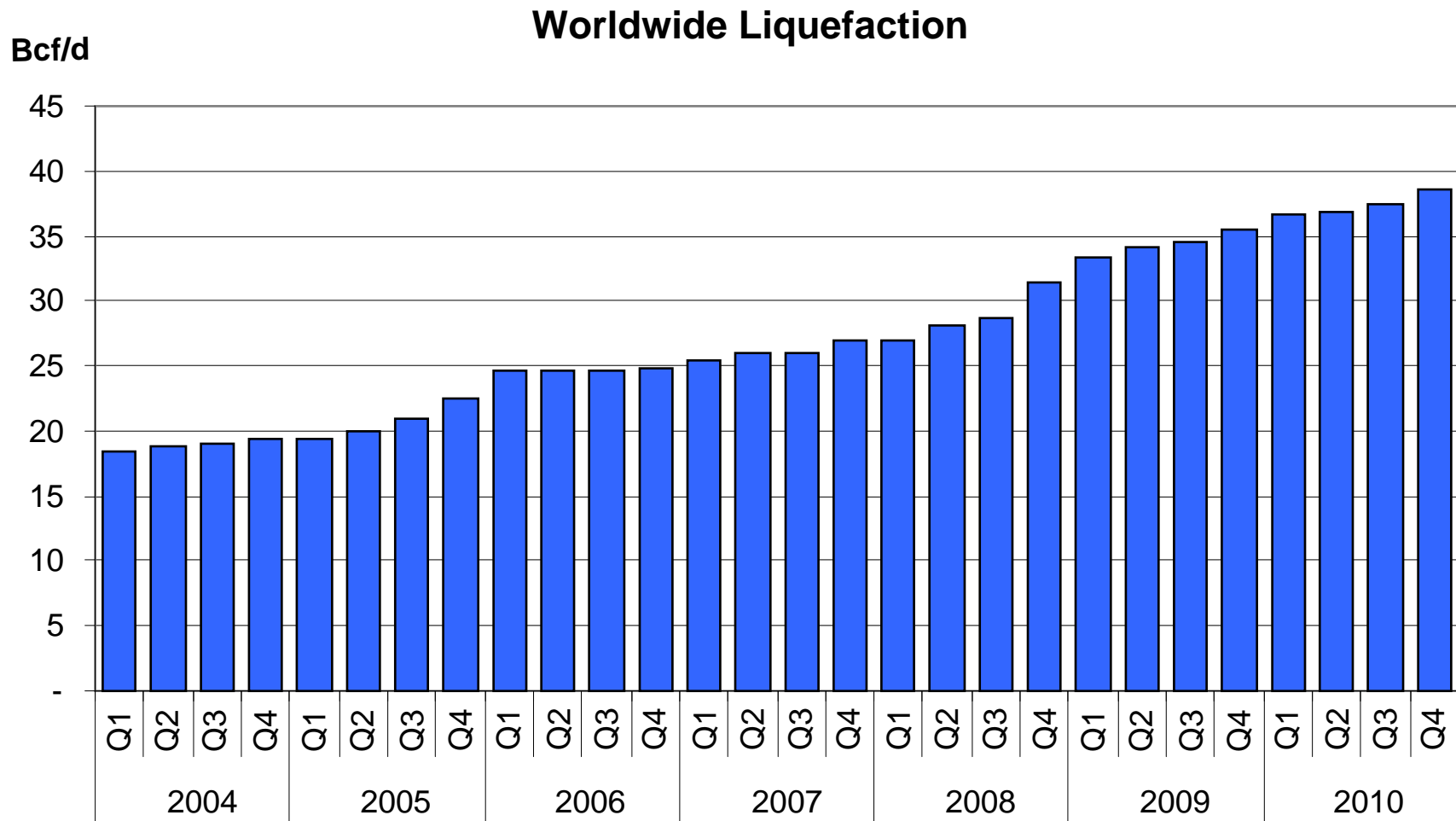
# Worldwide Liquefaction Capacity



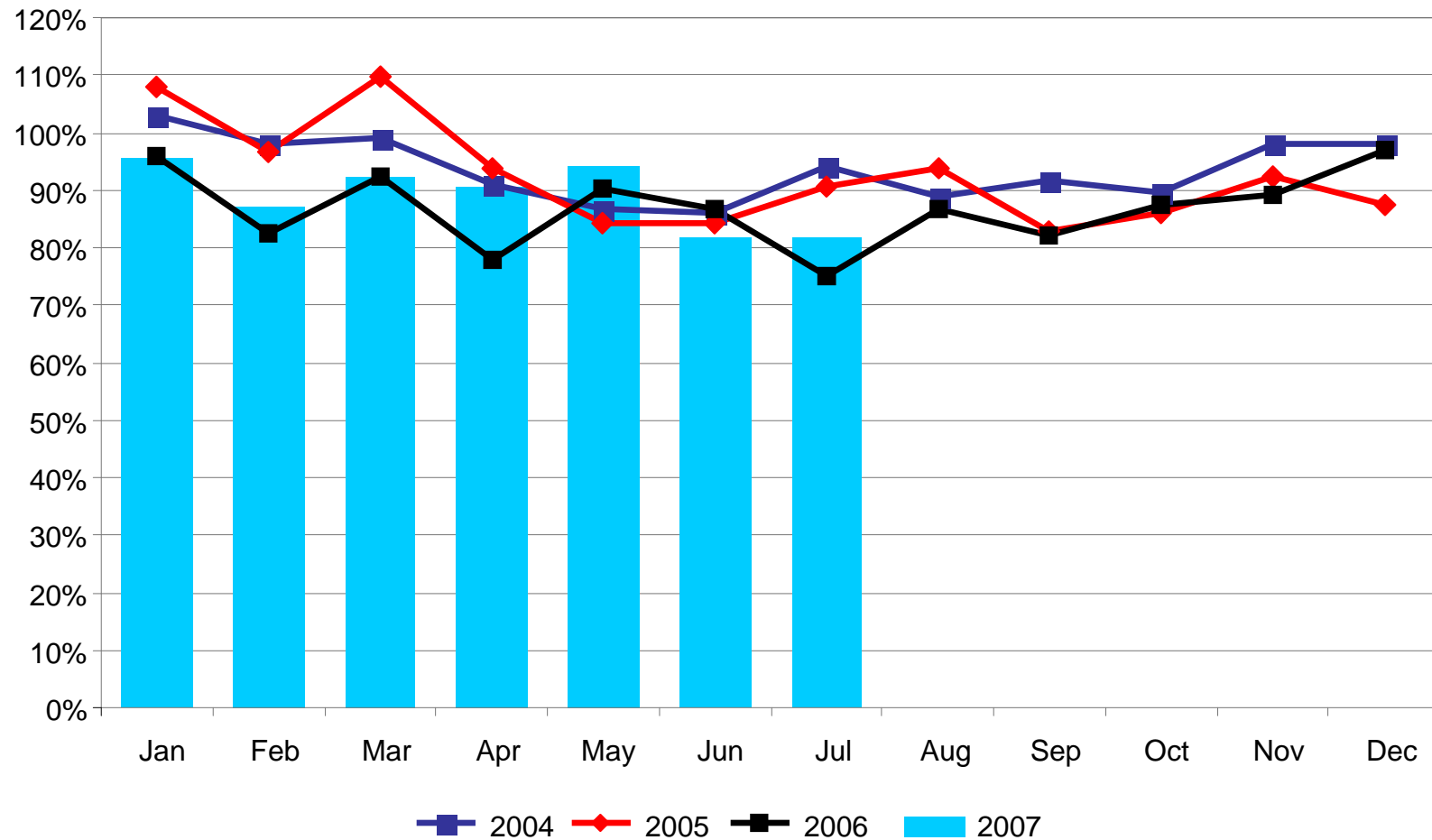
Source: GIIGNL; Poten, Cheniere Research



# Liquefaction - Growth

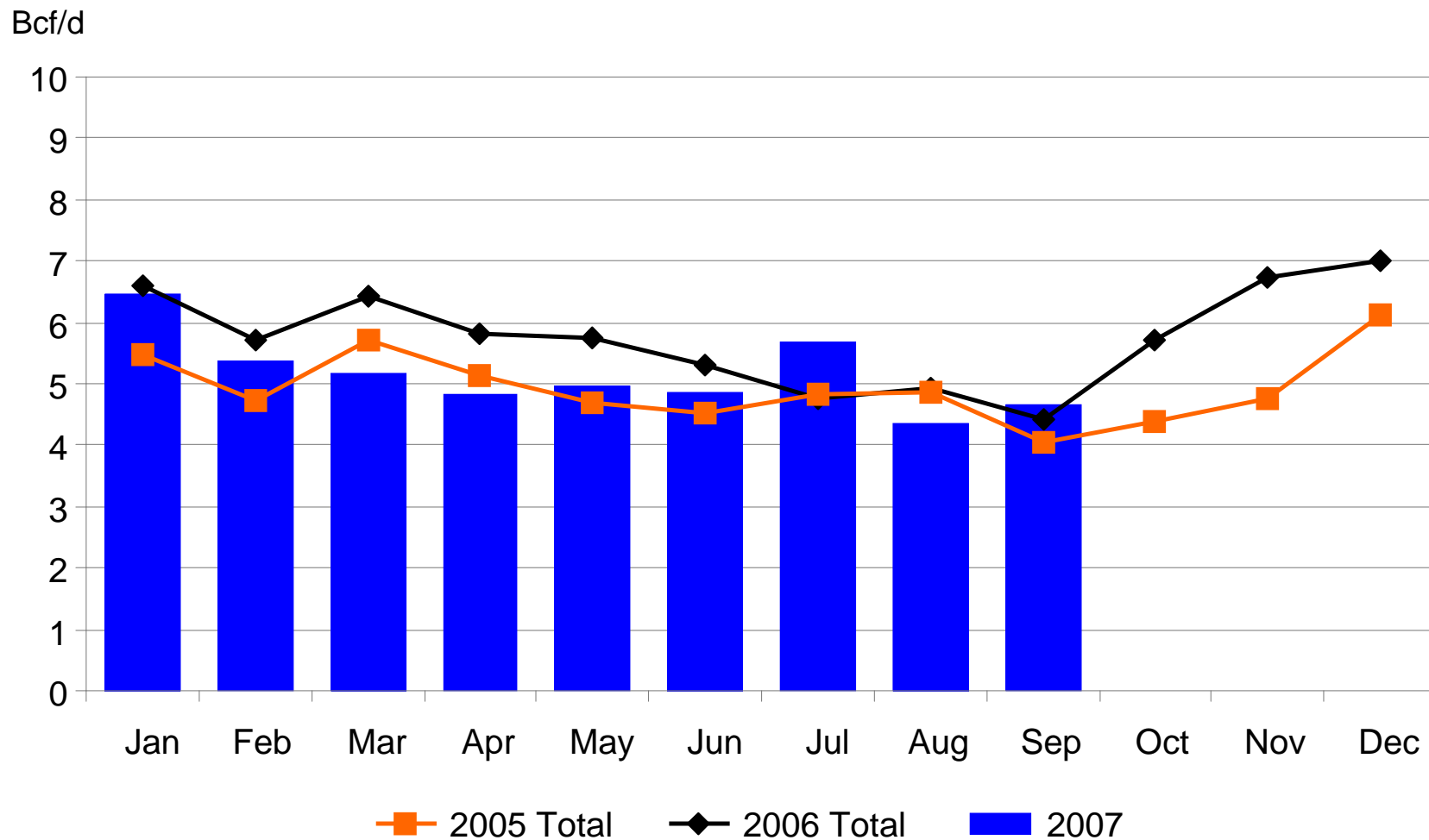


# Worldwide Liquefaction Utilization



Source: Poten, Cheniere Research

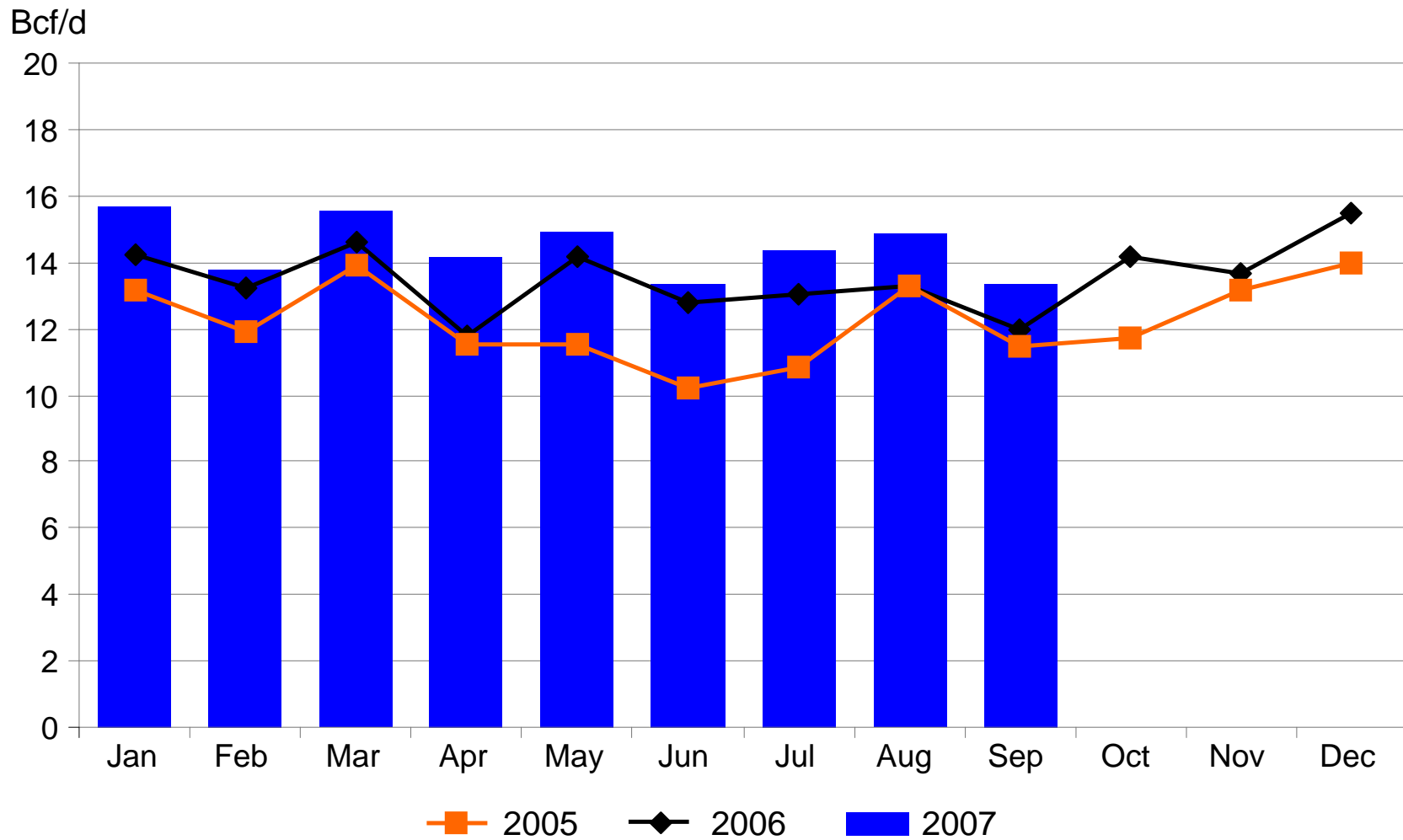
# Europe – Total LNG Imports



Source: Poten, Cheniere Research

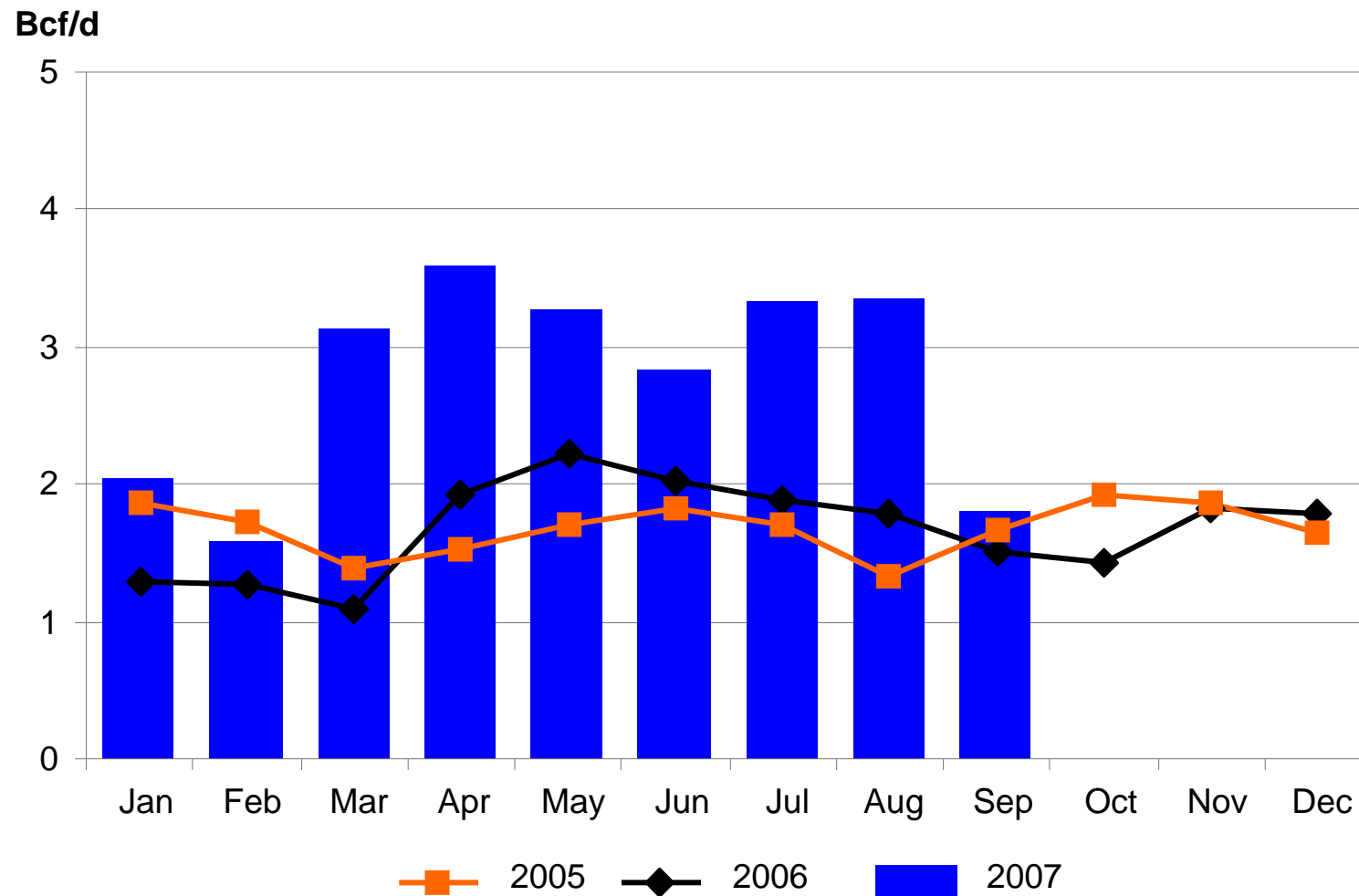


# Asia – Total LNG Imports



Source: Poten, Cheniere Research

# North America – Total LNG Imports



Source: Poten, Cheniere Research

# Cheniere Marketing Strategy

## Term Contracts: Indexed Purchase Agreements (IPA)

- 1 Bcf/d by 2010
  - 12 Bcf/d of undecided gas globally
- 86% of Henry Hub  
94% - 65 cents (GdF transaction)
- Seek to capture portion of redirect rights
  - Estimate 30 cargoes annually

## Spot Market:

- 1 Bcf/d portion
- Seek to capture arbitrage value of HH vs NBP
- FOB cargoes
- LNG Gateway: ~ 60 to 100 cargoes annually

Note: The above outlines the current strategy of Cheniere Marketing, which is subject to change.  
Please refer to Page 2 of this presentation.

# Cheniere Growth Strategy

- Pursue acquisitions for Cheniere Energy Partners, L.P. (AMEX: CQP)
- Continue asset development: terminals and pipelines
- Develop a balanced supply portfolio for Cheniere Marketing between long-term IPA's and LNG Gateway exposure to the spot, option and short-term markets



# Condensed Balance Sheet

September 30, 2007  
(unaudited, in millions)

	Cheniere Energy Partners, L.P.	Other Cheniere Energy, Inc. (1)	Consolidated Cheniere Energy, Inc.
Unrestricted cash (2)	\$ —	\$ 447	\$ 447
Restricted cash and securities	885	45	930
Property, plant and equipment	1,006	393	1,399
Goodwill and other assets	71	170	241
Total assets	<u>\$ 1,962</u>	<u>\$ 1,055</u>	<u>\$ 3,017</u>
Deferred revenue and other liabilities	\$ 133	\$ 100	\$ 233
Long-term debt	2,032	725	2,757
Minority interest	-	293	293
Equity	(203)	(63)	(266)
	<u>\$ 1,962</u>	<u>\$ 1,055</u>	<u>\$ 3,017</u>

(1) Includes intercompany eliminations.

(2) Includes restricted cash held at CQP for construction of the Sabine Pass regas facility and debt service on notes. The Creole Trail pipeline is being developed at Cheniere Energy, Inc. (LNG) with an estimated cost of \$550 million.

