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# Cheniere Energy
# Corporate Presentation
## October 2009

# 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 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 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, Cheniere Energy Partners and Cheniere Marketing forecasts, and any potential revenues, cash flows 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 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, forecasts 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, 2008, 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.

# Cheniere Business Segments

## Cheniere Energy

### Terminals

- Sabine Pass LNG (SPLNG) (90.6%)
- Freeport LNG (30%)
- Approved Permits:
  - Creole Trail LNG
  - Corpus Christi LNG

### Pipelines

- Creole Trail P/L (100%)
- Approved Permits:
  - Creole Trail P/L Phase II
  - Corpus Christi P/L
- Development Projects:
  - Southern Trail P/L
  - Frontera

### Marketing

- 2.0 Bcf/d SPLNG TUA
- MSPAs with major LNG suppliers, merchants, utilities
- Isle of Grain Put Option 12 Cargoes/yr
- Over 100 domestic NAESBs and ISDAs

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

April 2009


| Sold – Terminal Use Agreement (TUA) | Capacity (Bcf/d) | Estimated Annual Distribution to Cheniere* |
|---|---|---|
| **Conoco**<br>**Dow**<br>**Mitsubishi** | 0.90<br>0.50<br>0.15 | ~ $15MM |

*Quarterly cash distributions commenced in 1Q09 and are subject to Freeport board approval.



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# Sabine Pass LNG

## Cheniere Energy, Inc. 90.6%

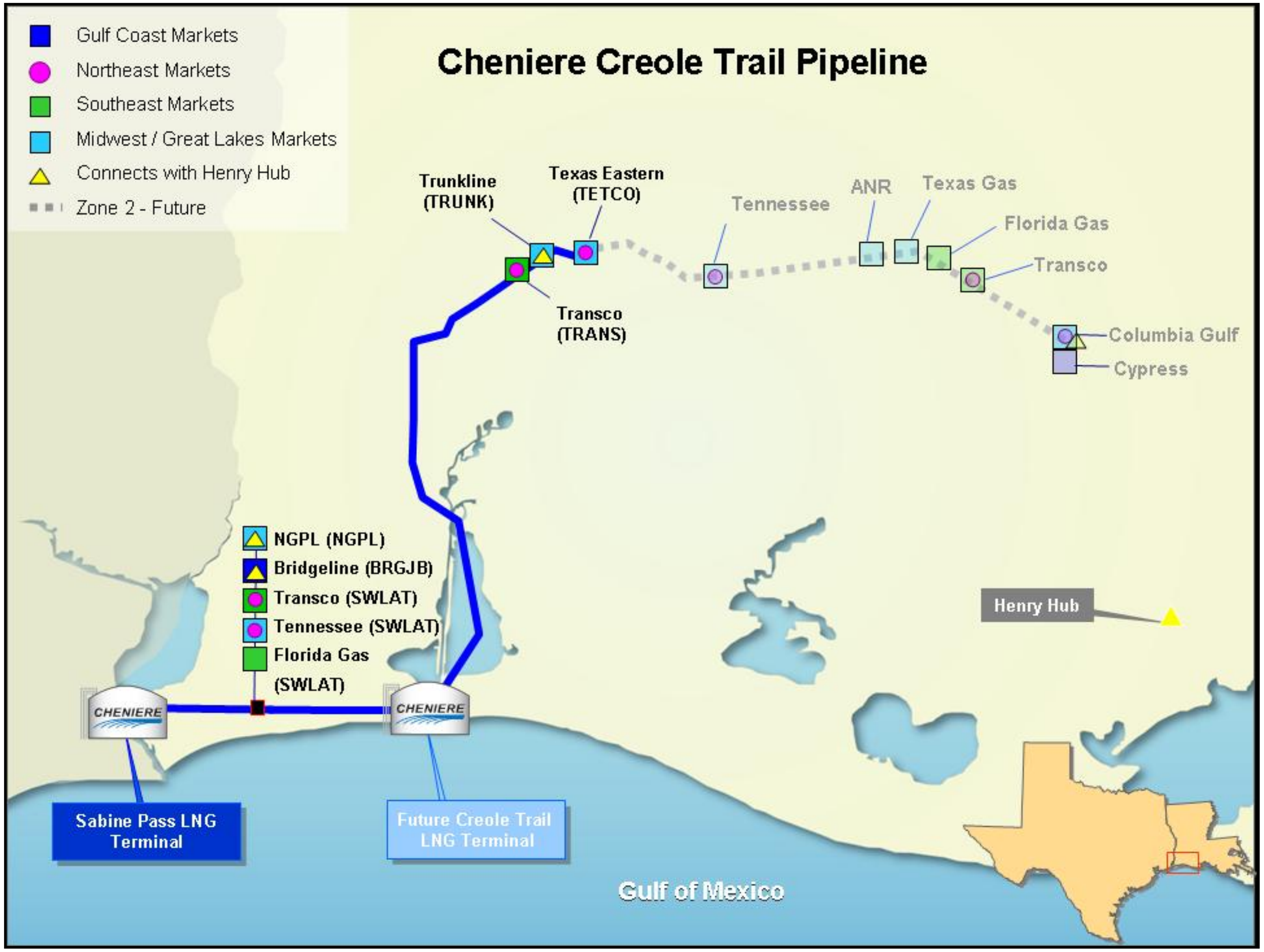
- **Vaporization**
  - ~4.3 Bcf/d peak send-out
- **Storage**
  - 5 tanks x 160,000 cm (16.8 Bcfe)
- **Berthing / Unloading**
  - Two docks
  - LNG carriers up to 266,000 cm
  - Four dedicated tugs
- **LNG Export Licenses Approved**
- **Land**
  - 853 acres in Cameron Parish, LA
- **Accessibility – Deep Water Ship Channel**
  - Sabine River Channel dredged to 40 feet
- **Proximity**
  - 3.7 nautical miles from coast
  - 22.8 nautical miles from outer buoy

Aerial view of Sabine Pass LNG August 2009

| TUA | Capacity | 2010 Full-Year Payments ($ in MM) |
|---|---|---|
| Total LNG USA | 1.0 Bcf/d | $123 |
| Chevron USA | 1.0 Bcf/d | $128 |
| Cheniere Marketing | 2.0 Bcf/d | $252 |

# Creole Trail Pipeline
## Cheniere Energy, Inc. 100%

- **Provides optimal market access for LNG from the Sabine Pass terminal**
- **First 94 miles complete and in-service, additional 58 miles permitted**




- **Size:**
  - 2.0 Bcf/d
- **Diameter:**
  - 42-inch diameter
- **Capex:**
  - ~$560 million first 94 miles
- **Initial interconnects:**
  - 4.1 Bcf/d of interconnect capacity



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# Strategic Focus

- Commercial - monetize 2 Bcf/d regas capacity at Sabine Pass receiving terminal held by Cheniere Marketing
  - International LNG marketing efforts
  - Seek long-term TUAs, LNG purchase/sale agreements
  - Purchase spot cargoes available in the Gulf of Mexico
- Financial – manage liquidity
  - Next debt maturity in 2012



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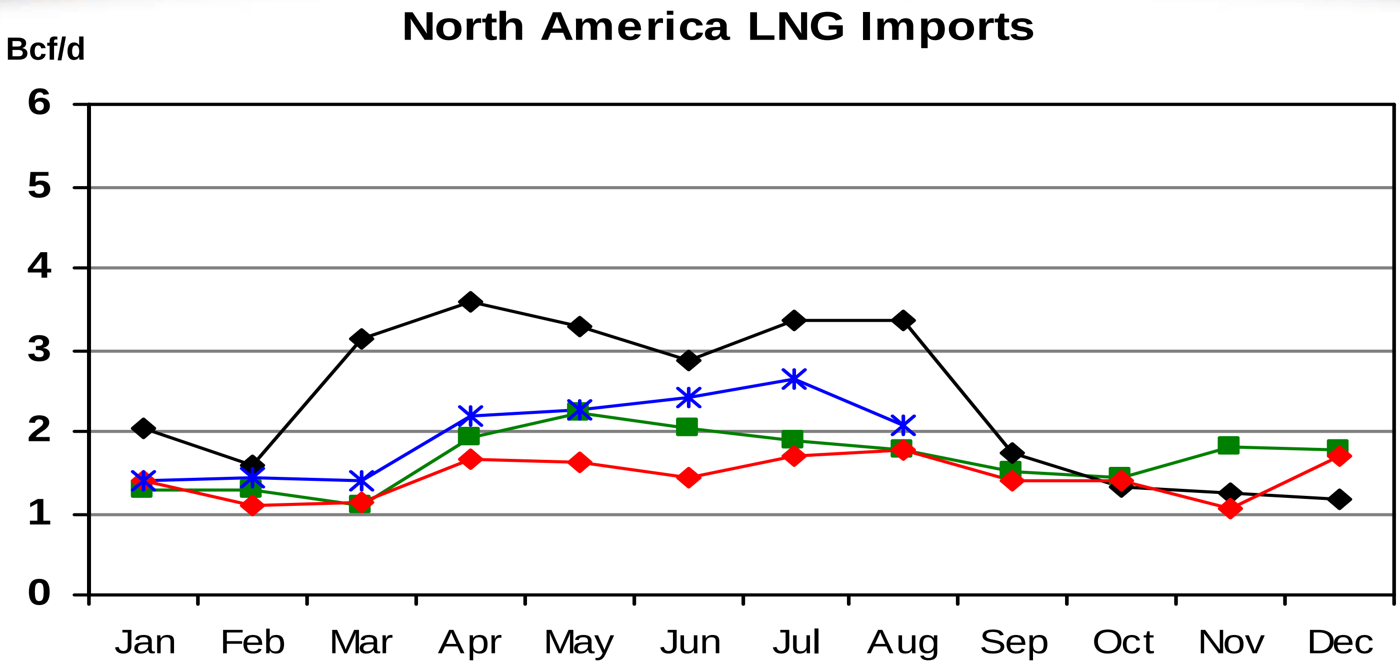
# LNG Market Themes

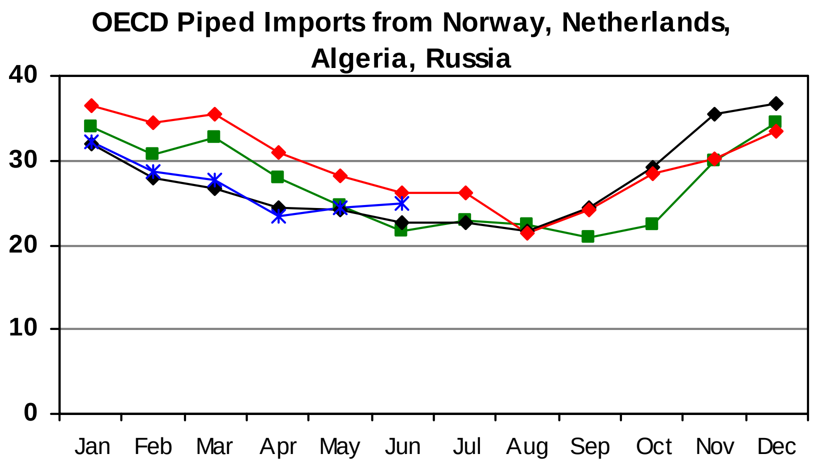


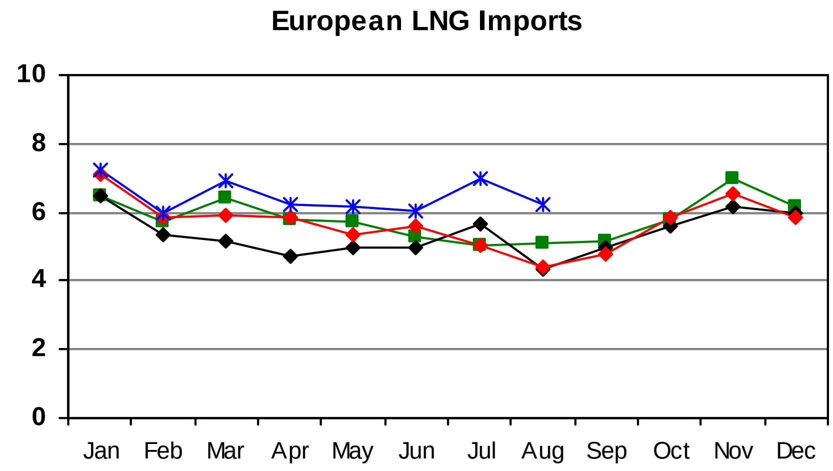

Source: Waterborne LNG, EIA

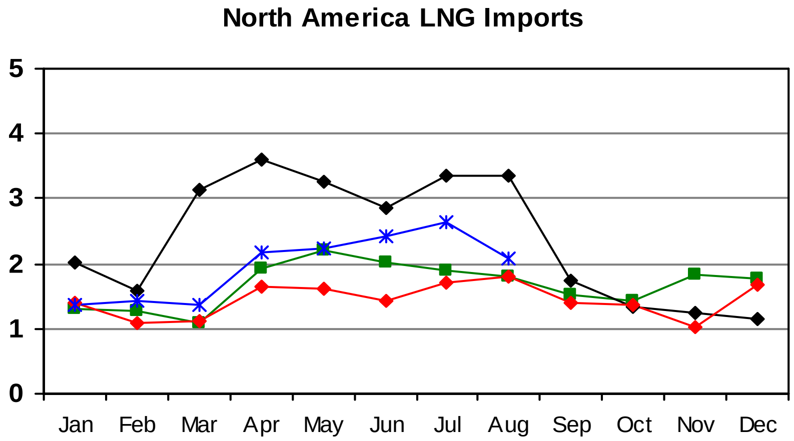
- **2006: Regas plants under construction in North America**
- **2007: Regas capacity constraints; 2 Bcf/d liquefaction capacity added**
- **2008: High demand in Asia pulls LNG from Atlantic Basin**
- **2009? 5-7 Bcf/d new liquefaction capacity expected to come on-line**
  **Implications of recession on worldwide LNG demand**
  **Additional pipeline gas coming on-line in Europe**
  **LNG pushed to U.S. Market**

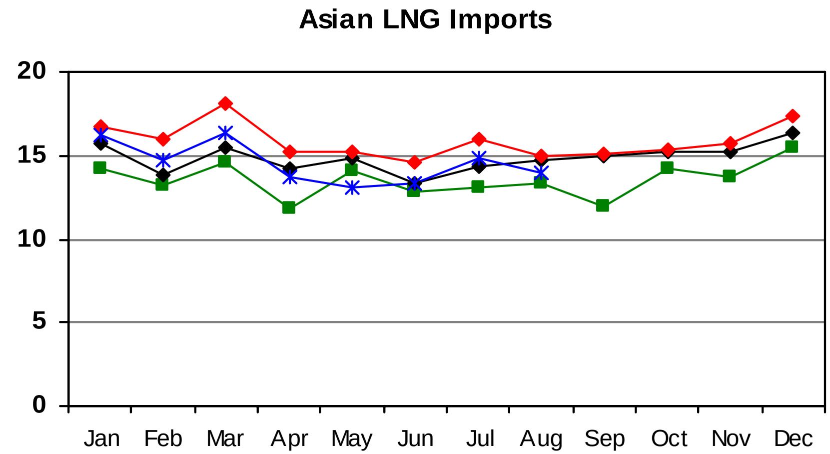
# Historical LNG Imports by Region

(Bcf/d)



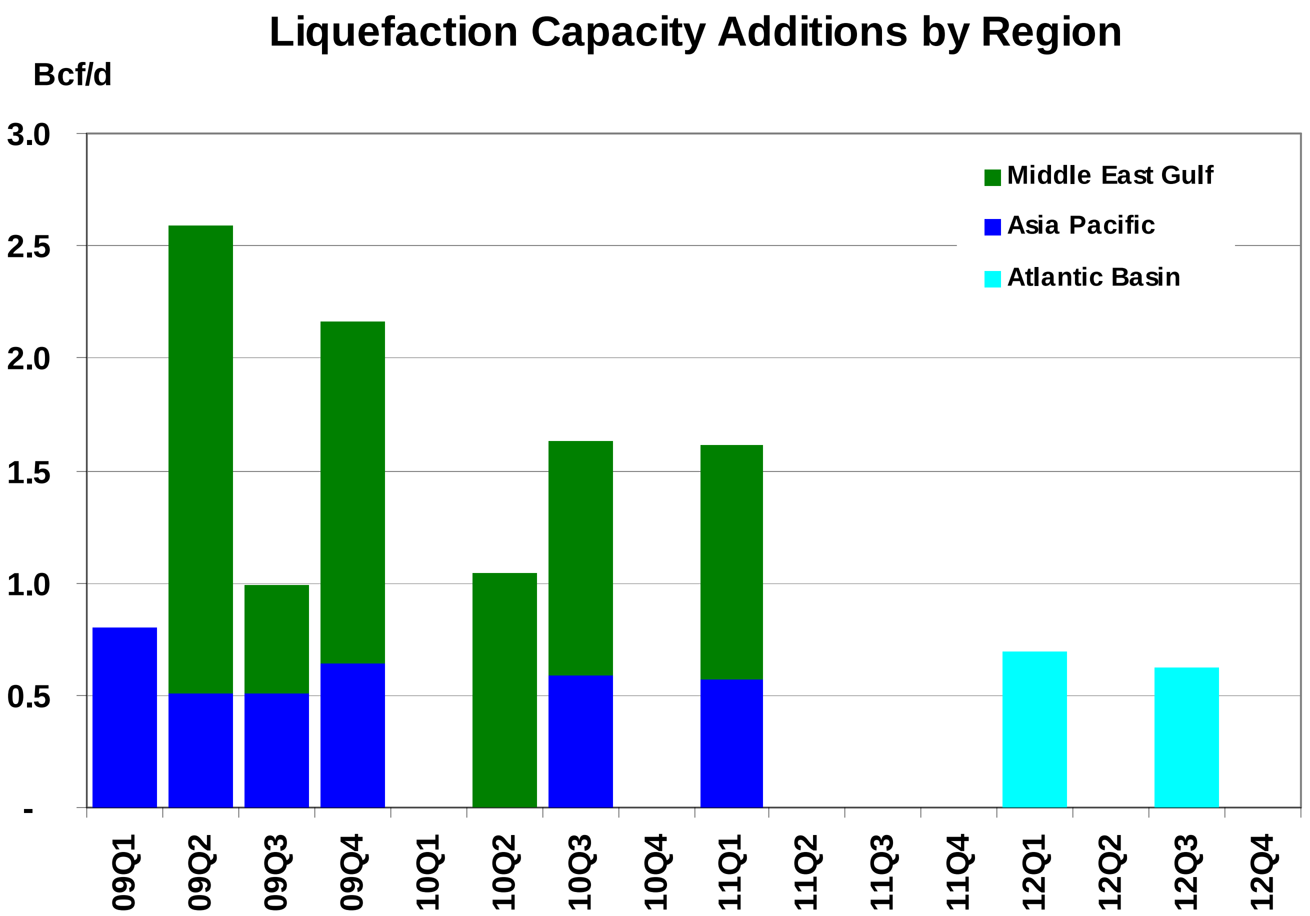




Source: Waterborne LNG, EIA

2006 2007 2008 2009

# Expected Incremental Capacity




- **Slippage in startup of commercial deliveries: QG II T4, Tangguh, Yemen**

**Source: Cheniere Research**



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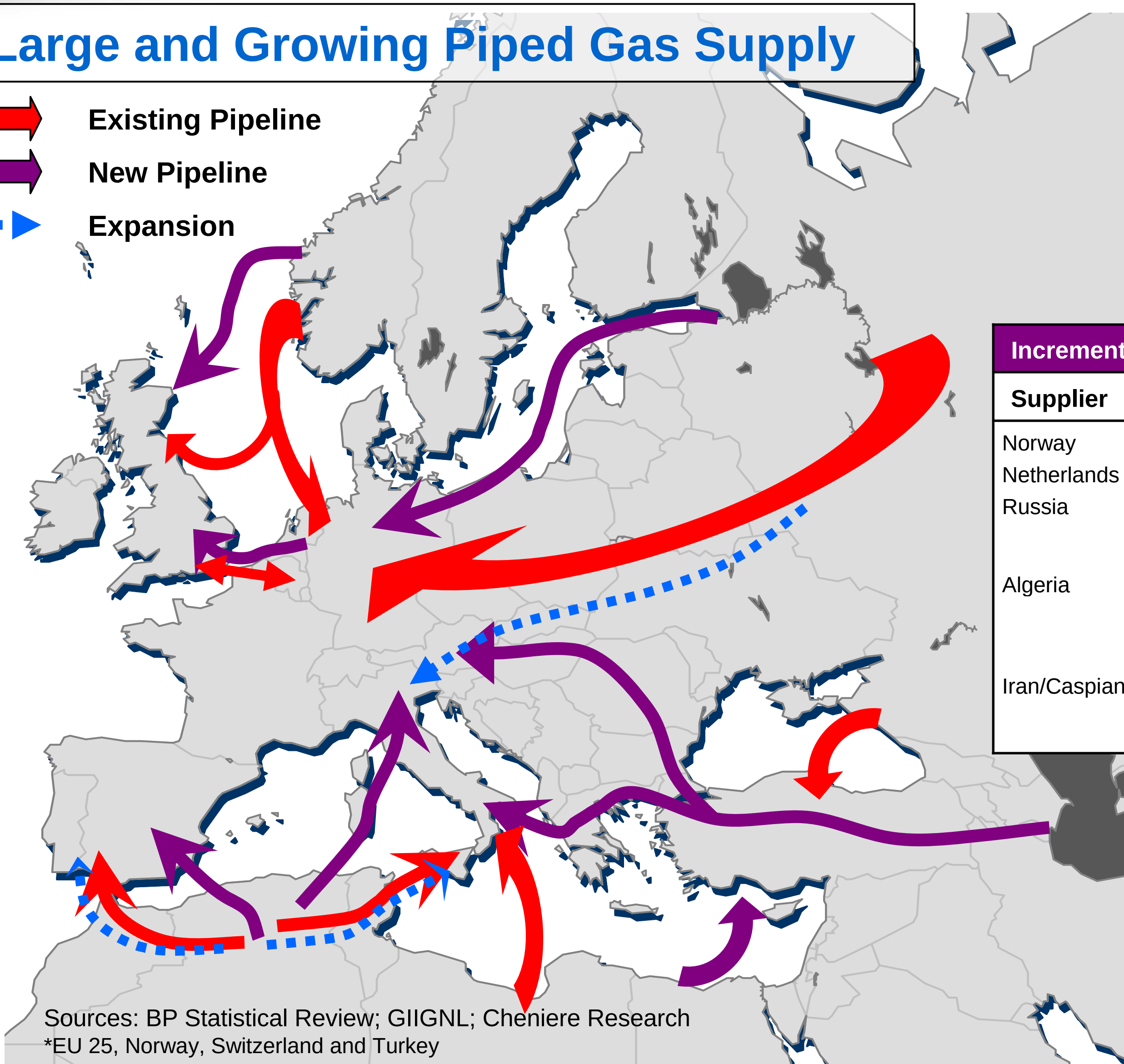
# European* Suppliers are Undertaking a Significant Expansion of Pipeline Capacity

## Large and Growing Piped Gas Supply

- Existing Pipeline
- New Pipeline
- Expansion



**Consumption**
**2007: 50 Bcf/d**

**Production**
**2007: 28 Bcf/d**

**Piped Gas Import Trades**
**2007: 26 Bcf/d**

**Incremental Pipeline Supplies in Europe**

| Supplier | Pipeline | Bcf/d | Date |
|---|---|---|---|
| Norway | Langeled | 1.9 | 2007 |
| Netherlands | BBL | 1.5 | 2006 |
| Russia | Nord Stream (NEGP) | 2.6 - 5.3 | 2012 |
| | TAG Loop II | 0.4 | 2007 |
| | TAG Expansion | 0.6 | 2008 |
| Algeria | Medgaz | 0.8 | 2009 |
| | Transmed (Expansion) | 0.6 | 2009 |
| | Galsi | 0.8 – 1.0 | 2012 |
| | Maghreb-Europe (Exp.) | 0.3 | 2006 |
| Iran/Caspian | Nabucco | 2.9 | TBD |
| | Italy-Greece Interconnect. | 0.8 | 2011 |
| | Turkey-Greece Intercon. | 0.3 | 2007 |

**Total Incremental Capacity**
**13.5 – 16.7 Bcf/d**

Sources: BP Statistical Review; GIIGNL; Cheniere Research
*EU 25, Norway, Switzerland and Turkey

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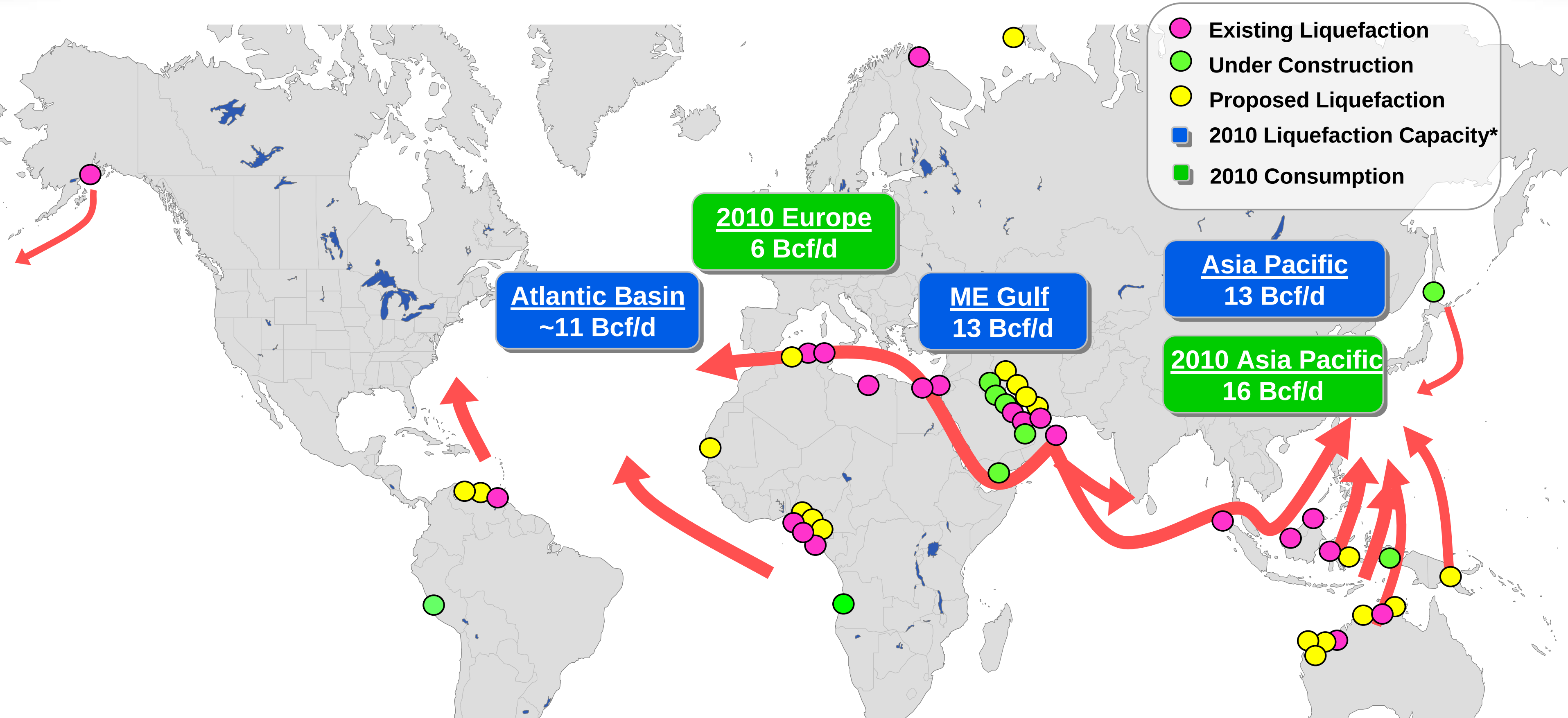
# Projected LNG Flows in 2010

## Global LNG Supply of ~30 Bcf/d*




| | |
|---|---|
| MEG LNG to Atlantic Basin*: | 6-8 Bcf/d |
| LNG Available for Americas*: | 10-11 Bcf/d |

Source: Cheniere Research

* Assumes 85%-90% LNG plant utilization rate and 37 Bcf/d nameplate capacity.



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# Domestic Implications

- The supply scenario is independent of world prices, and is driven by an unprecedented short-term expansion in liquefaction capacity
- If the growth in unconventional domestic production continues, these two supply “waves” will collide head-on
- Would tend to reinforce cyclicality in the domestic gas industry

**Limitation on world-wide markets’ ability to absorb additional volumes, especially on a seasonal basis will validate value of available capacity**



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# Appendix

# European* Natural Gas Demand Projections

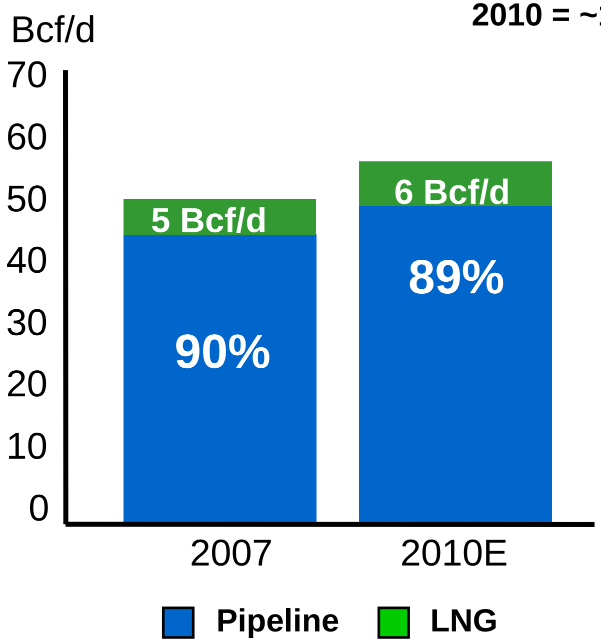
**Consumption**
**2007 = 50 Bcf/d**
**2010 = 53 Bcf/d**

**Domestic Production**
**2007 = 28 Bcf/d**
**2010 = 29 Bcf/d**

**LNG Import Capacity**
**2007 = 10 Bcf/d**
**2010 = 19 Bcf/d**

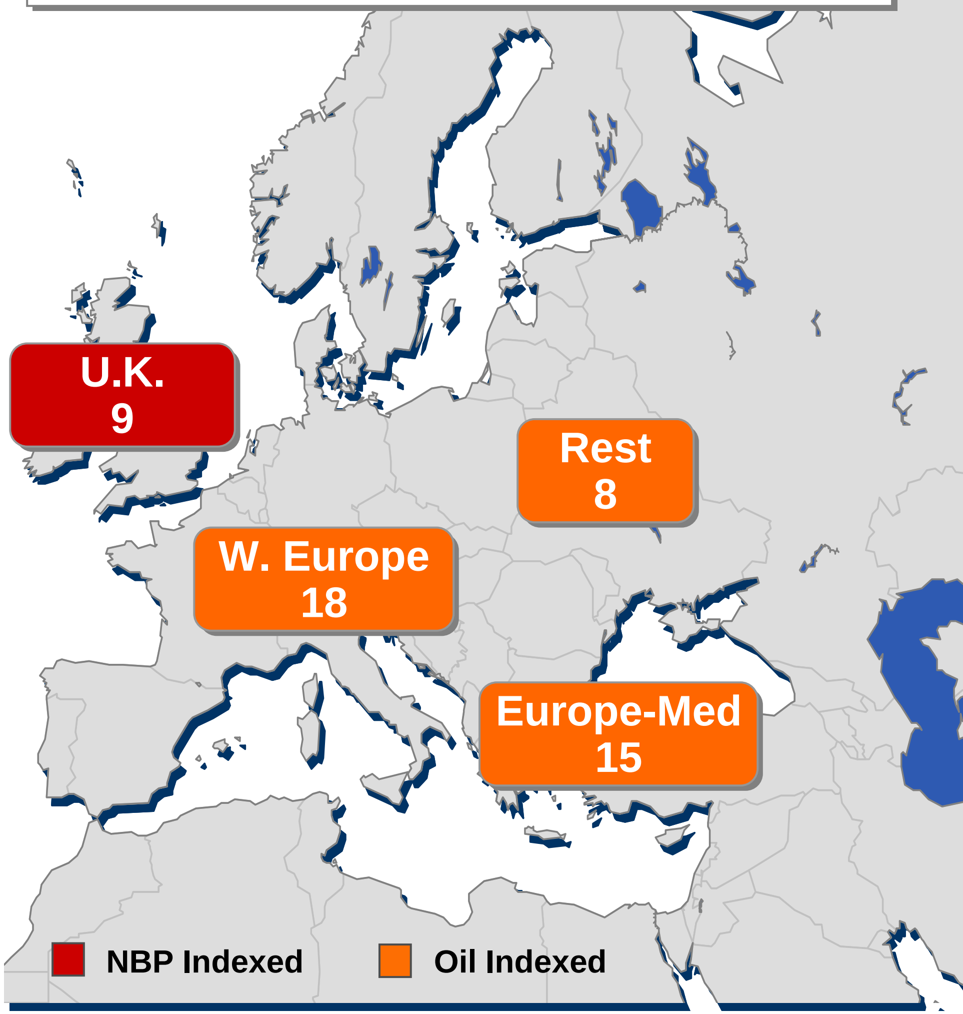
**Pipeline Import Capacity**
**2007 = 29 Bcf/d**
**2010 = 32 Bcf/d**

**Incremental LNG Need**
**2010 = ~1 Bcf/d**




Source: Historical: Cedigaz (2007), GIIGNL; Forecast: Cheniere Research

## Regional Demand by Country (2007)




*Europe includes EU 27, Norway, Switzerland and Turkey



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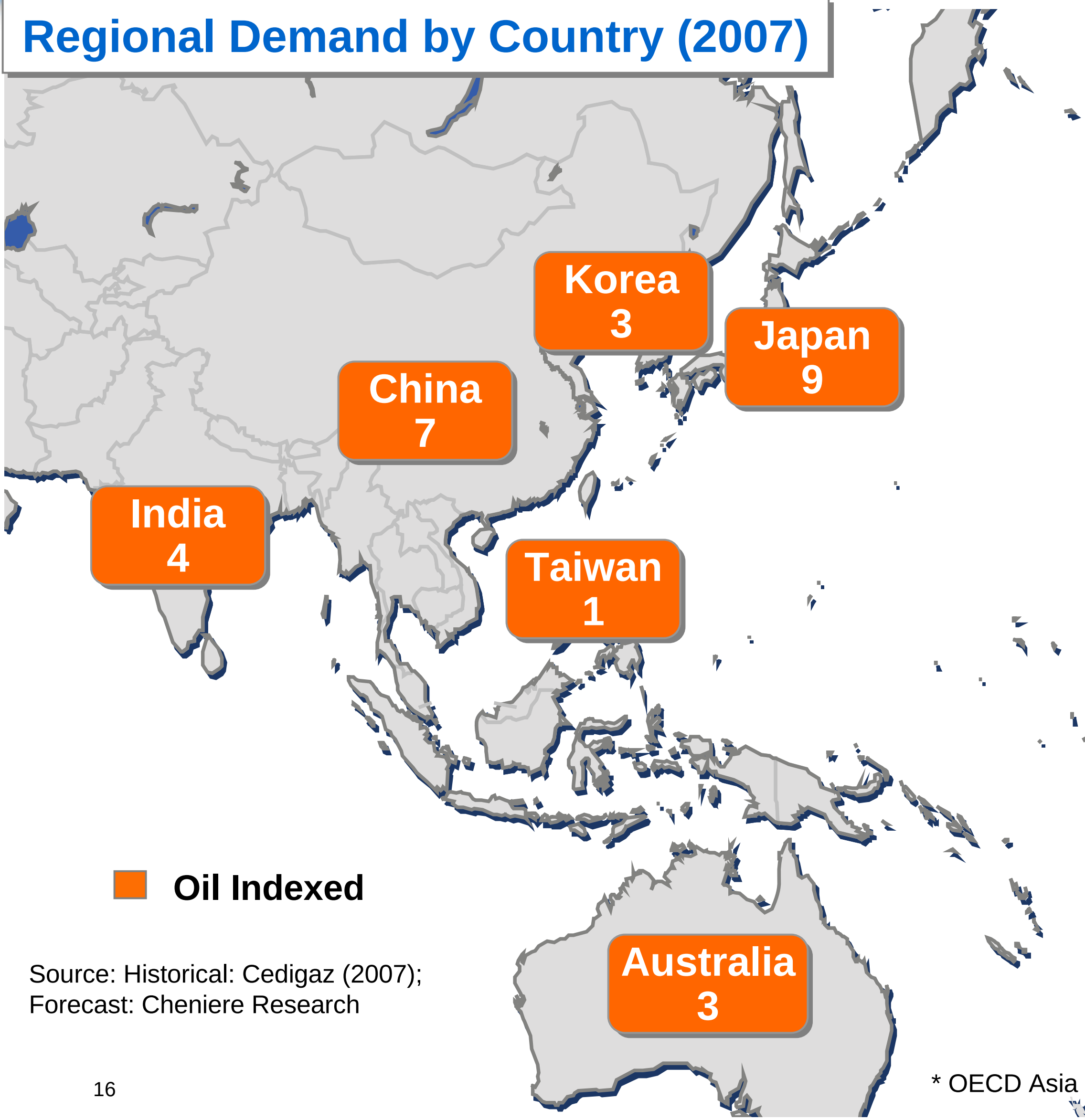
# Asia Pacific* Natural Gas Demand Projection

## Regional Demand by Country (2007)



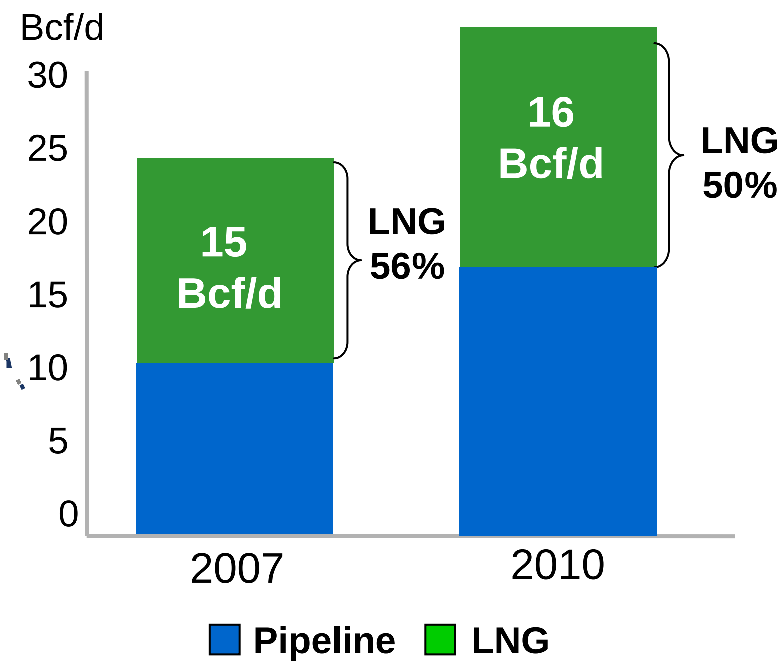

Source: Historical: Cedigaz (2007);
Forecast: Cheniere Research

**Consumption**
2007 = 27 Bcf/d
2010 = 32 Bcf/d

**Pipeline Import Capacity**
Eventually Large

**LNG Import Capacity**
2007 = 34 Bcf/d
2010 = 37 Bcf/d

**Incremental LNG Need**
2010 = ~1 Bcf/d




* OECD Asia plus India & China

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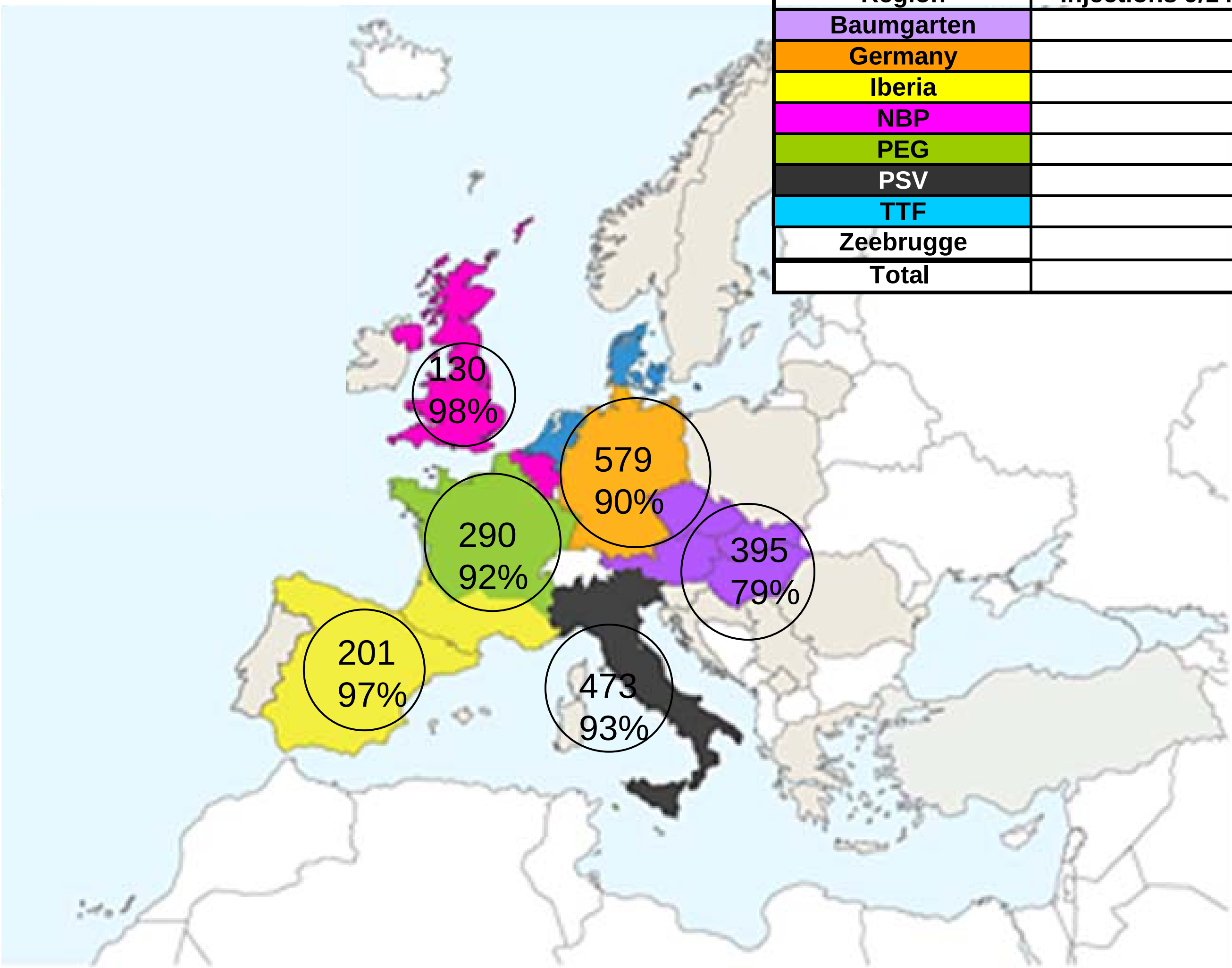
# European Gas Storage Inventory - Bcf

| Region | Injections 9/14-9/21 |
|---|---|
| Baumgarten | 13.21 |
| Germany | 27.19 |
| Iberia | 1.02 |
| NBP | 0.04 |
| PEG | 5.83 |
| PSV | 8.86 |
| TTF | 1.24 |
| Zeebrugge | 0.14 |
| **Total** | **57.52** |




Inventory as of Sep 21, 2009
Source: GSE

# Estimated Future Cash Flows

| ($ in MM) | Annualized* |
|---|---|
| Receipts | |
| ▪ Freeport | $10-20 |
| ▪ Distributions from CQP | 254 |
| ▪ Management fees | 19 |
| Disbursements | |
| ▪ CMI TUA @ Sabine Pass | $252 |
| ▪ G&A | 30-40 |
| ▪ Pipeline & tug services | 10-15 |
| ▪ Other, incl adv tax payments | 3-5 |
| ▪ Debt service | 44 |
| Net cash outflow | $50 - 70 |

*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. See “Safe Harbor” cautions.



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# Expected Cash Flows Between LNG and CQP/Sabine

| ($ in mm) | | FY |
|---|---|---|
| **Cash Received by Cheniere** | | |
| **Distributions paid from CQP ($1.70)[1]** | | |
| General Partner Units (3.3mm) | $5.6 | |
| Subordinated Units (135.4mm) | 230.2 | |
| Common Units (10.9mm) | 18.5 | **$254.3** |
| **Management/Service Fees[2]** | | |
| O&M / Mgmt Contracts with CQP/Sabine Pass | | **19.0** |
| **Total Cash Received by Cheniere** | | **$273.3** |
| | | |
| **Cash Distributed to CQP/Sabine Pass** | | |
| **Cheniere Marketing TUA Payments[3]** | | **-$252.0** |
| **Net Cash Flows Received from CQP/Sabine Pass** | | **$21.3** |

(1) Cheniere owns 90.6% of CQP through units held and expects to receive $1.70 per unit in distributions within 45 days of each quarter end

(2) Cheniere has three operations/management contracts with Sabine Pass / CQP under which Cheniere will receive payments monthly

(3) Cheniere's marketing segment contracted for 2.0 Bcf/d capacity at Sabine Pass and has begun making TUA capacity payments quarterly in advance



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# Condensed Balance Sheet

| | June 30, 2009 (in millions) | | |
|---|---|---|---|
| | Cheniere Energy Partners, L.P. | Other Cheniere Energy, Inc. (1) | Consolidated Cheniere Energy, Inc. (3) |
| Unrestricted cash | $ 129 | $ (40) | $ 89 |
| Restricted cash and securities (2) | 131 | 134 | 265 |
| Property, plant and equipment | 1,594 | 642 | 2,236 |
| Goodwill and other assets | 67 | 129 | 196 |
| Total assets | $ 1,921 | $ 865 | $ 2,786 |
| | | | |
| Deferred revenue and other liabilities | $ 176 | $ (41) | $ 135 |
| Long-term debt | 2,181 | 835 | 3,016 |
| Non-Controlling interest | - | 230 | 230 |
| Equity (Deficit) | (436) | (159) | (595) |
| | $ 1,921 | $ 865 | $ 2,786 |

(1) Includes intercompany eliminations and reclassifications.
(2) Restricted cash includes cash for construction of the Sabine Pass regas facility and debt service reserves as required per indenture.
(3) For a complete balance sheet see the Cheniere Energy, Inc. and Cheniere Energy Partners, L.P Form 10-Q's for the period ended June 30, 2009 filed with the SEC.



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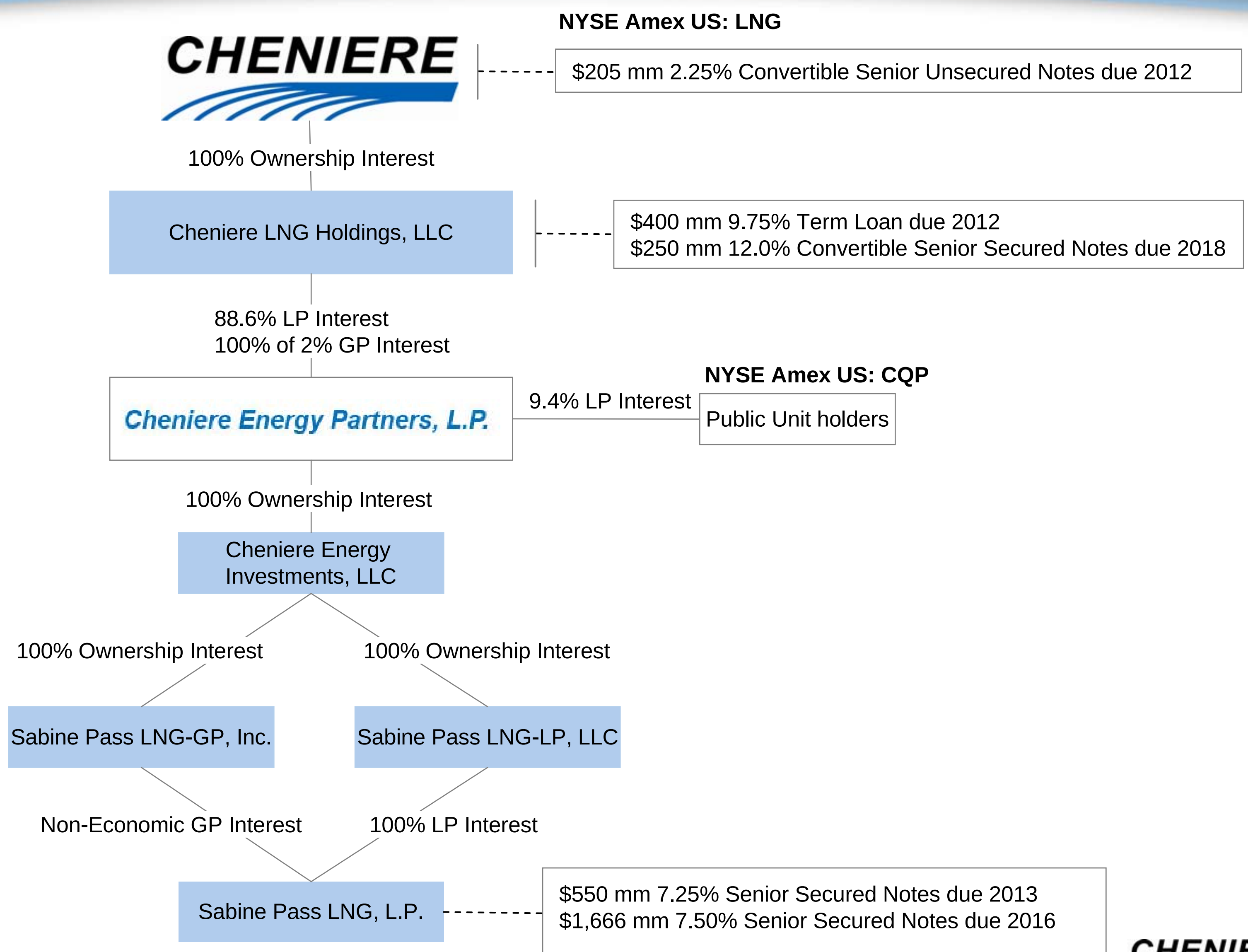
# Contracted Capacity – TUAs

## Summary of 20-year Terminal Use Agreements

| | Total LNG | Chevron USA | Cheniere Marketing |
|---|---|---|---|
| **Capacity** | 1.0 Bcf/d | 1.0 Bcf/d | 2.0 Bcf/d |
| **Fees** (1) | | | |
| Reservation Fee(2) | $0.28/MMBTU | $0.28/MMBTU | $0.28/MMBTU |
| Opex Fee (3) | $0.04/MMBTU | $0.04/MMBTU | $0.04/MMBTU |
| **2010 Full-Year Payments** | $123 million | $128 million | $252 million |
| **Term** | 20 years | 20 years | 20 years |
| **Guarantor** | Total S.A. | Chevron Corp. | Cheniere Energy, Inc. |
| **Guarantor Credit Rating** | Aa1/AA | Aa1/AA | NR/CCC+ |
| **Payment Start Date** | April 1, 2009 | July 1, 2009 | January 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.

# Organizational Structure




Note: Balances as indicated in June 30, 2009 10Q.