



Cheniere Developing Liquefaction Project in Corpus Christi, Texas

*** Project being developed at Cheniere's existing Corpus Christi site**

*** LNG export terminal to include up to three trains with 13.5 mtpa of capacity**

HOUSTON, Texas, Dec. 16, 2011 /PRNewswire/ -- Cheniere Energy, Inc. ("Cheniere") (NYSE Amex: LNG) announced today that its wholly owned subsidiary, Corpus Christi Liquefaction, LLC ("Corpus Christi Liquefaction") is developing a liquefied natural gas ("LNG") export terminal at one of Cheniere's existing sites that was previously permitted for a regasification terminal. The LNG export terminal site is located in San Patricio County, Texas, and it is anticipated that the terminal would be primarily supplied by reserves from the Eagle Ford Shale, located approximately sixty miles northwest of Corpus Christi. The proposed liquefaction project ("Corpus Christi Project") is being designed for up to three trains capable of producing in aggregate up to 13.5 million tonnes per annum ("mtpa").

(Logo: <https://photos.prnewswire.com/prnh/20090611/AQ31545LOGO>)

Cheniere is launching the development of its second LNG export terminal, building upon its export capabilities in the Gulf of Mexico. Cheniere is currently developing an LNG export project at the Sabine Pass LNG terminal (the "Sabine Pass Project") through its subsidiary, Cheniere Energy Partners, L.P. The Sabine Pass Project, located in Cameron Parish, Louisiana, is anticipated to include four liquefaction trains capable of producing in the aggregate up to 18 mtpa of LNG. Cheniere has recently announced that it has entered into three long-term LNG Sale and Purchase Agreements ("SPAs") for the targeted contract quantity for three of the four trains under development and is currently in discussions with counterparties interested in entering into SPAs for the remaining capacity.

In connection with the development of the Corpus Christi Project, Cheniere has initiated the Federal Energy Regulatory Commission's ("FERC") National Environmental Policy Act ("NEPA") pre-filing review for the proposed natural gas liquefaction terminal through Corpus Christi Liquefaction. The Corpus Christi Project would be underpinned by the significant resources under development in the Eagle Ford Shale, which covers nearly 12,000 square miles in South Texas and ranks among the largest shale discoveries in the U.S. Geologic studies commissioned by Cheniere estimate recoverable oil and gas resources in the Eagle Ford Shale at over 180 trillion cubic feet equivalent, or 30 billion barrels of oil equivalent. There are approximately 200 rigs currently drilling in the Eagle Ford Shale, with increasing emphasis placed on development of the play's oil and condensate reservoir window, where significant quantities of associated natural gas rich in NGL content can be produced.

"Given the strong customer interest for capacity at the Sabine Pass Project, we have decided to initiate the development of our next liquefaction project. With our newly proposed project, we will be able to provide up to an additional 13.5 mtpa of liquefaction capacity in the Gulf of Mexico," said Charif Souki, Chairman and CEO. "We believe this is a very attractive project for global LNG buyers given its proximity to the Eagle Ford Shale, one of the most prolific shale discoveries in recent history, and look forward to discussions with interested parties."

The Corpus Christi site consists of approximately 664 acres, including 212 acres owned, 52 acres under a lease option and 400 acres of permanent easement. The site is located on the La Quinta Channel on the northeast side of Corpus Christi Bay in San Patricio County, Texas, and is approximately 15 nautical miles from the coast. Depending on feasibility and market interest, the Corpus Christi Project is expected to be constructed in phases, with each LNG train commencing operations approximately six to nine months after the previous train.

Cheniere is a Houston-based energy company primarily engaged in LNG related businesses, and owns and operates the Sabine Pass LNG terminal and Creole Trail pipeline in Louisiana. Cheniere is pursuing related business opportunities both upstream and downstream of the Sabine Pass LNG terminal. Through its subsidiary, Cheniere Partners, Cheniere has initiated a project to add liquefaction services that would transform the Sabine Pass LNG terminal into a bi-directional facility capable of liquefying natural gas and exporting LNG in addition to importing and regasifying foreign-sourced LNG. As currently contemplated, the Sabine Pass liquefaction project would be designed and permitted for up to four LNG trains, each with a nominal production capacity of approximately 4.5 million metric tons per annum. Cheniere is also initiating the development of another liquefaction project, located in San Patricio County, Texas, that would be designed and permitted for up to three LNG trains, each with a nominal production capacity of approximately 4.5 million metric tons per annum. Additional information about Cheniere Energy, Inc. may be found on its web site at www.cheniere.com.

For additional information, please refer to the Cheniere Energy, Inc. Quarterly Report on Form 10-Q for the period ended September 30, 2011, filed with the Securities and Exchange Commission.

This press release contains certain statements that may include "forward-looking statements" within the meanings of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included herein are "forward-looking statements." Included among "forward-looking statements" are, among other things, (i) statements regarding Cheniere's business strategy, plans and objectives and (ii) statements expressing beliefs and expectations regarding the development of Cheniere's LNG terminal and pipeline businesses, including liquefaction services. Although Cheniere believes 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. Cheniere's 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 Cheniere's periodic reports that are filed with and available from the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this

press release. Other than as required under the securities laws, Cheniere does not assume a duty to update these forward-looking statements.

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