

30 June 2020

ASX Release

Liquefied Natural Gas Limited (Administrators Appointed) (the Company) ACN 101 676 779

Seeking judicial advice prior to commencing a Stage 2 Process

Liquefied Natural Gas Limited (ASX:LNG) announces that its Administrators, Craig Crosbie, Daniel Walley and Simon Theobald of PwC Australia, are applying for judicial advice prior to commencing a process (**Stage 2 Process**) seeking expressions of interest in relation to either a recapitalisation (**Recapitalisation**) of the Company and / or its remaining subsidiaries (together, the **Group**), or one or more transactions in respect of the Group's remaining assets (**Asset Transaction**).

Following the completion of the transaction announced on 26 May 2020 (**Magnolia Transaction**) the Administrators have undertaken an assessment of the solvency position of the Company with a view to determining the basis upon which to proceed with the Administration. At present, it is unclear whether the Company is solvent or insolvent, primarily due to uncertainty as to (i) the quantum of valid creditor claims and (ii) the value that may be realised for the Group's remaining assets.

It is the Administrators' opinion that the question of solvency is not likely to be determined until after the Second Meeting of Creditors of the Company, at which meeting the future of the Company will be decided by its creditors. In circumstances where all of the directors of the Company have resigned, the Administrators consider that the most appropriate course of action is to explore options for a Recapitalisation or Asset Transaction(s) through the Stage 2 Process for the benefit of creditors, and if there is ultimately a surplus after payment of creditors, for the benefit of shareholders.

Accordingly, the Administrators have applied to the Supreme Court of Victoria for judicial advice (**Application**) seeking confirmation that it is appropriate for them to commence the Stage 2 Process and to progress, enter into and complete a Recapitalisation or Asset Transaction should they receive proposals that they consider to be for the benefit of creditors and (where there is a surplus) shareholders. A copy of the Application is available on the website maintained by the Administrators at https://insolvency.pwc.com.au/singleEntityCases/liquefied-natural-gas-limited-administrators-appointed/casePage.

The Application is due to be heard by the Supreme Court of Victoria, via a Zoom meeting, on Wednesday 8 July, 2020 at 10:30 AM (Melbourne time).

Should any shareholders wish to object to the proceedings, or otherwise be heard in respect of the proceedings, please provide written notice of your intention and reasons for your objection (or otherwise) to the Administrators' solicitors, Johnson Winter and Slattery, by close of business on Monday 6 July, 2020 or contact Johnson Winter and Slattery for instructions as to how you may attend the hearing. Written notifications may be addressed to Pravin Aathreya and Sara Gaertner at LNGLshareholders@jws.com.au.

PricewaterhouseCoopers, ABN 52 780 433 757

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For any media enquiries, please contact Fergus Ross of Six Degrees at Fergus.ross@6-degrees.com.au.

For any general shareholder enquiries, please contact Courtney McLean at Courtney.McLean@pwc.com.

Authorised by:

Craig Crosbie, Simon Theobald and Daniel Walley Voluntary Administrators