

BG Group's LNG business

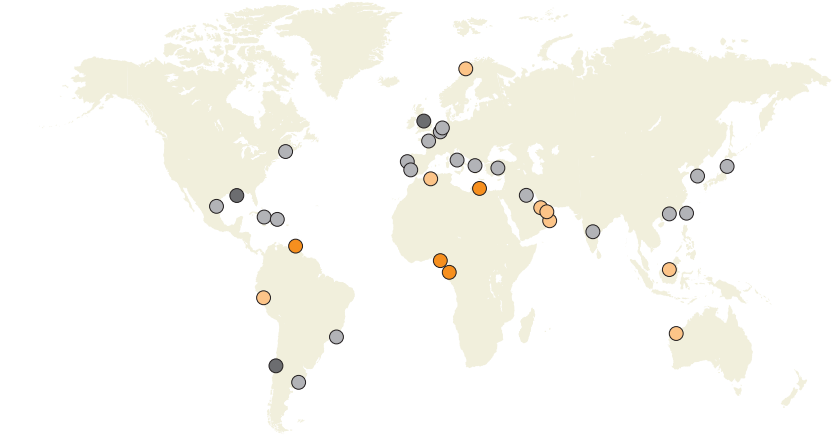
BG Group's LNG activities are founded on a deep understanding of our target markets and customers, along with a unique combination of infrastructure, flexible supply, shipping capacity and marketing capabilities.

We have a strong presence in all segments of the chain, from upstream exploration and production, through liquefaction, shipping and regasification, to the end market.

In liquefaction, we have a track record of execution, having been materially involved in the delivery of six liquefaction trains at projects in Trinidad and Tobago and Egypt. In shipping, we have one of the largest LNG fleets of any international oil and gas company consisting of (as of March 2012) around 25 owned or chartered modern vessels that are able to meet the needs of a rapidly changing market. In regasification, we have supply rights or terminal capacity in the UK, the US and Singapore, valuable entry points for LNG into these markets, as well as long-term sales to customers in Chile, Japan and China.

The Group has developed an industry leading portfolio of flexible long-term supply that means the Group can deliver gas where and when it is most needed globally. In 2011 we delivered 208 cargoes of LNG around the globe. We have now delivered LNG to 23 of the 25 markets that import liquefied natural gas, in the process building a reputation for customer responsiveness and flexibility.

We also continue to build on our reputation for innovation. We are developing the Queensland Curtis LNG (QCLNG) project in Australia, based on the development of coal seam gas reserves. We are screening for a site for a new LNG project in Tanzania, based on recent and potential exploration success. We have signed the first



● BG Group LNG sales terminal equity and/or capacity
 ● BG Group LNG long term contracted sources
 ● BG Group LNG sales terminal short/medium term
 ● BG Group LNG short term sources

agreement for LNG exports from the US, with a purchase of 5.5 mtpa from the Sabine Pass LNG terminal being developed by Cheniere Energy Partners, L.P., and are progressing plans for export from the Lake Charles facility, where we hold 100% of the import capacity.

In 2011, LNG managed volumes were around 13 million tonnes. In 2012 we have also confirmed plans to grow our

LNG supply position by around 50% above current levels over the next three years, targeting 20 million tonnes per annum (mtpa) by 2015. In light of our progress at QCLNG, together with the growth potential inherent within the portfolio and our ongoing exploration success, managed volumes of 30 mtpa by 2020 is now within our reach.

A track record of delivery, outstanding experience and reach

- Delivered LNG to 23 of the 25 markets that import liquefied natural gas
- Signed 20-year US LNG export agreement for 5.5 mtpa, commencing 2015
- On track in Australia for first LNG in 2014
- Materially involved in the delivery of 6 liquefaction trains at projects in Trinidad and Tobago and Egypt
- BG Group has one of the largest LNG fleets of any international oil and gas company

Case Study: Queensland Curtis LNG (QCLNG) project

In 2010, BG Group sanctioned the 8.5 mtpa QCLNG project. This achievement, less than three years after entering Australia, represents the realisation of a key long-term strategic objective – to globalise the Group's LNG business with an Asia-Pacific equity LNG position. In its first phase, QCLNG will be a two-train 8.5 mtpa project, supplied by reserves and resources from the

company's coal seam gas acreage. The project is underpinned by Asia-Pacific customer agreements totalling nearly 10 mtpa of LNG sales. QCLNG is under construction and on target for first LNG in 2014. Our Australian resources have increased to more than 25 tcf as BG Group looks to underpin further expansion of the project.



Main pipeline network for QCLNG project, Queensland, Australia

Case Study: USA LNG exports

BG Group has moved quickly to establish a US LNG export business, with the purchase of 5.5 mtpa of LNG from the Sabine Pass LNG terminal being developed by Cheniere Energy Partners, L.P. in Louisiana. This agreement provides BG Group early access to the emerging commercial opportunities driven by the recent material increases in US shale gas reserves. The agreement also adds to the Group's global LNG supply portfolio, providing further flexibility and opportunities to capture value.

Separately, the US Department of Energy has granted authorisation to export 15 mtpa of LNG from the Lake Charles LNG terminal in Louisiana. This authorisation allows export of LNG to countries which have a qualifying Free Trade Agreement (FTA) in place with the US, facilitating the supply of LNG from the Lake Charles terminal to BG Group's customers in Chile, Singapore and South Korea. An application has been made for authorisation to export to non-FTA countries, with a decision expected by the end of 2012.



Methane Lydon Volney LNG vessel, Elba Island regasification terminal, USA