



Discussion Materials

October 2010

Forward Looking Statements

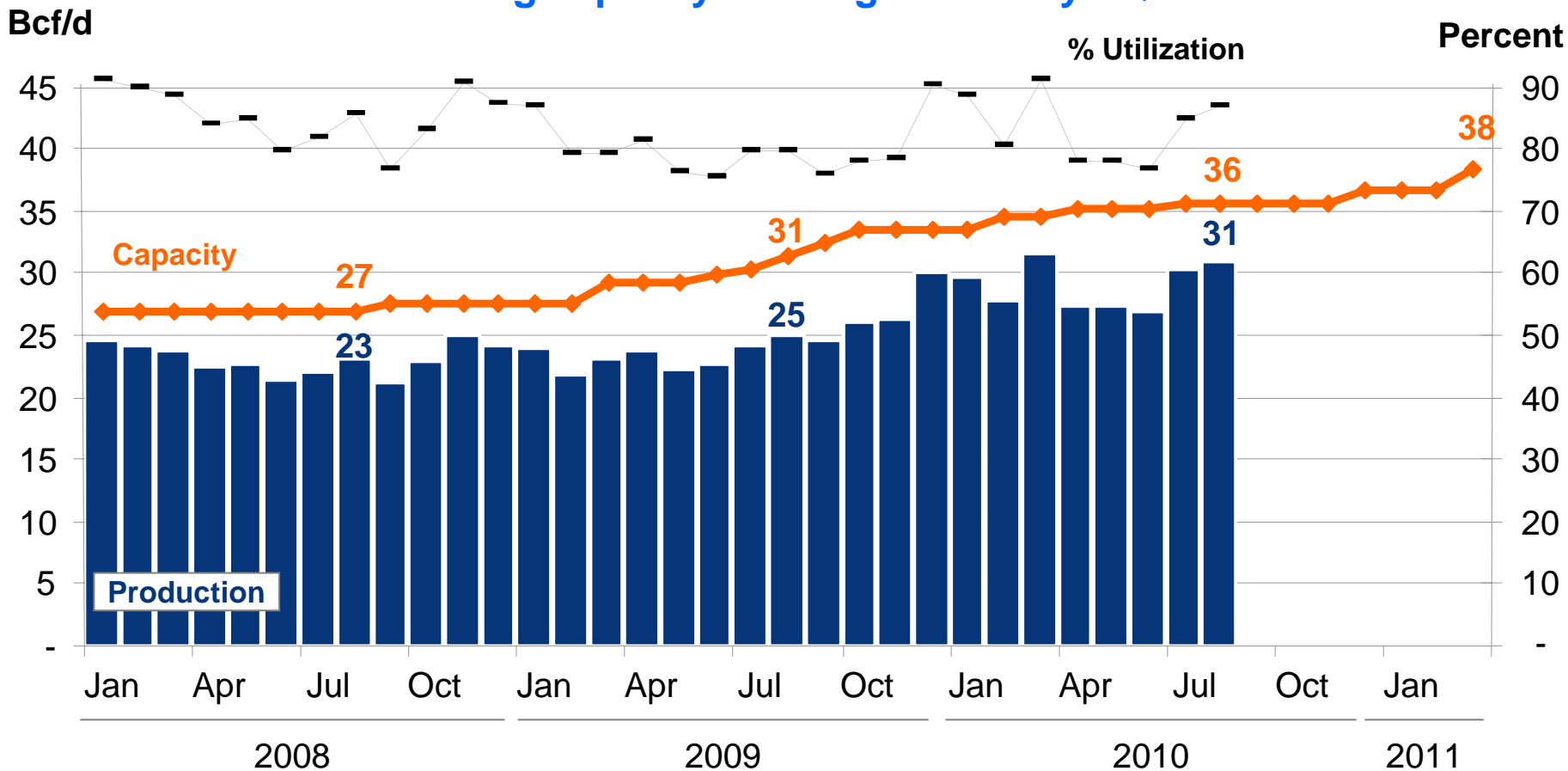
This presentation contains certain statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1933, as amended. All statements, other than statements of historical facts, included herein are “forward-looking statements.” Included among “forward-looking statements” are, among other things:

- statements that we expect to commence or complete construction of a liquefaction facility by certain dates or at all;
- statements that we expect to receive authorization from the Federal Energy Regulatory Commission, or FERC, or the Department of Energy, or DOE, to construct and operate a proposed liquefaction facility by a certain date, or at all;
- statements regarding future levels of domestic or foreign natural gas production and consumption, or the future level of LNG imports into North America or exports from the U.S., or regarding projected future capacity of liquefaction or regasification facilities worldwide;
- statements regarding any financing transactions or arrangements, whether on the part of Cheniere or at the project level;
- statements regarding any commercial arrangements marketed or potential arrangements to be performed 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 that our proposed liquefaction facility, when completed, will have certain characteristics, including a number of trains;
- 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. and Cheniere Energy Partners, L.P. Current Reports on Form 8-K filed with the Securities and Exchange Commission on August 6, 2010, 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.

LNG Production, Capacity, Utilization

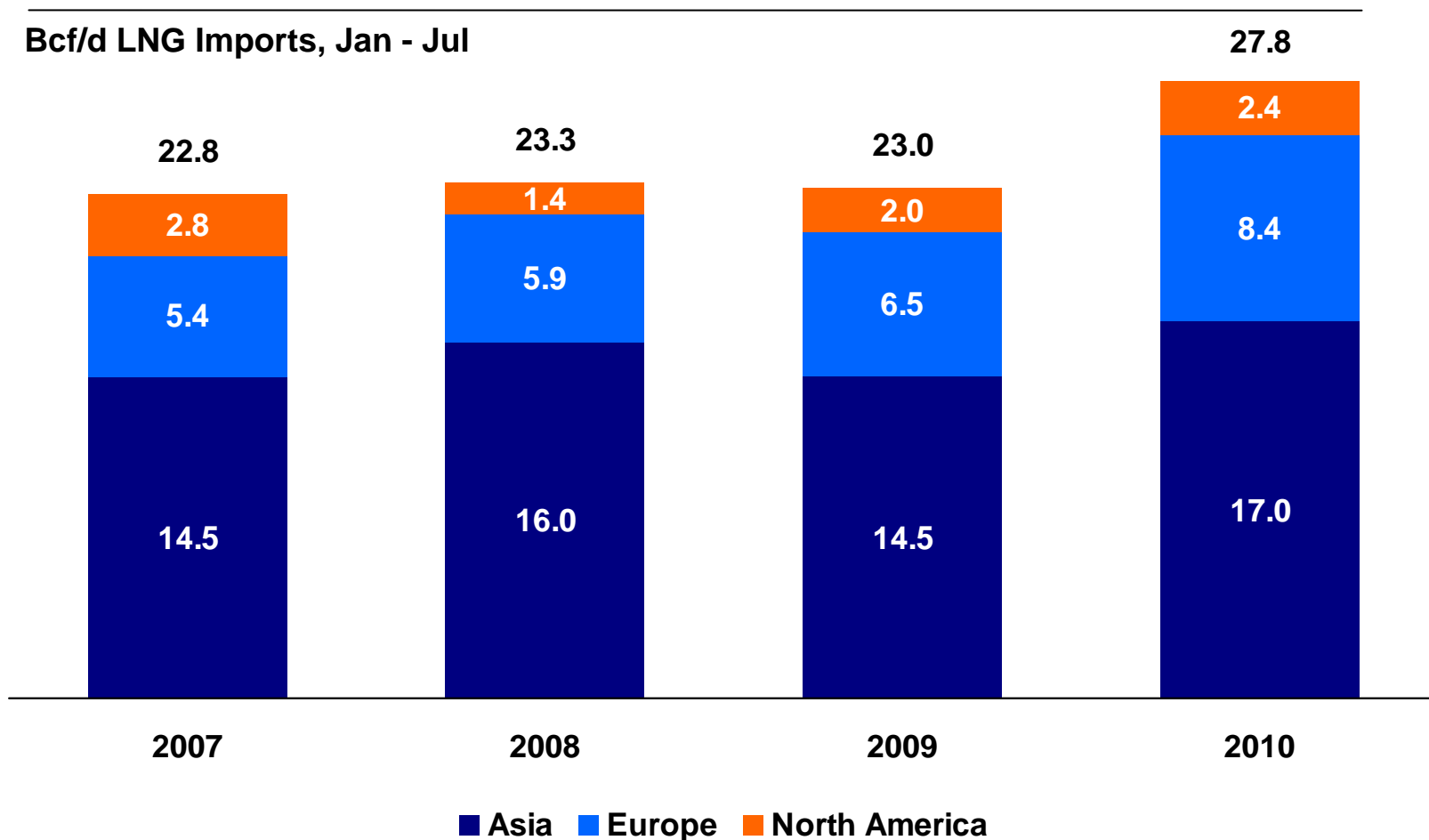
- Production +5.5 Bcf/d > 2009, 24% increase YoY in 1H10
- 2008 – 2010 Average Capacity Utilization 83% vs historical 90%
- 2 Bcf/d remaining capacity to bring on line by 1Q2011



Jan – Jul Average LNG Imports by Region, Bcf/d

Asian & European demand absorb production increases

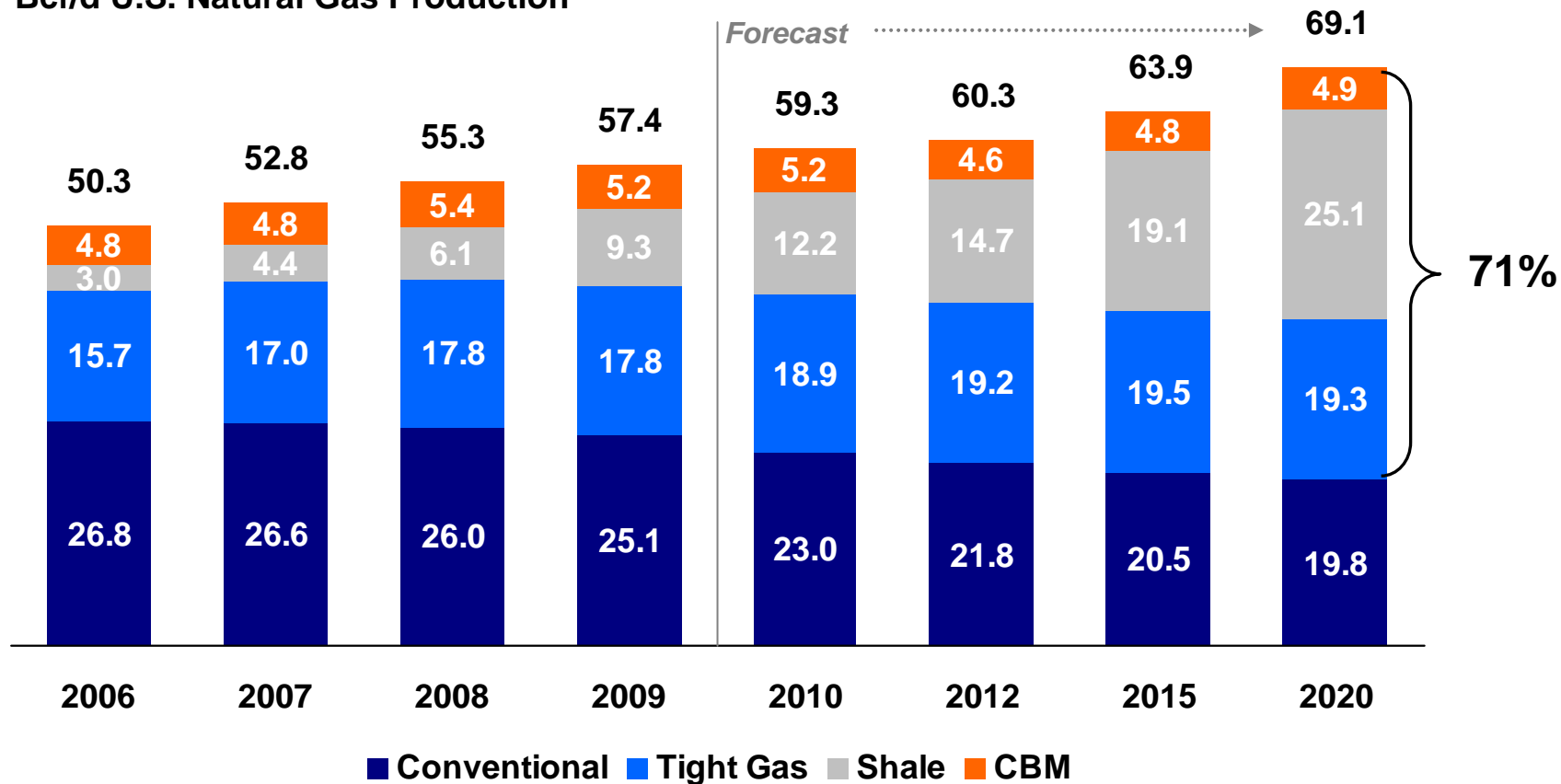
Bcf/d LNG Imports, Jan - Jul



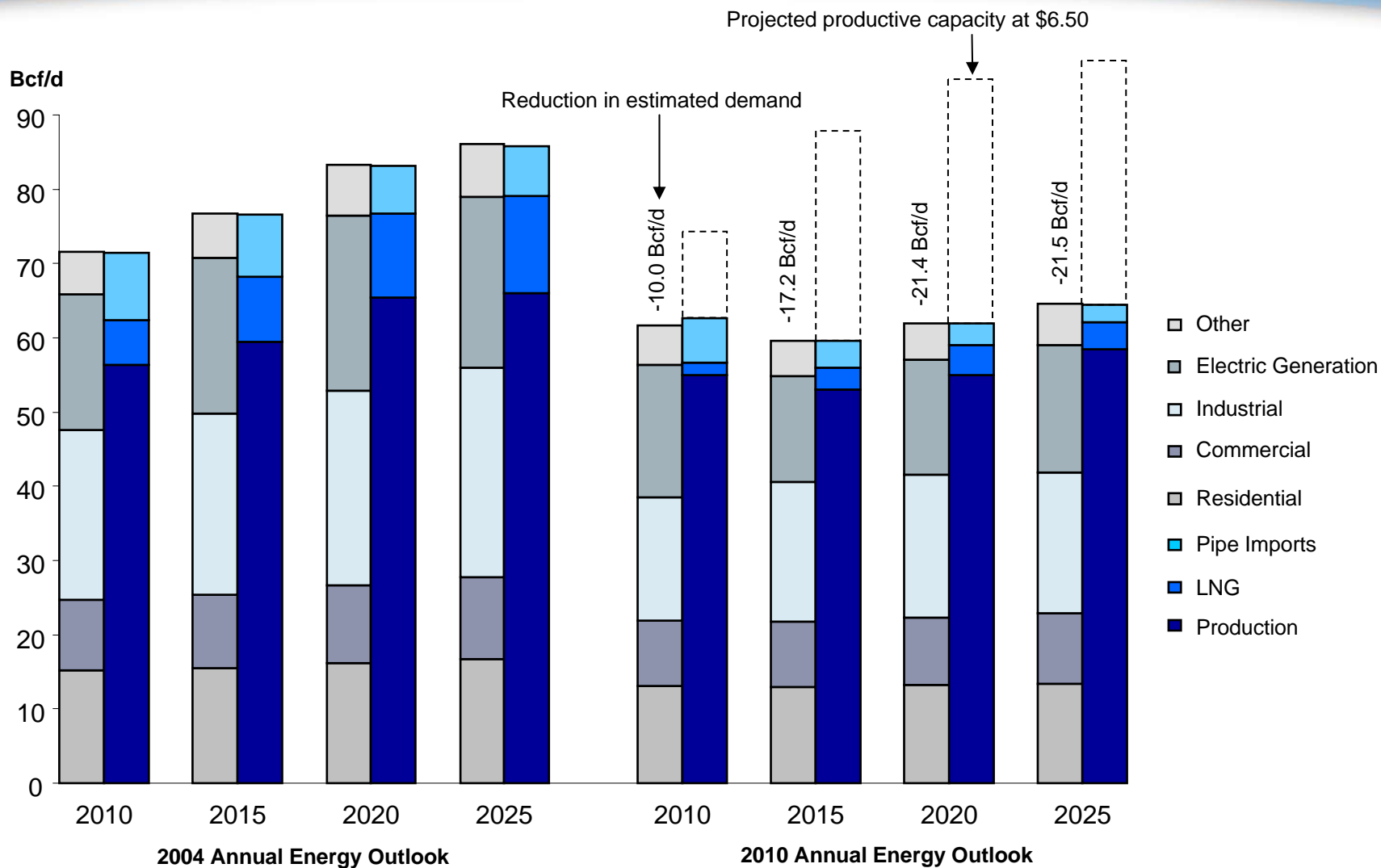
U.S. Gas Production Growth

- Unconventional gas = 61% of 2010 natural gas production
- Potential 11 Bcf/d new production from unconventional gas 2015 vs 2009 (34%)

Bcf/d U.S. Natural Gas Production



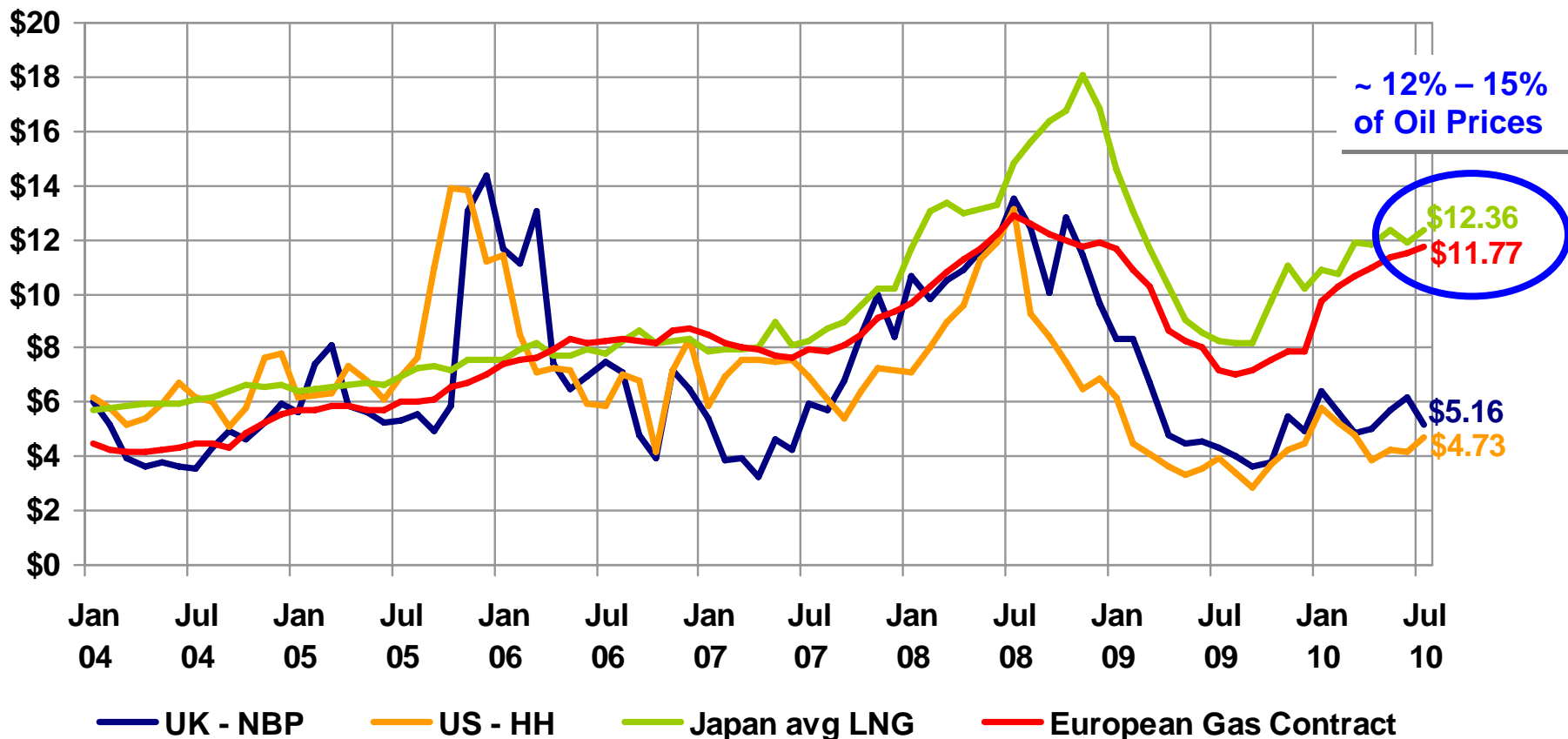
Productive Capacity Relative to Demand



Source: Energy Information Administration Annual Energy Outlooks, 2004 and 2010
 Productive Capacity estimated from EnCana's projections for North America.

Attractive Oil Linked Market Prices

\$/ MMBtu Regional Natural Gas & LNG Prices



Sabine Pass LNG

- Vaporization
 - ~4.3 Bcf/d peak send-out
- Storage
 - 5 tanks x 160,000 cm (16.9 Bcfe)
- Berthing / Unloading
 - Two docks
 - LNG carriers up to 266,000 cm
 - Four dedicated tugs
- 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
- LNG Re-Exporting Capability

Aerial view of Sabine Pass LNG Terminal






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

* Cheniere Marketing assigned its TUA to Cheniere Energy Investments effective 7/1/2010.

Contracted Capacity – TUAs

Summary of 20-year Terminal Use Agreements

	 TOTAL Total Gas & Power N.A.	 Chevron Chevron USA	 CHENIERE Cheniere Energy Investments ⁽⁴⁾
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 Partners, L.P.
Guarantor Credit Rating	Aa1/AA	Aa1/AA	B2/B+
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.

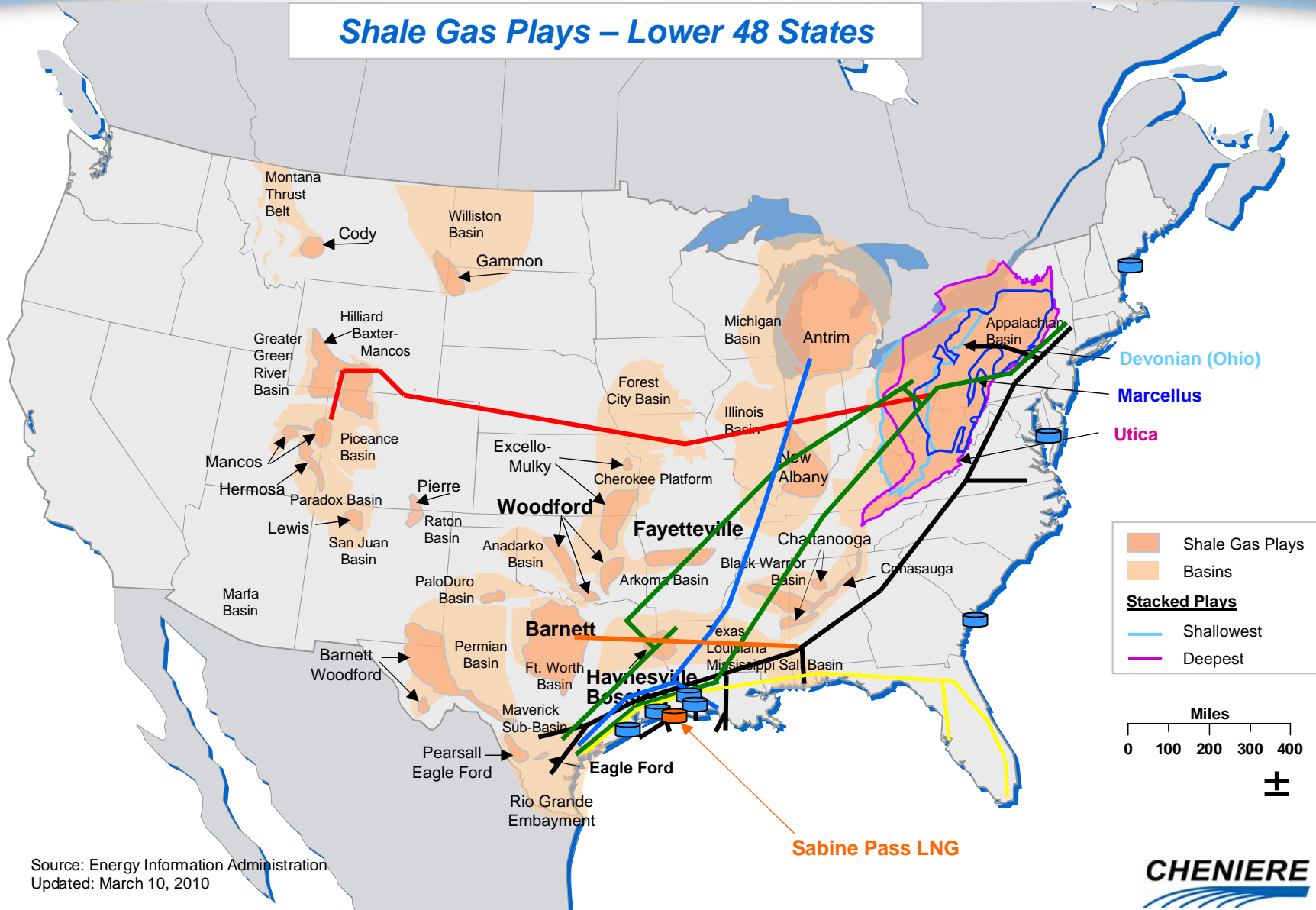
(2) No inflation adjustments.

(3) Subject to annual inflation adjustment.

(4) Cheniere Marketing assigned its TUA to Cheniere Energy Investments effective 7/1/2010.

Sabine Pass is Interconnected with the Extensive Shale Resource Base

Shale Gas Plays – Lower 48 States



Sabine Pass LNG: Bi-directional Import / Export Proposed Liquefaction Project - Overview

- Leveraging existing assets
 - Large acreage position (853 acres)
 - Can readily accommodate 4 liquefaction trains (up to 2 Bcf/d capacity)
 - Existing infrastructure
 - 2 docks, 4 dedicated tugs
 - LNG storage tanks (5 x 160,000 cm)
 - Power generation
 - Pipeline connections (Creole Trail)
- Gas sourced from pipeline grid - Henry Hub indexed pricing
- “Demand Pull” model
 - Global supply gap
 - Diversity of supply
 - Flexible processing
 - Henry Hub indexation

Project Estimates:

- Initial Phase: 1 Bcf/d (two modular trains)
- Second Phase: Additional 1 Bcf/d
- Estimated capex similar to liquefaction expansion economics
- Commercial start date: 2015e



Sabine Pass LNG: Bi-directional Import / Export

Phase 1 Liquefaction Artist Rendition – 2 X ~0.5 bcf/d Trains

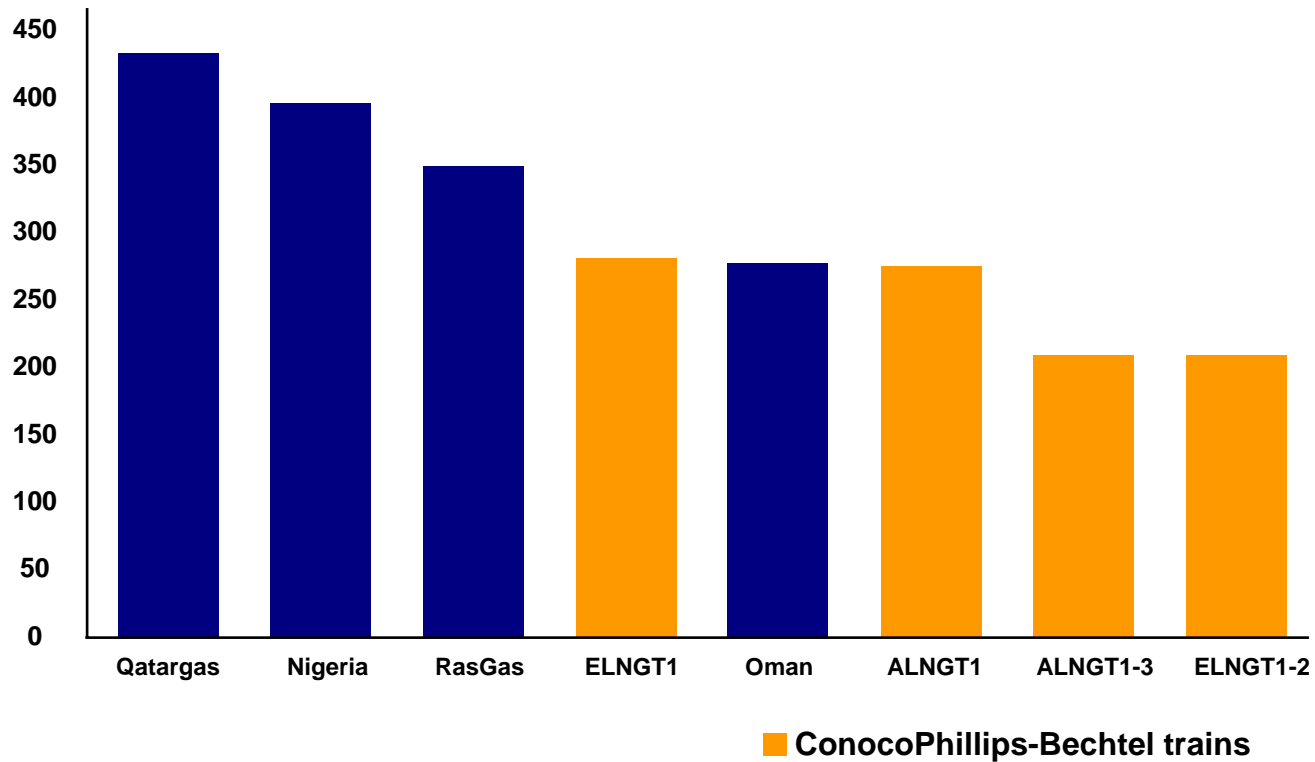


Low Cost Liquefaction Facilities

Proven Technology

ConocoPhillips-Bechtel – Global Liquefaction Collaboration

Cost: \$/Ton



Commercial Structure

Estimated Terms for LNG Sales Agreements

Capacity fee includes regasification and liquefaction services - provides customer option to import or export

Estimated cost to purchase U.S. supply:

- + Capacity Fee: \$1.40/MMBtu to \$1.75/MMBtu**
 - “Take or Pay”, permits lifting or unloading cargoes
- + LNG Export Commodity Charge: \$HH /MMBtu**
 - Delivery Terms: FOB
 - Prevailing price for eastbound flow in local pipelines
 - Paid on a per-MMBtu basis, per cargo loaded
- + Fuel Surcharge: 8%-12%**
 - Projected based on forecast export activity
 - Trued up from period to period

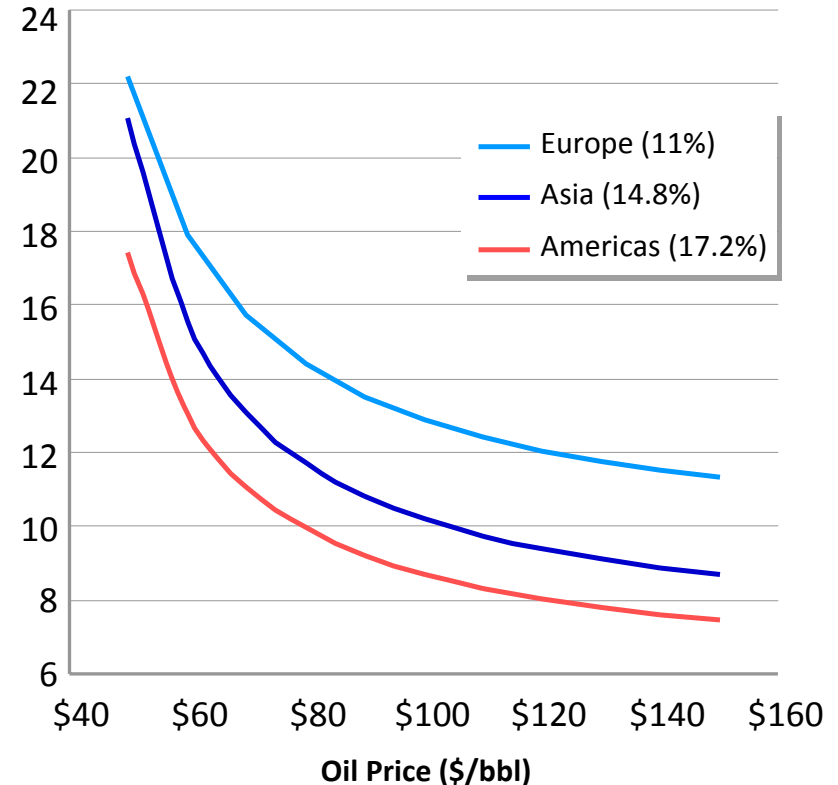
Destination Market Economics

Oil Price Assumption

\$ 90.00 /bbl

	Europe	Asia	Americas
Gas Opportunity Cost (% Oil)	11.0%	14.8%	17.2%
Gas Price	\$9.90	\$13.32	\$15.52
Less:			
Receiving Costs	\$0.00	\$0.00	\$1.50
Shipping from U.S.	1.00	2.80	0.75
Liquefaction Capacity	1.50	1.50	1.50
Liquefaction Fuel	0.74	0.90	1.18
Total Cost	\$3.24	\$5.20	\$4.93
Break-Even Henry Hub	\$6.66	\$8.12	\$10.59
Ratio of Oil Price	13.5	11.1	8.5

Oil/HH Price Ratio



Henry Hub indexed LNG is attractive:

- When Oil/HH price ratios are anticipated to increase over time;
- Where the opportunity cost of the next best fuel is indexed closely to oil; and
- In geographically proximate markets

Regulatory Approval Process

- Dual regulatory tracks with the DOE and FERC
 - FERC coordinates federal & state review of proposals to build LNG terminals
 - DOE regulates imports and exports of natural gas
- Key regulatory and legislative issues
 - NEPA empowers FERC as the lead Federal agency for preparation of environmental analysis
 - Other Federal and State agency involvement on issues
- Typical timeline estimated 18 – 21 months:

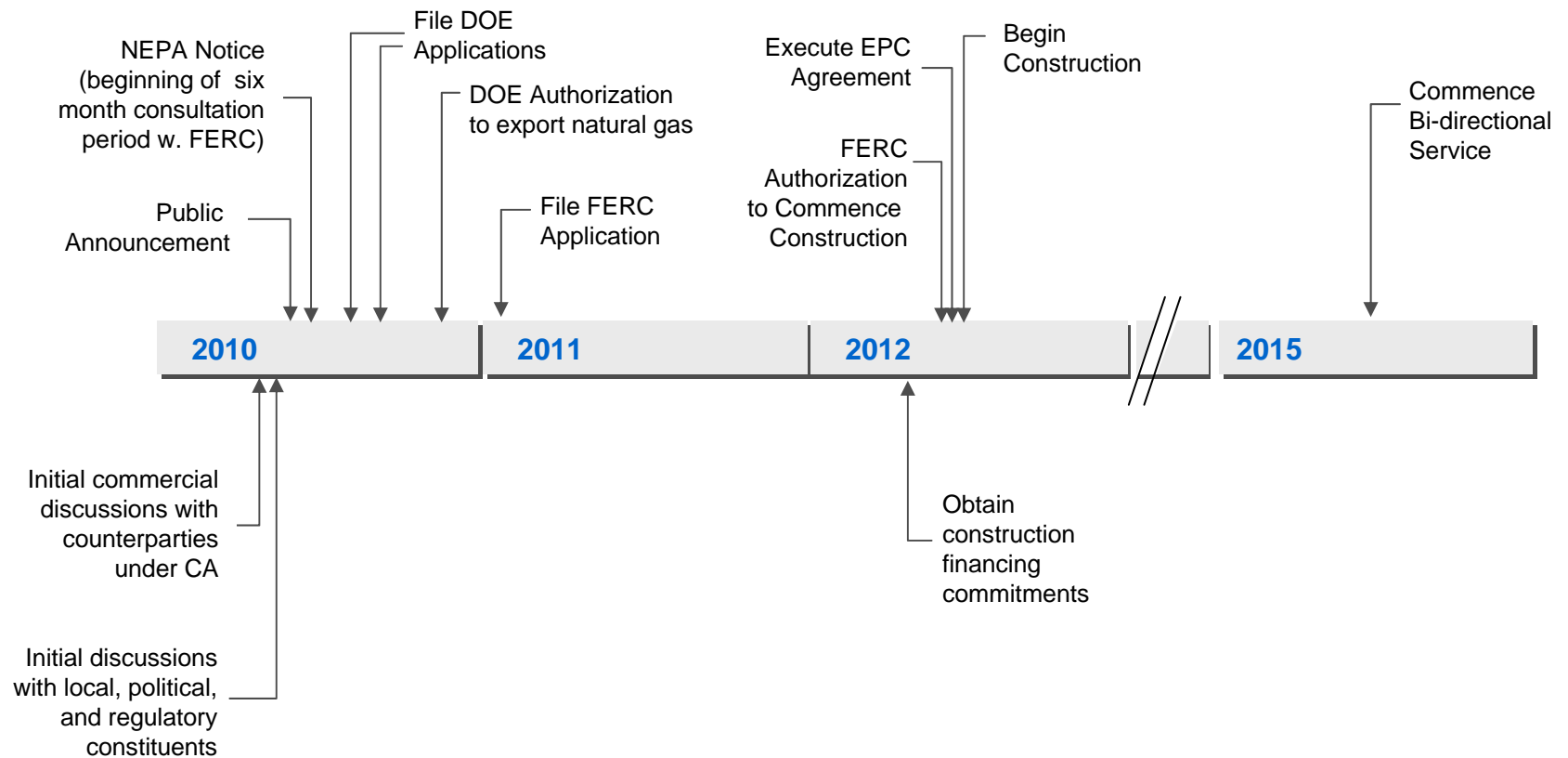
FERC

- NEPA pre-filing initiated in 7/10 ✓
- Formal application due after six months notice period – 1/11
- Estimated approval 2012

DOE

- Filing in two applications in 8/10 & 9/10 ✓
- Approval to export LNG to Free Trade Nations received in 9/10 ✓
- Approval requested for WTO countries by 9/22/10
- Approval for Non-WTO countries pending public comment period

Sabine Pass Liquefaction Proposed Project Timeline



NOTE: Timeline represents an estimate of expected events and is continually changing.

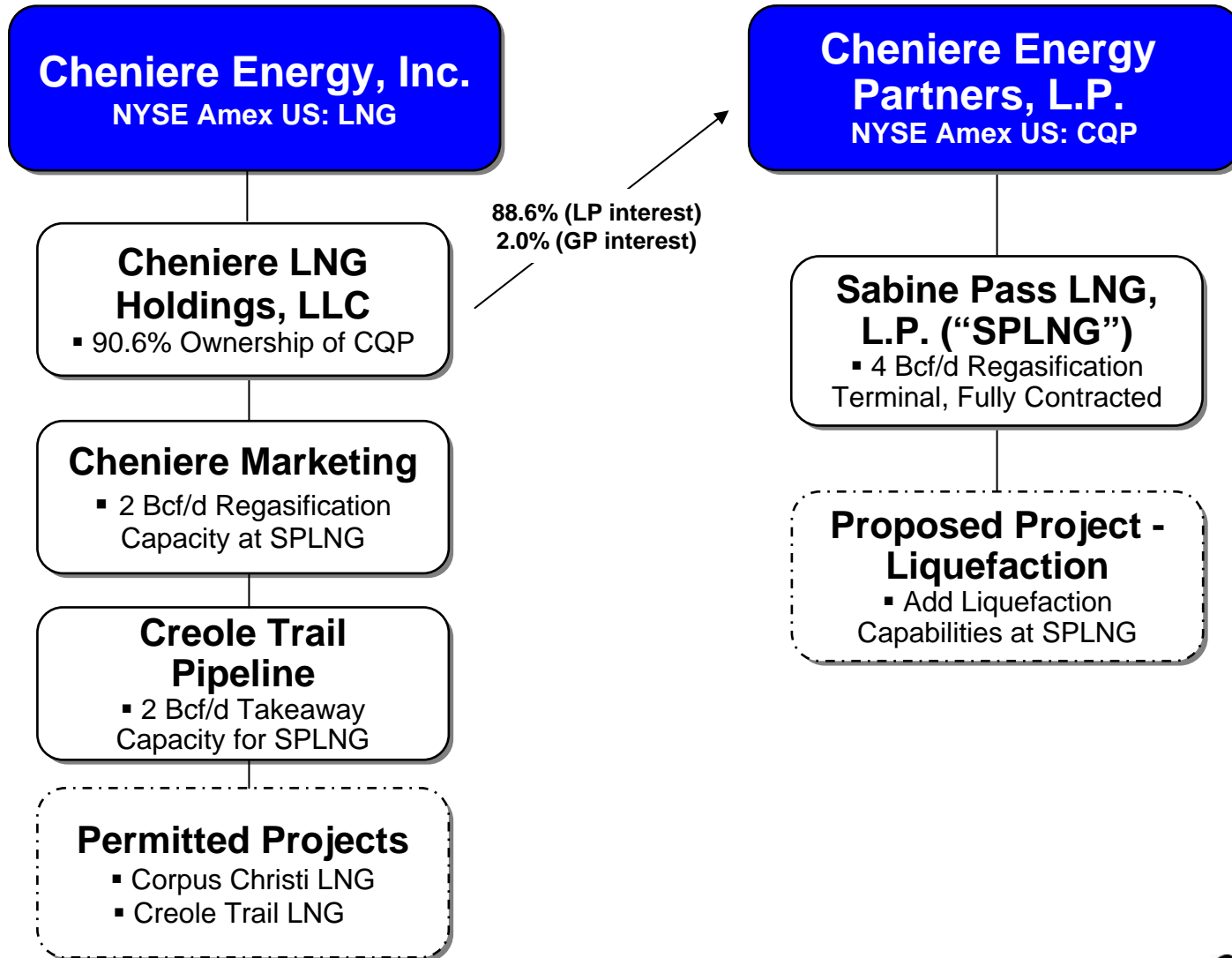
Conclusions

- The 2007 – 2009 liquefaction build out is nearly completed
- Liquefaction capacity utilization is still relatively low
- Worldwide gas demand has returned to 2008 levels
- U.S. need for LNG muted by unconventional gas production
- Oil linked markets provide attractive economics and lower volatility
- A bi-directional LNG facility maximizes advantages in market cycles
- FERC/DOE, EPC, financial, and commercial discussions proceed
 - Financing expected end 2011 – mid 2012
 - Completion of construction expected in 2015

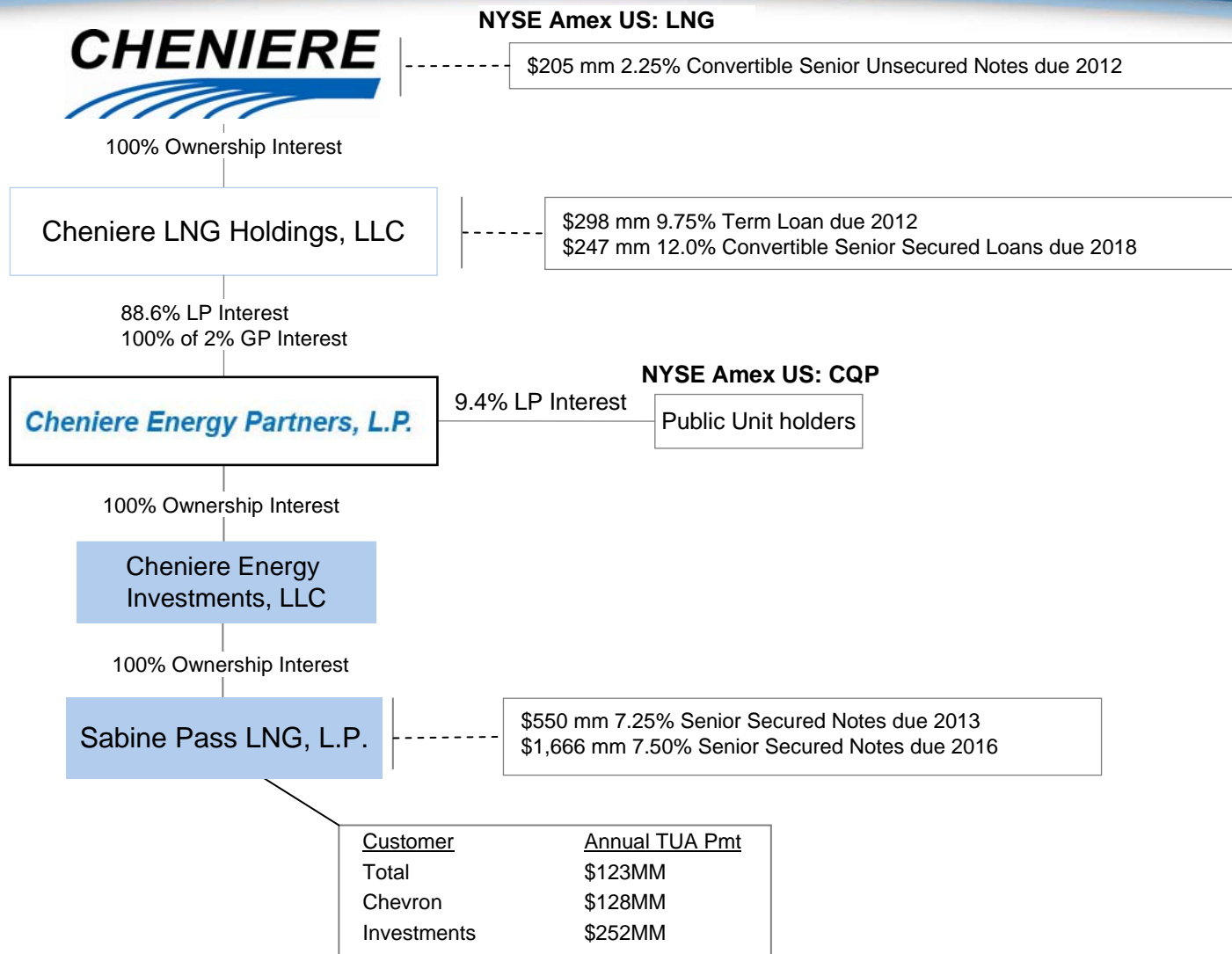


Appendix

Cheniere Overview



Organizational Structure & Existing Debt



Note: Balances as of June 30, 2010; convertible senior secured loans balance reflects the \$64MM pay down from TUA reserve release.

Estimated Future Cash Flows

Cheniere Energy Partners, L.P.

(\$ in MM)	Annualized*
Receipts	
▪ TUA Customers	\$251
▪ Fuel Retainage, Tugs, Other	7
Disbursements	
▪ Operating Expenses	\$ 34
▪ Management Fees	8
▪ Debt Service	165
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Distributable Cash Available	\$ 51
Distributions to GP and LP Unitholders	\$ 46

Note: Not included in disbursements above is an estimate of up to approximately \$11 million of fees payable to Cheniere for services provided under a management services agreement. Such fees are payable on a quarterly basis equal to the lesser of 1) \$2.5 million (subject to inflation) or 2) such amount of CQP's unrestricted cash and cash equivalents as remains after CQP has distributed in respect of each quarter for each common unit then outstanding an amount equal to the IQD and the related GP distribution and adjusting for any cash needed to provide for the proper conduct of the business of CQP, other than Sabine Pass operating cash flows reserved for distributions in respect of the next four quarters.

*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 "Forward Looking Statements" cautions.

Estimated Future Cash Flows

Cheniere Energy, Inc.

(\$ in MM)	Annualized*
Receipts	
▪ Distributions from CQP (Common/GP)	\$ 20
▪ Management fees from CQP	8 -19**
Disbursements	
▪ G&A, net marketing	25 - 35
▪ Pipeline & tug services	10
▪ Other, incl adv tax payments	3 - 5
▪ Debt service	34
Net cash outflow	\$45 - 55

- Baseline case, excludes estimates for cargo activity, Marketing margins and project development costs

*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 "Forward Looking Statements" cautions. Estimates exclude earnings forecasts from operating activities.

**Approximately \$11 million is fees for management services provided by Cheniere to CQP payable on a quarterly basis, equal to the lesser of 1) \$2.5 million (subject to inflation) or 2) such amount of CQP's unrestricted cash and cash equivalents as remains after CQP has distributed in respect of each quarter for each common unit then outstanding an amount equal to the IQD and the related GP distribution and adjusting for any cash needed to provide for the proper conduct of the business of CQP, other than Sabine Pass operating cash flows reserved for distributions in respect of the next four quarters.



Cheniere Energy

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