

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 4, 2010



**CHENIERE ENERGY, INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation or organization)

**1-16383**  
(Commission File Number)

**95-4352386**  
(I.R.S. Employer Identification No.)

**700 Milam Street**  
**Suite 800**  
**Houston, Texas**  
(Address of principal executive offices)

**77002**  
(Zip Code)

Registrant's telephone number, including area code: **(713) 375-5000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 7.01 REGULATION FD DISCLOSURE.**

On June 4, 2010, Cheniere Energy Partners, L.P. and Cheniere Energy, Inc. made publicly available a presentation regarding the initiation of a project to add liquefaction services at the Sabine Pass LNG receiving terminal. A copy of the presentation is filed as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

The information included in this Item 7.01 of Current Report on Form 8-K, including the attached Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

d) Exhibits

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
99.1*	Presentation, dated June 4, 2010.

\* Filed herewith.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHENIERE ENERGY, INC.

By: /s/ Meg A. Gentle

Name: Meg A. Gentle

Title: Senior Vice President and Chief Financial Officer

Date: June 4, 2010

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EXHIBIT INDEX

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99.1*	Presentation, dated June 4, 2010.

\* Filed herewith.

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**Cheniere Energy Partners / Cheniere Energy, Inc.  
Proposed Sabine Pass LNG Facility Expansion -  
Adding Liquefaction Capabilities**

June 4, 2010

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# 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. Annual Reports on Form 10-K for the year ended December 31, 2009, 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.



# Expanding Operations - Adding Liquefaction

## Compelling Proposition

### Sabine Pass to become bi-directional import/export facility

- Market fundamentals create opportunity to expand into exports
- Export services provide customers with an attractively priced option to access U.S. natural gas supply
- Sabine Pass facility location is strategically situated
  - Many existing assets in place needed for an export terminal reduces capital required, cost estimates comparable to liquefaction expansion economics
  - Abundance of supply and existing infrastructure in surrounding regions, proximity to Henry Hub
- Powerful tool for industry players to manage their portfolios
  - Early indications of interest from both buyers and sellers of natural gas and LNG





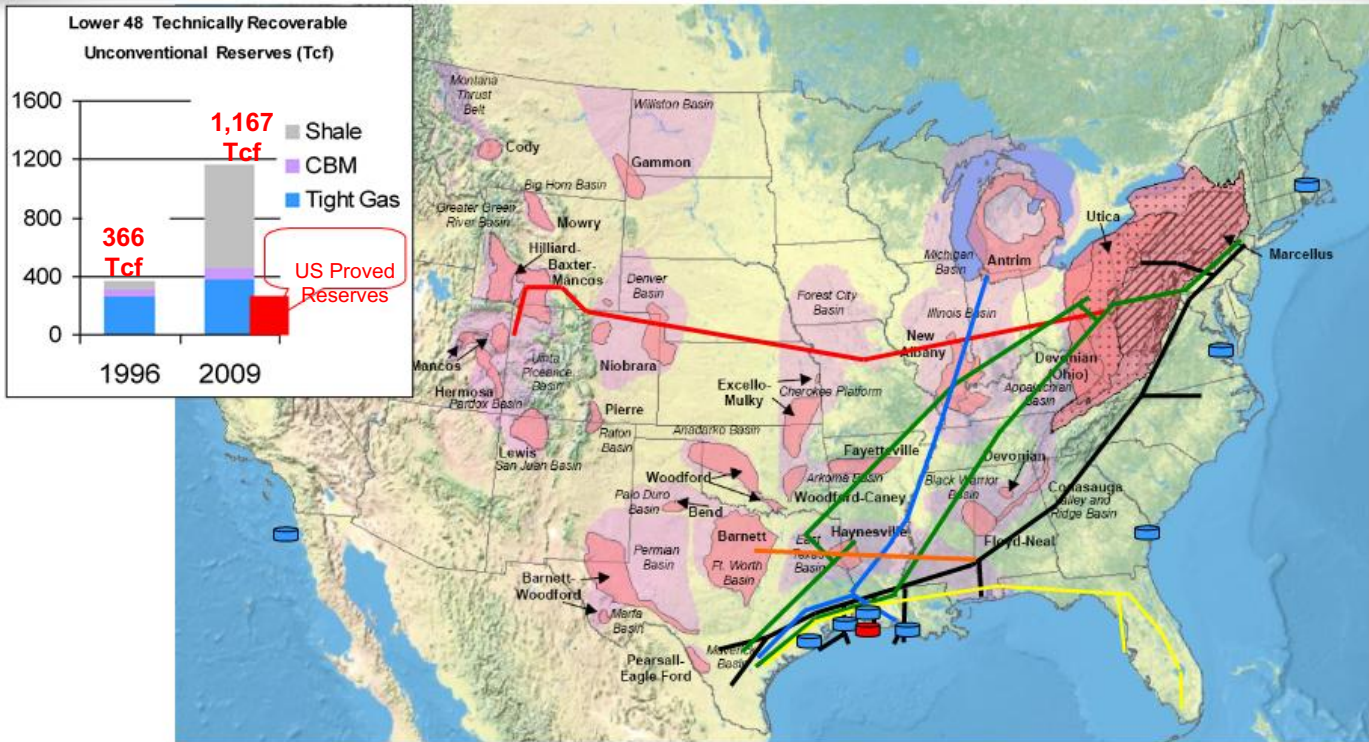
# Market Fundamentals Drive Liquefaction Project

- The U.S. has become the largest producer of natural gas in the world and production costs rank among the lowest
  - Productive capacity at \$6.50/MMBtu could reach 95 Bcf/d by 2020
- U.S. natural gas demand not likely to keep pace with incremental supply as demand continues to lag market forecasts, threatening to lead to price volatility
- Globally, a natural gas supply gap is projected to develop in 2014-15
  - Key driver is decline of UK Continental Shelf production
  - Exacerbates dependency of European consumers on imported gas
  - Asian consumers highly dependent on imported LNG for gas supply
- Simultaneously, global LNG and pipeline gas suppliers continue to enforce oil-price indexation in new contracts
  - Key markets in Asia and Europe import over 70 Bcf/d of natural gas
  - Imports forecast to increase by 26 Bcf/d over the next ten years



# U.S. Unconventional Reserves

## Basins Proximate to Premium Markets and Major Pipelines



Sources: EIA (US map graphic, pipelines and LNG terminals placed by Cheniere)  
 Advanced Resources Intl (Lower 48 Unconventional Recoverable Reserves), ARI shale estimates updated April 2010  
 Depicted Pipelines: Rockies Express, Texas Eastern, Trunkline, Transco, FGT, C/P/SESH/Gulf Crossing (as a single pipeline)  
 Depicted LNG terminals: Freeport, Golden Pass, Sabine Pass, Cameron, Trunkline, Elba Island, Cove Point, Everett



# Sabine Pass LNG

## 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 expansion economics
- Commercial start date: 2015e

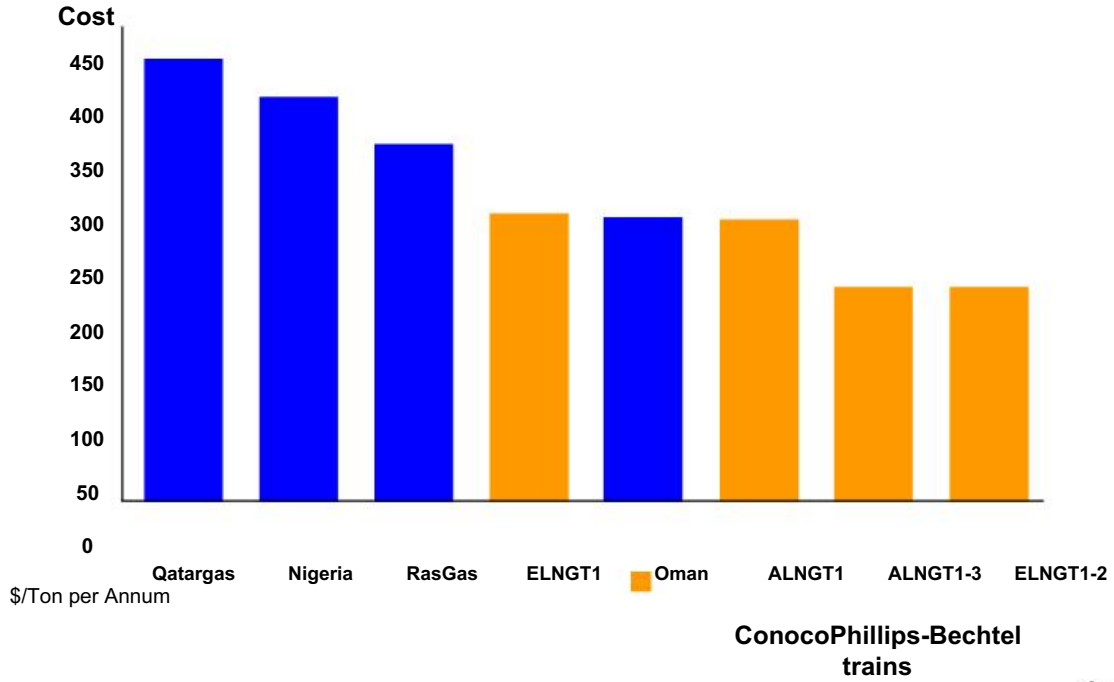


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# Low Cost Liquefaction Facilities

## Proven Technology

### ConocoPhillips-Bechtel - Global Liquefaction Collaboration



Source: ConocoPhillips-Bechtel

# 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 Pay", permits lifting or unloading cargoes
    - Includes all facilities and Creole Trail Pipeline
  - + LNG Export Commodity Charge: \$1.17/MMBtu
    - 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

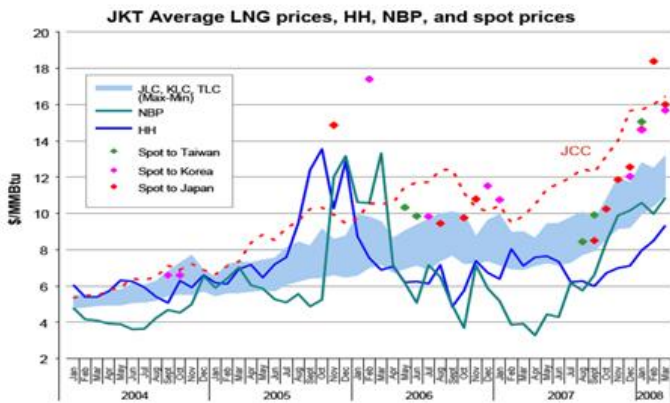
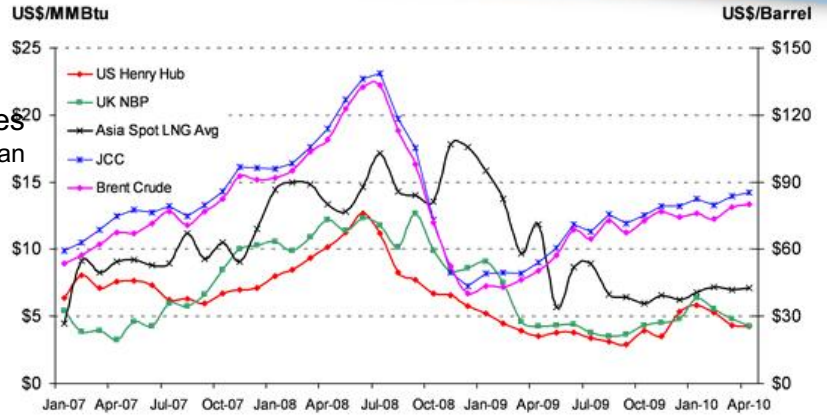




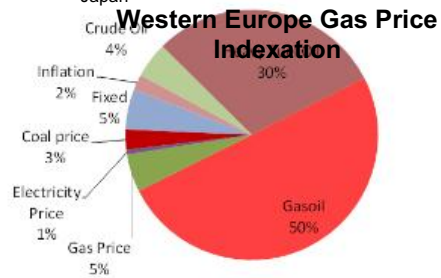
# LNG Supply

## Oil Linkage Threatened with Large Oil-Gas Ratios

- Asian and European natural gas supplies are predominantly priced against oil indices
  - Europe dominated by oil-indexed pricing with an emerging but small portion tied to spot pricing
  - With decreasing supplies, market prices expected to align with oil prices, especially in winter
- Abundant supply of LNG at Henry Hub-based prices could create a market advantage



Source: PIRA Energy Group, Petroleum Association of Japan



Source: IGU, Natural Gas Industry Study to 2030, 2009

Source: PIRA Energy Group, Petroleum Association of Japan



# Delivered Costs Compare Favorably to European Price Estimates

- Assuming continued increase in U.S. natural gas production, unconventional gas economics effectively cap Henry Hub at mid-range of \$6.50/MMBtu
- If oil remains above \$65/Bbl, Sabine Pass LNG is cheaper than oil-indexed pipeline gas in Europe on the margin, while forecast prices above \$77/Bbl justify it on an all-in basis

	Low	Mid	High
\$/MMBtu			
<b>Henry Hub Price</b>	\$ 4.50	\$ 6.50	\$ 8.50
<b>Terminal Fuel</b>	0.45	0.65	0.85
<b>Liquefaction Charge</b>	1.50	1.50	1.50
<b>Shipping Cost</b>	1.00	1.00	1.00
<b>Delivery Charges</b>	\$ 2.95	\$ 3.15	\$ 3.35
<b>DES Price (Europe)</b>	\$ 7.45	\$ 9.65	\$ 11.85
<b>Brent Crude @ 12.5%</b>	\$ 59.60	\$ 77.20	\$ 94.80
<b>Brent Crude @ 15%</b>	\$ 49.67	\$ 64.33	\$ 79.00

Source: Cheniere



# Regulatory Process

## Strong support from local and state agencies

- Dual regulatory tracks with the DOE and FERC
  - DOE regulates imports and exports of natural gas
  - FERC coordinates federal and state review of proposals to build LNG terminals
- Key regulatory and legislative issues
  - NEPA empowers FERC as the lead Federal agency for preparation of an Environmental Impact Statement
  - Other Federal and State agency involvement on issues
- Typical Approvals Timeline - ~18-21 months
  - NEPA pre-filing to be initiated by the end of June 2010





# Key Relationships

J.P.Morgan

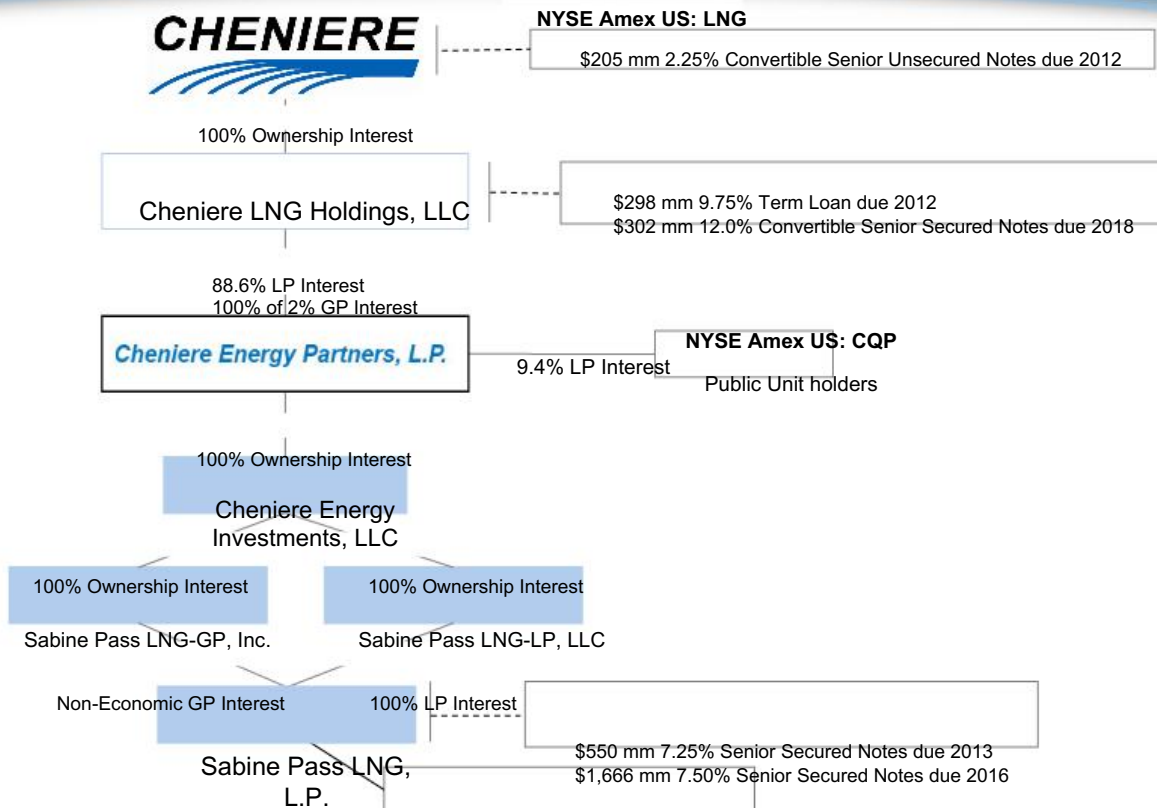


- Preliminary favorable indications of market interest
  - LNG and natural gas buyers
  - LNG and natural gas sellers / producers
  - Contractors

**CHENIERE**  
The logo for Cheniere, consisting of the word "CHENIERE" in a bold, sans-serif font above a stylized blue graphic of three curved lines representing waves or a flame.

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# Organizational Structure



Note: Balances as of March 31, 2010, term loan balance is proforma the Freeport sale where \$102MM of proceeds paid down principal.

Customer	Annual TUA Pmt
Total	\$123MM
Chevron	\$128MM
CMI	\$252MM



# Q & A



