

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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Form 10-K/A2  
(Amendment No. 2)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE  
ACT OF 1934

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES  
EXCHANGE ACT OF 1934

FOR THE YEAR ENDED DECEMBER 31, 2001

Commission File No. 0-9092

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

Delaware 95-4352386  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

Three Allen Center 77002-4102  
333 Clay Street, Suite 3400 (Zip code)  
Houston, Texas 77002-4102  
(Address of principal executive offices)

Registrant's telephone number, including area code: (713) 659-1361

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

COMMON STOCK, \$ 0.003 PAR VALUE  
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports  
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of  
1934 during the preceding 12 months (or for such shorter period that the  
registrant was required to file such reports), and (2) has been subject to such  
filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item  
405 of Regulation S-K is not contained herein, and will not be contained, to the  
best of the registrant's knowledge, in definitive proxy or information  
statements incorporated by reference in Part III of this Form 10-K or any  
amendment to this Form 10-K.

The aggregate market value of the registrant's common stock held by  
non-affiliates of the registrant was approximately \$14,244,127 as of March 29,  
2002 (based upon the March 29, 2002 closing market price of such common stock as  
reported on The American Stock Exchange). 13,297,393 shares of the registrant's  
Common Stock were outstanding as of March 29, 2002.

DOCUMENTS INCORPORATED BY REFERENCE

None

The registrant hereby amends the following items of its Annual Report on  
Form 10-K for the year ended December 31, 2001, as set forth on the pages  
attached hereto:

Item 10. Directors and Executive Officers of the Registrant  
Item 11. Executive Compensation  
Item 12. Security Ownership of Certain Beneficial Owners and Management  
Item 13. Certain Relationships and Related Transactions

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Directors of Cheniere

The following sets forth certain information concerning each of the  
directors of Cheniere.

Director Nominee	Director Since	Age	Position
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Nuno Brandolini	2000	48	Director
Keith F. Carney	2001	45	Director
Paul J. Hoenmans	2001	69	Director
John K. Howie	2000	43	Director
Charles M. Reimer	1998	57	Director
Charif Souki	1996	49	Director and Chairman of the Board of Directors
Walter L. Williams	1996	74	Director and Vice Chairman of the Board of Directors

Nuno Brandolini is currently a director and a member of the Audit Committee. Mr. Brandolini has served as Chairman and Chief Executive Officer of Scorpion Holdings, Inc., a merchant bank, since 1995. Prior to forming Scorpion Holdings, Mr. Brandolini served as Managing Director of Rosecliff, Inc., a leveraged buyout fund co-founded by Mr. Brandolini in 1993. Before joining Rosecliff, Mr. Brandolini was a Vice President at Salomon Brothers, Inc. where he was an investment banker involved in mergers and acquisitions in the Financial Entrepreneurial Group. Mr. Brandolini has also worked for Lazard Freres in New York and was President of The Baltheus Group, a merchant banking firm, and Executive Vice President of Logic Capital Corp., a venture capital firm. He currently serves on the Board of private and public companies such as Arabella, Pac Pizza LLC, Sonex Research, The Original San Francisco Toymakers and WalkAbout Computers. Mr. Brandolini was awarded a law degree by the University of Paris, and received an M.B.A. from the Wharton School.

Keith F. Carney is currently a director and Chairman of the Audit Committee and a member of the Compensation Committee. Mr. Carney served as Chief Financial Officer and Treasurer of the Company from July 1996 through November 1997 and Executive Vice President from 1997 through August 2001. Since October 2001, Mr. Carney has been President of Dolomite Advisors, LLC, a manager of energy investment funds. At that time he was elected a director to Cheniere. Prior to joining Cheniere, Mr. Carney was a securities analyst in the oil and gas exploration/production sector with Smith Barney, Inc. from 1992-1996. From 1982-1990 he was employed by Shell Oil as an exploration geologist, with assignments in the Gulf of Mexico, the Middle East and other areas. He received an M.S. in geology from Lehigh University in 1982 and an M.B.A.-Finance from the University of Denver in 1992.

Paul J. Hoenmans is currently a director for Cheniere and a member of the Compensation Committee. Mr. Hoenmans has over 22 years of senior executive level experience in the industry and currently acts as director of various companies. During that time he has served Mobil Oil Corporation, an integrated international natural resource company, in various executive capacities, most recently as Director and Executive Vice President, from 1996 through 1997, with overall responsibility for policy, strategy, performance, and stakeholder contact. From

1986 through 1996 he served as the President of Mobil Oil Corporation's Exploration & Producing Division, with worldwide responsibility for upstream operations. Mr. Hoenmans has held various other positions of senior executive level responsibility with Mobil since 1975, over both upstream and downstream operations worldwide throughout the Americas, Africa, Southeast Asia, the Middle East, Europe, and Scandinavia. Mr. Hoenmans is also currently serving as a director of Xpronet, Inc., Veba Oel AG, and Talisman Energy, Inc.

John K. Howie is currently a director of the Company, Chairman of the Compensation Committee and a member of the Audit Committee. Mr. Howie has served as a Vice President of EnCap Investments, LLC, a manager of certain investment funds, since July 1999. From January 1994 until July 1999 he was a Senior Investment Associate at Range Resources Corporation (previously Domain Energy Corporation), an oil and gas exploration and production company, and an Acquisition Coordinator with Domain Energy Corporation (previously Tenneco Ventures), an oil and gas exploration and production company. Prior to this he was a Senior Petroleum Engineer with Apache Corporation, an oil and gas exploration company. Mr. Howie received a Bachelor of Science in Chemical Engineering from New Mexico State in December 1981.

Charles M. Reimer is currently President and Chief Executive Officer and a director of Cheniere. Mr. Reimer has served as President and Chief Executive Officer of Cheniere since October 2000. Through May 2000, he served in Houston as President of British-Borneo USA, Inc., an oil and gas exploration company with operations primarily in the Gulf of Mexico. Prior to joining British Borneo in November 1998, Mr. Reimer served from 1994 through 1998 as Chairman and Chief Executive Officer of Virginia Indonesia Company (VICO), the operator on behalf of Union Texas Petroleum Holdings, Inc. and LASMO plc, of major gas and oil reserves and production located in East Kalimantan, Indonesia. Mr. Reimer began

his career with Exxon Company USA in 1967 and held various professional and management positions in Texas and Louisiana. After leaving Exxon, Mr. Reimer was named President of Phoenix Resources Company in 1985 and relocated to Cairo, Egypt to begin eight years of international assignments. He also serves on the board of directors of Gryphon Exploration Company, a privately held affiliate of Cheniere.

Charif Souki, a co-founder of Cheniere, is currently Chairman of the Board of Directors of the Company. Mr. Souki has served as Chairman of the Board of Directors since June 1999. From September 1997 until June 1999 he was Co-Chairman of the Board of Directors, and he served as Secretary of the Company from July 1996 until September 1997. Mr. Souki is an independent investment banker with 20 years of experience in the industry. In the past few years he has specialized in providing financing for promising microcap and small capitalization companies with an emphasis on the oil and gas industry. Mr. Souki received his B.A. from Colgate University and his M.B.A. from Columbia University. He also serves on the board of directors of Gryphon Exploration Company, a privately held affiliate of Cheniere.

Walter L. Williams is currently Vice Chairman and a director of the Company. Prior to joining the Company, Mr. Williams spent 32 years as a founder and later Chairman and Chief Executive Officer of Texoil, Inc., a publicly held Gulf Coast exploration and production company. Prior to that time, he was an independent petroleum consultant. Mr. Williams received a B.S. in petroleum engineering from Texas A&M University and is a Registered Engineer in Louisiana and Texas. He has served as a director and member of the Executive Committee of the Board of the Houston Museum of Natural Science.

#### Executive Officers of Cheniere

The following table sets forth the names, ages and positions of each executive officer of the Company, all of whom serve at the pleasure of the Board of Directors and are subject to annual appointment by the Board:

Name	Age	Position
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Charif Souki	49	Chairman
Walter L. Williams	74	Vice Chairman
Charles M. Reimer	57	President and Chief Executive Officer
Don A. Turkleson	47	Vice President & Chief Financial Officer, Secretary & Treasurer
Jonathan S. Gross	43	Vice President - Exploration

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Charif Souki has served as Chairman of the Board of Directors since June 1999. From September 1997 until June 1999 he was Co-Chairman of the Board of Directors, and he served as Secretary of the Company from July 1996 until September 1997. Mr. Souki served as a director of the Company throughout the year ended December 31, 2001. Mr. Souki serves as a consultant to Cheniere. Mr. Souki also served as a director of Gryphon throughout the year ended December 31, 2001. Further information regarding Mr. Souki is provided above under "Directors of Cheniere."

Walter L. Williams has served as Vice Chairman of the Board of Directors since June 1999. He served as President and Chief Executive Officer of the Company from September 1997 until June 1999 and as Vice Chairman of the Board of Directors from July 1996 until September 1997. Mr. Williams served as a director of the Company throughout the year ended December 31, 2001. Further information regarding Mr. Williams is provided above under "Directors of Cheniere."

Charles M. Reimer has served as President and Chief Executive Officer of Cheniere since October 2000. Mr. Reimer served as a director of the Company throughout the year ended December 31, 2001. Further information regarding Mr. Reimer is provided above under "Directors of Cheniere."

Don A. Turkleson has served as Vice President and Chief Financial Officer, Secretary and Treasurer of Cheniere since December 1997. Prior to joining Cheniere in 1997, Mr. Turkleson was employed by PetroCorp Incorporated, an oil and gas exploration company with operations in the United States and Canada, from 1983 to 1996, as Controller until 1986, then as Vice President - Finance, Secretary and Treasurer. From 1975 to 1983, he worked as a Certified Public Accountant in the natural resources division of Arthur Andersen & Co. in Houston. Mr. Turkleson received a B.S. in accounting from Louisiana State University in 1975. He is a director, and past Chairman of the Board of Neighborhood Centers, Inc., a nonprofit organization.

Jonathan S. Gross has served as Vice President-Exploration of Cheniere since October 2000. He served as Technology Manager of the Company from June 1999 through October 2000. Mr. Gross began his career in 1981 with Amoco Production Company, an oil and gas exploration and production company, as an exploration geophysicist. While at Amoco he held senior technical positions in both domestic and international basins. In 1998 he joined Zydeco Energy, Inc., an oil and gas exploration and production company, where he served as economist, exploration risk specialist, and project manager. Mr. Gross received a Bachelor

of Arts degree in geology from the University of Chicago, and he is a member of the American Association of Petroleum Geologists, the Society of Exploration Geophysicists, and the Houston Geological Society.

Section 16(a) Beneficial Ownership Reporting Compliance

Under Section 16(a) of the Exchange Act, directors, certain officers, and beneficial owners of 10% or more of any class of the Company's stock ("Reporting Persons") are required from time to time to file with the Securities and Exchange Commission and The American Stock Exchange reports of ownership and changes of ownership. Reporting Persons are required to furnish the Company with copies of all Section 16(a) reports they file. Based solely on its review of forms and written representations received from Reporting Persons by it with respect to the fiscal year ended December 31, 2001, the Company believes that all filing requirements applicable to the Company's officers, directors and greater than 10% stockholders have been met, except for the late filing of a Form 4 by Walter Williams.

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ITEM 11. EXECUTIVE COMPENSATION

The following table reflects all compensation received by the chief executive officer and by each of the five other most highly compensated executive officers of the Company during the three years ended December 31, 2001, 2000 and 1999 (collectively, the "Named Executives").

SUMMARY COMPENSATION TABLE

<TABLE>  
<CAPTION>

Name and Principal Position	Year	Annual Compensation		Long Term	
		Salary	Bonus	Compensation Awards	
				Securities Underlying	
				Options/SARs (#)	
<S>	<C>	<C>	<C>	<C>	
Charif Souki Chairman	(1)	2001	\$125,000	\$50,000	120,000
		2000	\$120,000	\$100,000	112,500
		1999	\$120,000	-	-
Walter L. Williams Vice Chairman		2001	\$150,000	-	80,000
		2000	\$127,500	-	67,500
		1999	\$120,000	-	25,000
Charles M. Reimer President and Chief Executive Officer	(2)	2001	\$180,000	-	120,000
		2000	\$60,000	-	362,500
		1999	-	-	-
Keith F. Carney Executive Vice President - Business Development	(3)	2001	\$94,904	-	25,000
		2000	\$112,500	-	67,500
		1999	\$100,000	-	25,000
Don A. Turkleson Vice President, Chief Financial Officer, Secretary and Treasurer		2001	\$150,000	-	80,000
		2000	\$112,500	-	67,500
		1999	\$100,000	-	25,000
Jonathan S. Gross Vice President - Exploration		2001	\$150,000	-	60,000
		2000	\$120,000	-	86,250
		1999	\$64,167	-	18,750

</TABLE>

- (1) In October 1998, Mr. Souki commenced providing consulting services to the Company pursuant to a Services Agreement and was compensated at a rate of \$10,000 per month. Such rate was increased to \$15,000 per month in November 2001. Mr. Souki was awarded a bonus of \$50,000 in November 2001. The timing of payment is contingent upon Cheniere obtaining sufficient liquidity for the payment of such bonus as determined by specified events or as determined by the Board of Directors.
- (2) Mr. Reimer has an employment agreement with the Company. Pursuant to the terms of the employment agreement, Mr. Reimer is entitled to severance pay equal to two years' base salary in the event of a change in control or termination by the Company.
- (3) Mr. Carney's salary was paid at a rate of \$150,000 per year effective October 2000 and continuing until October 2001 when he resigned from Cheniere to become President of Dolomite Advisors LLC, a manager of energy investment funds.

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Option Grants

Stock options granted to Named Executives during the year ended December 31, 2001 are summarized in the following table:

<TABLE>  
<CAPTION>

Realizable Value ----- Annual Rates Appreciation Term	Individual Grants				Potential
	Number of Securities Underlying Options/SARs	% of Total Options/SARs Granted to Employees in Fiscal Period	Exercise or Base Price Per Share	Expiration Date	at Assumed of Stock Price for Option 5%
Name	Granted				
10%					
-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
<C>					
Charif Souki \$ 77,657	120,000	16.0%	\$1.06	11/09/06	\$ 35,143
Walter L. Williams \$ 51,771	80,000	10.7%	\$1.06	11/09/06	\$ 23,429
Charles M. Reimer \$ 77,657	120,000	16.0%	\$1.06	11/09/06	\$ 35,143
Don A. Turkleson \$ 51,771	80,000	10.7%	\$1.06	11/09/06	\$ 23,429
Jonathan S. Gross \$ 38,828	60,000	8.0%	\$1.06	11/09/06	\$ 17,572

</TABLE>

Options granted to named executives during 2001 have a term of five years and vest 33% on each of the first three anniversaries of the date of grant.

Outside members of the Board of Directors (those who do not serve as executive officers of the Company) are compensated for their services to the Company through the grant of options to purchase Common Stock of the Company.

Option Exercises and Year-End Values

The following table sets forth information regarding unexercised options or warrants to purchase shares of Common Stock granted by the Company to Named Executives. No Named Executives exercised any Common Stock options during the fiscal year ended December 31, 2001.

<TABLE>  
<CAPTION>

Name	Number of Securities Underlying Unexercised Options/SARs at December 31, 2001		Value of Unexercised In-the-Money Options/SARs at December 31, 2001 (1)	
	Exercisable	Unexercisable	Exercisable	Unexercisable
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Charif Souki	45,833	186,667	\$ -	\$ -
Walter L. Williams	85,000	137,500	-	-
Charles M. Reimer	304,583	186,667	-	-
Don A. Turkleson	47,500	137,500	-	-
Jonathan S. Gross	38,125	126,875	-	-

</TABLE>

(1) The value of unexercised options and warrants to purchase Common Stock at December 31, 2001 is calculated based upon The American Stock Exchange closing market price of \$1.00 per share on December 31, 2001.

Indemnification of Officers and Directors

The Company's Certificate of Incorporation provides that the liability of directors for monetary damages shall be limited to the fullest extent permissible under Delaware law. This limitation of liability does not affect the availability of injunctive relief or other equitable remedies.

The Company's Certificate of Incorporation and Bylaws provide that the Company shall indemnify its directors and officers to the fullest extent possible under Delaware law. These indemnification provisions require the Company to indemnify such persons against certain liabilities and expenses to which they may become subject by reason of their service as a director or officer of the Company or any of its affiliated enterprises. The provisions also set forth certain procedures, including the advancement of expenses, that apply in the event of a claim for indemnification.

## Director Compensation

During the fiscal year ended December 31, 2001, directors received no cash remuneration for serving on the Board of Directors of the Company, nor were they compensated for attending Board or committee meetings. From time to time, outside members of the Board of Directors (those who do not serve as executive officers of the Company) are compensated for their services to the Company through the grant of options to purchase Common Stock of the Company.

In November 2001, the Board of Directors granted options to purchase 25,000 shares of Common Stock to each of its outside directors, Messrs. Brandolini, Carney and Howie, and 50,000 shares of Common Stock to its outside director, Mr. Hoenmans, in recognition of their service to the Company. The options vested fully on the date of grant and are not contingent upon the Company's achievement of earnings goals. The options are exercisable at a price of \$1.06 per share, the closing market price on The American Stock Exchange on the date of the grants. The options expire five years from the date of grant.

## Compensation Committee Interlocks and Insider Participation

In addition to serving as a director of the Company, several directors held positions as executive officers during the fiscal year ended December 31, 2001. Mr. Souki served as Chairman of the Board; Mr. Williams served as Vice Chairman of the Board. Mr. Reimer served as President and Chief Executive Officer.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information with respect to the shares of Common Stock owned of record and beneficially as of April 1, 2002 by all persons who own of record or are known by the Company to own beneficially more than 5% of the outstanding Common Stock, by each director, nominee for director and Named Executive, and by all directors and executive officers as a group:

<TABLE>  
<CAPTION>

Name	Amount and Nature of Beneficial Ownership	Percent of Class
BSR Investments, Ltd.	1,452,495 (1)	10.8%
Nuno Brandolini	263,750 (2)	1.9%
Keith F. Carney	196,667 (3)	1.5%
Jonathan S. Gross	49,500 (4)	*
Paul J. Hoenmans	50,000 (5)	*
John K. Howie	37,500 (6)	*
Charles M. Reimer	370,059 (7)	2.7%
Charif Souki	145,583 (8)	1.1%
Don A. Turkleson	101,667 (9)	*
Walter L. Williams	121,250 (10)	*
All Directors and Officers as a group (9 persons)	1,335,976 (11)	9.3%

</TABLE>

\* Less than 1%.

(1) BSR Investments, Ltd. is controlled by Nicole Souki, the President of BSR and the mother of Charif Souki. Charif Souki disclaims beneficial ownership of the shares. Includes warrants to purchase 164,851 shares of the Company's Common Stock. BSR's address is c/o Harney, Westwood & Riegels, Box 71, Craigmuir Chambers, Road Town, Tortola, B.V.I.

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(2) Includes 50,000 shares issuable upon exercise of currently exercisable options held by Mr. Brandolini. Also includes warrants to purchase 213,750 shares of Common Stock held by Arabella SA, of which Mr. Brandolini disclaims beneficial ownership. Mr. Brandolini serves as Chairman and Chief Executive Officer of Scorpion Holdings, Inc, which manages investments for Arabella SA. Mr. Brandolini also serves as a director of Arabella SA.

(3) Includes 4,167 shares issuable upon exercise of currently exercisable warrants and 167,500 shares issuable upon exercise of currently exercisable options held by Mr. Carney.

(4) Includes 334 shares issuable upon exercise of currently exercisable warrants, 38,125 shares issuable upon exercise of currently exercisable options and 8,854 shares issuable upon exercise of options which become exercisable within 60 days of the filing of this proxy statement. Excludes 118,021 shares issuable upon the exercise of options held by Mr. Gross but not exercisable within 60 days of the filing of this proxy statement.

(5) Includes 50,000 shares issuable upon exercise of currently exercisable options held by Mr. Hoenmans.

(6) Includes 37,500 shares issuable upon exercise of currently exercisable

options held by Mr. Howie.

- (7) Includes 258,334 shares issuable upon exercise of currently exercisable warrants and 54,583 shares issuable upon exercise of currently exercisable options. Excludes 186,667 shares issuable upon the exercise of options held by Mr. Reimer but not exercisable within 60 days of the filing of this proxy statement.
- (8) Includes 14,250 shares issuable upon exercise of currently exercisable warrants and 85,500 shares owned by Mr. Souki's wife. Also includes 45,833 shares issuable upon exercise of currently exercisable options. Excludes 186,667 shares issuable upon the exercise of options held by Mr. Souki but not exercisable within 60 days of the filing of this proxy statement. Does not include 1,287,644 shares nor warrants to purchase 164,851 shares of Cheniere Common Stock held by BSR Investments, Ltd. of which Charif Souki disclaims beneficial ownership. BSR Investments, Ltd. is controlled by Nicole Souki, the President of BSR Investments, Ltd. and the mother of Charif Souki.
- (9) Includes 4,167 shares issuable upon exercise of currently exercisable warrants, 50,625 shares issuable upon exercise of currently exercisable options and 15,625 shares issuable upon exercise of options which become exercisable within 60 days of the filing of this proxy statement. Excludes 118,750 shares issuable upon the exercise of options held by Mr. Turkleson but not exercisable within 60 days of the filing of this proxy statement.
- (10) Includes 88,125 shares issuable upon exercise of currently exercisable options, 15,625 shares issuable upon exercise of options which become exercisable within 60 days of the filing of this proxy statement and 10,000 shares owned by Mr. Williams' wife. Excludes 118,750 shares issuable upon the exercise of options held by Mr. Williams but not exercisable within 60 days of the filing of this proxy statement.
- (11) Includes an aggregate of 582,291 shares issuable upon exercise of currently exercisable options, 40,104 shares issuable upon exercise of options which become exercisable within 60 days of the filing of this proxy statement and 495,002 shares issuable upon exercise of currently exercisable warrants. Excludes an aggregate of 728,855 shares issuable upon the exercise of options not exercisable within 60 days of the filing of this proxy statement (of which 241,111 have been granted contingent upon stockholder approval of a proposed amendment to the 1997 Stock Option Plan).

#### ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

BSR Investments, Ltd. ("BSR"), an entity holding approximately 10.8% of the outstanding shares of the Company's Common Stock, is under the control of Nicole Souki, the mother of Charif Souki, Chairman of the Board of Directors. Charif Souki has been engaged, from time to time, as a consultant to BSR. Charif Souki disclaims beneficial ownership of all shares held by BSR.

BSR purchased \$2,000,000 of the notes issued in the Company's \$4,000,000 December 1997 Bridge Financing and pledged a portion of its investment in Cheniere Common Stock to fund its participation. In conjunction with the financing, BSR received warrants to purchase 41,667 shares of the Company's common stock. On September 15, 1998, BSR received warrants to purchase an additional 100,000 shares of common stock as consideration for extending the maturity of the notes to that date. Also in September 1998, the exercise price of the warrants held by BSR was reduced from \$9.50 to \$6.00 per share as consideration to extend the maturity date of the notes to January 15, 1999. In March 1999, BSR exchanged notes payable of \$2,000,000 for 694,445 shares of

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Cheniere Common Stock (\$2.88 per share). In May 1999, BSR purchased from another note holder \$240,000 in short-term notes payable by Cheniere. In July 1999, the Company repaid \$120,000 to BSR at the time it repaid 50% of the outstanding balances on all of the notes issued in the December 1997 Bridge Financing. On September 30, 1999, BSR exchanged its remaining \$120,000 note payable and \$1,000 in accrued interest for 27,500 units (\$4.40 per unit), each unit representing one share of common stock and one half warrant to purchase a share of common stock at an exercise price of \$6.00 per share on or before September 30, 2002. In April 2000, the Company issued an additional 1,100 units, representing 1,100 shares of Common Stock and warrants to purchase 1,100 shares of Common Stock, to BSR pursuant to a price adjustment provision included in the September 1999 offering.

In conjunction with certain of the Company's private placements of equity, placement fees have been paid to Investors Administration Services, Limited ("IAS"), a company in which the brother of Charif Souki, Cheniere's Chairman, is a principal. Placement fees paid to IAS totaled \$30,000 during the year ended December 31, 2001.

In September 2001, the Company made a payment of \$40,000 to its chairman, Charif Souki, representing consulting fees for the months of October 2001 through January 2002.

All such transactions were approved by the Board of Directors of the Company, and the Company believes that each such transaction was on terms that were comparable to, or more favorable to the Company than, those that might have been obtained by the Company on an arm's length basis from unaffiliated parties.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHENIERE ENERGY, INC.

By: /s/ DON A. TURKLESON

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Don A. Turkleson  
Chief Financial Officer

Date: May 14, 2002