

LNG Production Starts at the Freeport LNG Project in Texas

TOKYO – 20 August 2019 – The Freeport LNG Project (the “Project”) in Texas, the United States, has achieved sustained LNG production for its first liquefaction train. First LNG production for the Project’s Train 1 occurred on 12 August 2019. Osaka Gas Co., Ltd. (“Osaka Gas”) and JERA Co., Inc. (“JERA”) participate the Project through FLNG Liquefaction, LLC (“FLIQ1”). Osaka Gas and JERA will continue to work toward commercial operation in the fall of 2019.

FLIQ1 made its final investment decision in the Train1 in October 2014. The Project will produce LNG for export from natural gas procured in the United States. The project operator is Freeport LNG Development, L.P. After achieving commercial start up, Osaka Gas and JERA will respectively lift half of Train 1’s total contracted capacity approximately for 4.64 MTPA, on the liquefaction tolling agreements with FLIQ1.

Osaka Gas and JERA have, by participating in the Project, contributed to its start-up, and intend to utilize the experience gained through operation of the Project to expand their LNG businesses.

In addition, through the procurement of LNG from the Project, Osaka Gas and JERA will each secure LNG without destination restrictions, diversify their supply sources and price indices, and enhance the stability and flexibility of their LNG procurement.

Outline of Freeport LNG Project

Location	Freeport, Texas, USA
Total contracted capacity	Osaka Gas: 2.32 MTPA (Approx.20-year liquefaction tolling agreement) JERA : 2.32 MTPA (Approx. 20-year liquefaction tolling agreement)



Provided courtesy of Freeport Development, L.P.

Corporate information of Osaka Gas

- Corporate name: Osaka Gas Co., Ltd.
- Headquarters location: 4-1-2 Hiranomachi, Chuo-ku, Osaka, Japan
- President: Takehiro Honjyo

Corporate information of JERA

- Corporate name: JERA Co., Inc.
- Headquarters location: Nihonbashi Takashimaya Mitsui Building 25th Floor 2-5-1 Nihonbashi, Chuo-ku, Tokyo
- President: Satoshi Onoda

Corporate information of FLNG Liquefaction

- Corporate name: FLNG Liquefaction, LLC
- Headquarters location: Houston, Texas, USA
- Shareholders: Freeport LNG Expansion, L.P. subsidiary (50%). Osaka Gas subsidiary (25%), JERA subsidiary (25%)

Project Structure (for reference purpose)

