



## Energy Transfer, Shell Sign Agreement to Further Progress Lake Charles U.S. LNG Project

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### Project bolstered by Shell's global LNG prominence, Energy Transfer's extensive pipeline network

DALLAS & HOUSTON--(BUSINESS WIRE)--Mar. 25, 2019-- Energy Transfer LP (NYSE: ET) and Shell US LNG, LLC (Shell) today signed a Project Framework Agreement (PFA) that provides the framework to further develop a large-scale LNG export facility in Lake Charles, Louisiana toward a potential final investment decision (FID). In addition, the parties have started actively engaging with LNG Engineering, Procurement and Contracting (EPC) companies with a plan to issue an Invitation to Tender (ITT) in the weeks ahead.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20190325005579/en/>

The Lake Charles LNG project brings together two leading entities – Shell as a worldwide leader in gas and LNG, and Energy Transfer as one of the largest pipeline operators in the U.S. – to advance a project to monetize abundant, low-cost U.S. gas for export to global customers.

"We are pleased to be moving forward with Shell in progressing this major LNG export project," said Tom Mason, President, Lake Charles LNG, an Energy Transfer subsidiary. "We believe the combination of our assets and Shell's LNG experience will create a platform for exporting natural gas from the U.S. Gulf Coast to the global marketplace that is unmatched."

"Lake Charles presents a material, competitive liquefaction project with the potential to provide Shell with an operated LNG export position on the U.S. Gulf Coast by the time global supply is expected to tighten in the mid-2020's," said Frederic Phipps, Shell's Vice President, Lake Charles LNG. "Our partnership with Energy Transfer plays to our respective strengths. Together, we are expertly positioned to advance a project that could provide customers in Asia, Europe and the Americas with cleaner, reliable energy for decades to come."

The PFA defines the commercial terms by which the two companies will work toward delivering an LNG export facility on the U.S. Gulf Coast. Shell will act as the Project Lead prior to the companies reaching an FID, and if sanctioned, as construction manager and operator of the facility. Energy Transfer will act as Site Manager and Project Coordinator prior to FID. The decision to make an affirmative FID to proceed with construction of the project will be subject to both companies' assessment of the outcome of the EPC bidding process, overall project competitiveness and global LNG market conditions at the time of such decision.

The Lake Charles project is a 50/50 venture between Energy Transfer and Shell. The project, if sanctioned through an affirmative FID, would convert Energy Transfer's existing Lake Charles LNG import and regasification terminal to an LNG export facility with a liquefaction capacity of 16.45 million tonnes per annum to export U.S. natural gas to global customers. The project is fully permitted, uses existing infrastructure and benefits from abundant natural gas supply and proximity to major pipeline infrastructure, including Energy Transfer's vast pipeline network. If built, the project is estimated to create up to 5,000 local jobs during construction and 200 full-time positions when fully operational.

**Energy Transfer LP (NYSE: ET)** owns and operates one of the largest and most diversified portfolios of energy assets in the United States, with a strategic footprint in all of the major U.S. production basins. ET is a publicly traded limited partnership with core operations that include complementary natural gas midstream, intrastate and interstate transportation and storage assets; crude oil, natural gas liquids (NGL) and refined product transportation and terminalling assets; NGL fractionation; and various acquisition and marketing assets. ET, through its ownership of Energy Transfer Operating, L.P., formerly known as Energy Transfer Partners, L.P., also owns the general partner interests, the incentive distribution rights and 28.5 million common units of Sunoco LP (NYSE: SUN), and the general partner interests and 39.7 million common units of USA Compression Partners, LP (NYSE: USAC).

### Shell

Shell has been a pioneer in LNG for more than 50 years and is involved in every stage of the LNG value chain: from finding the fields, extracting the gas and liquefying it; to shipping LNG and turning it back into gas; to distributing it to customers. Shell has LNG supply projects around the world, as well as interests in and long-term capacity access to regasification plants. Shell US LNG, LLC is a wholly owned subsidiary of Royal Dutch Shell plc.

### Energy Transfer Cautionary Statement

This press release may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal law. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control. An extensive list of factors that can affect future results are discussed in the Energy Transfer LP Annual Report on Form 10-K and other documents filed from time to time with the Securities and Exchange Commission. Energy Transfer undertakes no obligation to update or revise any forward-looking statement to reflect new information or events.

### Royal Dutch Shell Cautionary Note

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this press release "Shell", "Shell group" and "Royal Dutch Shell" are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to Royal Dutch Shell plc and subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this press release refer to entities over which Royal Dutch Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as "joint ventures" and "joint operations", respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as "associates". The term "Shell interest" is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

This press release contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "objectives", "outlook", "plan", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this press release, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this press release are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell's 20-F for the year ended December 31, 2018 (available at [www.shell.com/investor](http://www.shell.com/investor) and [www.sec.gov](http://www.sec.gov)). These risk factors also expressly qualify all forward looking statements contained in this press release and should be considered by the reader. Each forward-looking statement speaks only as of the date of this press release: March 25, 2019. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this press release.

We may have used certain terms, such as resources, in this press release that United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. U.S. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website [www.sec.gov](http://www.sec.gov).

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