

LNG to Europe

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Cautionary information about forward looking statements

The information in this presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are forward-looking statements. The words “anticipate,” “assume,” “believe,” “budget,” “estimate,” “expect,” “forecast,” “initial,” “intend,” “may,” “plan,” “potential,” “project,” “should,” “will,” “would,” and similar expressions are intended to identify forward-looking statements. The forward-looking statements in this presentation relate to, among other things, prospects for our business and anticipated developments in the global LNG industry.

Our forward-looking statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments, and other factors that we believe are appropriate under the circumstances. These statements are subject to a number of known and unknown risks and uncertainties, which may cause actual results to be materially different from any future results or performance expressed or implied by the forward-looking statements. These risks and uncertainties include those described in the “Risk Factors” section of our Registration Statement on Form S-3 filed with the Securities and Exchange Commission (the “SEC”) on February 10, 2017 and other filings with the SEC, which are incorporated by reference in this presentation, and the following:

- The uncertain nature of future demand for and supply and price of commodities
- Risks related to shortages of LNG vessels worldwide
- Technological innovation which may render our anticipated competitive advantage obsolete
- Changes in legislation and regulations relating to the LNG industry, including environmental laws and regulations that impose significant compliance costs
- Our limited operating history
- Risks related to doing business in, and having counterparties in, foreign countries and unanticipated geopolitical developments
- Our reliance on the skill and expertise of third-party service providers
- The ability of our vendors to meet their contractual obligations
- Development risks, operational hazards, and risks relating to regulatory approvals.

The forward-looking statements made in or in connection with this presentation speak only as of the date hereof. Although we may from time to time voluntarily update our prior forward-looking statements, we disclaim any commitment to do so except as required by securities laws.

The moveable LNG feast is coming to Europe

- A word on the LNG markets - we've been here before
- Oil-linked pricing RIP - will TTF become the global gas benchmark?
- European market price formation
- Relevance of a price on carbon – overdue need for action
- Necessity of investment in LNG - short-term cyclical masks long-term need for FIDs
- Conclusions

LNG pessimism is periodically overblown

Fear

Overcapacity feared as gas demand decreasing everywhere but the US, with market about to double

80 mtpa under construction, but very little new demand anticipated

LNG oversupply to lead to shut-in US production, Russians to flood Europe and close HH-TTF arbitrage; Asia is the only hope

Reality

2008 Shale revolution destroyed demand for LNG imports, yet market absorbed volumes, with help from Fukushima (though only 10 mtpa swing)

2012 FSRUs, unanticipated Middle Eastern demand, Chinese and Indian growth all absorbed excess supply

2017 Commissioning issues, upstream feed-gas issues in Indonesia, Malaysia, Trinidad, and expectations of low prices creating new demand, lead to market tightening

Oil is irrelevant

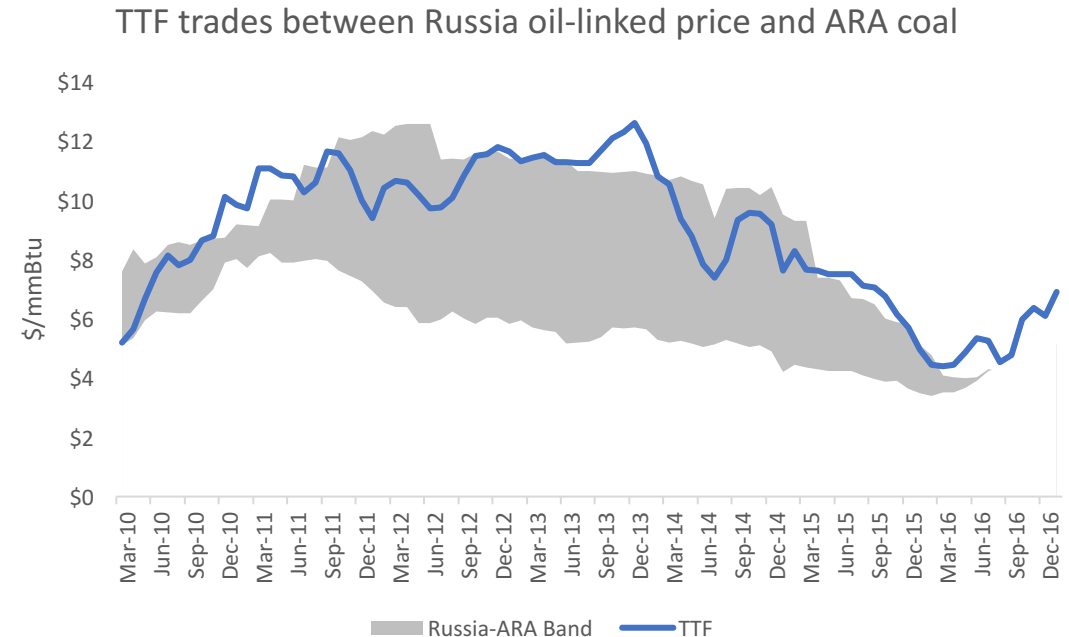
- Oil price formation: marginal barrel of demand comes from transport sector
- Oil-based pricing does not match risk for majority of LNG customers
- Natural gas price formation: marginal mmBtu of demand comes from electricity
- Up to 20 bcf/d of global natural gas demand could be created or lost
- Global gas markets are coalescing around TTF today
- Low prices are creating inelastic demand without incentivizing investment in supply
- Natural gas and oil pricing now influenced by mostly non-correlated fundamentals...
- Yet markets looking to oil for pricing signal to elicit capital investment

European markets - a zero sum game?

Commentary

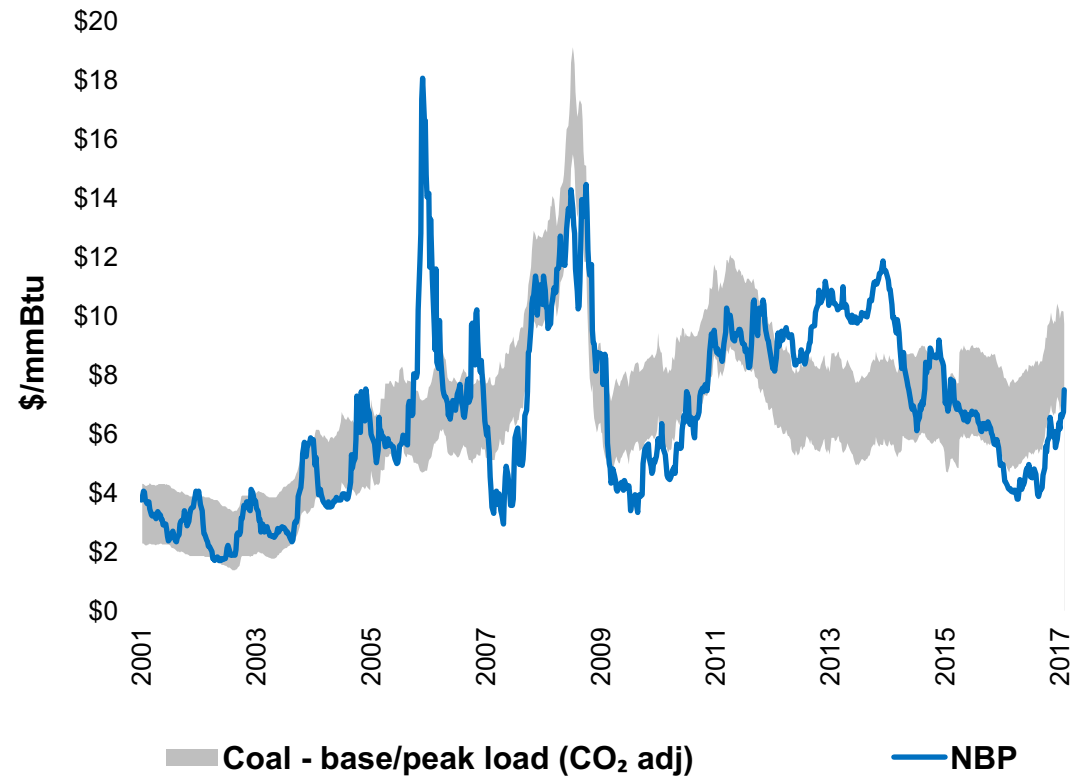
- Similar to US, TTF has balancing mechanisms provided by power generation
- Trading range between ARA coal and Russia pipe gas
- Zero-sum game? \$55/bbl Brent = \$80/tonnes ARA = \$5.50/mmBtu TTF
- Easy on/easy off: pipeline gas, LNG, and flexible CCGT capacity can balance the market

TTF 2010 - Present

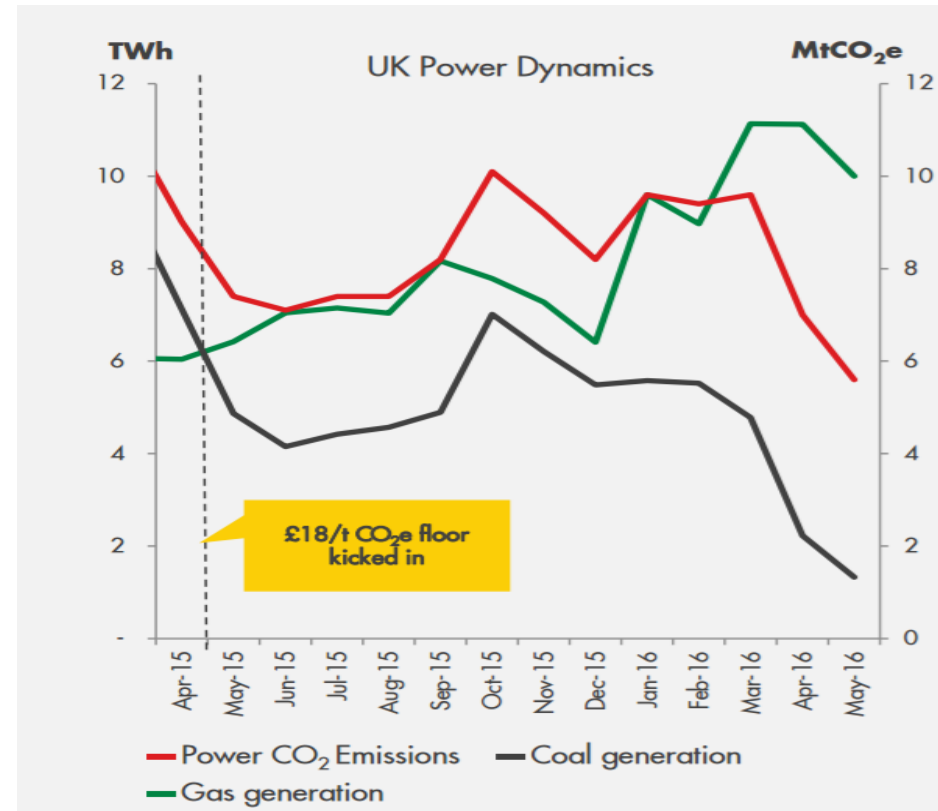


Carbon's time has come in Europe

NBP trades around coal

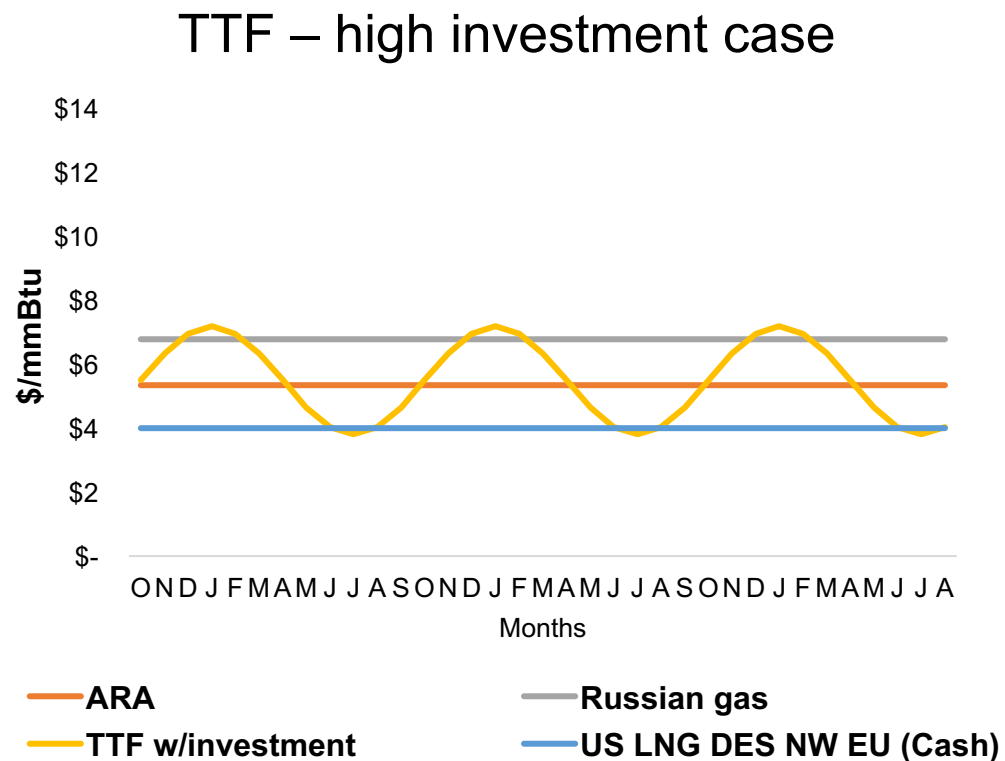


UK lower CO₂ emissions

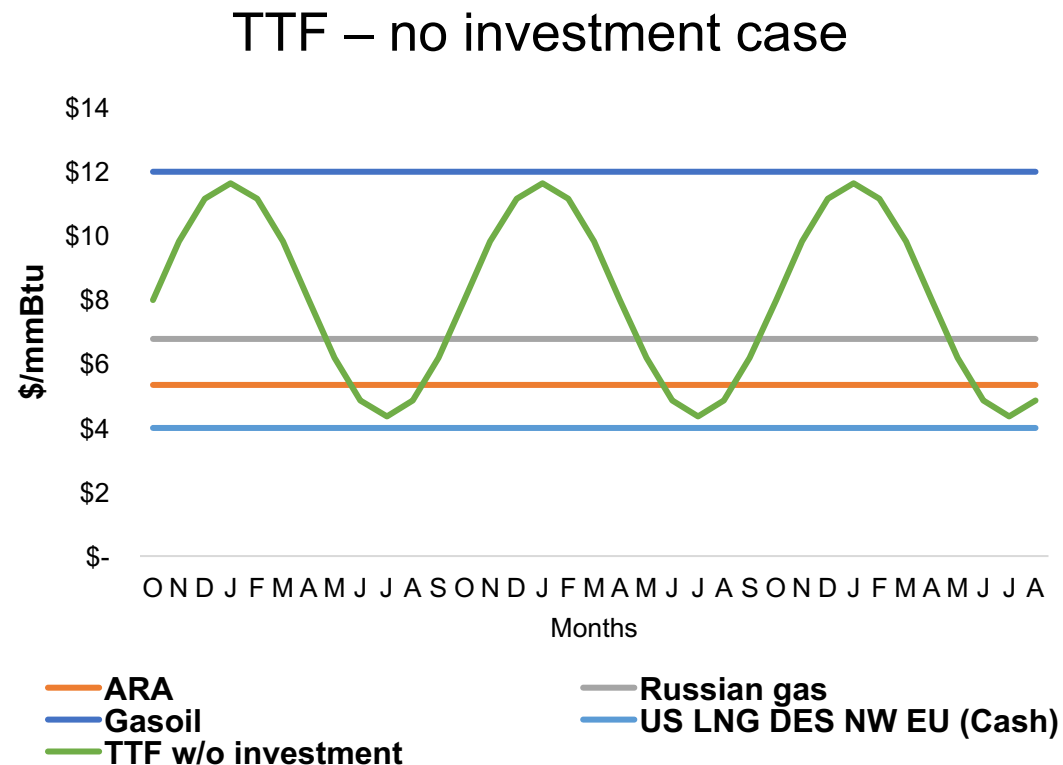


Overcapacity creates demand without incentivizing supply

Anticipated TTF price path to 2020



Hypothetical TFF price path post 2020



Source: Tellurian research

Assumptions: \$4.00 US LNG DES cash costs; ARA at \$80/tonne; Gasoil based on \$60/bbl Brent; Russian gas based on \$60/bbl and 11% slope

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Conclusions - thoughts for Europe

- There's never been a better time to end coal, once and for all
- Doing nothing feels like an option, but is not
- Don't let indexation anxiety stand in the way of a good deal
- US will export stability, if you let it
- Cost of supply matters

Thank you

