

Tellurian Inc.

Corporate presentation

August 2023



Cautionary statements

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,” “model,” “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, the benefits of the proposed integrated structure for Driftwood, Driftwood financing matters, capital structures, future development, transfer pricing, costs, margins, cash flow, production, returns, wells, drilling and other development activities, inventory life, commodity prices and demand (including the relationship between domestic and international gas/LNG prices), funding of current and future phases, liquefaction capacity additions, construction of LNG projects, Driftwood capacity, future demand and supply affecting LNG and general energy markets, future transactions and other aspects of our business and our prospects and those of other industry participants.

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 numerous 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 Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and our other filings with the Securities and Exchange Commission, which are incorporated by reference in this presentation. Many of the forward-looking statements in this presentation relate to events or developments anticipated to occur numerous years in the future, which increases the likelihood that actual results will differ materially from those indicated in such forward-looking statements.

A full notice to proceed with construction of the Driftwood Project is subject to the completion of financing arrangements that may not be completed within the time frame expected or at all.

The financial information included on slides 10, 11, 12, 13, 14 and 19 is meant for illustrative purposes only and does not purport to show estimates of actual future financial performance. The information on those slides assumes the completion of certain acquisition, financing and other transactions. Such transactions may not be completed on the assumed terms or at all. Actual commodity prices may vary materially from the commodity prices assumed for the purposes of the illustrative financial performance information.

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 world is critically short natural gas

Demand for energy is projected to grow over 50% in the next 25 years as world population continues to grow and people strive to prosper. Global LNG demand has grown ~7% annually over the last five years.

Tellurian's integrated model aims to connect low-cost U.S. gas with the global market

Tellurian will be the first integrated global gas pure-play in the U.S. with access to low-cost domestic resource and infrastructure.

Sources: BP Statistical Review, BP World Energy Outlook, Wood Mackenzie, IEA.
Note: Tellurian's integrated model creates a physical hedge from upstream operations for Driftwood's natural gas purchases.

Tellurian executive summary

1

Driftwood LNG progress continues with multiple milestones met in 1H23

- Binding commitment for \$1bn in Driftwood financing from the Real Estate platform of Blue Owl (NYSE: OWL), a \$144bn AUM alternative asset manager
- To date, TELL has invested over \$1bn and received additional commitments for \$1bn of Driftwood project costs
- TELL upstream: forecasted 2023 average production of 180-190 MMcf/d, with ability to adjust quickly with prices

2

Global demand for LNG will exceed supply without additional investment

- An estimated 185 mtpa of additional capacity will be needed by 2035, almost 1/3rd of the expected LNG market size
- Following 2022's record pricing & volatility, buyers remain interested in securing low-cost U.S. LNG supply
- Natural gas remains a key fuel for energy transition especially in developing economies

3

Driftwood Phase I is well underway with Bechtel having commenced construction in April 2022

- Extended limited notice to proceed with Bechtel in 2023, continuing project work from 2022
- Cleared all Phase I critical areas, drove ~45% of Phase I piles and poured all Plant 1 compressor foundations
- The advanced site work de-risks the project execution and timeline, a significant benefit to Driftwood partners

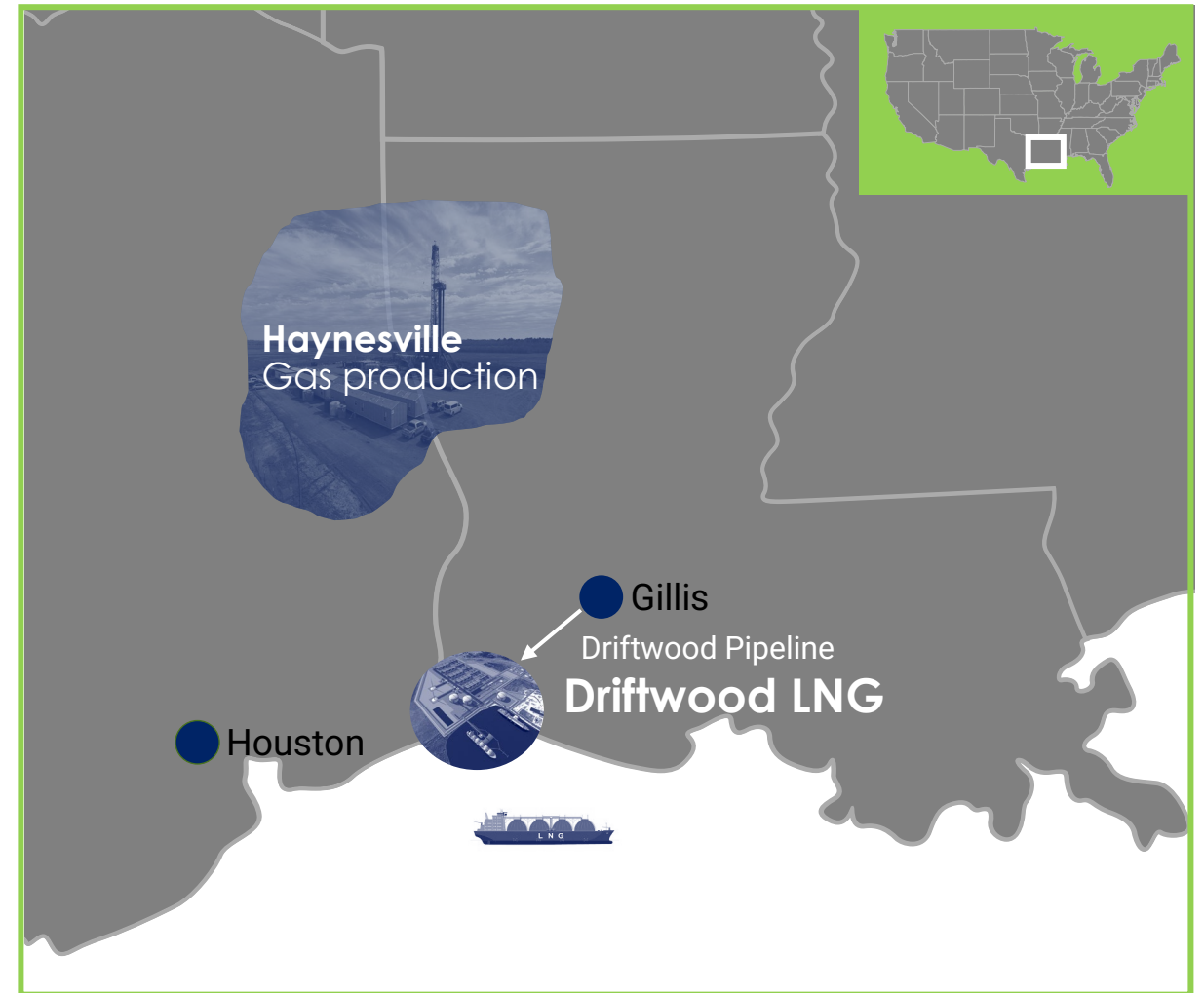
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Driftwood's pioneering approach provides upside to all parties

- Best placed among remaining U.S. projects due to site, timeline, capacity and construction progress
- Commercial structure aligns partner interests and EPC framework mitigates risks to development process
- Available capacity for Phase I allows strategic investors to directly invest in low-cost U.S. LNG at the project level

Tellurian: fully integrated, pure-play LNG

- **Low-cost, integrated business model:** upstream gas production in Haynesville⁽¹⁾, pipeline and LNG terminal in SW Louisiana
- **Pure-play, global gas producer:** monetizing U.S. domestic gas production into premium global gas markets; integration provides cost certainty of supply
- **Bechtel EPC execution:** best-in-class LNG execution; lump sum turnkey with ~30% of overall engineering complete
- **All critical permits secured:** all FERC and DOE permits secured for Driftwood LNG terminal and pipeline
- **Proven management track record:** Tellurian team has originated and executed ~79% of U.S. LNG capacity development and ~33% of global LNG capacity development across four continents
- **Critical role in energy transition:** significant ESG benefits and end-to-end emissions control from owning upstream



Note: (1) Tellurian's integrated model creates a physical hedge from upstream operations for Driftwood's natural gas purchases.

Upstream: building inventory for LNG exports

Tellurian Upstream overview⁽¹⁾

Acreage

- ~31,117 net acres primarily in DeSoto, Bossier, Caddo and Webster parishes
- >60% of undeveloped acreage prospective for Bossier reserves
- ~75% average operated working interest for operated locations

Well inventory

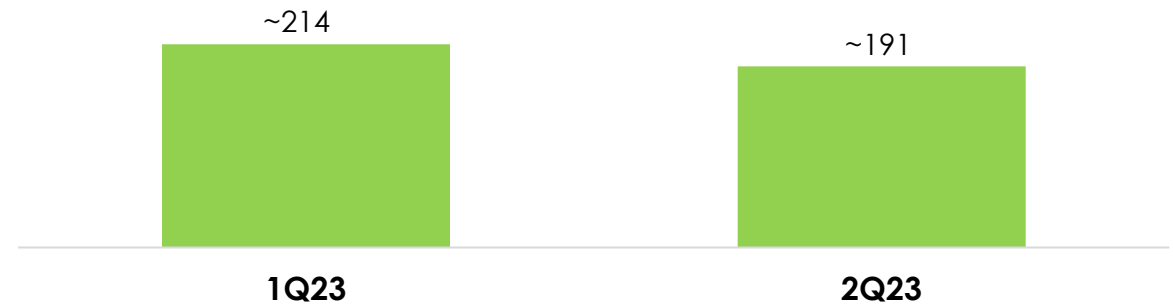
- >400 undeveloped, ~50% operated

Gas/ liquids mix

- 99+% gas

Upstream segment

Production (MMcf/d)



Net acreage



Note: (1) Inventory and reserves information as of December 31, 2022 (using December 30, 2022 NYMEX strip pricing) as prepared by Netherland, Sewell & Associates in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resources Management System (PRMS).

Driftwood LNG

11.0 mtpa Phase I LNG liquefaction facility and pipeline ready to deliver gas to global markets by 2027

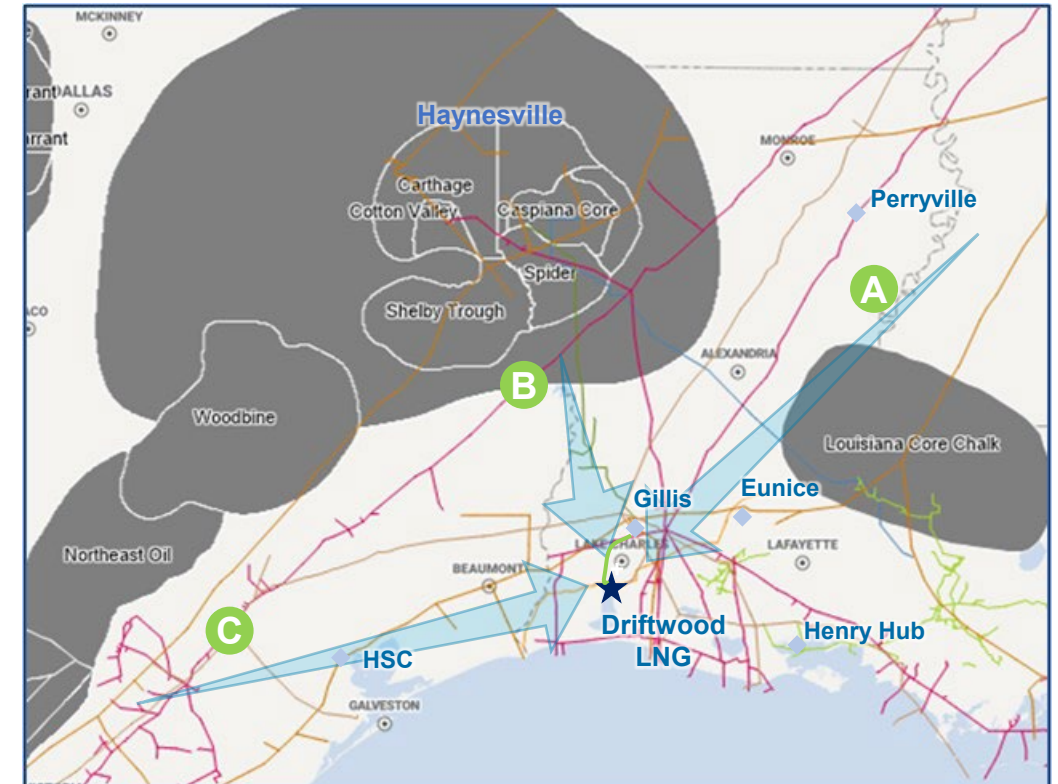
Phase I construction progress



Total capacity
~11 mtpa LNG

Feedgas requirement
~550 Bcf/year

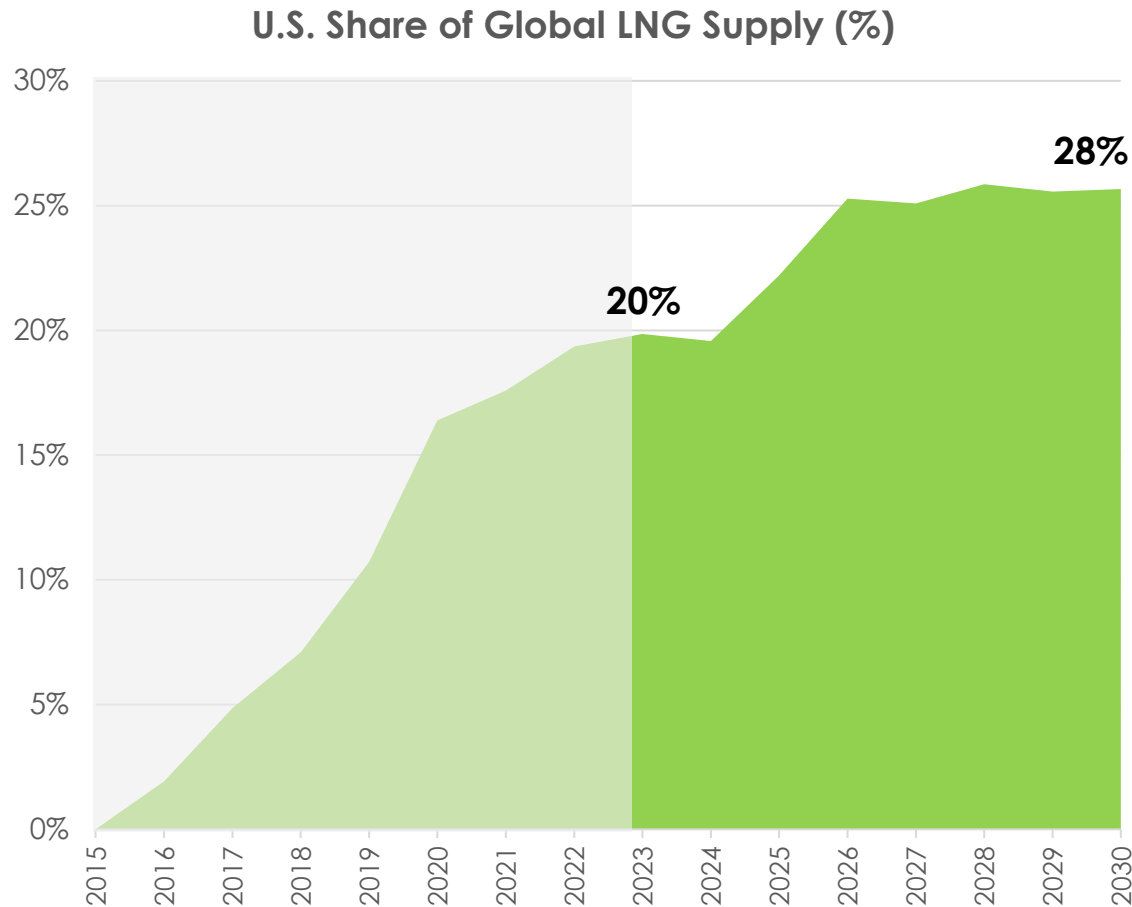
Ideal location to source gas



- ◆ Gas Price Hub
- Acadian Extension PL
- Tennessee Gas PL (TGP)
- LEAP Gas Gathering
- Acadian PL
- TETCO
- Driftwood Pipeline
- KM Louisiana Pipeline (KMLP)
- Trunkline PL

Henry Hub will remain global gas price floor

Potential for international pricing / Henry Hub inversion is unsustainable due to U.S. market share on global basis



Price inversion scenario

If forward Henry Hub prices exceed global pricing, **~20-25% of the global LNG supply** could stay within the U.S. market, helping to balance global LNG supply

2030 Expected Figures

U.S. LNG Supply: ~21 Bcf/d	% of domestic gas consumption ⁽¹⁾ (~93 bcf/d)	~23%
	% of global LNG supply (~81 bcf/d)	~28%

Future Henry Hub-JKM/TTF pricing dynamics should ensure global gas markets are adequately supplied

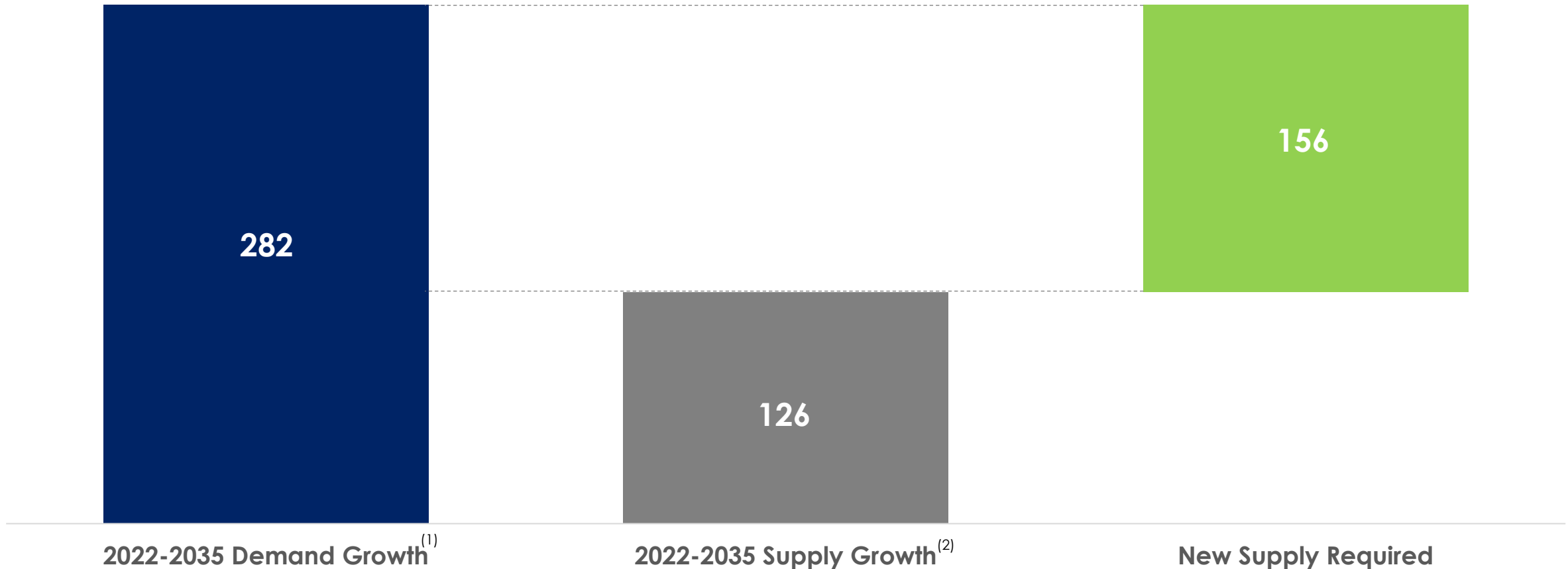
Source: Wood Mackenzie, S&P, Tellurian research.
Notes: Includes projects that are under construction.
(1) Excludes LNG exports, includes Mexico exports.

LNG demand exceeds supply growth

LNG supply vs. demand growth (mtpa)

~282 mtpa of new LNG
demand by 2035

~185 mtpa of new LNG
capacity required by 2035⁽³⁾



Sources: Wood Mackenzie, Tellurian estimates.

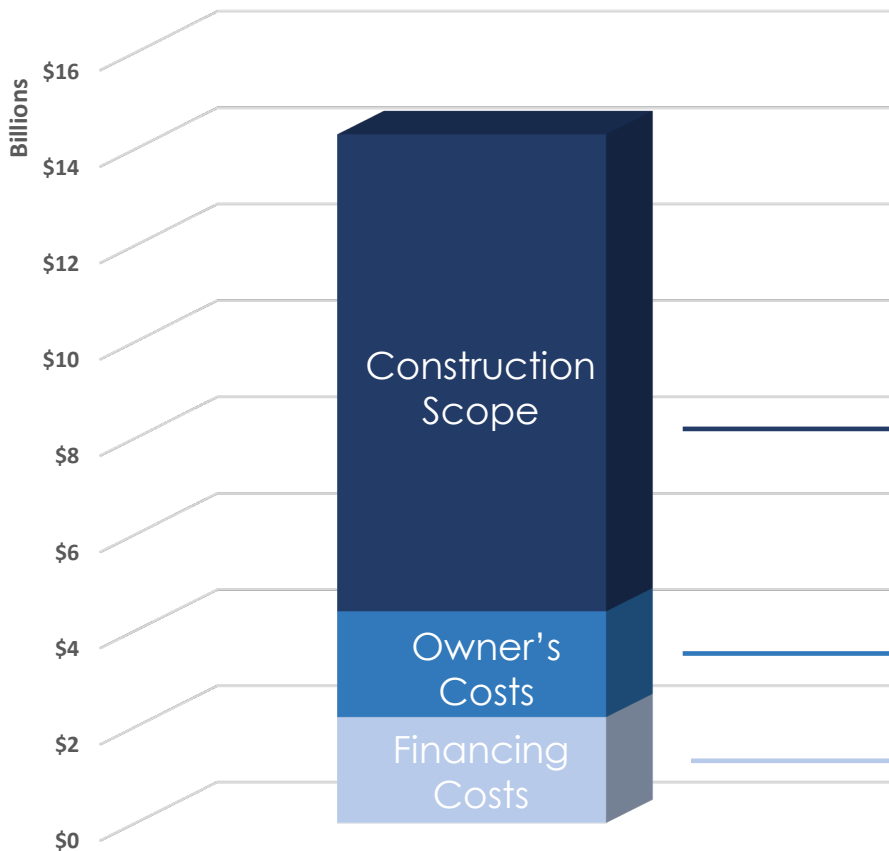
Notes: (1) Based on Wood Mackenzie estimates that global LNG demand will grow 5% p.a. from 2021 to 2035.

(2) Includes supply from projects that have made FID, net number that includes capacity declines at legacy projects.

(3) Assumes a utilization factor of 85%.

How much does a USGC LNG terminal cost?

**Example Phase I (~11mtpa)
Development Cost Stack**



**Examples of
Major Cost Drivers**

Civil works
Gas Treatment / Utilities
LNG Trains
LNG Tanks
Marine Berths
Buildings

Land Acquisition
Permitting/Regulatory
Utility Projects
Owner's Team / G&A
Legal / Consultants

Cost of Debt During
Development Period



**Approx. Normalized Cost
per tonne of Production**

Construction Costs: \$900

Owner's Costs: \$200

Financing Costs: \$200

Total: \$1,300 per tonne

Traditional LNG project economics

Illustrative LNG project cost stack (~11 mtpa)

\$/mmBtu

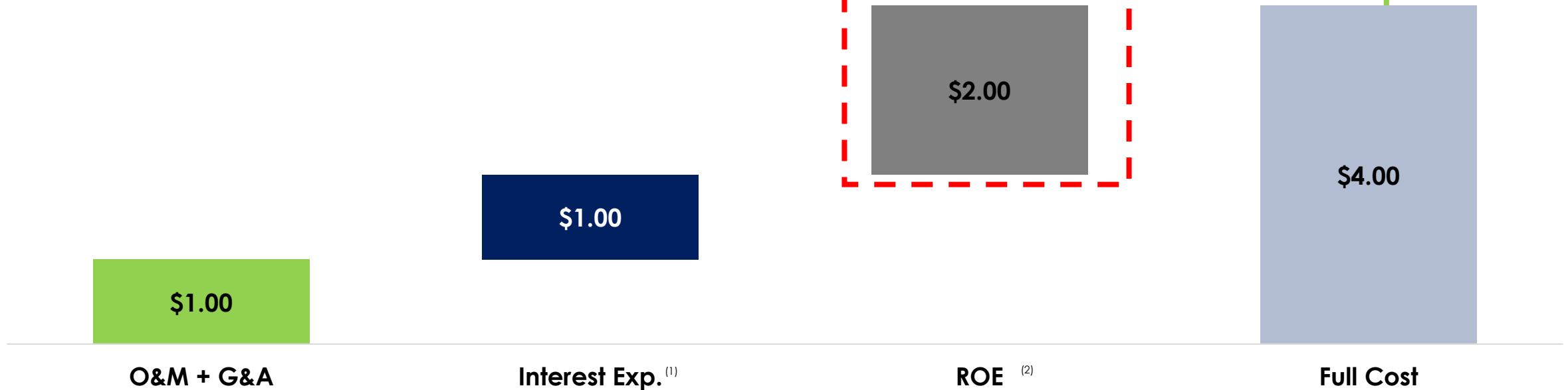
Illustrative Capital Structure:

- ~\$6 bn of equity (~43%)
- ~\$8 bn of debt (~57%)

*Needs to be reflected in
offtake price to make
project feasible*

Not inclusive of:

- Debt amortization
- Gas sourcing and fuel use
- Return to developer's equity



Notes: (1) Assumes 7% interest rate on \$8 bn of senior project debt.
(2) Assumes 11% internal rate of return on \$6 bn equity investment.

Driftwood LNG Phase I (2-plant, ~11 mtpa)



Total capacity

~11 mtpa LNG

Feedgas requirement

~550 Bcf/year

2-plant development costs (\$ bn)

■ LNG terminal⁽¹⁾ \$9.0

EPC cost/tonne (\$/tonne) \$815

■ Owner's cost⁽²⁾ 2.2

■ Pipeline⁽³⁾ 0.9

Capital cost/tonne (\$/tonne) \$1,100

■ Financing, interest and other⁽⁴⁾ 2.4

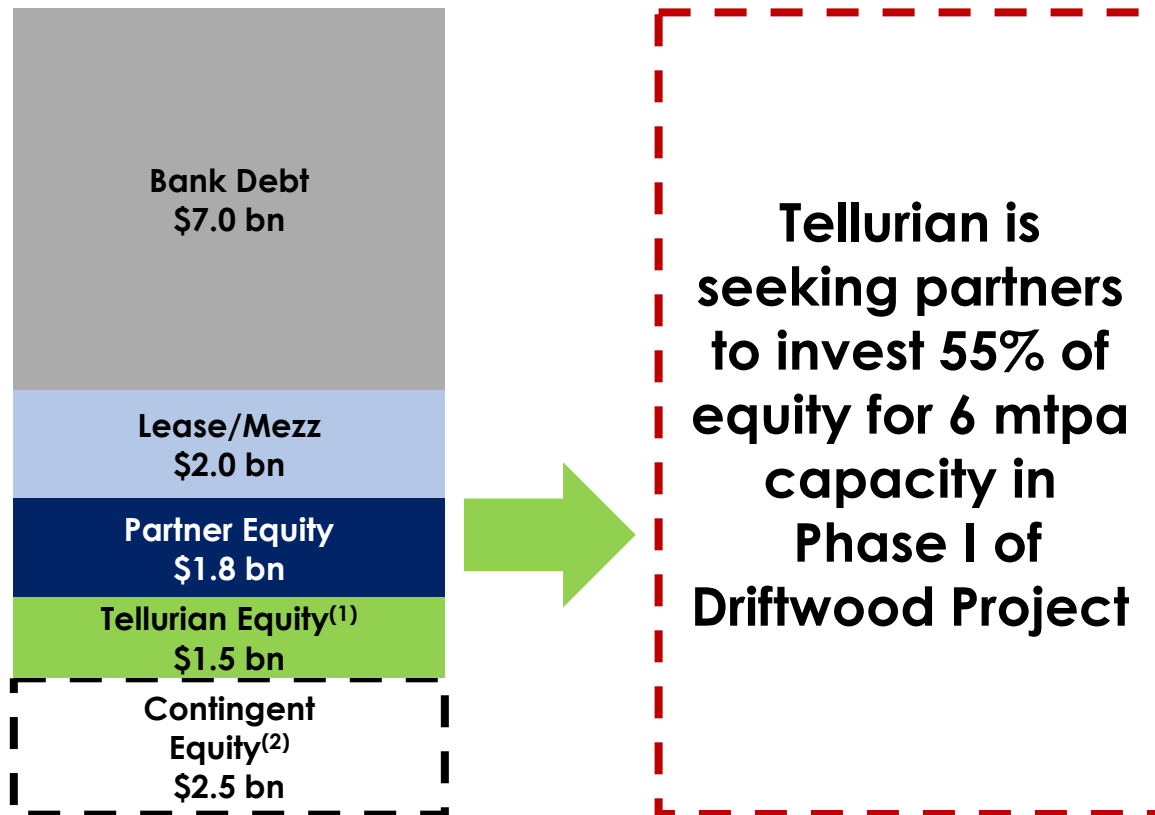
Total development costs \$14.5

Notes: (1) Phase I EPC contract is an estimate provided by Bechtel for the price as of July 2022, subject to refresh before full notice to proceed.
(2) Includes owner's costs, terminal labor, opex prior to LNG production, management fee to Tellurian, G&A during construction and contingencies.
(3) Includes first phase of Driftwood pipeline system construction plus contingency.
(4) Includes interest during construction, based on secured overnight financing rates as of March 2023 as well as financial advisory fees and transaction costs.

Driftwood capital structure & economics

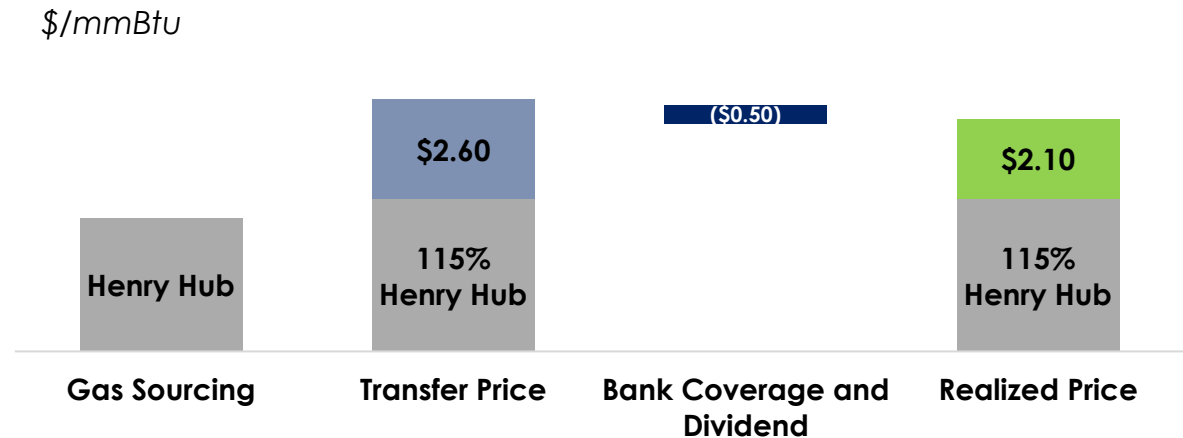
Equity partners to sign 11 mtpa of long-term offtake contracts at the transfer price to support the project financing

Illustrative capital structure



Notes: (1) Tellurian to raise the difference between the \$1+ billion development expenditure to date and Tellurian's equity commitment.
 (2) If the six months of commissioning cargoes cover the contingent equity, the contingent equity will not be funded.
 (3) Assumes 1.5 bcf/day of production.

Transfer pricing



Illustrative Value to Driftwood

	Cargo (3.8 mt) as of 8/1/2023	11 mtpa Year to Date
Gulf Coast Marker (\$/mmBtu)	\$6.95	\$10.59
115% Henry Hub + \$2.10 (\$/mmBtu)	\$5.04	\$5.03
Margin (\$/mmBtu)	\$1.91	\$5.56
Operating cash flow⁽³⁾	\$7.2 mm	\$1.77 bn

Illustrative cash flow at 2027 LNG pricing

	Phase I (Plants 1-2)		Full Development (Plants 1-5)	
LNG sales price^(1,2) (less transportation, \$/mmBtu)		\$14.00		\$14.00
Gas sourcing⁽¹⁾ (\$/mmBtu)	-	\$5.00	-	\$5.00
Liquefaction and transport (\$/mmBtu)	-	\$1.00	-	\$1.00
Margin (\$/mmBtu)	=	\$8.00	=	\$8.00
Annual capacity	x	~550 Bcf	x	~1,380 Bcf
Potential annual operating cash flow to Driftwood LNG partners before land lease and interest expense	=	\$4.4 billion	=	\$11.0 billion

Plants 3-5 to be funded by cash flow from Phase I

Notes:

(1) Assumes Brent parity based on 2027 IHS Markit LNG and Gas Price Forecast as of July 2023 (rounded for illustrative purposes).
 (2) Assumes transportation estimate of \$1.75/mmBtu.

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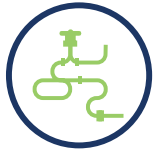
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Appendix



Driftwood LNG's ideal site for exports



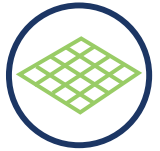
Access to pipeline infrastructure



Access to power and water



Support from local communities



Site size over 1,200 acres



Insulation from surge, wind and local populations



Berth over 45' depth with access to high seas



✓ **Fully permitted**

✓ **EPC contract signed**

✓ **30% engineering complete**

✓ **Under construction**

Unmatched LNG development experience

Tellurian's management team has >80 years of combined LNG development experience globally



Charif Souki

Executive Chairman of the Board

- Co-founder of Tellurian
- Founded Cheniere in 1996, Chairman and CEO until 2015



Martin Houston

Vice Chairman

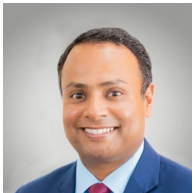
- Co-founder of Tellurian
- 32 years at BG Group, retired as COO in 2014



Octávio Simões

President & CEO

- Joined Tellurian in 2019 after 20 years at Semptra
- Former President & CEO of Semptra LNG & Midstream



Samik Mukherjee

EVP and President, Driftwood Assets

- Joined Tellurian in 2022
- Former EVP, COO of McDermott International, Ltd.



166 mtpa

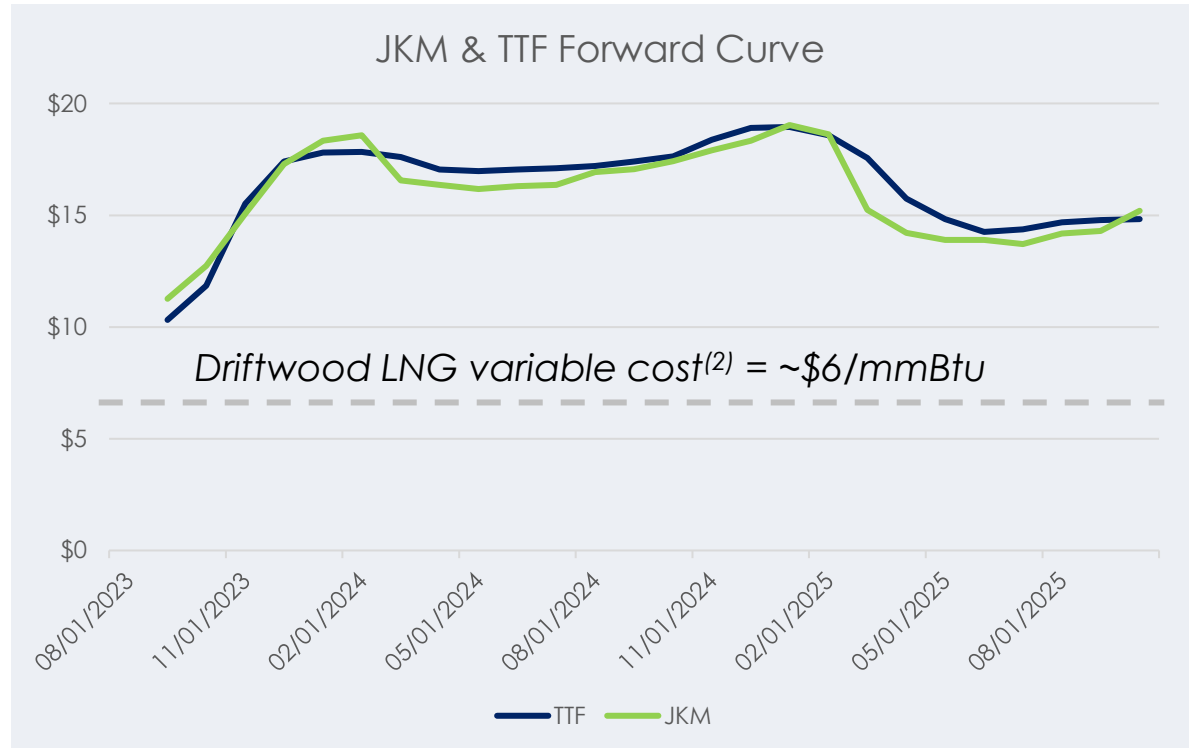
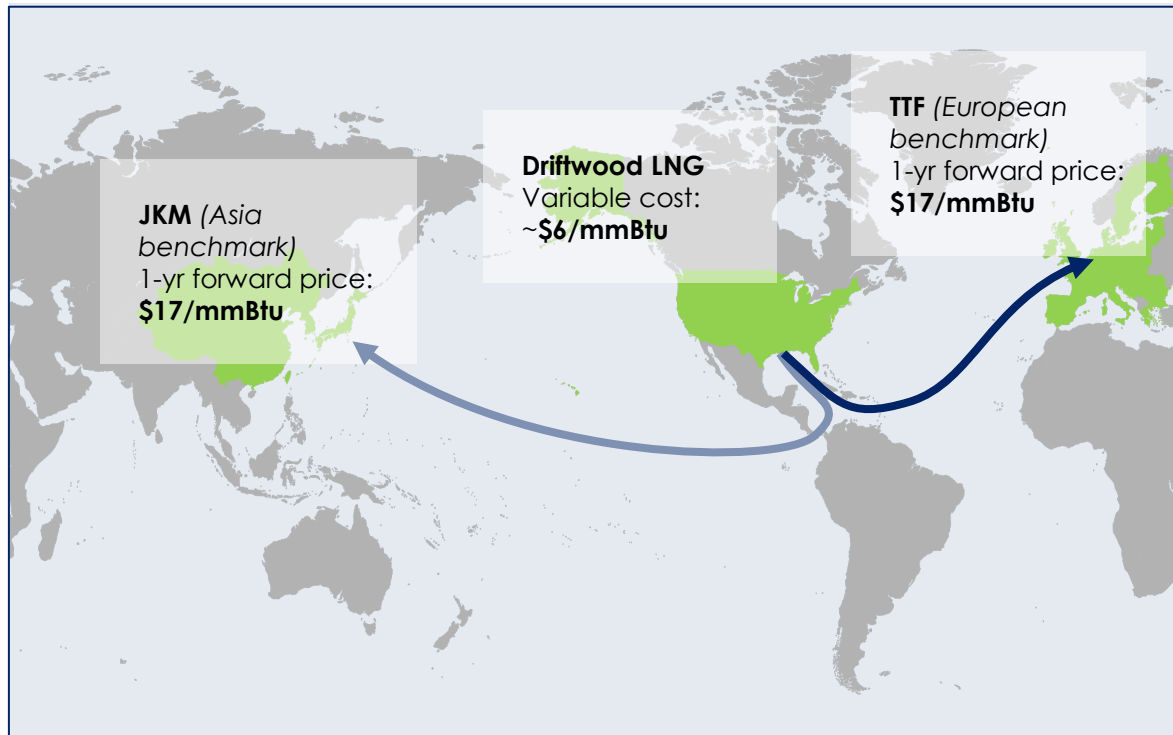
Tellurian management responsible for ~33% of global LNG in production today and 79% of U.S. LNG in production today

35 years

Tellurian management has delivered cost-leading LNG projects for >35 years

Low-cost U.S. supply provides global gas arbitrage

Access to premium global gas market generates up to \$11/mmBtu margin⁽¹⁾ at current forward prices

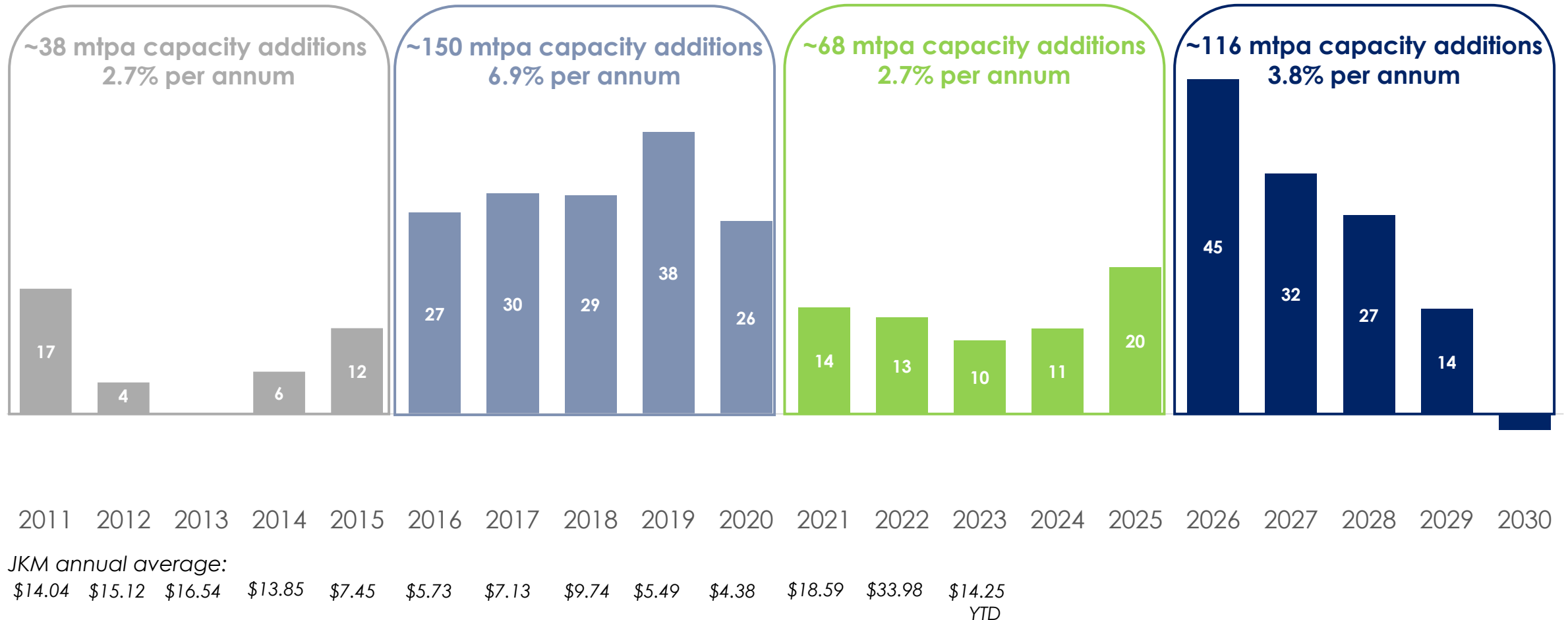


Sources: Wood Mackenzie, IHS Markit, Bloomberg, ICE data via Marketview, CME Group.

Notes: (1) Assumes maximum netback from Asia or Europe based on 7/24/2023 12-month strip pricing for Henry Hub, TTF, and JKM, \$1.00/mmBtu for plant opex and G&A and \$1-\$1.70/mmBtu shipping, depending on the destination to Europe or Asia.
(2) Driftwood LNG variable cost assumes \$5.00/mmBtu for gas sourcing based on 2027 IHS Markit LNG and Gas Price Forecast as of July 2023 and \$1.00/mmBtu for plant opex and G&A.

Supply fails to keep pace with demand

Global liquefaction capacity additions (mtpa)



Sources: Wood Mackenzie, Platts via Marketview.

Note: Capacity additions for projects that have reached FID only.