



TELLURIAN INC.

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

As Approved and Amended by the Board of Directors on December 4, 2019

I. Purposes of the Committee

The primary responsibilities of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Tellurian Inc., a Delaware corporation (the “**Company**”), are to assist the Board in fulfilling its oversight responsibilities with respect to:

- the Company’s accounting and financial reporting processes and the integrity of the Company’s financial statements;
- the effectiveness of the Company’s internal accounting and financial controls, disclosure controls and procedures, and internal control over financial reporting, as well as the performance of the Company’s internal audit function;
- the audits of the Company’s financial statements and the appointment, engagement, compensation, termination (if necessary), qualifications, independence, and performance of the Company’s independent registered public accounting firm (the “**Independent Auditor**”); and
- the Company’s compliance with legal and regulatory requirements and ethics programs.

The Committee also has the purpose of preparing the Committee report that the rules of the U.S. Securities and Exchange Commission (the “**SEC**”) require the Company to include in its annual proxy statement.

II. Composition of the Committee

Membership. The Committee shall be comprised of at least three directors as appointed by the Board. Unless a Chair of the Committee is appointed by the Board, the members of the Committee may elect a Chair by majority vote of all of the members of the Committee.

Independence. Each member of the Committee shall be independent, as defined and to the extent required under the applicable listing rules of The NASDAQ Stock Market LLC (“**Nasdaq**”), the listing rules or standards of any other securities exchange or association on which the Company’s securities are traded, Section 10A(m)(3) of the U.S. Securities Exchange Act of 1934

(the “**Exchange Act**”) and Rule 10A-3(b)(1) of the rules and regulations of the SEC adopted under the Exchange Act, each as they may be amended from time to time, for purposes of audit committee membership.

Limitations on other activities. No member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the three years prior to appointment to the Committee. In addition, Committee members may not serve on more than two (2) other public company audit committees, unless the Board determines that such simultaneous service would not impair the ability of the member to serve effectively on the Committee.

Financial literacy, financial sophistication, and audit committee financial expert. All members of the Committee must, upon appointment to the Committee, be financially literate in accordance with Nasdaq rules, and thus must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement. In addition, (i) at least one member of the Committee must be financially sophisticated in accordance with Nasdaq rules, and thus must have past employment experience in finance or accounting, the requisite professional certification in accounting, or any other comparable experience or background which results in such member’s financial sophistication, including being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities; and (ii) at least one member of the Committee shall qualify as an “audit committee financial expert” as defined in SEC rules. A person who satisfies the definition of “audit committee financial expert” will be presumed to be financially sophisticated for Nasdaq purposes.

Board determination. The appointment of members to the Committee, the determination of the independence of each Committee member, the determination of the financial literacy of each Committee member, and the designation of one or more Committee members as financially sophisticated and an “audit committee financial expert” shall be made by the Board on an annual basis, or more frequently if necessary. The Board shall fill any vacancies on the Committee as they occur and may remove any member of the Committee at any time with or without cause.

III. Meetings; Organization

The Committee shall meet at least four times annually, or more frequently as the Chair or the Committee deems appropriate, or at the request of the Independent Auditor. As circumstances dictate, but in any event at least annually, the Committee shall meet in a private executive session with management, in a separate private executive session with the internal auditors and in a separate private executive session with the Independent Auditor, in each case, to discuss any matters that the Committee or any of these groups believe should be discussed privately. The Committee may ask members of management, legal counsel, representatives of the Independent Auditor, or others to attend its meetings and provide information to the Committee.

Unless otherwise restricted by the Company’s Certificate of Incorporation or By-Laws and subject to applicable law, members of the Committee may participate in a meeting of the Committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting

pursuant to the foregoing shall constitute presence in person at the meeting. In addition, unless otherwise restricted by the Company's Certificate of Incorporation or By-Laws and subject to applicable law, any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all of the Committee members consent in writing.

The Chair shall preside at meetings of the Committee and shall have authority to convene meetings, set meeting agendas, and determine the Committee's information needs, except as otherwise provided by action of the Committee. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members to serve as Chair of the meeting. To the extent practicable, the meeting agenda, draft minutes from the prior meeting, and supporting materials shall be provided to members of the Committee prior to each meeting to allow time for review.

The Committee shall keep minutes of each meeting, which shall be approved by the Committee members and submitted to the Company's Secretary for filing with the corporate records. From time to time on a regular basis and as requested by the Board or the Chairman of the Board, the Chair shall report to the Board on the activities and duties of the Committee.

IV. The Committee shall have the following authority and responsibilities:

Auditors and their services

1. ***Overall authority.*** The Committee has the sole authority and direct responsibility for the appointment, compensation, retention, termination (if necessary), and oversight of the work of the Company's Independent Auditor engaged by the Company for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the Company. The Independent Auditor shall be accountable to and report directly to the Committee. The Committee's authority includes resolution of any disagreements between management and the Independent Auditor regarding financial reporting, and the receipt of communications from the Independent Auditor as may be required under professional standards applicable to the Independent Auditor.
2. ***Terms of audit and non-audit engagements.*** The Committee must pre-approve all audit, review, attest, and permissible non-audit services (including any permissible internal control-related services) to be provided to the Company or its subsidiaries by the Independent Auditor, subject to any de minimis exceptions for non-audit services described in the Exchange Act and SEC rules thereunder which are approved by the Committee prior to the completion of the audit. Such pre-approval shall include pre-approval of the fees and other terms for such services and the engagement letter for such services. The Committee may establish pre-approval policies and procedures in compliance with applicable SEC rules, and when appropriate the Committee may form and/or delegate authority to subcommittees consisting of one or more members of the Committee or the Chair, including the authority to grant pre-approvals of audit and permissible non-audit services, provided that the decisions of such subcommittee to grant pre-approvals shall be reported to the Committee at its next scheduled meeting.

3. ***Annual quality control report and review.*** At least annually, the Committee shall obtain and review a report by the Independent Auditor that describes:

- the Independent Auditor’s internal quality-control procedures; and
- any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or by any review, inquiry, or investigation by the U.S. Public Company Accounting Oversight Board (the “PCAOB”) or any other governmental or professional authority, within the preceding five years, with respect to one or more independent audits carried out by the Independent Auditor, and any steps taken to address any such issues.

In addition, the Committee’s annual review of the Independent Auditor’s qualifications shall include a review and evaluation of the qualifications, performance, and independence of the lead partner of the Independent Auditor for the Company’s account, and the Committee shall oversee the regular rotation of the lead audit partner and other audit partners as required under the SEC independence rules.

4. ***Independence of Independent Auditor.*** At least annually, the Committee shall obtain from the Independent Auditor all written statements and other communications relating to its independence from the Company that are required under the then-applicable rules governing the Independent Auditor. Such written statements shall include a description of all relationships between the Independent Auditor or any affiliate of the Independent Auditor and the Company or persons in financial reporting oversight roles at the Company that may reasonably be thought to bear on independence, and an affirmation of independence by the Independent Auditor, to the extent required by PCAOB rules. The Committee shall actively engage in a dialogue with the Independent Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the Independent Auditor, and the Committee shall take, or recommend that the Board take, appropriate action to oversee the independence of the Independent Auditor.

5. ***Hiring former auditors.*** The Committee has the sole authority to set Company hiring policies for employees or former employees of the Independent Auditor.

Annual financial reporting

As often and to the extent the Committee deems necessary or appropriate, but at least annually in connection with the audit of each fiscal year’s financial statements, the Committee shall:

1. ***Annual audit plan.*** Prior to the commencement of the annual audit, meet with the Independent Auditor and management to review the annual audit plan, including the proposed scope, staffing, locations, reliance upon management and any internal audit work, and the general audit approach and procedures to be utilized.

2. ***Review and discuss audited financial statements and internal control reports.*** Review and discuss with management, the internal auditors, and the Independent Auditor:
 - the audited annual financial statements to be included in the Company's annual report on Form 10-K and the results of the Independent Auditor's audit of such financial statements, including a review and discussion of related accounting and auditing principles and practices and significant issues, matters, changes, developments, uncertainties, unusual transactions, estimates, and judgments reflected in the audited annual financial statements; and
 - management's assessment of internal control over financial reporting and the related report thereon and any required attestation on internal control over financial reporting to be included in the Company's annual report on Form 10-K, as required by SEC rules.

3. ***AS 16 review.*** Review and discuss with the Independent Auditor any matters required to be communicated to the Committee by the Independent Auditor under PCAOB Auditing Standard No. 16, *Communications with Audit Committees*, or under any other applicable standards of the PCAOB, or any other reports of the Independent Auditor required by law or professional auditing standards, including such matters as:
 - the quality and acceptability of accounting principles applied in the financial statements;
 - new or changed accounting policies, the effect of regulatory and accounting initiatives, and significant estimates, judgments, uncertainties, or unusual transactions;
 - the selection, application, and effects of critical accounting policies and estimates applied by the Company;
 - issues raised by any management or internal control letter from the Independent Auditor, problems or difficulties encountered in the audit (including any restrictions on the scope of the work or access to requested information) and management's response to such problems or difficulties, significant disagreements with management, or other significant aspects of the audit; and
 - any off-balance sheet transactions or structures, and relationships with any unconsolidated entities or any other persons, or significant aggregate contractual commitments or obligations, which may have a material current or future effect on the financial condition or results of the Company and are required to be reported under SEC rules.

4. ***Critical accounting policy report review.*** Before the filing of any audit report, the Committee shall request and review and discuss the report or update from the Independent Auditor required pursuant to SEC rules, including:
- all critical accounting policies and practices to be used in preparing the financial statements;
 - all alternative treatments within generally accepted accounting principles (“GAAP”) for policies and practices relating to material items that have been discussed with management, including the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the Independent Auditor; and
 - other material written communications between the Independent Auditor and management, such as any management letter or schedule of unadjusted differences.
5. ***Internal control over financial reporting.*** Review and discuss with the Independent Auditor and management:
- the design and effectiveness of the Company’s internal control over financial reporting; and
 - any significant deficiencies or material weaknesses in that internal control, any change that has materially affected or is reasonably likely to materially affect that internal control (including special steps adopted in light of such deficiency or weakness), and any fraud (whether or not material) that involves management or other employees who have a significant role in that internal control, in each case that has been reported to the Committee.
- The Committee shall also obtain from the Independent Auditor periodic assurances that the Independent Auditor is complying with all provisions of applicable law which require the Independent Auditor, if it detects or becomes aware of any illegal act, to ensure that the Committee is adequately informed and to provide a report if the Independent Auditor has reached specified conclusions with respect to such illegal acts.
6. ***Other items.*** The Committee also undertakes the following activities to the extent it deems necessary or appropriate:
- discuss with the Independent Auditor material issues on which the Company’s audit team consulted the Independent Auditor’s national office; and
 - review and discuss with the appropriate members of management and the Independent Auditor the disclosures included in “Management’s

Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s annual report on Form 10-K.

7. ***Legal and ethical compliance review.*** Review with the Company’s General Counsel any legal matters that could have a material impact on the Company’s financial statements, the Company’s compliance with applicable laws, rules, and regulations and ethics programs, and any inquiries with respect thereto received from any governmental agencies or other regulatory authorities.
8. ***Recommend whether the audited financial statements should be filed with the 10-K, and prepare the related report for the annual proxy statement.*** Based on the above reviews and discussions with management and the Independent Auditor, recommend to the Board whether the audited financial statements shall be included in the Company’s annual report on Form 10-K for the last fiscal year for filing with the SEC, and prepare the Committee report related thereto for inclusion in the Company’s annual proxy statement. In addition, provide any other disclosures regarding the Committee as may be required under SEC rules and regulations.

Quarterly financial reporting

As often and to the extent the Committee deems necessary or appropriate, but at least quarterly in connection with the review of each fiscal quarter’s financial statements, the Committee shall:

1. ***Quarterly review.*** Review and discuss with management and the Independent Auditor the quarterly financial statements to be included in the Company’s quarterly report on Form 10-Q and the results of the Independent Auditor’s review of such financial statements, including a review and discussion of the quality and acceptability of the accounting principles applied in the financial statements; new or changed accounting policies and significant estimates, judgments, uncertainties or unusual transactions; the selection, application and effects of critical accounting policies and estimates applied by the Company; and any off-balance sheet transactions with any unconsolidated entities or any other person that may have a material current or future effect on the financial condition or results of the Company that are required to be reported under SEC rules. The Committee shall also discuss any other matters required to be communicated to the Committee by the Independent Auditor under PCAOB rules.
2. ***Other items.*** The Committee also undertakes the following activities to the extent it deems necessary or appropriate:
 - discuss with the Independent Auditors material issues on which the Company’s audit team consulted the Independent Auditor’s national office; and
 - review and discuss with the appropriate members of management and the Independent Auditor the disclosures included in “Management’s

Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s quarterly report on Form 10-Q.

3. ***Legal and ethical compliance review.*** Review with the Company’s General Counsel any legal matters that could have a material impact on the Company’s financial statements, the Company’s compliance with applicable laws, rules, and regulations and ethics programs, and any inquiries with respect thereto received from any governmental agencies or other regulatory authorities.

Other authority and responsibilities

1. ***Complaints and anonymous submissions on accounting and auditing matters.***

The Committee shall establish, maintain, and oversee procedures for:

- the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

2. ***Earnings press releases, investor presentations, and non-GAAP financial measures.*** The Committee shall discuss in advance with management the Company’s practices with respect to the types of accounting and financial information or guidance to be disclosed and the types of presentations to be made in earnings press releases, investor presentations or any guidance provided to rating agencies or other third parties, including the use of any “pro forma” or “adjusted” non-GAAP financial measures. Such discussions may be conducted generally as to types of information, guidance, or presentations, and need not include advance review of each release, presentation, or other information or guidance.

3. ***Review of related party transactions.*** The Committee shall conduct an appropriate review and oversight of all related party transactions for potential conflict of interest situations on an ongoing basis (except where such review and oversight of a particular related party transaction is specifically delegated by the Board to another independent body of the Board), with the Company’s policy being that the Company will not knowingly enter into a related party transaction unless the Committee or another independent body of the Board first reviews and approves the transaction. For purposes hereof, the term “related party transactions” refers to transactions required to be disclosed pursuant to Item 404 of SEC Regulation S-K, and includes transactions between the Company and executive officers, directors, director nominees, and beneficial owners of more than 5% of any class of the Company’s voting securities, as well as immediate family members of such persons.

4. ***Risk and legal/regulatory oversight.*** The Committee shall review at least annually risks relating to the Company’s financial statements, auditing and financial reporting processes, liquidity and capital resources, market risks, cybersecurity

risks, key credit risks, and legal, ethical and regulatory compliance. The Committee shall (i) inquire of management, the internal auditor and the Independent Auditor about the Company's significant financial and auditing risks or exposures and discuss risk management guidelines and policies and the steps management has taken to monitor, control, and reasonably minimize such risks to the Company and (ii) review with management the Company's legal and regulatory compliance programs and its ethics programs. The Committee shall report the results of such reviews and discussions to the Board.

5. ***Internal audit.*** The Committee shall oversee the internal auditors (or other personnel responsible for the internal audit function) who will report directly to the Committee.
6. ***Annual self-assessment.*** The Committee shall conduct a self-assessment of the Committee's performance on an annual basis and present a report to the Board on the results and conclusions.
7. ***Annual review of charter.*** The Committee shall review and reassess the adequacy of this Charter on an annual basis and shall recommend any proposed changes to the Charter to the Board for approval. This Charter shall be amended as appropriate to comply with all applicable requirements of the SEC and Nasdaq, and any other applicable securities exchange or market. This Charter, as amended, shall at all times be made available on the Company's website.
8. ***Other activities.*** The Committee shall perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and By-Laws, the Company's policies and applicable laws, rules, and regulations as the Committee or the Board deems necessary or appropriate.

V. **Miscellaneous**

Committee access and information. In order to carry out the Committee's purposes, duties, and responsibilities, the Committee is authorized at all reasonable times to have full access to all books, records, and facilities of the Company, and to have direct, independent, and confidential access to the Independent Auditor and to the Company's other directors, management, and personnel. The Committee is authorized to conduct or authorize investigations into any matters (including possible fraud, whether or not material) relating to the purposes, duties, or responsibilities of the Committee.

Committee advisers and funding. The Committee has the sole authority to select, engage (including approval of the fees and terms of engagement), oversee, terminate, and obtain advice and assistance from independent legal, accounting, or other advisers or consultants, as the Committee determines necessary to carry out its duties. The Company shall provide for appropriate funding, as determined by the Committee, for payment of (i) compensation to the Independent Auditor; (ii) compensation to any advisers or consultants engaged or employed by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Oversight function. While the Committee has the responsibilities and authority set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations. It is also not the duty of the Committee to conduct investigations, other than those contemplated by this Charter, or to ensure compliance with all laws and regulations. Management is responsible for the financial reporting process, including the system of internal controls, and for the preparation of consolidated financial statements in accordance with GAAP. The Company's Independent Auditor is responsible for auditing those financial statements and expressing an opinion as to their conformity with GAAP. The Committee's function is one of oversight and review only, and does not relieve management of its responsibilities to (i) make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) design and maintain an effective system of internal accounting controls; (iii) design and maintain effective disclosure controls and procedures and internal control over financial reporting; and (iv) prepare financial statements that are accurate and complete and fairly present the financial condition, results of operations, and cash flows of the Company, and further does not relieve the Independent Auditor of its responsibilities relating to the audit or review of financial statements. The members of the Committee are not professionally engaged in the practice of accounting or auditing and do not provide any expert or other special assurance as to such financial statements concerning compliance with laws, regulations, or GAAP, or as to auditor independence.

Reliance on others. Each member of the Committee shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data prepared or presented by officers and employees of the Company, legal counsel, the Independent Auditor, or other persons with professional or expert competence. Nothing in this Charter is intended to preclude or impair the protection provided by Section 141(e) of the Delaware General Corporation Law for good faith reliance by members of the Committee on reports or other information provided by others.