Have Gas; Will Travel
The Present and Future of LNG
Society of Petroleum Evaluation Engineers
Houston, Texas
March 6, 2019

John Howie, SVP Upstream
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,” “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, future contracts and contract terms, margins, returns and payback periods, future cash flows and production, delivery of LNG, future costs, prices, financial results, liquidity and financing, future demand and supply affecting LNG and general energy markets 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, 2017 and of our Quarterly Report on Form 10Q for the quarter ended September 30, 2018, 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.

Plans for the Permian Global Access Pipeline and Haynesville Global Access Pipeline projects discussed herein are in the early stages of development and numerous aspects of the projects, such as detailed engineering and permitting, have not commenced. Accordingly, the nature, timing, scope and benefits of those projects may vary significantly from our current plans due to a wide variety of factors, including future changes to the proposals. Although the Driftwood pipeline project is significantly more advanced in terms of engineering, permitting and other factors, its construction, budget and timing are also subject to significant risks and uncertainties.

Projected future cash flows as set forth herein may differ from cash flows determined in accordance with GAAP.

The financial information on slides 8 and 19-23 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.

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Reserves and resources

Estimates of non-proved reserves and resources are based on more limited information, and are subject to significantly greater risk of not being produced, than are estimates of proved reserves.
Introduction
LNG market
Tellurian assets
Upstream overview
Business model
Conclusion
Introducing Tellurian

- **Strategy:** Build a low-cost, global natural gas company
  - Upstream reserves and production
  - Pipeline infrastructure
  - LNG liquefaction
  - Global LNG marketing

- **Differentiators**
  - Integrated business model
  - Management team
  - Bechtel EPC contract

- **Today’s presentation . . . LNG market, Tellurian assets, and business model**
**Introducing Tellurian**

- **April**
  - Management, friends and family **invest $60 million** in Tellurian

- **February**
  - **Merge** with Magellan Petroleum, gaining access to public markets

- **December**
  - Raise approximately **$100 million in public equity**

- **Feb/March**
  - Announce **open seasons** for Haynesville Global Access Pipeline and Permian Global Access Pipeline

- **June**
  - Raise approximately **$115 million in public equity**

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**2016**

- **December**
  - GE **invests $25 million** in Tellurian

- **January**
  - TOTAL **invests $207 million** in Tellurian

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**2017**

- **June**
  - Bechtel, Chart Industries and GE complete the front-end engineering and design (FEED) study for Driftwood LNG

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**2018**

- **March**
  - Bechtel **invests $50 million** in Tellurian

- **September**
  - Driftwood LNG receives **Draft Environmental Impact Statement (DEIS)** from FERC

- **December**
  - Announced **MOU for 1.5 mtpa for 15 years** with Vitol, based on Platts JKM
$1 + 1 + 1 = 4$
2018 LNG hub price ~$10/mmBtu = JKM

$/mmBtu

2018 LNG market presents opportunity for ~$8 billion of annual EBITDA for Driftwood\(^{(1)}\)

Annual avg. JKM ($/mmBtu)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>2013</td>
<td>$16.58</td>
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<tr>
<td>2014</td>
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<td>2015</td>
<td>$7.45</td>
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<tr>
<td>2016</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2017</td>
<td>$7.14</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>2018</td>
<td>$9.76</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Platts, Tellurian research.
Note: \(^{(1)}\) Based on full development of Driftwood LNG terminal, assuming JKM price of $10/mmBtu, a shipping rate of $1.50/mmBtu and a delivered FOB cost of $3.00/mmBtu.
Global commodity requires low-cost solutions

<table>
<thead>
<tr>
<th>LNG Storage - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan + Korea terminals: 697 Bcf</td>
</tr>
<tr>
<td>LNG vessels: 821 Bcf</td>
</tr>
</tbody>
</table>

Sources: Kpler, Maran Gas, IHS, Wood Mackenzie.

Notes: LNG storage assumes half of fleet is in ballast; 2.9 Bcf capacity per vessel. Average cargo size ~2.9 Bcf, assuming 190,000 m³ ship. In 2017, approximately a third of all LNG cargoes are estimated to be spot volumes. Based on line of sight supply through 2020.

<table>
<thead>
<tr>
<th>Bcf of LNG storage</th>
<th># of LNG vessels</th>
<th># of cargoes loaded per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>◆ 821</td>
<td>◆ 967</td>
<td></td>
</tr>
<tr>
<td>517</td>
<td>15</td>
<td>2018</td>
</tr>
<tr>
<td>609</td>
<td>18</td>
<td>2020</td>
</tr>
</tbody>
</table>

Legend
- LNG carrier – laden
- LNG carrier – unladen

LNG Market
Introduction
LNG market
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## Driftwood LNG terminal

<table>
<thead>
<tr>
<th>Land</th>
<th>~1,000 acres near Lake Charles, LA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity</td>
<td>~27.6 mtpa</td>
</tr>
<tr>
<td>Trains</td>
<td>Up to 20 trains of ~1.38 mtpa each</td>
</tr>
<tr>
<td></td>
<td>Chart heat exchangers</td>
</tr>
<tr>
<td></td>
<td>GE LM6000 PF+ compressors</td>
</tr>
<tr>
<td>Storage</td>
<td>3 storage tanks</td>
</tr>
<tr>
<td></td>
<td>235,000 m³ each</td>
</tr>
<tr>
<td>Marine</td>
<td>3 marine berths</td>
</tr>
<tr>
<td>EPC Cost</td>
<td>~$550 per tonne</td>
</tr>
<tr>
<td></td>
<td>~$15.2 billion&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

Note: <sup>(1)</sup> Based on engineering, procurement, and construction agreements executed with Bechtel.
Pipeline network
Bringing low-cost gas to Southwest Louisiana

Driftwood Pipeline\(^{(1)}\)
- Capacity (Bcf/d): 4.0
- Cost ($ billions): $2.2
- Length (miles): 96
- Diameter (inches): 48
- Compression (HP): 274,000
- Status: FERC approval pending

Haynesville Global Access Pipeline\(^{(1)}\)
- Capacity (Bcf/d): 2.0
- Cost ($ billions): $1.4
- Length (miles): 200
- Diameter (inches): 42
- Compression (HP): 23,000
- Status: Open season completed

Permian Global Access Pipeline\(^{(1)}\)
- Capacity (Bcf/d): 2.0
- Cost ($ billions): $3.7
- Length (miles): 625
- Diameter (inches): 42
- Compression (HP): 258,000
- Status: Open season completed

Note: \(^{(1)}\) Included in Driftwood Holdings at full development; commercial and regulatory processes in progress and financial structuring under review.
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Natural gas sourcing

Haynesville shale well-positioned to source natural gas for Driftwood LNG Terminal

Sources:
- Basin map from Goldman Sachs
- Rig count from Baker Hughes Rotary Rig Count report, as of January 25, 2019.

<table>
<thead>
<tr>
<th>Basin</th>
<th>Gas focused</th>
<th>Wellhead economics</th>
<th>Transportation costs</th>
<th>Cost of entry</th>
<th>Actionable targets</th>
<th>Play attractiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Haynesville</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Dry Gas Eagle Ford</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Barnett</td>
<td>✓ -</td>
<td>✓ -</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Marcellus</td>
<td>✓</td>
<td>✓ +</td>
<td>✓ -</td>
<td>✓ -</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SCOOP / STACK</td>
<td>✓ -</td>
<td>✓ +</td>
<td>✓ -</td>
<td>✓ -</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Permian</td>
<td>✓ -</td>
<td>✓ +</td>
<td>✓ -</td>
<td>✓ -</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Sources: Basin map from Goldman Sachs and rig count from Baker Hughes Rotary Rig Count report, as of January 25, 2019.
Reserve and rate mandate

- Acquire and develop long-life, low-cost natural gas resources
  - Production of ~1.5 Bcf/d starting in 2023
  - Total resource of ~15 Tcf
  - Scalable position
  - Low geological risk, low reserve risk, low capital risk
  - Operations
  - Low cost (operating, gathering, transportation)
  - Flexible development HBP

- **Haynesville**: close, prolific, cheap

- Target is to deliver gas for **$2.25/mmBtu**
Rockcliff acquisition

- Tellurian acquired 9,200 net acres from Rockcliff Energy in November 2017
- Primarily located in De Soto and Red River parishes
- Existing midstream assets provide ability to cost effectively gather and deliver to market
- 100% gas
- Total net resource ~10% of total resource required for Phase 1

### Key asset statistics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net acres</td>
<td>9,200</td>
</tr>
<tr>
<td>Held by production (HBP)</td>
<td>100%</td>
</tr>
<tr>
<td>Percent operated</td>
<td>92%</td>
</tr>
<tr>
<td>Net production (MMcf/d)</td>
<td>4</td>
</tr>
<tr>
<td>Operated producing wells</td>
<td>19</td>
</tr>
<tr>
<td>Identified development locations</td>
<td>Up to 138</td>
</tr>
<tr>
<td>Total net resource (Tcf)</td>
<td>1.3</td>
</tr>
</tbody>
</table>
# Current activities

### Drilling Program

- Goldman Sachs funded $60 million term loan in September 2018 to support operated and non-operated drilling activity
- 4 operated wells
- 12 non-operated wells
- Goals:
  1. Validate capital and type curve
  2. Demonstrate ability to execute
  3. Make money

### M&A

- We are talking to everyone
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Tellurian structure

Tellurian projects annual ~$8 cash flow/sh\(^{(1)}\)

- **Integrated model**
  - Production Company, Pipeline Network, LNG Terminal
  - Variable and operating costs expected to be $3.00/mmBtu FOB

- **Financing**
  - ~$8 billion in Partners’ capital through investment of $500 per tonne of LNG
  - ~$20 billion in project finance debt equates to $1.50/mmBtu with projected interest and amortization

- **Tellurian**
  - Tellurian will retain ~12 mtpa and ~40% of the assets
  - Estimated $2 billion annual cash flow to Tellurian\(^{(2)}\)

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Notes:

1. Annual cash flow per share based on anticipated $2 billion annual cash flow to Tellurian and ~247 million shares outstanding.
2. See slide 23 for estimated annual Tellurian cash flow at various assumed U.S. Gulf Coast netback prices and margin levels.
Driftwood Holdings’ financing

<table>
<thead>
<tr>
<th>Capacity (mtpa)</th>
<th>27.6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital investment ($ billions)</strong></td>
<td></td>
</tr>
<tr>
<td>— Liquefaction terminal&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>$ 15.2</td>
</tr>
<tr>
<td>— Owners’ cost &amp; contingency&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>$ 1.9</td>
</tr>
<tr>
<td>— Driftwood pipeline&lt;sup&gt;(3)&lt;/sup&gt;</td>
<td>$ 2.2</td>
</tr>
<tr>
<td>— HGAP</td>
<td>$ 1.4</td>
</tr>
<tr>
<td>— PGAP</td>
<td>$ 3.7</td>
</tr>
<tr>
<td>— Upstream</td>
<td>$ 2.2</td>
</tr>
<tr>
<td>— Fees&lt;sup&gt;(4)&lt;/sup&gt;</td>
<td>$ 0.9</td>
</tr>
<tr>
<td>— Interest during construction</td>
<td>$ 7.5</td>
</tr>
<tr>
<td><strong>Total capital</strong></td>
<td>$ 35.0</td>
</tr>
<tr>
<td>— Total capital ($ per tonne)</td>
<td>$ 1,270</td>
</tr>
<tr>
<td>— Debt financing&lt;sup&gt;(5)&lt;/sup&gt;</td>
<td>$ (20.0)</td>
</tr>
<tr>
<td>— Pre-COD cash flows&lt;sup&gt;(6)&lt;/sup&gt;</td>
<td>$ (7.0)</td>
</tr>
<tr>
<td><strong>Net partners’ capital</strong></td>
<td>$ 8.0</td>
</tr>
</tbody>
</table>

| Transaction price ($ per tonne) | $500 |
| Capacity split | | |
| — Partner | mtpa | % |
| — Tellurian | 16.0 | 58% |
| | 11.6 | 42% |

**Notes:**
(1) Based on engineering, procurement, and construction agreements executed with Bechtel.
(2) Approximately half of owners’ costs represent contingency; the remaining amounts consist of cost estimates related to staffing prior to commissioning, estimated impact of inflation and foreign exchange rates, spare parts and other estimated costs.
(3) Represents estimated costs of development of Driftwood pipeline in phases.
(4) Preliminary estimate of certain costs associated with potential management fee to be paid by Driftwood Holdings to Tellurian and certain transaction costs.
(5) Project finance debt to be borrowed by Driftwood Holdings.
(6) Cash flows prior to commercial operations date of Plant 5.
Driftwood Holdings’ operating costs

$/mmBtu

Drilling & completion
Operating
Gathering, processing & transportation
Contingency
Delivered
Liquefaction
Total variable & operating
Debt
FOB

Sources: Wood Mackenzie, Tellurian Research.
Notes: (1) Drilling and completion based on well cost of $15.2 million, 15.5 Bcf EUR, and 75.00% net revenue interest (“NRI”) (8/8ths).
(2) Gathering processing and transportation includes transportation cost to Driftwood pipeline or to market.
(3) Based on debt service cost of principal and interest related to ~$20.0 billion of project finance debt.
### Returns to Driftwood Holdings’ partners

<table>
<thead>
<tr>
<th>U.S. Gulf Coast netback price ($/mmBtu)</th>
<th>$6.00</th>
<th>$8.00</th>
<th>$10.00</th>
<th>$15.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driftwood LNG, FOB U.S. Gulf Coast ($/mmBtu)</td>
<td>$(4.50)</td>
<td>$(4.50)</td>
<td>$(4.50)</td>
<td>$(4.50)</td>
</tr>
<tr>
<td>Margin ($/mmBtu)</td>
<td>1.50</td>
<td>3.50</td>
<td>5.50</td>
<td>10.50</td>
</tr>
<tr>
<td>Annual partner cash flow(^{(1)}) ($ millions per tonne)</td>
<td>80</td>
<td>180</td>
<td>290</td>
<td>550</td>
</tr>
<tr>
<td>Cash on cash return(^{(2)})</td>
<td>16%</td>
<td>36%</td>
<td>57%</td>
<td>109%</td>
</tr>
<tr>
<td>Payback(^{(3)}) (years)</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Notes:
1. Annual partner cash flow equals the margin multiplied by 52 mmBtu per tonne.
2. Based on 1 mtpa of capacity in Driftwood Holdings; all estimates before federal income tax; does not reflect potential impact of management fees paid to Tellurian.
3. Payback period based on full production.
## Value to Tellurian Inc.

<table>
<thead>
<tr>
<th>USGC netback ($/mmBtu)</th>
<th>Margin(^{(1)}) ($/mmBtu)</th>
<th>Annual cash flows(^{(2)}) ($ millions)</th>
<th>Cash flow per share(^{(3)}) ($/share)</th>
<th>2 Plants</th>
<th>5 Plants</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 6.00</td>
<td>$ 1.50</td>
<td>$ 235</td>
<td>$ 0.95</td>
<td>$ 905</td>
<td>$ 3.66</td>
</tr>
<tr>
<td>$ 8.00</td>
<td>$ 3.50</td>
<td>$ 545</td>
<td>$ 2.21</td>
<td>$ 2,110</td>
<td>$ 8.55</td>
</tr>
<tr>
<td>$10.00</td>
<td>$ 5.50</td>
<td>$ 860</td>
<td>$ 3.47</td>
<td>$ 3,320</td>
<td>$13.43</td>
</tr>
<tr>
<td>$15.00</td>
<td>$10.50</td>
<td>$1,640</td>
<td>$ 6.63</td>
<td>$6,335</td>
<td>$25.64</td>
</tr>
</tbody>
</table>

Notes:
- \(^{(1)}\) $4.50/mmBtu cost of LNG FOB Gulf Coast.
- \(^{(2)}\) Annual cash flow equals the margin multiplied by 52 mmBtu per tonne; does not reflect potential impact of management fees paid to Tellurian nor G&A.
- \(^{(3)}\) Represents the fully diluted cash flow per share based on total outstanding shares of 241 million in common stock and 6 million shares of preferred stock as converted.
Conclusion

LNG market

Tellurian assets

Upstream overview

Business model

Conclusion
Conclusion

- Tellurian’s business model is designed to provide investors with access to the U.S. integrated value chain capable of providing low-cost, flexible LNG globally

- The Haynesville is an ideal source of low-cost gas with consistent drilling results and proximity to Gulf Coast petrochemical users and LNG export capacity

- The U.S. is best positioned to meet global LNG supply needs with access to abundant low-cost gas and a track record of building low-cost liquefaction
Final Investment Decision expected 1H 2019

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Target date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully-wrapped EPC contract</td>
<td>• November 2017</td>
</tr>
<tr>
<td>Draft FERC EIS</td>
<td>• September 2018</td>
</tr>
<tr>
<td>Final FERC EIS</td>
<td>• January 2019</td>
</tr>
<tr>
<td>Final FERC Order</td>
<td>• 1H 2019</td>
</tr>
<tr>
<td>Final Investment Decision</td>
<td>• 1H 2019</td>
</tr>
<tr>
<td>Notice to Proceed to Bechtel</td>
<td>• 1H 2019</td>
</tr>
<tr>
<td>First LNG</td>
<td>• 2023</td>
</tr>
</tbody>
</table>