

LNG Producer-Consumer Conference 2017

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TELLURIAN

Driftwood LNG terminal & pipeline



Cornerstone asset of global gas business

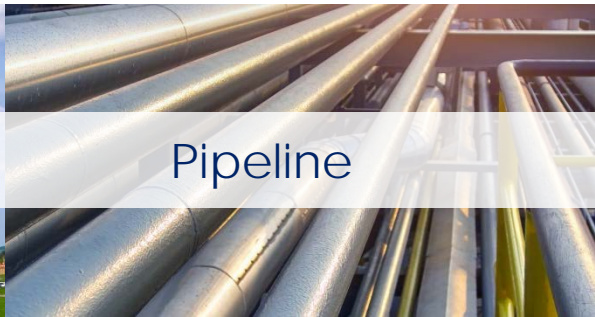
Driftwood LNG terminal	
Land	<ul style="list-style-type: none">~1,000 acres near Lake Charles, LA
Capacity	<ul style="list-style-type: none">~27.6 mtpa⁽¹⁾
Trains	<ul style="list-style-type: none">Up to 20 trains of ~1.38 mtpa eachChart heat exchangersGE LM6000 PF+ compressors
Storage	<ul style="list-style-type: none">3 storage tanks235,000 m³ each
Marine	<ul style="list-style-type: none">3 marine berths
Capex	<ul style="list-style-type: none">~\$500 – 600 per tonne~\$13 – 16 billion⁽²⁾
Driftwood pipeline	
Size	<ul style="list-style-type: none">~96 miles
Capacity	<ul style="list-style-type: none">~4 Bcf/d avg. throughputAccess ~35 Bcf/d flowing gas
Capex	<ul style="list-style-type: none">~\$1.6 – 2.0 billion⁽²⁾



Artist rendition

Notes: (1) Estimate, subject to further engineering evaluation.
(2) Excludes owners' costs, financing costs and contingencies.

Building a low-cost global gas business

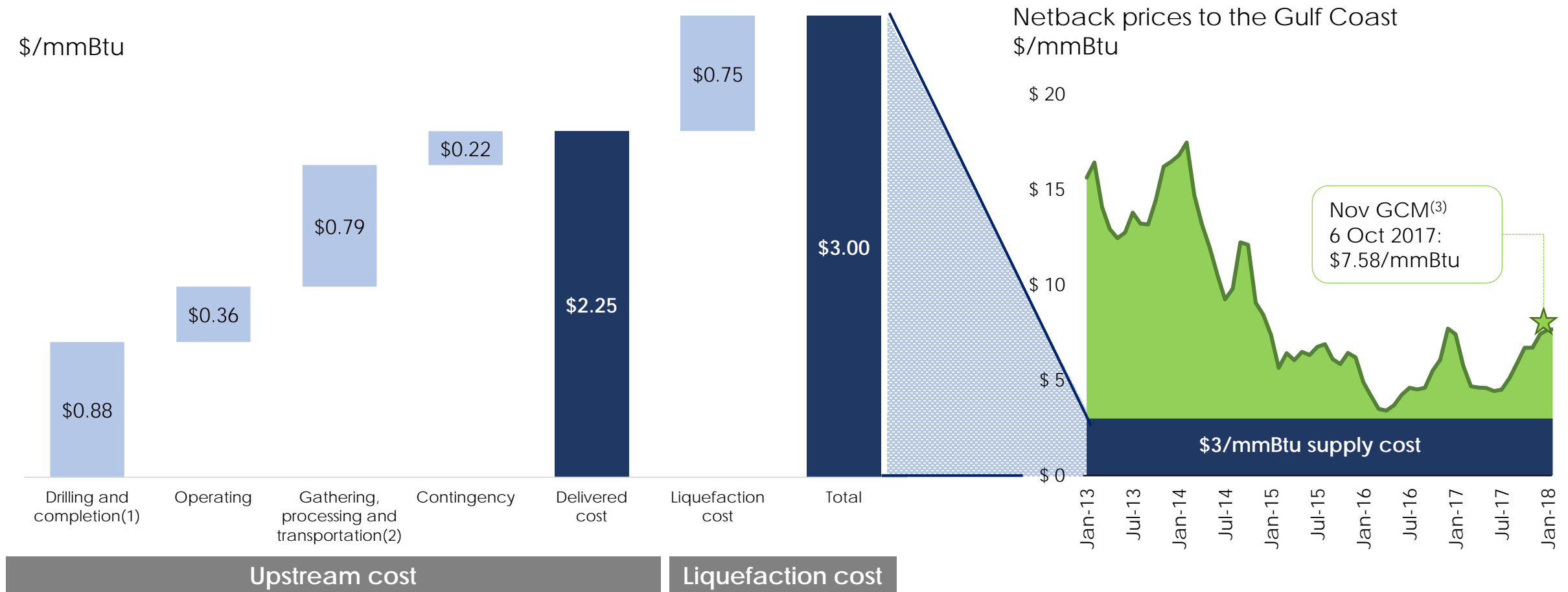


- Purchase low-cost gas at liquidity points or as reserves
- Diversify gas supply
- Develop pipeline solutions for constrained production basins
- Maximize access to supply liquidity
- Develop low-cost liquefaction
- Less than \$600 per tonne
- Develop suite of flexible LNG products
- Build out risk management and operational infrastructure
- LNG trade entry in 2017
- Acquiring 9,200 net acres with up to 138 drilling locations in Haynesville
- Delivered gas cost \$2.25/mmBtu
- FERC permit pending
- ~27.6 mtpa Driftwood LNG terminal
- FEED complete
- Fixed fee construction contract under negotiation
- FERC permit pending
- Experienced global marketing team
- Offices in Houston, Washington D.C., London, and Singapore
- Maran Gas Mystras LNG vessel under 6 month time charter

Potential margin capture from Driftwood

- Total cost of ~\$3/mmBtu locks in low cost of supply

- \$1.50 – \$15.00/mmBtu of margin potential



Sources: Wood Mackenzie, Platts, Tullet Prebon, Tellurian Research.

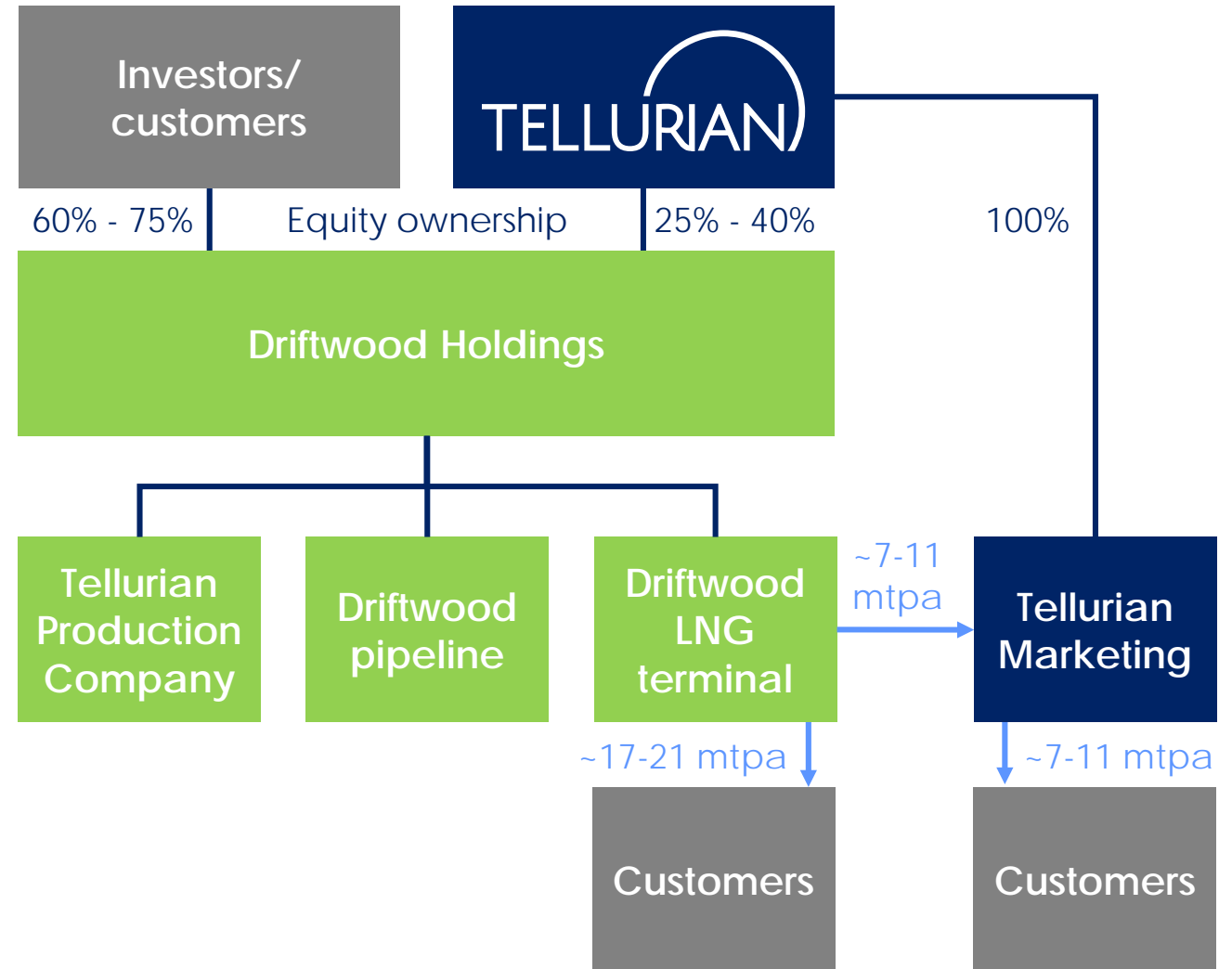
Notes: (1) Drilling and completion based on well cost of \$10.2 million, 15.5 Bcf EUR, and 75.00% net revenue interest ("NRI") (8/8ths).

(2) Gathering, processing and transportation includes transportation cost to Driftwood pipeline to market.

(3) Platts Gulf Coast Marker.

Business model

- Tellurian will offer equity interest in Driftwood Holdings
- Driftwood Holdings will consist of Tellurian Production Company, Driftwood pipeline and Driftwood LNG terminal (~27.6 mtpa)
- **Equity will cost ~\$1,500 per tonne**
- Investors will receive equity LNG at tailgate of Driftwood LNG terminal at cost
- **Variable and operating costs** expected to be ~\$3.00/mmBtu FOB (including maintenance)
- Tellurian will **retain 7 to 11 mtpa**
- Tellurian will manage and operate the project



In summary

Tellurian

- Integrated business includes upstream, pipeline, liquefaction and marketing

Driftwood LNG

- Begin construction 2018, produce LNG 2022

Equity participation

- Upstream + pipeline + liquefaction = \$1,500 per tonne

LNG production cost

- \$3.00 per mmBtu U.S. Gulf Coast FOB