

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-5507



Tellurian Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

06-0842255

(I.R.S. Employer Identification No.)

1201 Louisiana Street, Suite 3100, Houston, TX

(Address of principal executive offices)

77002

(Zip Code)

(Registrant's telephone number, including area code): **(832) 962-4000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common stock, par value \$0.01 per share	TELL	NYSE American LLC
8.25% Senior Notes due 2028	TELZ	NYSE American LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No "

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of October 31, 2023, there were 634,842,364 shares of common stock, \$0.01 par value, issued and outstanding.

Tellurian Inc.
TABLE OF CONTENTS

	Page
<u>Part I — Financial Information (Unaudited)</u>	
Item 1. Condensed Consolidated Financial Statements	
Condensed Consolidated Balance Sheets	<u>1</u>
Condensed Consolidated Statements of Operations	<u>2</u>
Condensed Consolidated Statement of Changes in Stockholders' Equity	<u>3</u>
Condensed Consolidated Statements of Cash Flows	<u>4</u>
Notes to Condensed Consolidated Financial Statements	<u>5</u>
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	<u>18</u>
Item 3. Quantitative and Qualitative Disclosures about Market Risk	<u>22</u>
Item 4. Controls and Procedures	<u>22</u>
<u>Part II — Other Information</u>	
Item 1. Legal Proceedings	<u>23</u>
Item 1A. Risk Factors	<u>23</u>
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	<u>23</u>
Item 5. Other Information	<u>23</u>
Item 6. Exhibits	<u>24</u>
<u>Signatures</u>	
	<u>26</u>

Cautionary Information About Forward-Looking Statements

The information in this report includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements, other than statements of historical facts, that address activity, events, or developments with respect to our financial condition, results of operations, or economic performance that we expect, believe or anticipate will or may occur in the future, or that address plans and objectives of management for future operations, are forward-looking statements. The words “anticipate,” “assume,” “believe,” “budget,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “initial,” “intend,” “likely,” “may,” “plan,” “possible,” “potential,” “predict,” “project,” “proposed,” “should,” “will,” “would” and similar terms, phrases, and expressions are intended to identify forward-looking statements. These forward-looking statements relate to, among other things:

- our businesses and prospects and our overall strategy;
- our ability to continue as a going concern;
- planned or estimated costs or capital expenditures;
- availability of liquidity and capital resources;
- our ability to obtain financing as needed and the terms of financing transactions, including for the Driftwood Project;
- revenues and expenses;
- progress in developing our projects and the timing of that progress;
- attributes and future values of the Company’s projects or other interests, operations or rights; and
- government regulations, including our ability to obtain, and the timing of, necessary governmental permits and approvals.

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 our actual results and performance to be materially different from any future results or performance expressed or implied by the forward-looking statements. Factors that could cause actual results and performance to differ materially from any future results or performance expressed or implied by the forward-looking statements include, but are not limited to, the following:

- the uncertain nature of demand for and price of natural gas and LNG;
 - risks related to shortages of LNG vessels worldwide;
 - technological innovation which may render our anticipated competitive advantage obsolete;
 - risks related to a terrorist or military incident involving an LNG carrier;
 - changes in legislation and regulations relating to the LNG industry, including environmental laws and regulations that impose significant compliance costs and liabilities;
 - governmental interventions in the LNG industry, including increases in barriers to international trade;
 - uncertainties regarding our ability to maintain sufficient liquidity and attract sufficient capital resources to implement our projects or otherwise continue as a going concern;
 - our limited operating history;
 - our ability to attract and retain key personnel;
 - risks related to doing business in, and having counterparties in, foreign countries;
 - our reliance on the skill and expertise of third-party service providers;
 - the ability of our vendors, customers and other counterparties to meet their contractual obligations;
 - risks and uncertainties inherent in management estimates of future operating results and cash flows;
 - our ability to maintain compliance with our debt arrangements;
 - changes in competitive factors, including the development or expansion of LNG, pipeline and other projects that are competitive with ours;
-

- development risks, operational hazards and regulatory approvals;
- our ability to enter into and consummate planned financing and other transactions;
- risks related to pandemics or disease outbreaks;
- risks of potential impairment charges and reductions in our reserves; and
- risks and uncertainties associated with litigation matters.

The forward-looking statements in this report speak 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.

DEFINITIONS

To the extent applicable, and as used in this quarterly report, the terms listed below have the following meanings:

Bcf	Billion cubic feet of natural gas
DD&A	Depreciation, depletion and amortization
DFC	Deferred financing costs and original issue discount
EPC	Engineering, procurement and construction
FID	Final investment decision as it pertains to the Driftwood Project
FERC	U.S. Federal Energy Regulatory Commission
GAAP	Generally accepted accounting principles in the U.S.
LNG	Liquefied natural gas
LSTK	Lump sum turnkey
Mtpa	Million tonnes per annum
NYSE American	NYSE American LLC
Phase 1	Plants one and two of the Driftwood terminal
Train	An industrial facility comprised of a series of refrigerant compressor loops used to cool natural gas into LNG
U.S.	United States

PART I. FINANCIAL INFORMATION
ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TELLURIAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts, unaudited)

ASSETS	September 30, 2023	December 31, 2022
Current assets:		
Cash and cash equivalents	\$ 59,279	\$ 474,205
Accounts receivable	23,700	76,731
Prepaid expenses and other current assets	13,083	23,355
Total current assets	96,062	574,291
Property, plant and equipment, net	1,098,699	789,076
Other non-current assets	71,009	63,316
Total assets	\$ 1,265,770	\$ 1,426,683
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 37,301	\$ 4,805
Accounts payable due to related parties	55	—
Accrued and other liabilities	118,682	129,180
Borrowings	—	163,556
Total current liabilities	156,038	297,541
Long-term liabilities:		
Borrowings	372,386	382,208
Finance lease liabilities	121,675	49,963
Other non-current liabilities	45,474	24,428
Total long-term liabilities	539,535	456,599
Commitments and Contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.01 par value, 100,000,000 authorized: 6,123,782 and 6,123,782 shares outstanding, respectively	61	61
Common stock, \$0.01 par value, 1,600,000,000 authorized: 601,337,236 and 564,567,568 shares outstanding, respectively	5,842	5,456
Additional paid-in capital	1,697,693	1,647,896
Accumulated deficit	(1,133,399)	(980,870)
Total stockholders' equity	570,197	672,543
Total liabilities and stockholders' equity	\$ 1,265,770	\$ 1,426,683

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TELLURIAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues:				
Natural gas sales	\$ 43,250	\$ 81,103	\$ 126,172	\$ 168,442
LNG sales	—	—	—	120,951
Total revenue	<u>43,250</u>	<u>81,103</u>	<u>126,172</u>	<u>289,393</u>
Operating costs and expenses:				
Operating expenses	21,754	8,428	60,047	18,536
LNG cost of sales	—	—	—	131,663
Development expenses	10,042	12,891	33,629	48,244
Depreciation, depletion and amortization	23,661	12,860	71,058	22,735
General and administrative expenses	22,176	41,495	85,716	97,334
Total operating costs and expenses	<u>77,633</u>	<u>75,674</u>	<u>250,450</u>	<u>318,512</u>
(Loss) income from operations	<u>(34,383)</u>	<u>5,429</u>	<u>(124,278)</u>	<u>(29,119)</u>
Interest expense, net	(3,992)	(6,944)	(12,184)	(13,790)
Loss on extinguishment of debt, net	(29,473)	—	(32,295)	—
Other income (expense), net	2,431	(12,718)	16,228	(37,966)
Loss before income taxes	(65,417)	(14,233)	(152,529)	(80,875)
Income tax	—	—	—	—
Net loss	<u>\$ (65,417)</u>	<u>\$ (14,233)</u>	<u>\$ (152,529)</u>	<u>\$ (80,875)</u>
Net loss per common share⁽¹⁾:				
Basic and diluted	<u>\$ (0.12)</u>	<u>\$ (0.03)</u>	<u>\$ (0.28)</u>	<u>\$ (0.15)</u>

Weighted-average shares outstanding:				
Basic and diluted	<u>559,952</u>	<u>538,549</u>	<u>546,087</u>	<u>523,189</u>

(1) The numerator for both basic and diluted loss per share is net loss. The denominator for both basic and diluted loss per share is the weighted-average shares outstanding during the period.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TELLURIAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
(in thousands, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Total shareholders' equity, beginning balance	\$ 599,374	\$ 653,734	\$ 672,543	\$ 418,301
Preferred stock	61	61	61	61
Common stock:				
Beginning balance	5,560	5,454	5,456	4,774
Common stock issuances	282	—	383	677
Share-based compensation, net	—	1	3	3
Share-based payment	—	1	—	2
Ending balance	<u>5,842</u>	<u>5,456</u>	<u>5,842</u>	<u>5,456</u>
Additional paid-in capital:				
Beginning balance	1,661,735	1,645,920	1,647,896	1,344,526
Common stock issuances	35,762	—	48,425	299,063
Share-based compensation, net	196	1,033	1,372	2,750
Share-based payments	—	62	—	676
Ending balance	<u>1,697,693</u>	<u>1,647,015</u>	<u>1,697,693</u>	<u>1,647,015</u>
Accumulated deficit:				
Beginning balance	(1,067,982)	(997,701)	(980,870)	(931,059)
Net loss	<u>(65,417)</u>	<u>(14,233)</u>	<u>(152,529)</u>	<u>(80,875)</u>
Ending balance	<u>(1,133,399)</u>	<u>(1,011,934)</u>	<u>(1,133,399)</u>	<u>(1,011,934)</u>
Total shareholders' equity, ending balance	<u>\$ 570,197</u>	<u>\$ 640,598</u>	<u>\$ 570,197</u>	<u>\$ 640,598</u>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TELLURIAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net loss	\$ (152,529)	\$ (80,875)
Adjustments to reconcile Net loss to Net cash used in operating activities:		
Depreciation, depletion and amortization	71,058	22,735
Amortization of debt issuance costs, discounts and fees	2,997	1,494
Share-based compensation	1,375	2,753
Share-based payments	—	678
Net unrealized loss on financial instruments not designated as hedges	7,820	13,553
Loss on extinguishment of debt, net	32,295	—
Other	2,147	745
Net changes in working capital (Note 15)	32,129	(26,802)
Net cash used in operating activities	(2,708)	(65,719)
Cash flows from investing activities:		
Acquisition and development of natural gas properties	(107,038)	(236,558)
Driftwood Project construction costs	(168,210)	(117,793)
Land purchases and land improvements	—	(19,412)
Investment in unconsolidated entity	—	(6,089)
Note receivable	(18,000)	(5,000)
Capitalized internal use software and other assets	(2,129)	(1,278)
Net cash used in investing activities	(295,377)	(386,130)
Cash flows from financing activities:		
Proceeds from common stock issuances	47,662	309,021
Equity issuance costs	(1,442)	(9,281)
Borrowing proceeds	—	501,178
Borrowing issuance costs	—	(11,487)
Borrowing principal repayments	(166,666)	—
Other	(1,073)	(98)
Net cash (used in) provided by financing activities	(121,519)	789,333
Net (decrease) increase in cash, cash equivalents and restricted cash	(419,604)	337,484
Cash, cash equivalents and restricted cash, beginning of period	508,468	307,274
Cash, cash equivalents and restricted cash, end of period	\$ 88,864	\$ 644,758
Supplementary disclosure of cash flow information:		
Interest paid, net of capitalized interest	\$ 15,629	\$ 11,152

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

NOTE 1 — GENERAL

Tellurian Inc. (“Tellurian,” “we,” “us,” “our,” or the “Company”), a Delaware corporation, is a Houston-based company that is developing and plans to operate a portfolio of natural gas, LNG marketing, and infrastructure assets that includes an LNG terminal facility (the “Driftwood terminal”), related pipelines and upstream natural gas assets (collectively referred to as the “Business”). The Driftwood terminal and related pipelines are collectively referred to as the “Driftwood Project.”

The terms “we,” “our,” “us,” “Tellurian” and the “Company” as used in this report refer collectively to Tellurian Inc. and its subsidiaries unless the context suggests otherwise. These terms are used for convenience only and are not intended as a precise description of any separate legal entity associated with Tellurian Inc.

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with GAAP for interim financial information and with Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements and should be read in conjunction with the Consolidated Financial Statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2022. The Condensed Consolidated Financial Statements, in the opinion of management, reflect all adjustments necessary for the fair presentation of the results for the periods presented. All adjustments are of a normal recurring nature unless otherwise disclosed.

Certain reclassifications have been made to conform prior period information to the current presentation. The reclassifications did not have a material effect on our consolidated financial position, results of operations or cash flows.

To conform with GAAP, we make estimates and assumptions that affect the amounts reported in our Condensed Consolidated Financial Statements and the accompanying notes. Although these estimates and assumptions are based on our best available knowledge at the time, actual results may differ.

Our Condensed Consolidated Financial Statements have been prepared in accordance with GAAP, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business as well as the Company’s ability to continue as a going concern. As of the date of the Condensed Consolidated Financial Statements, we have historically generated losses and negative cash flows from operations. We have not yet established an ongoing source of revenues that is sufficient to cover our future operating costs and obligations as they become due during the twelve months following the issuance of the Condensed Consolidated Financial Statements. To date, the Company has been meeting its liquidity needs primarily from cash on hand and the combined proceeds generated by debt and equity issuances, upstream operations, and the sale of common stock under its at-the-market equity offering programs. As of September 30, 2023, the Company had approximately \$59.3 million in cash and cash equivalents and approximately \$23.7 million of accounts receivable, which we expect will not be sufficient to satisfy its obligations, fund its working capital needs and allow it to remain compliant with debt covenants and liquidity thresholds for twelve months after the date the Condensed Consolidated Financial Statements are issued. These conditions raise substantial doubt about the Company’s ability to continue as a going concern within one year after the date that the financial statements are issued. The analysis used to determine the Company’s ability to continue as a going concern does not include cash sources that management expects to be available within the next twelve months but are outside of the Company’s direct control.

The Company plans to mitigate these conditions by generating additional proceeds from various other potential financing transactions, such as issuances of equity, equity-linked and debt securities, or similar transactions, managing certain operating and overhead costs, refinancing the Replacement Notes, offering equity interests in the Driftwood Project and, if necessary, exploring opportunities to monetize all or a portion of its upstream natural gas assets (collectively “Management’s Plans”). The Company’s ability to effectively implement Management’s Plans, should the Company choose to do so, is subject to numerous risks and uncertainties, including risks associated with market demand for our equity and debt securities, commodity prices and other factors affecting natural gas markets. As of the date of this filing, Management’s Plans have not been implemented to alleviate the conditions which raise substantial doubt. The Condensed Consolidated Financial Statements do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Company were unable to continue as a going concern.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

NOTE 2 — PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Prepaid expenses	\$ 1,908	\$ 2,174
Deposits	273	172
Restricted cash	4,688	9,375
Derivative asset, net current (Note 8)	—	10,463
Other current assets	6,214	1,171
Total prepaid expenses and other current assets	<u>\$ 13,083</u>	<u>\$ 23,355</u>

Restricted Cash

Restricted cash as of September 30, 2023 and December 31, 2022 represent cash held in escrow under the terms of the purchase and sale agreement for the acquisition of certain natural gas assets in the Haynesville Shale.

NOTE 3 — PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Upstream natural gas assets:		
Proved properties	\$ 495,026	\$ 412,977
Wells in progress	66,917	55,374
Accumulated DD&A	(161,004)	(92,423)
Total upstream natural gas assets, net	400,939	375,928
Driftwood Project assets:		
Terminal construction in progress	473,496	292,734
Pipeline construction in progress	29,247	—
Land and land improvements	53,664	52,460
Finance lease assets, net of accumulated DD&A	55,827	56,708
Buildings and other assets, net of accumulated DD&A	318	340
Total Driftwood Project assets, net	612,552	402,242
Fixed assets and other:		
Finance lease assets, net of accumulated DD&A	71,315	—
Leasehold improvements and other assets	17,910	12,672
Accumulated DD&A	(4,017)	(1,766)
Total fixed assets and other, net	85,208	10,906
Total property, plant and equipment, net	<u>\$ 1,098,699</u>	<u>\$ 789,076</u>

Terminal Construction in Progress

During the nine months ended September 30, 2023, we capitalized approximately \$180.8 million of directly identifiable project costs as Driftwood terminal construction in progress.

Pipeline Construction in Progress

On April 21, 2023, the Company received FERC approval for the construction of the Driftwood pipelines. During the second quarter of 2023, pipeline materials and rights of way of approximately \$14.6 million were transferred to construction in progress in accordance with our accounting policies. During the nine months ended September 30, 2023, we also capitalized approximately \$14.6 million of directly identifiable project costs as Pipeline construction in progress.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

NOTE 4 — OTHER NON-CURRENT ASSETS

Other non-current assets consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Land lease and purchase options	\$ 31	\$ 300
Permitting costs	—	916
Right of use asset — operating leases	13,628	13,303
Restricted cash	24,897	24,888
Investment in unconsolidated entity	6,089	6,089
Note receivable	24,189	6,595
Pipeline materials and rights of way	—	9,136
Other	2,175	2,089
Total other non-current assets	\$ 71,009	\$ 63,316

Restricted Cash

Restricted cash as of September 30, 2023 and December 31, 2022 represents cash collateralization of a letter of credit associated with a finance lease.

Note Receivable

In February 2023, the Company issued an amended and restated promissory note due June 14, 2031 (the “Note Receivable”) to an unaffiliated entity engaged in the development of infrastructure projects in the energy industry. The outstanding principal balance of the Note Receivable as of September 30, 2023 was approximately \$24.2 million. The promissory note bears interest at a rate of 6.00%, which is capitalized into the outstanding principal balance annually.

Pipeline materials and rights of way

Pipeline materials and rights of way were transferred to construction in progress in the second quarter of 2023. See Note 3 *Property, Plant and Equipment*.

NOTE 5 — RELATED PARTY TRANSACTIONS

Related Party Contractor Service Fees and Expenses

The Company entered into a one-year independent contractor agreement, effective January 1, 2022, with Mr. Martin Houston, the Vice Chairman of the Company’s Board of Directors. Pursuant to the terms and conditions of this agreement, the Company paid Mr. Houston a monthly fee of \$50.0 thousand plus approved expenses. In December 2022, the Company amended the independent contractor agreement to expire on the earlier of (i) termination of Mr. Houston and (ii) December 31, 2023, and to increase the monthly fee to \$55.0 thousand plus approved expenses. For the three and nine months ended September 30, 2023, the Company paid Mr. Houston \$110.0 thousand and \$440.0 thousand, respectively, for contractor service fees and expenses. For the three and nine months ended September 30, 2022, the Company paid Mr. Houston \$150.0 thousand and \$475.0 thousand, respectively, for contractor service fees and expenses. As of September 30, 2023 and 2022, a balance of \$55.0 thousand and \$0.0, respectively, were owed to Mr. Houston.

NOTE 6 — ACCRUED AND OTHER LIABILITIES

Accrued and other liabilities consist of the following (in thousands):

	September 30, 2023	December 31, 2022
Upstream accrued liabilities	\$ 42,292	\$ 71,977
Payroll and compensation	25,473	37,329
Accrued taxes	1,242	730
Driftwood Project development activities	20,745	4,423
Lease liabilities	4,610	2,875
Accrued interest	4,626	5,793
Embedded derivatives (Note 8)	13,268	—
Other	6,426	6,053
Total accrued and other liabilities	\$ 118,682	\$ 129,180

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

NOTE 7 — BORROWINGS

The Company's borrowings consist of the following (in thousands):

	September 30, 2023		
	Principal repayment obligation	Unamortized Premium (DFC)	Carrying value
Senior Secured Convertible Notes due 2025	\$ 83,334	\$ 2,779	\$ 86,113
Senior Secured Notes due 2025	250,000	(19,075)	230,925
Senior Unsecured Notes due 2028	57,678	(2,330)	55,348
Total borrowings	\$ 391,012	\$ (18,626)	\$ 372,386

	December 31, 2022		
	Principal repayment obligation	Unamortized DFC	Carrying value
Convertible Notes, current	\$ 166,666	\$ (3,110)	\$ 163,556
Convertible Notes, non-current	333,334	(6,219)	327,115
Senior Unsecured Notes due 2028	57,678	(2,585)	55,093
Total borrowings	\$ 557,678	\$ (11,914)	\$ 545,764

Amortization of the borrowings' premium and DFC is a component of Interest expense, net in the Company's Condensed Consolidated Statements of Operations. We amortized approximately \$1.3 million and \$3.0 million during the three and nine months ended September 30, 2023, respectively. For the three and nine months ended September 30, 2022, we amortized approximately \$0.9 million and \$1.5 million, respectively.

Senior Secured Convertible Notes due 2025 (Extinguished)

On June 3, 2022, we issued and sold \$500.0 million aggregate principal amount of 6.00% Senior Secured Convertible Notes due May 1, 2025 (the "Extinguished Convertible Notes"). Net proceeds from the Extinguished Convertible Notes were approximately \$488.7 million after deducting fees and expenses. The Extinguished Convertible Notes had quarterly interest payments due on February 1, May 1, August 1, and November 1 of each year and on the maturity date. DFC of approximately \$11.5 million were capitalized.

Partial Redemption

On March 27, 2023, the holder of the Extinguished Convertible Notes delivered to the Company notice to redeem \$166.7 million of the initial principal amount of the Extinguished Convertible Notes at par, plus accrued interest (the "Redemption Amount"). On March 28, 2023, the Company irrevocably deposited the Redemption Amount of approximately \$169.1 million in order to satisfy the redemption and retirement of \$166.7 million principal amount of the Extinguished Convertible Notes, plus accrued interest. As a result of paying the Redemption Amount prior to the Extinguished Convertible Notes' contractual maturity, the Company wrote off approximately \$2.8 million of prorated unamortized DFC, which was recognized within Loss on extinguishment of debt, net, in its Condensed Consolidated Statements of Operations.

Extinguishment

On August 15, 2023, we issued and sold in a private placement \$250.0 million aggregate principal amount of 10% Senior Secured Notes due October 1, 2025 (the "Senior Notes") and approximately \$83.3 million aggregate principal amount of 6% Secured Convertible Notes (the "Secured Convertible Notes") due October 1, 2025 (collectively the "Replacement Notes"). The issuance of the Replacement Notes to the holder of the Extinguished Convertible Notes resulted in the satisfaction and discharge of the Company's outstanding principal repayment obligation under the Extinguished Convertible Notes. As a result, the Company recorded a Loss on extinguishment of debt of approximately \$29.5 million in its Condensed Consolidated Statements of Operations.

Senior Secured Notes due 2025

The Senior Notes have quarterly interest payments in cash due on the first day of January, April, July, and October of each year, commencing in October 2023. DFC of approximately \$20.1 million were capitalized and are being amortized over the term of the Senior Notes using the effective interest rate method. Holders of the Senior Notes may force the Company to redeem the applicable Senior Notes for cash upon (i) a fundamental change or (ii) an event of default. On or after October 1, 2024, the holders of the Senior Notes may redeem up to the entire principal amount of the Senior Notes for a cash purchase price equal to the principal amount of the Senior Notes being redeemed, plus accrued and unpaid interest, if the Company's

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

liquidity falls below (a)\$200.0 million, if the Secured Convertible Notes are not outstanding at such time, or (b)\$250.0 million, if any of the Secured Convertible Notes are outstanding at such time. The Company may provide written notice to each holder of the Senior Notes calling all of such holder's Senior Notes for redemption for a cash purchase price equal to 100% of the principal amount being redeemed, plus accrued and unpaid interest (the "Optional Redemption").

Our borrowing obligations under the Senior Notes are collateralized by a first priority lien on the Company's equity interests in Tellurian Production Holdings LLC ("Tellurian Production Holdings"), a wholly owned subsidiary of Tellurian Inc. Tellurian Production Holdings owns all of the Company's upstream natural gas assets described in Note 3, *Property, Plant and Equipment*. The Senior Notes contain financial and non-financial covenants, including a minimum cash covenant of \$50.0 million. As of September 30, 2023, we remained in compliance with all covenants under the Senior Notes.

As of September 30, 2023, the estimated fair value of the Senior Notes was approximately \$231.2 million. The Level 3 fair value was estimated based on inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, including our stock price and inputs that are not observable in the market.

Senior Secured Convertible Notes due 2025

The Secured Convertible Notes have quarterly interest payments in cash due on the first day of January, April, July, and October of each year, commencing in October 2023. The holders of the Secured Convertible Notes have the right to convert the notes into shares of our common stock at an initial conversion rate of 512.8205 shares per \$1,000 principal amount of notes (equivalent to a conversion price of approximately \$1.95 per share of common stock) (the "Conversion Price"), subject to adjustment in certain circumstances. The Company will force the holders of the Secured Convertible Notes to convert all of the notes if the trading price of our common stock closes above 300% of the Conversion Price for 20 consecutive trading days and certain other equity conditions are satisfied. Holders of the Secured Convertible Notes may force the Company to redeem the applicable Notes for cash upon (i) a fundamental change or (ii) an event of default. On or after October 1, 2024, the holders of the Secured Convertible Notes may redeem up to the entire principal amount of the notes for a cash purchase price equal to the principal amount of the notes being redeemed, plus accrued and unpaid interest, if the Company's liquidity falls below (a)\$75.0 million, if the Senior Notes are not outstanding at such time, or (b)\$250.0 million, if any of the Senior Notes are outstanding at such time.

Our borrowing obligations under the Secured Convertible Notes are collateralized by a first priority lien on the Company's equity interests in Tellurian Production Holdings and mortgages of the material real property oil and gas assets of Tellurian Production Holdings LLC and its subsidiaries (together, the "Collateral"). Tellurian Production Holdings owns all of the Company's upstream natural gas assets described in Note 3, *Property, Plant and Equipment*. The Collateral will be removed as a secured obligation under the Secured Convertible Notes if the Senior Notes are no longer outstanding. The Secured Convertible Notes contain financial and non-financial covenants, including a minimum cash covenant of \$50.0 million. As of September 30, 2023, we remained in compliance with all covenants under the Secured Convertible Notes.

As of September 30, 2023, the estimated fair value of the Secured Convertible Notes was approximately \$82.1 million. The Level 3 fair value was estimated based on inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, including our stock price and inputs that are not observable in the market.

Replacement Notes Embedded Derivatives

As part of the issuance of the Replacement Notes, the Company agreed to issue an aggregate total of 25.7 million shares of its common stock (the "Share Coupon") to the holders of the Replacement Notes. The Share Coupon is payable quarterly on the first day of January, April, July, and October of each year, commencing on or before October 2023. To the extent that the average daily volume-weighted average price of the common stock of the Company during each quarter is less than \$1.35, the Company will pay a cash amount equal to that difference multiplied by the number of shares issuable for that quarter (the "Cash Shortfall Payments"). Upon any retirement, redemption, or conversion of the Replacement Notes, the Company will issue any and all unpaid Share Coupon plus Cash Shortfall Payments, as applicable (the "Make Whole").

The Company evaluated the potential embedded features within the Replacement Notes host contracts and determined that the Share Coupon, the Cash Shortfall Payments and the Make Whole embedded features required bifurcation as a single unit of account from the Replacement Notes and accounted for them separately at fair value. See Note 8, *Financial Instruments*, for more information on the fair value measurement of the Replacement Notes embedded derivatives.

Senior Unsecured Notes due 2028

On November 10, 2021, we sold in a registered public offering \$50.0 million aggregate principal amount of 8.25% Senior Unsecured Notes due November 30, 2028 (the "Senior Unsecured Notes"). Net proceeds from the Senior Unsecured Notes were approximately \$47.5 million after deducting fees. The underwriter was granted an option to purchase up to an additional \$7.5 million of the Senior Unsecured Notes within 30 days. On December 7, 2021, the underwriter exercised the option and purchased an additional \$6.5 million of the Senior Unsecured Notes resulting in net proceeds of approximately

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

\$6.2 million after deducting fees. The Senior Unsecured Notes have quarterly interest payments due on January 31, April 30, July 31, and October 31 of each year and on the maturity date. As of September 30, 2023, the Company was in compliance with all covenants under the indenture governing the Senior Unsecured Notes. The Senior Unsecured Notes are listed and trade on the NYSE American under the symbol “TELZ,” and are classified as Level 1 within the fair value hierarchy. As of September 30, 2023, the closing market price was \$16.60 per Senior Unsecured Note.

At-the-Market Debt Offering Program

On December 17, 2021, we entered into an at-the-market debt offering program under which the Company may offer and sell, from time to time on the NYSE American, up to an aggregate principal amount of \$200.0 million of additional Senior Unsecured Notes. During the nine months ended September 30, 2022, we sold approximately \$1.2 million aggregate principal amount of additional Senior Unsecured Notes for total proceeds of approximately \$1.1 million after fees and commissions under our at-the-market debt offering program. On December 30, 2022, we terminated the at-the-market debt offering program.

NOTE 8 — FINANCIAL INSTRUMENTS

Natural Gas Financial Instruments

The primary purpose of our commodity risk management activities is to hedge our exposure to cash flow variability from commodity price risk due to fluctuations in commodity prices. The Company may use natural gas financial futures and option contracts to economically hedge the commodity price risks associated with a portion of our expected natural gas production. As of September 30, 2023, there were no open natural gas financial instrument positions.

LNG Financial Futures

During the year ended December 31, 2021, we entered into LNG financial futures contracts to reduce our exposure to commodity price fluctuations and to achieve more predictable cash flows relative to two LNG cargos that we were committed to purchase from and sell to unrelated third-party LNG merchants in the normal course of business in January and April 2022. As of September 30, 2023, there were no open LNG financial instrument positions.

Contingent Consideration

On August 18, 2022, the Company completed the acquisition of certain natural gas assets in the Haynesville Shale basin (the “Asset Acquisition”). The Asset Acquisition included cash consideration payable to the sellers of \$7.5 million (the “Contingent Consideration”) if the average NYMEX Henry Hub gas price for the contract delivery months beginning with August 2022 through March 2023 exceeded a specific threshold (the “Threshold”) per MMBtu. The Threshold was not met and, therefore, the Company is not obligated to pay the Contingent Consideration.

Embedded Derivatives

We evaluate embedded features within a host contract to determine whether they are embedded derivatives that should be bifurcated and carried separately at fair value. Embedded derivatives that are not clearly and closely related to the host contract are bifurcated and recorded at fair value with subsequent changes in fair value recorded in Other income (expense), net in the Company’s Condensed Consolidated Statement of Operations. As described in Note 7, *Borrowings*, we determined that the Replacement Notes contained embedded features which required bifurcation from the host contracts.

The following table presents the classification of the Company’s financial instruments that are required to be measured at fair value on a recurring basis on the Company’s Condensed Consolidated Balance Sheets (in thousands):

Company’s	Condensed	Consolidated	Balance	Sheets	(in	thousands):
				September 30, 2023	December 31, 2022	
Current assets:						
Natural gas financial instruments			\$	—	\$	10,463
LNG financial futures				—		—
Current liabilities:						
Contingent Consideration				—		118
Embedded derivatives				13,268		—
Long-term liabilities:						
Embedded derivatives				22,496		—

The Company’s natural gas financial instruments are valued using quoted prices in active exchange markets as of the balance sheet date and are classified as a Level 1 fair value measurement. The fair value of the Company’s embedded derivatives as of September 30, 2023 was estimated using a Black-Scholes valuation model which is considered to be a Level 3 fair value measurement.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

The following table summarizes the effect of the Company's financial instruments on the Condensed Consolidated Statements of Operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Natural gas financial instruments:				
Realized (loss) gain	\$ —	\$ (12,547)	\$ 23,310	\$ (23,798)
Unrealized loss	—	(390)	(10,463)	(8,701)
LNG financial futures:				
Realized gain	—	—	—	3,532
Unrealized loss	—	—	—	5,161
Contingent Consideration:				
Realized gain	—	—	118	—
Unrealized gain	—	309	—	309
Embedded Derivatives				
Unrealized gain	2,526	—	2,526	—

The following table summarizes changes in the Company's Embedded Derivatives (in thousands):

	Nine Months Ended September 30, 2023
Balance at January 1, 2023	\$ —
Issued	40,878
Settled	(2,588)
Unrealized gain for the period included in earnings	(2,526)
Balance at September 30, 2023	\$ 35,764

NOTE 9 — COMMITMENTS AND CONTINGENCIES

Trade Finance Credit Line

On July 19, 2021, we entered into an uncommitted trade finance credit line for up to \$30.0 million that is intended to finance the purchase of LNG cargos for ultimate resale in the normal course of business. On December 7, 2021, the uncommitted trade finance credit line was amended and increased to \$150.0 million. As of September 30, 2023, no amounts were drawn under this credit line.

Minimum Volume Commitments

The Company is subject to gas gathering commitments with unrelated companies which provide dedicated gathering capacity for a portion of the Upstream segment's Haynesville Shale future natural gas production. The gas gathering agreements may require us to make deficiency payments to the extent the Company does not meet the minimum volume commitments per the terms of each contract. The estimated minimum volume deficiency liability as of September 30, 2023 is approximately \$1.9 million.

NOTE 10 — STOCKHOLDERS' EQUITY

At-the-Market Equity Offering Programs

We maintain at-the-market equity offering programs pursuant to which we sell shares of our common stock from time to time on the NYSE American. During the nine months ended September 30, 2022, we issued 67.7 million shares of our common stock under our at-the-market equity offering programs for net proceeds of approximately \$299.7 million. On December 30, 2022, we terminated the Company's then-existing at-the-market equity offering programs.

On December 30, 2022, we entered into a new at-the-market equity offering program pursuant to which the Company may sell shares of its common stock from time to time on the NYSE American for aggregate sales proceeds of up to \$500.0 million. During the nine months ended September 30, 2023, we issued 36.3 million shares of our common stock under our at-the-market equity offering program for net proceeds of approximately \$46.2 million. See Note 17, *Subsequent Events*, for further information.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

Preferred Stock

In March 2018, we entered into a preferred stock purchase agreement with BDC Oil and Gas Holdings, LLC (“Bechtel Holdings”), a Delaware limited liability company and an affiliate of Bechtel Energy Inc., pursuant to which we sold to Bechtel Holdings approximately 6.1 million shares of our Series C convertible preferred stock (the “Preferred Stock”).

The holders of the Preferred Stock do not have dividend rights but do have a liquidation preference over holders of our common stock. The holders of the Preferred Stock may convert all or any portion of their shares into shares of our common stock on a one-for-one basis. At any time after “Substantial Completion” of “Project 1,” each as defined in and pursuant to the LSTK EPC Agreement for the Driftwood LNG Phase 1 Liquefaction Facility, dated as of November 10, 2017, or at any time after March 21, 2028, we have the right to cause all of the Preferred Stock to be converted into shares of our common stock on a one-for-one basis. The Preferred Stock has been excluded from the computation of diluted loss per share because including it in the computation would have been antidilutive for the periods presented.

NOTE 11 — SHARE-BASED COMPENSATION

We have granted restricted stock and restricted stock units (collectively, “Restricted Stock”), as well as unrestricted stock and stock options, to employees, directors and outside consultants under the Tellurian Inc. 2016 Omnibus Incentive Compensation Plan, as amended (the “2016 Plan”), and the Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan (the “Legacy Plan”). The maximum number of shares of Tellurian common stock authorized for issuance under the 2016 Plan is 40 million shares of common stock, and no further awards can be made under the Legacy Plan.

Upon the vesting of restricted stock, shares of common stock will be released to the grantee. Upon the vesting of restricted stock units, the units will be converted into either cash, stock, or a combination thereof. As of September 30, 2023, there was no Restricted Stock that would be required to be settled in cash.

As of September 30, 2023, we had approximately 26.2 million shares of primarily performance-based Restricted Stock outstanding, of which approximately 14.9 million shares will vest entirely at FID, as defined in the award agreements, and approximately 10.8 million shares will vest in one-third increments at FID and the first and second anniversaries of FID. The remaining shares of primarily performance-based Restricted Stock, totaling approximately 0.5 million shares, will vest based on other criteria. As of September 30, 2023, no expense had been recognized in connection with performance-based Restricted Stock.

As of September 30, 2023, unrecognized compensation expenses, based on the grant date fair value, for all share-based awards totaled approximately \$172.6 million. Further, approximately 26.2 million shares of primarily performance-based Restricted Stock, as well as approximately 10.9 million stock options outstanding, have been excluded from the computation of diluted loss per share because including them in the computation would have been antidilutive for the periods presented.

The Company recognized share-based compensation expenses as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Share-based compensation expense	\$ 196	\$ 1,034	\$ 1,375	\$ 2,753

NOTE 12 — INCENTIVE COMPENSATION PROGRAM

On November 18, 2021, the Company’s Board of Directors approved the adoption of the Tellurian Incentive Compensation Program (the “Incentive Compensation Program” or “ICP”). The ICP allows the Company to award short-term and long-term performance and service-based incentive compensation to full-time employees. ICP awards may be earned with respect to each calendar year and are determined based on guidelines established by the Compensation Committee of the Company’s Board of Directors.

Long-term incentive awards

Long-term incentive (“LTI”) awards under the ICP were granted in January 2022 in the form of “tracking units,” at the discretion of the Compensation Committee of the Company’s Board of Directors (the “2021 LTI Awards”). Each such tracking unit has a value equal to one share of Tellurian common stock and entitles the grantee to receive, upon vesting, a cash payment equal to the closing price of our common stock on the trading day prior to the vesting date. These tracking units will vest in three equal tranches at the grant date and the first and second anniversaries of the grant date. Non-vested 2021 LTI Awards as of September 30, 2023 and awards granted during the period were as follows:

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

	Number of Tracking Units (in thousands)	Price per Tracking Unit
Balance at January 1, 2023	12,719	\$ 1.68
Granted	—	—
Vested	(6,359)	2.13
Forfeited	(368)	1.50
Unvested balance at September 30, 2023	<u>5,992</u>	<u>\$ 1.16</u>

LTI awards under the ICP were granted in February 2023 in the form of “tracking units,” at the discretion of the Compensation Committee of the Company’s Board of Directors (the “2022 LTI Awards”). Each such tracking unit has a value equal to one share of Tellurian common stock and entitles the grantee to receive, upon vesting, a cash payment equal to the closing price of our common stock on the trading day prior to the vesting date. These tracking units will vest in three equal tranches at the grant date and the first and second anniversaries of the grant date.

Non-vested 2022 LTI Awards as of September 30, 2023 and awards granted during the period were as follows:

	Number of Tracking Units (in thousands)	Price per Tracking Unit
Balance at January 1, 2023	—	—
Granted	14,802	\$ 2.10
Vested	(4,934)	1.63
Forfeited	(574)	1.48
Unvested balance at September 30, 2023	<u>9,294</u>	<u>\$ 1.16</u>

We recognize compensation expense for awards with graded vesting schedules over the requisite service periods for each separately vesting portion of the award as if each award was in substance multiple awards. Compensation expense for the first tranche of the 2021 LTI Awards and the 2022 LTI Awards that vested at the grant date was recognized over the performance period when it was probable that the performance condition was achieved. Compensation expense for the second and third tranches of the 2021 LTI Awards and the 2022 LTI Awards is recognized on a straight-line basis over the requisite service period. Compensation expense for unvested tracking units is subsequently adjusted each reporting period to reflect the estimated payout levels based on changes in the Company’s stock price and actual forfeitures.

The Company recognized compensation expense related to the second and third tranches of the 2021 LTI Awards and the 2022 LTI Awards as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
2022 LTI Awards	\$ 1,085	\$ —	\$ 6,064	\$ —
2021 LTI Awards	(298)	2,832	740	17,112

NOTE 13 — INCOME TAXES

Due to our cumulative loss position, historical net operating losses (“NOLs”), and other available evidence related to our ability to generate taxable income, we have recorded a full valuation allowance against our net deferred tax assets as of September 30, 2023 and December 31, 2022. Accordingly, we have not recorded a provision for federal, state or foreign income taxes during the three and nine months ended September 30, 2023.

We experienced ownership changes as defined by Internal Revenue Code (“IRC”) Section 382 in 2017, and an analysis of the annual limitation on the utilization of our NOLs was performed at that time. It was determined that IRC Section 382 will not limit the use of our NOLs over the carryover period. We will continue to monitor trading activity in our shares that may cause an additional ownership change, which may ultimately affect our ability to fully utilize our existing NOL carryforwards.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

NOTE 14 — LEASES

Our Driftwood Project land leases are classified as finance leases and include one or more options to extend the lease term for up to 40 years, as well as to terminate the lease within five years, at our sole discretion. We are reasonably certain that those options will be exercised and that our termination rights will not be exercised, and we have, therefore, included those assumptions within our right of use assets and corresponding lease liabilities. Our other land leases are classified as finance leases and include one or more options to extend the lease term for up to 69 years or to terminate the lease within seven years, at our sole discretion. We are reasonably certain that those options and termination rights will not be exercised, and we have, therefore, excluded those assumptions within our right of use assets and corresponding lease liabilities.

Our office space leases are classified as operating leases and include one or more options to extend the lease term up to 10 years, at our sole discretion. As we are not reasonably certain that those options will be exercised, none are recognized as part of our right of use assets and lease liabilities. As none of our leases provide an implicit rate, we have determined our own discount rate.

The following table shows the classification and location of our right-of-use assets and lease liabilities on our Condensed Consolidated Balance Sheets (in thousands):

Leases	Condensed Consolidated Balance Sheets Classification	September 30, 2023	December 31, 2022
Right of use asset			
Operating	Other non-current assets	\$ 13,628	\$ 13,303
Finance	Property, plant and equipment, net	127,143	56,708
Total leased assets		\$ 140,771	\$ 70,011
Liabilities			
Current			
Operating	Accrued and other liabilities	\$ 3,751	\$ 2,734
Finance	Accrued and other liabilities	858	140
Non-current			
Operating	Other non-current liabilities	11,729	12,148
Finance	Finance lease liabilities	121,675	49,963
Total leased liabilities		\$ 138,013	\$ 64,985

Lease costs recognized in our Condensed Consolidated Statements of Operations is summarized as follows (in thousands):

Lease costs	Nine Months Ended September 30,	
	2023	2022
Operating lease cost	\$ 2,860	\$ 2,247
Finance lease cost		
Amortization of lease assets	2,545	881
Interest on lease liabilities	6,788	2,983
Finance lease cost	9,333	3,864
Total lease cost	\$ 12,193	\$ 6,111

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

Other information about lease amounts recognized in our Condensed Consolidated Financial Statements is as follows:

	September 30, 2023
Lease term and discount rate	
Weighted average remaining lease term (years)	
Operating lease	3.8
Finance lease	36.3
Weighted average discount rate	
Operating lease	6.3 %
Finance lease	8.7 %

The following table includes other quantitative information for our operating and finance leases (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 2,628	\$ 2,545
Operating cash flows from finance leases	5,716	2,868
Financing cash flows from finance leases	344	1

The table below presents a maturity analysis of our lease liability on an undiscounted basis and reconciles those amounts to the present value of the lease liability as of September 30, 2023 (in thousands):

	Operating	Finance
2023	\$ 1,144	\$ 2,623
2024	4,655	10,491
2025	4,710	10,491
2026	4,745	10,491
2027	1,947	10,491
After 2027	275	332,826
Total lease payments	\$ 17,476	\$ 377,413
Less: discount	1,996	254,880
Present value of lease liability	\$ 15,480	\$ 122,533

NOTE 15 — ADDITIONAL CASH FLOW INFORMATION

The following table provides information regarding the net changes in working capital (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Accounts receivable	\$ 53,032	\$ (53,339)
Prepaid expenses and other current assets ¹	(6,382)	(11,326)
Accounts payable	15,479	14,555
Accounts payable due to related parties	55	—
Accrued liabilities ¹	(30,055)	22,477
Other, net	—	831
Net changes in working capital	\$ 32,129	\$ (26,802)

¹ Excludes changes in the Company's derivative assets and liabilities.

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

The following table provides supplemental disclosure of cash flow information (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Non-cash accruals of property, plant and equipment and other non-current assets	\$ 22,380	\$ 47,663

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Condensed Consolidated Balance Sheets that sum to the total of such amounts shown in the Condensed Consolidated Statements of Cash Flows (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Cash and cash equivalents	\$ 59,279	\$ 607,498
Current restricted cash	4,688	12,375
Non-current restricted cash	24,897	24,885
Total cash, cash equivalents and restricted cash per the statements of cash flows	<u>\$ 88,864</u>	<u>\$ 644,758</u>

NOTE 16 — DISCLOSURES ABOUT SEGMENTS AND RELATED INFORMATION

The Upstream segment is organized and operates to produce, gather and deliver natural gas and to acquire and develop natural gas assets. The Midstream segment is organized to develop, construct and operate LNG terminals and pipelines. The Marketing & Trading segment is organized and operates to purchase and sell natural gas produced primarily by the Upstream segment, market the Driftwood terminal's LNG production capacity and trade LNG. These operating segments represent the Company's reportable segments. The remainder of our business is presented as "Corporate," and consists of corporate costs and intersegment eliminations. The Company's Chief Operating Decision Maker does not currently assess segment performance or allocate resources based on a measure of total assets. Accordingly, a total asset measure has not been provided for segment disclosure.

Three Months Ended September 30, 2023	Upstream	Midstream	Marketing & Trading	Corporate	Consolidated
Revenues from external customers ⁽¹⁾	\$ 4,215	\$ —	\$ 39,035	\$ —	\$ 43,250
Intersegment revenues (purchases) ⁽²⁾⁽³⁾	39,035	(2,297)	(35,584)	(1,154)	—
Segment operating loss ⁽⁴⁾	(12,553)	(12,497)	(2,471)	(6,862)	(34,383)
Interest income (expense), net	366	(252)	2	(4,108)	(3,992)
Loss on extinguishment of debt, net	—	—	—	(29,473)	(29,473)
Other (expense) income, net	—	—	(9)	2,440	2,431
Consolidated loss before tax					<u>\$ (65,417)</u>

Three Months Ended September 30, 2022	Upstream	Midstream	Marketing & Trading	Corporate	Consolidated
Revenues from external customers ⁽¹⁾	\$ 14,205	\$ —	\$ 66,898	\$ —	\$ 81,103
Intersegment revenues (purchases) ⁽²⁾⁽³⁾	66,900	(578)	(68,217)	1,895	—
Segment operating profit (loss) ⁽⁴⁾	40,071	(19,297)	(11,042)	(4,303)	5,429
Interest expense, net	—	(994)	—	(5,950)	(6,944)
Other income (expense), net	309	—	(12,937)	(90)	(12,718)
Consolidated loss before tax					<u>\$ (14,233)</u>

Tellurian Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)

Nine Months Ended September 30, 2023	Upstream	Midstream	Marketing & Trading	Corporate	Consolidated
Revenues from external customers ⁽¹⁾	\$ 13,849	\$ —	\$ 112,323	\$ —	\$ 126,172
Intersegment revenues (purchases) ⁽²⁾⁽³⁾	112,323	(5,417)	(101,564)	(5,342)	—
Segment operating loss ⁽⁴⁾	(44,238)	(46,493)	(8,145)	(25,402)	(124,278)
Interest income (expense), net	943	(755)	6	(12,378)	(12,184)
Loss on extinguishment of debt, net	—	—	—	(32,295)	(32,295)
Other income (expense), net	1,193	—	12,808	2,227	16,228
Consolidated loss before tax					<u>\$ (152,529)</u>

Nine Months Ended September 30, 2022	Upstream	Midstream	Marketing & Trading	Corporate	Consolidated
Revenues from external customers ⁽¹⁾	\$ 15,620	\$ —	\$ 273,773	\$ —	\$ 289,393
Intersegment revenues (purchases) ⁽²⁾⁽³⁾	152,824	(808)	(141,385)	(10,631)	—
Segment operating profit (loss) ⁽⁴⁾	83,170	(57,098)	(25,093)	(30,098)	(29,119)
Interest expense, net	—	(2,984)	(455)	(10,351)	(13,790)
Other income (expense), net	309	—	(38,695)	420	(37,966)
Consolidated loss before tax					<u>\$ (80,875)</u>

⁽¹⁾ The Marketing & Trading segment markets to third party-purchasers most of the Company's natural gas production from the Upstream segment.

⁽²⁾ The Marketing & Trading segment purchases most of the Company's natural gas production from the Upstream segment. Intersegment revenues are eliminated at consolidation.

⁽³⁾ Intersegment revenues related to the Marketing & Trading segment are a result of cost allocations to the Corporate component using a cost plus transfer pricing methodology. Intersegment revenues related to the Corporate component are associated with intercompany interest charged to the Midstream segment. Intersegment revenues are eliminated at consolidation.

⁽⁴⁾ Operating profit (loss) is defined as operating revenues less operating costs and allocated corporate costs.

Capital expenditures	Nine Months Ended September 30,	
	2023	2022
Upstream	\$ 106,378	\$ 236,558
Midstream	168,210	137,205
Marketing & Trading	490	—
Total capital expenditures for reportable segments	<u>275,078</u>	<u>373,763</u>
Corporate capital expenditures	2,300	1,278
Consolidated capital expenditures	<u>\$ 277,378</u>	<u>\$ 375,041</u>

NOTE 17 — SUBSEQUENT EVENTS

At-the-Market Program

Subsequent to September 30, 2023, and through the date of this filing, we issued approximately 33.5 million shares of our common stock under our at-the-market equity offering program for net proceeds of approximately \$25.7 million. As of the date of this filing, we have availability to raise aggregate gross sales proceeds of approximately \$425.8 million under this at-the-market equity offering program.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The following discussion and analysis presents management's view of our business, financial condition and overall performance and should be read in conjunction with our Condensed Consolidated Financial Statements and the accompanying notes. This information is intended to provide investors with an understanding of our past development activities, current financial condition and outlook for the future organized as follows:

- Our Business
- Overview of Significant Events
- Liquidity and Capital Resources
- Capital Development Activities
- Results of Operations
- Recent Accounting Standards

Our Business

Tellurian Inc. ("Tellurian," "we," "us," "our," or the "Company"), a Delaware corporation, is a Houston-based company that is developing and plans to operate a portfolio of natural gas, LNG marketing, and infrastructure assets that includes an LNG terminal facility (the "Driftwood terminal"), related pipelines and upstream natural gas assets (collectively referred to as the "Business"). The Driftwood terminal and related pipelines are collectively referred to as the "Driftwood Project." As of September 30, 2023, our upstream natural gas assets consisted of 31,149 net acres and interests in 159 producing wells located in the Haynesville Shale trend of northern Louisiana. Our Business may be developed in phases.

As part of our execution strategy, which includes increasing our asset base, we will consider various commercial arrangements with third parties across the natural gas value chain. We are also pursuing activities such as direct sales of LNG to global counterparties, trading of LNG, the acquisition of additional upstream acreage and drilling of new wells on our existing upstream acreage. We remain focused on the financing and construction of the Driftwood Project while managing our marketing & trading operations and upstream assets.

We manage and report our operations in three reportable segments. The Upstream segment is organized and operates to produce, gather, and deliver natural gas and to acquire and develop natural gas assets. The Midstream segment is organized to develop, construct and operate LNG terminals and pipelines. The Marketing & Trading segment is organized and operates to purchase and sell natural gas produced primarily by the Upstream segment, market the Driftwood terminal's LNG production capacity and trade LNG.

We continue to evaluate the scope and other aspects of our Business in light of the evolving economic environment, dynamics of the global political landscape, needs of potential counterparties and other factors. How we execute our Business will be based on a variety of factors, including the results of our continuing analysis, changing business conditions and market feedback.

Overview of Significant Events

Debt Refinancing

On August 15, 2023, we issued and sold \$250.0 million aggregate principal amount of 10% Senior Secured Notes due October 1, 2025 (the "Senior Notes") and approximately \$83.3 million aggregate principal amount of 6% Secured Convertible Notes (the "Secured Convertible Notes") due October 1, 2025 (collectively the "Replacement Notes"). The issuance of the Replacement Notes resulted in the satisfaction and discharge of the Company's outstanding principal repayment obligation under the Extinguished Convertible Notes.

Liquidity and Capital Resources

Capital Resources

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents. We are currently funding our operations, development activities and general working capital needs through our cash on hand and the combined proceeds generated by debt and equity issuances, upstream operations and the sale of common stock under our at-the-market equity offering program. We currently maintain an at-the-market equity offering program pursuant to which we may sell our common stock from time to time. As of the date of this filing, we have availability to raise aggregate gross sales proceeds of approximately \$425.8 million under this at-the-market equity offering program.

Tellurian Inc. and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations

As of September 30, 2023, we had total borrowing obligations of approximately \$391.0 million. Certain of our borrowing obligations require us to maintain a minimum cash covenant of \$50.0 million. We also had contractual obligations associated with our finance and operating leases totaling approximately \$394.9 million, of which approximately \$15.1 million is scheduled to be paid within the next twelve months. The partial redemption of the Extinguished Convertible Notes, continued expenses associated with the construction of the Driftwood Project, the development of natural gas properties and declines in natural gas prices have significantly reduced our cash on hand. Our current capital resources consist of approximately \$59.3 million of cash and cash equivalents and approximately \$23.7 million of accounts receivable, which we project will not be sufficient to satisfy our obligations, fund our working capital needs and allow us to remain compliant with debt covenants and liquidity thresholds for twelve months after the date the Condensed Consolidated Financial Statements are issued. These conditions raise substantial doubt about our ability to continue as a going concern within one year after the date that the financial statements are issued.

We plan to mitigate these conditions by generating additional proceeds from various other potential financing transactions, such as issuances of equity, equity-linked and debt securities, or similar transactions, managing certain operating and overhead costs, refinancing the Replacement Notes, offering equity interests in the Driftwood Project and, if necessary, exploring opportunities to monetize all or a portion of our upstream natural gas assets (collectively "Management's Plans"). The Company's ability to effectively implement Management's Plans, should the Company choose to do so, is subject to numerous risks and uncertainties, including risks associated with market demand for our equity and debt securities, commodity prices and other factors affecting natural gas markets. As of the date of this filing, Management's Plans have not been implemented to alleviate the conditions which raise substantial doubt.

We remain focused on the financing and construction of the Driftwood Project while managing our marketing & trading operations and upstream assets.

Sources and Uses of Cash

The following table summarizes the sources and uses of our cash and cash equivalents and costs and expenses for the periods presented (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Cash used in operating activities	\$ (2,708)	\$ (65,719)
Cash used in investing activities	(295,377)	(386,130)
Cash (used in) provided by financing activities	(121,519)	789,333
Net (decrease) increase in cash, cash equivalents and restricted cash	(419,604)	337,484
Cash, cash equivalents and restricted cash, beginning of the period	508,468	307,274
Cash, cash equivalents and restricted cash, end of the period	<u>\$ 88,864</u>	<u>\$ 644,758</u>
Net working capital	\$ (59,976)	\$ 371,009

Cash used in operating activities for the nine months ended September 30, 2023 decreased by approximately \$63.0 million compared to the same period in 2022 primarily due to net changes in the Company's working capital from December 31, 2022. For further information regarding the net changes in the Company's working capital, see Note 15, *Additional Cash Flow Information*, of our Notes to the Condensed Consolidated Financial Statements.

Cash used in investing activities for the nine months ended September 30, 2023 decreased by approximately \$90.8 million compared to the same period in 2022. This decrease was primarily due to decreased acquisition and development of natural gas properties of approximately \$107.0 million in the current period, as compared to approximately \$236.6 million in the prior period. The decrease was partially offset by the funding of Driftwood Project construction activities of approximately \$168.2 million in the current period, as compared to approximately \$117.8 million of funding of Driftwood Project construction activities and land purchases and land improvements of approximately \$19.4 million in the prior period.

Cash (used in) provided by financing activities for the nine months ended September 30, 2023 decreased by approximately \$910.9 million compared to the same period in 2022. This decrease is primarily due to approximately \$166.7 million in borrowing principal repayments in the current period as compared to \$489.7 million in net proceeds from borrowing issuances in the prior period. The decrease is also due to approximately \$46.2 million in net proceeds from equity issuances as compared to approximately \$299.7 million in the prior period. See Note 7, *Borrowings* and Note 10, *Stockholders' Equity*, of our Notes to the Condensed Consolidated Financial Statements for additional information about our financing activities.

Tellurian Inc. and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations

Capital Development Activities

The activities we have proposed will require significant amounts of capital and are subject to completion risks and delays. We have received all regulatory approvals for the construction of Phase 1 of the Driftwood terminal and, as a result, our business success will depend to a significant extent upon our ability to obtain the funding necessary to construct assets on a commercially viable basis and to finance the costs of staffing, operating and expanding our company during that process. In March 2022, we issued a limited notice to proceed to Bechtel Energy Inc. under our Phase 1 EPC Agreement and commenced the construction of Phase 1 of the Driftwood terminal in April 2022.

We currently estimate the total cost of the Driftwood Project to be approximately \$25.0 billion, including owners' costs, transaction costs and contingencies but excluding interest costs incurred during construction and other financing costs. The proposed Driftwood terminal will have a liquefaction capacity of up to approximately 27.6 Mtpa and will be situated on approximately 1,200 acres in Calcasieu Parish, Louisiana. The proposed Driftwood terminal will include up to 20 liquefaction Trains, three full containment LNG storage tanks and three marine berths.

Our strategy involves acquiring additional natural gas properties, including properties in the Haynesville Shale basin. We intend to pursue potential acquisitions of such assets, or public or private companies that own such assets. We expect to use stock, cash on hand, or cash raised in financing transactions to complete an acquisition of this type.

We anticipate funding our more immediate liquidity requirements for the construction of the Driftwood terminal, natural gas activities, and general and administrative expenses through the use of cash on hand, proceeds from operations, and proceeds from completed and future issuances of securities by us. Investments in the construction of the Driftwood terminal and natural gas development are and will continue to be significant, but the size of those investments will depend on, among other things, commodity prices, Driftwood Project financing developments and other liquidity considerations, and our continuing analysis of strategic risks and opportunities. Consistent with our overall financing strategy, the Company has considered, and in some cases discussed with investors, various potential financing transactions, including issuances of debt, equity and equity-linked securities or similar transactions, to support its capital requirements. The Company will continue to evaluate its cash needs and business outlook, and it may execute one or more transactions of this type in the future.

Results of Operations

The following table summarizes revenue, costs and expenses for the periods presented (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Natural gas sales	\$ 43,250	\$ 81,103	\$ 126,172	\$ 168,442
LNG sales	—	—	—	120,951
Total revenue	43,250	81,103	126,172	289,393
Operating expenses	21,754	8,428	60,047	18,536
LNG cost of sales	—	—	—	131,663
Development expenses	10,042	12,891	33,629	48,244
Depreciation, depletion and amortization	23,661	12,860	71,058	22,735
General and administrative expenses	22,176	41,495	85,716	97,334
(Loss) income from operations	(34,383)	5,429	(124,278)	(29,119)
Interest expense, net	(3,992)	(6,944)	(12,184)	(13,790)
Loss on extinguishment of debt, net	(29,473)	—	(32,295)	—
Other income (expense), net	2,431	(12,718)	16,228	(37,966)
Income tax	—	—	—	—
Net loss	\$ (65,417)	\$ (14,233)	\$ (152,529)	\$ (80,875)

The most significant changes affecting our results of operations for the three months ended September 30, 2023, compared to the same period in 2022, on a consolidated basis and by segment, are the following:

Upstream

- Decrease of approximately \$37.9 million in Natural gas sales as a result of decreased realized natural gas prices partially offset by increased production volumes attributable to the acquisition of natural gas properties in 2022 and newly drilled and completed wells during 2023 and 2022.

Tellurian Inc. and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations

- Increase of approximately \$13.3 million in Operating expenses as a result of increased production volumes and approximately \$3.2 million of natural gas drilling rig standby costs incurred during the current period.
- Increase of approximately \$10.8 million in DD&A due to the acquisition of natural gas properties in 2022, increased capital expenditures during 2022 and 2023 and increased natural gas production volumes during the current period.

Consolidated

- Decrease of approximately \$19.3 million in General and administrative expenses primarily attributable to decreased compensation expenses in the current period and the accrual of a \$9.0 million donation to a university for global energy research in the prior period.
- Increase of approximately \$15.1 million in Other income (expense), net primarily attributable to approximately \$2.5 million of unrealized gains on embedded derivative liabilities in the current period as compared to \$12.5 million of realized loss on natural gas financial instruments in the prior period.
- Increase of approximately \$29.5 million in Loss on extinguishment of debt, net due to the extinguishment of the Company's Extinguished Convertible Notes and issuance of the Replacement Notes.

Primarily as a result of the foregoing, our consolidated Net loss was approximately \$65.4 million for the three months ended September 30, 2023, compared to a Net loss of approximately \$14.2 million during the same period in 2022.

The most significant changes affecting our results of operations for the nine months ended September 30, 2023 compared to the same period in 2022, on a consolidated basis and by segment, are the following:

Upstream

- Decrease of approximately \$42.3 million in Natural gas sales as a result of decreased realized natural gas prices partially offset by increased production volumes attributable to the acquisition of natural gas properties in 2022 and newly drilled and completed wells during 2023 and 2022.
- Increase of approximately \$41.5 million in Operating expenses primarily as a result of increased natural gas production volumes and approximately \$6.9 million of natural gas drilling rig standby costs incurred during the current period.
- Increase of approximately \$48.3 million in DD&A primarily attributable to a higher asset net book value utilized in the calculation of DD&A due to the acquisition of natural gas properties in 2022, increased capital expenditures during 2022 and 2023 and increased natural gas production volumes during the current period.

Marketing & Trading

- Decrease of approximately \$121.0 million and approximately \$131.7 million in LNG sales and LNG cost of sales, respectively, as a result of the absence of an LNG cargo that was sold during the first quarter of 2022.

Midstream

- Decrease of approximately \$14.6 million in Development expenses primarily attributable to the capitalization of directly identifiable Driftwood Project costs as construction in progress during the current period, which were expensed in the prior period and \$6.2 million in the cost of land and roads donated for public use in the state of Louisiana in the prior period.

Consolidated

- Decrease of approximately \$11.6 million in General and administrative expenses primarily attributable to decreased compensation expenses in the current period and the accrual of a \$9.0 million donation to a university for global energy research in the prior period.
- Increase of approximately \$32.3 million in Loss on extinguishment of debt, net due primarily to the extinguishment of the Company's Extinguished Convertible Notes and issuance of the Replacement Notes, which resulted in a loss of approximately \$29.5 million in the current period.
- Increase of approximately \$54.2 million in Other income (expense), net primarily attributable to approximately \$23.3 million of realized gains on the settlement of natural gas financial instruments and \$10.5 million of unrealized loss on natural gas financial instruments due to changes in the fair value of the Company's derivative instruments during the current period as compared to \$23.8 million of realized loss and \$8.7 million of unrealized loss on natural gas financial instruments in the prior period.

As a result of the foregoing, our consolidated Net loss was approximately \$152.5 million for the nine months ended September 30, 2023, compared to a Net loss of approximately \$80.9 million during the same period in 2022.

Tellurian Inc. and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations

Recent Accounting Standards

We do not believe that any recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on our Condensed Consolidated Financial Statements or related disclosures.

Critical Accounting Estimates

There were no changes made by management to the critical accounting policies in the three months ended September 30, 2023. Please refer to the Summary of Critical Accounting Estimates section within Management's Discussion and Analysis and Note 2 to the Consolidated Financial Statements of our Annual Report on Form 10-K for the year ended December 31, 2022 for a discussion of our critical accounting estimates and accounting policies.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of September 30, 2023, there were no open natural gas financial instrument positions. Accordingly, we do not believe that we hold, or are party to, instruments that are subject to market risks that are material to our Business. Refer to Note 8, *Financial Instruments*, of the Condensed Consolidated Financial Statements included in this Quarterly Report for additional details about our financial instruments.

ITEM 4. CONTROLS AND PROCEDURES

As indicated in the certifications in Exhibits 31.1 and 31.2 to this report, our Chief Executive Officer and Chief Financial Officer have evaluated our disclosure controls and procedures as of September 30, 2023. Based on that evaluation, these officers have concluded that our disclosure controls and procedures are effective in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to them in a manner that allows for timely decisions regarding required disclosures and are effective in ensuring that such information is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. There were no changes during our last fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in Part I, Item 1A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and Part II, Item 1A, of our Quarterly Report on Form 10-Q for the quarterly periods ended March 31, 2023 and June 30, 2023, other than as follows:

There is substantial doubt about our ability to continue as a going concern.

To date, we have been meeting our liquidity needs primarily from cash on hand and the combined proceeds generated by debt and equity issuances, upstream operations, and the sale of common stock under our at-the-market equity offering programs. As of September 30, 2023, we had approximately \$59.3 million in cash and cash equivalents, which we expect will not be sufficient to satisfy our obligations and fund our working capital needs for the next twelve months. The Replacement Notes contain financial and non-financial covenants, including a minimum cash covenant of \$50.0 million. We estimate that our cash and cash equivalents balance was approximately \$83.0 million as of October 31, 2023. Notwithstanding October's estimated higher cash balance over the prior month, there is substantial doubt about our ability to continue as a going concern.

We continue to evaluate ways to generate additional proceeds from potential financing transactions, including but not limited to issuances of equity, equity-linked and debt securities or similar transactions, managing certain operating and overhead costs, refinancing the Replacement Notes, offering equity interests in the Driftwood Project and, if necessary, exploring opportunities to monetize all or a portion of our Upstream natural gas assets ("Management's Plans"), to fund our obligations and working capital needs. Our ability to implement Management's Plans, if we elect to do so, is subject to numerous risks and uncertainties, including risks associated with market demand for our equity and debt securities, commodity prices and other factors affecting natural gas markets. As such, there can be no assurance that we will be able to implement Management's Plans or otherwise obtain additional liquidity or refinance existing indebtedness on acceptable terms or at all.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Recent Sales of Unregistered Securities

None that occurred during the three months ended September 30, 2023, that was not previously included in a Current Report on Form 8-K of the Company.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None that occurred during the three months ended September 30, 2023.

ITEM 5. OTHER INFORMATION

Insider Trading Arrangements and Policies

During the three months ended September 30, 2023, none of our directors or executive officers adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (as such terms are defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

Exhibit No.	Description
4.1	Indenture, dated as of June 3, 2022, by and between Tellurian Inc., as issuer, and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 3, 2022)
4.2	Fifth Supplemental Indenture, dated as of July 14, 2023, by and between Tellurian Inc., as issuer, and Wilmington Trust, National Association, as trustee, relating to the 6.00% Senior Secured Convertible Notes due 2025 (incorporated by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K filed on July 17, 2023)
4.3	Sixth Supplemental Indenture, dated as of July 28, 2023, by and between Tellurian Inc., as issuer, and Wilmington Trust, National Association, as trustee, relating to the 6.00% Senior Secured Convertible Notes due 2025 (incorporated by reference to Exhibit 4.7 to the Company's Current Report on Form 8-K filed on July 31, 2023)
4.4	Seventh Supplemental Indenture, dated as of August 6, 2023, by and between Tellurian Inc., as issuer, and Wilmington Trust, National Association, as trustee, relating to the 6.00% Senior Secured Convertible Notes due 2025 (incorporated by reference to Exhibit 4.8 to the Company's Current Report on Form 8-K filed on August 7, 2023)
4.5	Eighth Supplemental Indenture, dated as of August 15, 2023, by and among Tellurian Inc., as issuer, and Wilmington Trust, National Association, as trustee, and the collateral agent named therein, relating to the 10.00% Senior Secured Notes due 2025 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on August 15, 2023)
4.6	Ninth Supplemental Indenture, dated as of August 15, 2023, by and among Tellurian Inc., as issuer, and Wilmington Trust, National Association, as trustee, and the collateral agent named therein, relating to the 6.00% Senior Secured Convertible Notes due 2025 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on August 15, 2023)
4.7	Form of 10.00% Senior Secured Note due 2025 (included as Exhibit A to Exhibit 4.5)
4.8	Form of 6.00% Senior Secured Convertible Note due 2025 (included as Exhibit A to Exhibit 4.6)
10.1*	Commitment Letter, dated as of July 18, 2023, by and between Tellurian Inc. and Blue Owl Real Estate Fund VI OP LP
10.2‡	Securities Purchase Agreement, dated as of August 8, 2023, by and between Tellurian Inc. and the investor named therein (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023)
10.3	Redemption Letter Agreement, dated as of August 8, 2023, by and among Tellurian Inc. and the other parties named therein (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023)
10.4*	Form of Warrant to Purchase Common Stock
31.1*	Certification by Chief Executive Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act
31.2*	Certification by Chief Financial Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act
32.1**	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, formatted in Inline XBRL

* Filed herewith.

** Furnished herewith.

‡ Certain schedules or similar attachments to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The registrant hereby agrees to furnish supplementally to the Securities and Exchange Commission upon request a copy of any omitted schedule or attachment to this exhibit.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TELLURIAN INC.

Date:	November 2, 2023	By:	<u>/s/ Simon G. Oxley</u> Simon G. Oxley Chief Financial Officer (as Principal Financial Officer) Tellurian Inc.
	November 2, 2023	By:	<u>/s/ Khaled A. Sharafeldin</u> Khaled A. Sharafeldin Chief Accounting Officer (as Principal Accounting Officer) Tellurian Inc.

July 18, 2023

Re: Commitment to Purchase and Leaseback – Tellurian Inc. Driftwood LNG Land (the “Property”)

To: Mr. Charif Souki

Executive Chairman of the Board
Tellurian Inc.

Dear Mr. Souki,

Blue Owl Real Estate Fund VI OP LP (or its affiliates, together with a special purpose entity formed by such entity or its affiliates under common control, “Purchaser”, “we”, “our” or “us”) is pleased to present Tellurian Inc., a Delaware corporation (collectively, and together with their affiliates, “Tellurian”, “you” or “your”) with this commitment to consummate a sale-leaseback transaction with Tenant (as defined in the Term Sheet (defined below)) and its applicable affiliates (the “Sale-Leaseback Transaction”) for land totaling 200 acres owned by, and 600 acres leased by Driftwood LNG LLC (“Seller”) located in Lake Charles, Louisiana (the “Property”), substantially on the terms and conditions set forth in this commitment letter (this “Commitment”), including the Term Sheet attached hereto as Exhibit A (the “Term Sheet”).

A. About Blue Owl Real Estate

Blue Owl Real Estate is a leading global real estate investment firm focused on acquiring properties net-leased to investment grade and creditworthy tenants. Blue Owl Real Estate’s investment funds currently have \$30 billion of discretionary acquisition and co-investment capacity. Blue Owl Real Estate specializes in providing flexible capital solutions to a variety of organizations including corporations, healthcare systems, universities and government entities.

Blue Owl Real Estate is currently deploying capital for its sixth value-add, closed-end real estate fund, a core-plus, open-end real estate fund, and a non-traded Real Estate Investment Trust, predominantly into sale-leaseback and build-to-suit transactions. In 2022, Blue Owl Real Estate deployed approximately \$5.2 billion of capital, making it the second-largest acquirer of commercial real estate in North America.

Blue Owl Real Estate manages funds for a diversified mix of major public and corporate pension plans and private endowments such as Chicago Teachers’ Pension Fund, Municipal Employees’ Retirement System of Michigan, Pennsylvania State Employees’ Retirement System, and many more.

B. Commitment; Purchase Price; Conditions Precedent

1. Commitment; Purchase Price. During the Commitment Period (defined below), and subject to the terms and conditions hereof, Purchaser hereby irrevocably commits and agrees to acquire the Property consistent with the provisions set forth in the Term Sheet and the Purchase Agreement (defined below) for a purchase price of \$1.0 billion (the “Purchase Price”). This Commitment shall expire and be of no further force or effect (other than the provisions hereof that expressly survive termination or expiration hereof) upon the expiration of the Commitment Period (defined below).

2. Commitment Period. The Commitment Period shall commence upon the date hereof and terminate upon the earliest to occur of (i) one hundred eighty (180) days following the date hereof, (ii) the termination of this Commitment in accordance with the terms hereof, and (iii) the termination of the Purchase Agreement (such period, the “Commitment Period”). After any expiration or termination of the Commitment Period as set forth above, Purchaser shall not have any further obligation to consummate the Sale-Leaseback Transaction or have any further liability or obligation to you hereunder, except as otherwise expressly set forth herein.
3. Conditions Precedent. Purchaser’s commitment to consummate the Sale-Leaseback Transaction is subject to the satisfaction of the following conditions precedent during the Commitment Period:
 - (a) the negotiation, execution and delivery of a purchase and sale agreement (the “Purchase Agreement”) for the purchase and sale of the Property, consistent with the provisions set forth in this Commitment and the Term Sheet, and satisfaction of all conditions precedent to Purchaser’s obligation to consummate the Sale-Leaseback Transaction set forth in the Purchase Agreement and the Lease;
 - (b) (i) identification to Purchaser of the “Contingent Guarantors”, who must hold an investment grade rating of BBB or higher, or attain an equivalent shadow credit rating; and (ii) Purchaser’s approval, in its sole discretion, of the Contingent Guarantors after satisfactory completion of a comprehensive review of the Tenant’s and Contingent Guarantors’ audited financials;
 - (c) (i) the execution and delivery of the Lease, substantially in the form agreed by the parties and including the terms set forth in Exhibit “A” of the Term Sheet and (ii) the execution and delivery of the guarantee from the Contingent Guarantors jointly and severally guaranteeing the payment and performance of the Tenant’s obligations under the Lease, in form and substance acceptable to Purchaser and Contingent Guarantors;
 - (d) (i) Purchaser’s receipt of a title insurance policy issued by a nationally-recognized title insurance company, in the amount of the Purchase Price, showing only the Permitted Encumbrances (as defined on Exhibit B attached hereto), (ii) Purchaser’s receipt of an ALTA survey that is sufficient for the title insurer to remove the general survey exception in the title insurance policy and does not disclose any material and adverse matters to the value of the Property, except for Permitted Encumbrances (provided that the location of any such Permitted Encumbrances as shown on such survey may constitute such a material and adverse matter), (iii) Purchaser’s receipt of a customary zoning report indicating that (x) the Property is in material compliance with applicable zoning laws and ordinances governing the occupancy, use, and operation of the Property (for the avoidance of doubt a building, fire or other code violation shall not be deemed to cause the Property not to be in material compliance) and (y) if applicable, any non-conforming use or structure constitutes a legal non-conforming use or structure, and (iv) Purchaser’s receipt of a Phase I environmental site assessment with respect to the Property that does not identify any (A) hazardous substances or petroleum products in, on, or at a

Property due to release to the environment, under conditions indicative of a release to the environment, or under conditions that pose a material threat of a future release to the environment, or (B) other adverse environmental matters with respect to the Property; and

- (e) Evidence acceptable to Purchaser in its sole discretion that Tellurian or its affiliates have secured equity and debt commitments from other capital sources in a sufficient amount with respect to the development of the Driftwood project

If any one or more of the foregoing conditions precedent is not satisfied as of the consummation of the Sale-Leaseback Transaction, then (a) Purchaser may elect to waive (in writing) such condition and proceed with the consummation of the Sale-Leaseback Transaction, or (b) Purchaser shall not be required to consummate the Sale-Leaseback Transaction and this Commitment shall be terminated and of no further force or effect.

- 4. Closing: The closing of the Sale-Leaseback Transaction will occur in accordance with the Purchase Agreement.

C. Confidentiality and Exclusivity

- 1. Confidentiality. This Commitment shall be subject to, and shall constitute “Confidential Information” under that certain Confidentiality Agreement, dated as of February 15, 2023, between Tellurian and Blue Owl Real Estate Capital LLC (f/k/a Oak Street Real Estate Capital, LLC) (the “Confidentiality Agreement”). Notwithstanding the foregoing, (i) Tellurian may disclose the existence and execution (and, if applicable, termination) of this Commitment in a filing with the SEC and to prospective investors in the Sale-Leaseback Transaction, provided that no such disclosure shall refer in any manner to Blue Owl Real Estate or its affiliates nor include a copy of this Commitment or any portion hereof (redacted or otherwise) as an exhibit without Purchaser’s prior written consent in its sole and absolute discretion, and, (ii) if this Commitment has not been terminated by the date on which Tellurian files its report on Form 10-Q for the quarter ending September 30, 2023, Tellurian may file this Commitment with such report, to the extent required by applicable laws, rules and regulations. Except as expressly set forth in the foregoing clauses (i) and (ii), Tellurian shall not (and shall cause its affiliates not to) make any press release or other public disclosure regarding this Commitment or the transaction contemplated hereby without Purchaser’s prior written consent in its sole and absolute discretion. The provisions of this paragraph shall survive termination of this Commitment.
- 2. Exclusivity. During the period commencing upon the date hereof and terminating upon the date that is one (1) year after the date hereof (the “Exclusivity Period”), you and your affiliates, and your and your affiliates’ respective directors, employees, officers, partners with respect to the Property (e.g., joint venture partners), and principals (collectively, the “Tellurian Parties”) will negotiate exclusively with Purchaser with respect to the Sale-Leaseback Transaction on the terms set forth herein and in the Term Sheet and will not solicit, accept, negotiate, provide information for, or otherwise pursue or respond to (other than to reject), any offers for the sale and leaseback of, or substantially similar transaction with respect to, the Property.

D. Break Fee.

1. **Seller's Failure to Consummate with Purchaser.** If, during the Exclusivity Period, (i) you breach the provisions of Section C.2 above or (ii) you consummate, or enter into a binding agreement to consummate, a sale-leaseback transaction or any equity or debt investment or financing or similar transaction with respect to, or otherwise in connection with or related to a final investment decision (or similar final decision to move forward with the construction) of, the Driftwood project (whether or not secured directly or indirectly by the Property or the direct or indirect owners of the Property or any interest therein) with a party other than Purchaser (a "Restricted Transaction"), and you do not enter into the Sale-Leaseback Transaction with Purchaser, then, upon such breach of the provisions of Section C.2 above or the consummation of such Restricted Transaction (as applicable), you will be obligated to pay to Purchaser a fee in an amount equal to three percent (3%) of the Purchase Price (the "Break Fee"). Tellurian's obligation to pay the Break Fee shall survive the termination or expiration of this Commitment. The parties acknowledge that Purchaser's damages would be difficult to determine and that the Break Fee set forth above is a reasonable estimate of the damages resulting from a breach by the Tellurian Parties of Section C.2 above or the occurrence of a Restricted Transaction (as applicable).
2. **Purchaser's Failure to Consummate.** If all conditions precedent to Purchaser's obligation to consummate the Sale-Leaseback Transaction during the Commitment Period are satisfied or waived in writing by Purchaser, and Purchaser fails to fund the Purchase Price in accordance with the terms of the Purchase Agreement, then Purchaser shall pay the Break Fee to Tellurian within five (5) business days after the earlier of (i) delivery of notice to Seller that Purchaser does not intend to consummate the Sale-Leaseback Transaction, or (ii) the closing date under the Purchase Agreement. Purchaser's obligation to pay the Break Fee shall survive the termination or expiration of this Commitment.

E. Miscellaneous.

1. **Prior Discussions.** This Commitment (and the Term Sheet) supersedes all prior discussions, agreements, commitments, arrangements, negotiations or understandings, whether oral or written, of the parties with respect thereto.
2. **Governing Law; Disputes.** This Commitment (and the Term Sheet) shall be governed by the law of the State of New York. If this Commitment becomes the subject of a dispute, each of the parties hereto hereby waives trial by jury. This Commitment may be amended, modified or waived only in a writing signed by each of the parties hereto.
3. **No Assignment.** This Commitment shall not be assigned by any party without the prior written consent of the other party, provided that any purported assignment by any party of this Commitment in contravention of this clause shall be null and void, provided further that (i) Tellurian may assign this Commitment (including the Term Sheet) to one or more of its affiliates without Purchaser's consent, provided Tellurian is not released from its obligations hereunder and (ii) Purchaser may assign this Commitment (including the Term Sheet) to one or more of its affiliates without Tellurian's consent, provided Purchaser is not released from its obligations hereunder.

4. Counterparts. This Commitment may be signed in multiple counterparts and may be delivered by facsimile or in PDF by electronic mail, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
5. No Third Party Beneficiary. This Commitment is made solely for your benefit and Purchaser and its affiliates' benefit and is not for the benefit of, and may not be relied upon by, any other person or entity.
6. Good Faith Efforts. If the terms of this Commitment are accepted as provided herein, you and Purchaser shall endeavor in good faith to consummate the Sale-Leaseback Transaction in accordance with the terms hereof and the Purchase Agreement.
7. Brokers. Tellurian represents to Purchaser that it has not contracted with, nor does it know of, any broker who has participated in the transactions contemplated by this Commitment except B. Riley Securities, Inc. ("Broker"), none of whose fees or expenses shall be payable by Purchaser. By signing below, Tellurian agrees to pay, and to indemnify and hold Purchaser harmless from any and all loss, cost or expense arising from the breach of the foregoing representation. Purchaser represents to Tellurian that it has not contracted with any broker who has participated in the transactions contemplated by this Commitment, and that it does not know of any such broker other than Broker. The provisions of this paragraph shall survive the closing of the Sale-Leaseback Transaction and/or the termination of this Commitment.
8. Blue Owl Real Estate Not a Fiduciary. Tellurian acknowledges and agrees that (i) no fiduciary, advisory or agency relationship between Blue Owl Real Estate and Seller is intended to be or has been created in respect of any of the transactions contemplated by this Commitment, irrespective of whether Blue Owl Real Estate has advised or is advising Tellurian on other matters, (ii) Blue Owl Real Estate and Tellurian have an arm's-length business relationship that does not directly or indirectly give rise to, nor does Tellurian rely on, any fiduciary duty on the part of Blue Owl Real Estate, (iii) Tellurian is capable of evaluating and understanding, and Tellurian understands and accepts, the terms, risks and conditions of the transactions contemplated by this Commitment, (iv) Tellurian has been advised that Blue Owl Real Estate is engaged in a broad range of transactions that may involve interests that differ from Tellurian's interests and that Blue Owl Real Estate has any obligation to disclose such interests and transactions to Tellurian by virtue of any fiduciary, advisory or agency relationship, and (v) Tellurian waives, to the fullest extent permitted by law, any claims Tellurian may have against Blue Owl Real Estate for breach of fiduciary or other implied duty or alleged breach of fiduciary or other implied duty and agrees that Blue Owl Real Estate has no liability (whether direct or indirect) to Tellurian in respect of such a fiduciary or other implied duty claim or to any person asserting a fiduciary or other duty claim on behalf of or in right of Tellurian, including Tellurian's equity holders, employees or creditors.
9. Termination of Prior Letter of Intent. The parties hereby acknowledge and agree that the Letter of Intent to Purchase dated April 4, 2023, previously executed by and between the parties, shall be terminated in its entirety as of the date hereof. From the date of execution of this Commitment, all negotiations, understandings, and agreements between the parties shall be exclusively governed by the terms

and conditions set forth in this Commitment and the Confidentiality Agreement, except as may be otherwise expressly agreed in writing by the parties.

We have a high level of confidence in our ability to execute this transaction and we are excited at the prospect of what we believe will be the beginning of a successful partnership. Please do not hesitate to call us with any questions. We look forward to discussing further.

[Signature Page Follows]

Blue Owl Capital
30 North LaSalle Street, Suite 4140, Chicago, IL 60602 | 312.448.8122

Very truly yours,

BLUE OWL REAL ESTATE FUND VI OP LP,
a Delaware limited partnership

By: Blue Owl Real Estate Fund GP VI LLC,
a Delaware limited liability company

By: /s. Michael Reiter
Name: Michael Reiter
Title: Chief Operating Officer

AGREED AND ACCEPTED:

TELLURIAN INC.,
a Delaware corporation

By: /s/ Simon Oxley
Name: Simon Oxley
Title: Chief Financial Officer

Date: July 18, 2023

EXHIBIT A

TERM SHEET

- Property:** Land totaling 200 acres owned by Seller (as defined below) in Lake Charles, LA and the additional 600 acres of land under a leasehold to be used for the Driftwood LNG plant. The ground rent under the 600 acres of land will be the responsibility of Tenant and the Contingent Guarantors.
- Tenant:** The Tenant of the Property is Driftwood LNG LLC or a Tellurian subsidiary (the “Tenant”). The Contingent Guarantors will guarantee all of the Tenant’s obligations under the Master Lease.
- Purchaser:** A special purpose entity to be formed by Blue Owl Real Estate Capital LLC or its applicable affiliates, having an address of 30 N. LaSalle St., Suite 4140, Chicago, IL 60602 (the “Purchaser” or “Blue Owl”). The acquisition will be funded through the existing undrawn capital commitments to Blue Owl. The acquisition has been fully approved by Blue Owl’s Investment Committee. No further approvals are needed by Blue Owl.
- Seller:** Driftwood LNG LLC
- Structure:** The structure of the transaction would consist of (i) an acquisition of the Property by Purchaser for \$1,000,000,000 pursuant to the Purchase Agreement (as defined below) and (ii) upon (and as a condition to) closing of the acquisition under the Purchase Agreement, a 40-year lease of the Property from Purchaser to Tenant pursuant to a master lease (the “Master Lease”) based on the terms set forth on Exhibit “A” attached hereto (collectively, the “Transaction”).
- Letter of Credit:** Upon closing of the Transaction, the Tenant will have to post a Letter of Credit in favor of Purchaser equal to 12 months of rent.
- Definitive Agreements:** Purchaser’s counsel shall prepare initial drafts of (i) the purchase and sale agreement (the “Purchase Agreement”) between Purchaser and Seller and (ii) the Master Lease between Purchaser and Tenant (together with the Purchase Agreement, the “Agreements”) following the date on which Seller and Purchaser sign the Commitment. The Purchase Agreement will contain limited (primarily knowledge-based) representations and warranties and will include customary terms and conditions.

Expenses:

All closing costs shall be apportioned as customary in the jurisdiction in which the Property is located. Ordinary apportionment adjustments shall be made at closing.

Estoppel Letters:

Prior to closing of the Transaction, Seller shall furnish Purchaser with an estoppel letter acceptable to Purchaser from the Tenant, any guarantor, and parties to reciprocal and/or operating easement agreements, if applicable.

Title:

Seller shall deliver good and marketable, insurable title at closing, free and clear of all liens and encumbrances, except as otherwise approved by Purchaser.

Exhibit “A”

Lease Terms

Purchase Price	\$1,000,000,000
Year 1 Rent	\$87,500,000
Cap Rate	8.75%
Annual Rent Escalators	3.00%
Lease Type	Absolute NNN Ground Lease
Lease Term	40 years
Renewal Options	6, 5-year extensions
Option to Repurchase	To be mutually agreed

Exhibit “B”

Due Diligence Materials

1. A complete copy of the lease affecting the Property and all amendments thereto
2. Sources & uses with detailed funding sources
3. Copies of all environmental, engineering, physical condition reports and/or ADA surveys
4. Copies of latest revision survey(s) and site plan (delineating all improvements, easements, Property lines, etc.)
5. Certificate(s) of occupancy, if applicable
6. Confirmation of zoning compliance
7. Flood zone certificate
8. Proof of warranties for roofing system, HVAC, exterior envelope, elevators, and other major components, if applicable
9. All permits and licenses for operation of backup generator systems
10. Copies of any active material contracts
11. Real estate tax bills for last two (2) years (and for current tax year) if available
12. A copy of Seller’s title insurance commitment and policy relating to the Property
13. A copy of all architectural plans and specifications and construction drawings for improvements located on the Property
14. Current general liability and Property insurance certificates
15. Schedule of capital expenditures for the most recent five (5) years, if available, and budget for the next five (5) years
16. Electricity bills
17. Rent roll for the past 10 years
18. Appraisals, if available

EXHIBIT B

PERMITTED ENCUMBRANCES

“Permitted Encumbrances” shall mean:

- (i) the Lease (with respect to the Property only);
- (ii) the Sublease (if applicable) (with respect to the Property only);
- (iii) any exception arising out of an act of Purchaser or its representatives, agents, employees or independent contractors;
- (iv) real estate taxes for the current year and subsequent years that are not yet due or payable;
- (v) assessments for municipal improvements, if any, and water and sewer changes, if any, for the current year and subsequent years that are not yet due or payable;
- (vi) zoning and subdivision ordinances and regulations;
- (vii) the standard exclusions from coverage set forth in the Title Policy that is customary in such jurisdiction where the Property is located and which Seller is not required to remove as provided above; and
- (viii) any and all Schedule B-II exceptions set forth in the title commitment(s) delivered to Purchaser’s counsel prior to the date hereof with respect to the Property.

TELLURIAN INC.

Warrant To Purchase Common Stock

Warrant No.: _____
 Number of Shares of Common Stock: 20,000,000
 Date of Issuance: April 29, 2020 (“**Issuance Date**”)

Tellurian Inc., a corporation organized under the laws of Delaware (the “**Company**”), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, _____, the registered holder hereof or its permitted and registered assigns (the “**Holder**”), is entitled, subject to the terms, conditions and adjustments set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, at any time or times on or after the date that is six months following the Issuance Date (the “**Initial Exercisability Date**”), but not after 11:59 p.m., New York time, on the Expiration Date (as defined below), twenty million (20,000,000) duly authorized, validly issued, fully paid and non-assessable shares of Common Stock (as defined below), subject to adjustment as provided herein (the “**Warrant Shares**”). Except as otherwise defined herein, capitalized terms in this Warrant to Purchase Common Stock (including any Warrants to Purchase Common Stock issued in exchange, transfer or replacement hereof, this “**Warrant**”), shall have the meanings set forth in Section 20. This Warrant is one of the Warrants to Purchase Common Stock (the “**Warrants**”) issued pursuant to (i) that certain Securities Purchase Agreement (the “**Securities Purchase Agreement**”), dated as of April 28, 2020 (the “**Subscription Date**”), by and between the Company, High Trail Investments SA LLC, a Delaware limited liability company, and the other parties from time to time party thereto, (ii) the Company’s Registration Statements on Form S-3ASR (File numbers 333-235793 and 333-269069) (collectively, the “**Registration Statement**”) and (iii) the Company’s prospectus supplements dated as of April 29, 2020 and December 30, 2022.

1. EXERCISE OF WARRANT.

(a) Mechanics of Exercise. Subject to the terms and conditions hereof (including, without limitation, the limitations set forth in Section 1(f)), this Warrant may be exercised by the Holder on any Business Day and at any time or times on or after the Initial Exercisability Date, in whole or in part in increments of 25,000 Warrant Shares, by delivery (whether via electronic mail or otherwise in accordance with Section 8) of a duly completed and executed written notice, in the form attached hereto as Exhibit A (the “**Exercise Notice**”), of the Holder’s election to exercise this Warrant. Within two (2) Trading Days following the delivery of the Exercise Notice, the Holder shall make payment to the Company of an amount equal to the Exercise Price in effect on the date of such exercise multiplied by the number of Warrant Shares as to which this Warrant is being exercised (the “**Aggregate Exercise Price**”) in cash by wire transfer of immediately available funds or, if the provisions of Section 1(d) are applicable, by notifying the Company that this Warrant is being exercised pursuant to a Cashless Exercise (as defined in Section 1(d)). The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder, nor shall any ink-original signature or medallion guarantee (or other type of guarantee or notarization) with respect to any Exercise Notice be required. Execution and delivery of the Exercise Notice with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original Warrant and issuance of a new Warrant evidencing the right to purchase the remaining number of Warrant Shares and the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and this Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Exercise Notice is delivered to the

Company. On or before the first (1st) Trading Day following the date on which the Holder has delivered the applicable Exercise Notice, the Company shall transmit by electronic mail a duly executed and completed acknowledgment of confirmation of receipt of the Exercise Notice, in the form attached to the Exercise Notice, to the Holder and the Company's transfer agent (the "**Transfer Agent**"). So long as the Holder delivers the Aggregate Exercise Price (or notice of a Cashless Exercise, if applicable) on or prior to the first (1st) Trading Day following the date on which the Exercise Notice has been delivered to the Company, then on or prior to the earlier of (i) the second (2nd) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period, in each case following the date on which the Exercise Notice has been delivered to the Company, or, if the Holder does not deliver the Aggregate Exercise Price (or notice of a Cashless Exercise, if applicable) on or prior to the first (1st) Trading Day following the date on which the Exercise Notice has been delivered to the Company, then on or prior to the first (1st) Trading Day following the date on which the Aggregate Exercise Price (or notice of a Cashless Exercise, if applicable) is delivered (such earlier date, or if later, the earliest day on which the Company is required to deliver Warrant Shares pursuant to this Section 1(a) (the "**Share Delivery Date**"), the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company ("**DTC**") Fast Automated Securities Transfer Program ("**FAST**"), credit such aggregate number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with DTC through its Deposit / Withdrawal At Custodian system, or (Y) if the Transfer Agent is not participating in FAST, issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise. The Company shall be responsible for all fees and expenses of the Transfer Agent and all fees and expenses with respect to the issuance of Warrant Shares via DTC, if any, including without limitation for same day processing. Upon delivery of the Aggregate Exercise Price (or notice of Cashless Exercise, as applicable), the Holder shall be deemed for all corporate purposes to have become the holder of record and beneficial owner of the Warrant Shares with respect to which this Warrant has been exercised on the date of such delivery, irrespective of the date such Warrant Shares are credited to the Holder's DTC account or the date of delivery of the certificates evidencing such Warrant Shares, as the case may be. If this Warrant is physically delivered to the Company in connection with any exercise pursuant to this Section 1(a) and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three (3) Trading Days after any exercise and at its own expense, issue and deliver to the Holder (or its designee) a new Warrant (in accordance with Section 7(d)) representing the right to purchase the number of Warrant Shares issuable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised. No fractional Warrant Shares are to be issued upon the exercise of this Warrant, but rather, the number of Warrant Shares to be issued shall be rounded to the nearest whole number. The Company shall pay any and all transfer, stamp, issuance and similar taxes, costs and expenses (including, without limitation, fees and expenses of the Transfer Agent) which may be payable with respect to the issuance and delivery of Warrant Shares upon exercise of this Warrant; provided, that the Company shall not be required to pay any tax or governmental charge that may be imposed with respect to any applicable withholding or the issuance or delivery of the Warrant Shares to any Person other than the Holder, and no such issuance or delivery shall be made unless and until the Person requesting such issuance has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid. The Company's obligations to issue and deliver Warrant Shares in accordance with the terms and subject to the conditions hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof (except for consents and waivers provided pursuant to Section 9), the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination; provided, however, that the

Company shall not be required to deliver Warrant Shares with respect to an exercise prior to the Holder's delivery of the Aggregate Exercise Price (or notice of a Cashless Exercise, if applicable) with respect to such exercise.

(b) Exercise Price. For purposes of this Warrant, "**Exercise Price**" means \$1.542 per share, subject to adjustment as provided herein.

(c) Company's Failure to Timely Deliver Securities. If either (I) the Company shall fail for any reason or for no reason on or prior to the applicable Share Delivery Date, if (x) the Transfer Agent is not participating in FAST, to issue to the Holder a certificate for the number of shares of Common Stock to which the Holder is entitled and register such Common Stock on the Company's share register or (y) the Transfer Agent is participating in FAST, to credit the Holder's balance account with DTC such number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise of this Warrant or (II) a registration statement (which may be the Registration Statement) covering the issuance or resale of the Warrant Shares that are the subject of the Exercise Notice (the "**Exercise Notice Warrant Shares**") is not available for the issuance or resale, as applicable, of such Exercise Notice Warrant Shares and (x) the Company fails to promptly, but in no event later than two (2) Business Days after such registration statement becomes unavailable, to so notify the Holder and (y) the Company is unable to deliver the Exercise Notice Warrant Shares electronically without any restrictive legend by crediting such aggregate number of Exercise Notice Warrant Shares to the Holder's or its designee's balance account with DTC through its Deposit / Withdrawal At Custodian system (the event described in the immediately foregoing clause (II) is hereinafter referred to as a "**Notice Failure**" (provided that no Notice Failure shall be deemed to have occurred if the Exercise Notice Warrant Shares are freely tradeable upon issuance to the Holder notwithstanding the unavailability of a registration statement and such shares do not bear any restrictive legend) and together with the event described in clause (I) above, an "**Exercise Failure**"), then, in addition to all other remedies available to the Holder, if on or prior to the applicable Share Delivery Date either (I) (x) if the Transfer Agent is not participating in FAST and the Company shall have failed to issue and deliver a certificate to the Holder and register such shares of Common Stock on the Company's share register or, (y) if the Transfer Agent is participating in FAST and the Company shall have failed to credit the Holder's balance account with DTC the number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise hereunder or pursuant to the Company's obligation pursuant to clause (ii) below, or (II) if a Notice Failure occurs, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares issuable hereunder pursuant to such exercise and which the Holder anticipated receiving upon such exercise (a "**Buy-In**"), then the Company shall, within five (5) Trading Days after the Holder's request, (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue multiplied by (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In

and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of this Warrant as required pursuant to the terms hereof. The Company's current transfer agent participates in FAST. In the event that the Company changes transfer agents while this Warrant is outstanding, the Company shall use commercially reasonable efforts to select a transfer agent that participates in FAST. While this Warrant is outstanding, the Company shall request its transfer agent to participate in FAST with respect to this Warrant. In addition to the foregoing rights, (i) if the Company fails to deliver the applicable number of Warrant Shares upon an exercise pursuant to Section 1 by the applicable Share Delivery Date, then the Holder shall have the right to rescind such exercise in whole or in part and retain and/or have the Company return, as the case may be, any portion of this Warrant that has not been exercised pursuant to such Exercise Notice; provided that the rescission of an exercise shall not affect the Company's obligation to make any payments that have accrued prior to the date of such notice pursuant to this Section 1(c) or otherwise, and (ii) if a registration statement (which may be the Registration Statement) covering the issuance or resale of the Warrant Shares that are subject to an Exercise Notice is not available for the issuance or resale, as applicable, of such Exercise Notice Warrant Shares and the Holder has submitted an Exercise Notice prior to receiving notice of the non-availability of such registration statement and the Company has not already delivered the Warrant Shares underlying such Exercise Notice electronically without any restrictive legend by crediting such aggregate number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with DTC through its Deposit / Withdrawal At Custodian system, the Holder shall have the option, by delivery of notice to the Company, to (x) rescind such Exercise Notice in whole or in part and retain or have returned, as the case may be, any portion of this Warrant that has not been exercised pursuant to such Exercise Notice; provided that the rescission of an Exercise Notice shall not affect the Company's obligation to make any payments that have accrued prior to the date of such notice pursuant to this Section 1(c) or otherwise, and/or (y) subject to the provisions of Section 1(d), switch some or all of such Exercise Notice from a cash exercise to a Cashless Exercise. In addition to the foregoing, but subject in each instance to the limitations set forth in Section 1(i) below, if the Company fails for any reason to deliver to the Holder the Warrant Shares subject to an Exercise Notice by the third Trading Day following the Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the Weighted Average Price of the Common Stock on the date of the applicable Exercise Notice), \$10 per Trading Day (increasing to \$20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after the Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise.

(d) Cashless Exercise. Notwithstanding anything contained herein to the contrary, if a registration statement (which may be the Registration Statement) covering the issuance or resale of the applicable Exercise Notice Warrant Shares is not available for the issuance or resale, as applicable, of such Exercise Notice Warrant Shares, then the Holder may, in its sole discretion, exercise this Warrant in whole or in part (in increments of 25,000 Warrant Shares in the case of a partial exercise of this Warrant) and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Aggregate Exercise Price, elect instead to receive upon such exercise the "Net Number" of shares of Common Stock determined according to the following formula (a "**Cashless Exercise**"):

$$\text{Net Number} = \frac{(A \times B) - (A \times C)}{B}$$

For purposes of the foregoing formula:

A= the total number of shares with respect to which this Warrant is then being exercised.

B= as applicable: (i) the Closing Sale Price of the Common Stock on the Trading Day immediately preceding the date of the applicable Exercise Notice if such Exercise Notice is (1) both executed and delivered pursuant to Section 1(a) hereof on a day that is not a Trading Day, (2) both executed and delivered pursuant to Section 1(a) hereof on a Trading Day prior to the opening of “regular trading hours” (as defined in Rule 600(b)(68) of Regulation NMS promulgated under the federal securities laws) on such Trading Day, or (3) both executed and delivered pursuant to Section 1(a) hereof during “regular trading hours” on a Trading Day, or (ii) the Closing Sale Price of the Common Stock on the date of the applicable Exercise Notice if the date of such Exercise Notice is a Trading Day and such Exercise Notice is both executed and delivered pursuant to Section 1(a) hereof after the close of “regular trading hours” on such Trading Day.

C= the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

If Warrant Shares are issued in such a cashless exercise, the Company acknowledges and agrees that in accordance with Section 3(a)(9) of the Securities Act of 1933, as amended, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised, and the holding period of the Warrants being exercised may be tacked on to the holding period of the Warrant Shares. The Company agrees not to take any position contrary to this Section 1(d). Without limiting the rights of a Holder to receive Warrant Shares on a “cashless exercise,” and to receive the cash payments contemplated pursuant to Sections 1(c) and 4(b), in no event will the Company be required to net cash settle a Warrant exercise. Any Cashless Exercise of this Warrant shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder by an amount equal to the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a Cashless Exercise and not the number of Warrant Shares actually received by the Holder.

(e) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 11.

(f) Beneficial Ownership. Notwithstanding anything to the contrary contained herein, the Company shall not effect the exercise of any portion of this Warrant, and the Holder shall not have the right to exercise any portion of this Warrant, pursuant to the terms and conditions of this Warrant and any such exercise shall be null and void and treated as if never made, to the extent that after giving effect to such exercise, the Holder together with the other Attribution Parties collectively would beneficially own in the aggregate in excess of 4.99% (the “**Maximum Percentage**”) of the number of shares of Common Stock outstanding immediately after giving effect to such exercise. For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by the Holder and the other Attribution Parties shall include the number of shares of Common Stock held by

the Holder and all other Attribution Parties plus the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which the determination of such sentence is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (A) exercise of the remaining, unexercised portion of this Warrant beneficially owned by the Holder or any of the other Attribution Parties and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company (including, without limitation, any convertible notes or convertible preferred stock or warrants, including the other Warrants) beneficially owned by the Holder or any other Attribution Party subject to a limitation on conversion or exercise analogous to the limitation contained in this Section 1(f). For purposes of this Section 1(f), beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "**1934 Act**"). For purposes of this Warrant, in determining the number of outstanding shares of Common Stock the Holder may acquire upon the exercise of this Warrant without exceeding the Maximum Percentage, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Company's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q and Current Reports on Form 8-K or other public filing with the Securities and Exchange Commission (the "**SEC**"), as the case may be, (y) a more recent public announcement by the Company or (z) any other written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding (the "**Reported Outstanding Share Number**"). If the Company receives an Exercise Notice from the Holder at a time when the actual number of outstanding shares of Common Stock is less than the Reported Outstanding Share Number, the Company shall (i) notify the Holder in writing of the number of shares of Common Stock then outstanding and, to the extent that such Exercise Notice would otherwise cause the Holder's beneficial ownership, as determined pursuant to this Section 1(f), to exceed the Maximum Percentage, the Holder must notify the Company of a reduced number of Warrant Shares to be purchased pursuant to such Exercise Notice (the number of shares by which such purchase is reduced, the "**Reduction Shares**") and (ii) as soon as reasonably practicable, the Company shall return to the Holder the Aggregate Exercise Price (or applicable portion thereof) paid by the Holder for the Reduction Shares. For any reason at any time, upon the written or oral request of the Holder, the Company shall within one (1) Business Day confirm orally and in writing or by electronic mail to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder and any other Attribution Party since the date as of which the Reported Outstanding Share Number was reported. In the event that the issuance of Common Stock to the Holder upon exercise of this Warrant results in the Holder and the other Attribution Parties being deemed to beneficially own, in the aggregate, more than the Maximum Percentage of the number of outstanding shares of Common Stock (as determined under Section 13(d) of the 1934 Act), the number of shares so issued by which the Holder's and the other Attribution Parties' aggregate beneficial ownership exceeds the Maximum Percentage (the "**Excess Shares**") shall be deemed null and void and shall be cancelled ab initio, and the Holder shall not have the power to vote or to transfer the Excess Shares. As soon as reasonably practicable after the issuance of the Excess Shares has been deemed null and void, the Company shall return to the Holder the Aggregate Exercise Price (or applicable portion thereof) paid by the Holder for the Excess Shares. Upon delivery of a written notice to the Company, the Holder may from time to time increase or decrease the Maximum Percentage to any other percentage not in excess of 4.99% as specified in such notice; provided that (i) any such increase in the Maximum Percentage will not be effective until the sixty-first (61st) day after such notice is delivered to the Company and (ii) any such increase or decrease will apply only to the Holder and the other Attribution Parties and not to any other holder of Warrants that is not an Attribution Party of the Holder. For purposes of clarity, the shares of Common Stock issuable pursuant to the terms of this Warrant in excess of the Maximum Percentage shall not be deemed to be beneficially owned by the Holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the 1934 Act. No prior inability to exercise this Warrant pursuant to this paragraph shall have any effect on the applicability of the

provisions of this paragraph with respect to any subsequent determination of exercisability. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 1(f) to the extent necessary to correct this paragraph or any portion of this paragraph which may be defective or inconsistent with the intended beneficial ownership limitation contained in this Section 1(f) or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitation contained in this paragraph may not be waived and shall apply to a successor holder of this Warrant. The Holder hereby acknowledges and agrees that the Company shall be entitled to rely on the representations and other information set forth in any Exercise Notice and shall not be required to independently verify whether any exercise of this Warrant would cause the Holder (together with the other Attribution Parties) to collectively beneficially own in excess of the Maximum Percentage of the number of shares of Common Stock outstanding after giving effect to such exercise or otherwise trigger the provisions of this Section 1(f).

(g) Required Reserve Amount. So long as this Warrant remains outstanding, the Company shall at all times keep reserved for issuance under this Warrant a number of shares of Common Stock at least equal to 100% of the maximum number of shares of Common Stock as shall be necessary to satisfy the Company's obligation to issue shares of Common Stock under the Warrants then outstanding (without regard to any limitations on exercise) (the "**Required Reserve Amount**"); provided that at no time shall the number of shares of Common Stock reserved pursuant to this Section 1(g) be reduced other than in connection with any exercise of Warrants or such other event covered by Section 2(c) below. The Required Reserve Amount (including, without limitation, each increase in the number of shares so reserved) shall be allocated pro rata among the holders of the Warrants based on the number of shares of Common Stock issuable upon exercise of Warrants held by each holder thereof on the Issuance Date (without regard to any limitations on exercise) (the "**Authorized Share Allocation**"). In the event that a holder shall sell or otherwise transfer any of such holder's Warrants, each transferee shall be allocated a pro rata portion of such holder's Authorized Share Allocation. Any shares of Common Stock reserved and allocated to any Person which ceases to hold any Warrants shall be allocated to the remaining holders of Warrants, pro rata based on the number of shares of Common Stock issuable upon exercise of the Warrants then held by such holders thereof (without regard to any limitations on exercise).

(h) Insufficient Authorized Shares. If at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance the Required Reserve Amount (an "**Authorized Share Failure**"), then the Company shall promptly take all action reasonably necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Required Reserve Amount for this Warrant then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its commercially reasonable efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and the management of the Company shall recommend to the board of directors that it recommend to the stockholders that they approve such proposal. Notwithstanding the foregoing, with respect to any such Authorized Share Failure, if the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding shares of Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such consent and submitting for filing with the SEC an Information Statement on Schedule 14C. In addition to the foregoing, in the event of any Authorized Share Failure that results in the failure of the Company to deliver any shares of Common Stock that

would have otherwise been deliverable pursuant to an Exercise Notice (such shares the “**Authorized Shares Failure Shares**”), (1) the Company will promptly pay to the Holder, as liquidated damages and not as a penalty, cash in an amount equal (i) to the product of (x) the number of such Authorized Shares Failure Shares; and (y) the Daily VWAP per share of Common Stock on the date the Holder delivered the applicable Exercise Notice hereunder (or, if such date is not a VWAP Trading Day, the immediately preceding VWAP Trading Day), *minus* (ii) if such exercise is not a cashless exercise the Aggregate Exercise Price applicable to such Authorized Shares Failure Shares, to the extent not previously paid; and (2) to the extent the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in settlement of a sale by the Holder of such Authorized Shares Failure Shares, the Company will reimburse the Holder for (x) any brokerage commissions and other out-of-pocket expenses, if any, of the Holder incurred in connection with such purchases and (y) the excess, if any, of (A) the aggregate purchase price of such purchases over (B) an amount equal to (i) the product of (I) the number of such Authorized Shares Failure Shares purchased by the Holder; and (II) the Daily VWAP per share of Common Stock on the date the Holder delivered the applicable Exercise Notice hereunder (or, if such date is not a VWAP Trading Day, the immediately preceding VWAP Trading Day), *minus* (ii) if such exercise is not a cashless exercise, the Aggregate Exercise Price applicable to such Authorized Shares Failure Shares, to the extent not previously paid.

(i) Liquidated Damages Limitations. Notwithstanding anything to the contrary herein, (i) with respect to any particular Exercise Notice, the Holder shall not be entitled to recover any liquidated damages from the Company under Section 1(c) above in connection with any failure to deliver any Exercise Notice Warrant Shares to the Holder subject to such Exercise Notice until the aggregate liquidated damages for which the Company would otherwise be liable in respect of all failures to deliver Exercise Notice Warrant Shares hereunder (in the absence of this limitation) exceeds \$25,000 (the “**LD Threshold**”), after which the Holder shall be paid the aggregate amount of all such liquidated damages in respect of all such failures to deliver Exercise Notice Warrant Shares hereunder from the first dollar thereof (including the amount of the LD Threshold), and (ii) the maximum aggregate liquidated damages (cumulatively, inclusive of any and all liquidated damages under Section 1(c)) for which the Company will be liable will in no event exceed the LD Cap.

(j) Taxes. For income tax purposes, the Holder agrees that the Company may withhold from any amounts payable to the Holder or its permitted assignee or permitted transferee any taxes to be withheld from such amounts; provided that the Company shall reasonably cooperate with the Holder to reduce or eliminate the amounts required to be withheld.

2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) Intentionally omitted.

(b) Voluntary Adjustment by Company. The Company may at any time during the term of this Warrant reduce the then-current Exercise Price to any amount and for any period of time deemed appropriate by the Board of Directors of the Company.

(c) Adjustment Upon Subdivision or Combination of Common Stock. If the Company at any time on or after the Subscription Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be

proportionately increased. If the Company at any time on or after the Subscription Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(c) shall become effective at the close of business on the date the subdivision or combination becomes effective.

3. RIGHTS UPON DISTRIBUTION OF ASSETS. In addition to any adjustments pursuant to Section 2 above, if, on or after the Subscription Date and on or prior to the Expiration Date, the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property, options, evidence of indebtedness or any other assets by way of a dividend, spin-off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a “**Distribution**”), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations or restrictions on exercise of this Warrant, including without limitation, the Maximum Percentage) immediately before the date on which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, that to the extent that the Holder's right to participate in any such Distribution would result in the Holder and the other Attribution Parties exceeding the Maximum Percentage, then the Holder shall not be entitled to participate in such Distribution to such extent (and shall not be entitled to beneficial ownership of such shares of Common Stock as a result of such Distribution (and beneficial ownership) to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time or times as its right thereto would not result in the Holder and the other Attribution Parties exceeding the Maximum Percentage, at which time or times the Holder shall be granted such Distribution (and any Distributions declared or made on such initial Distribution or on any subsequent Distribution held similarly in abeyance) to the same extent as if there had been no such limitation).

4. PURCHASE RIGHTS; FUNDAMENTAL TRANSACTIONS.

(a) Purchase Rights. In addition to any adjustments pursuant to Section 2 above, if at any time on or after the Subscription Date and on or prior to the Expiration Date the Company grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of Common Stock (the “**Purchase Rights**”), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations or restrictions on exercise of this Warrant, including without limitation, the Maximum Percentage) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issuance or sale of such Purchase Rights (provided, however, that to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder and the other Attribution Parties exceeding the Maximum Percentage, then the Holder shall not be entitled to participate in such Purchase Right to such extent (and shall not be entitled to beneficial ownership of such Common Stock as a result of such Purchase Right (and beneficial ownership) to such extent) and such Purchase Right to such extent shall be held in abeyance for the benefit of the Holder until such time or times as its right thereto would not result in the

Holder and the other Attribution Parties exceeding the Maximum Percentage, at which time or times the Holder shall be granted such right (and any Purchase Right granted, issued or sold on such initial Purchase Right or on any subsequent Purchase Right to be held similarly in abeyance) to the same extent as if there had been no such limitation.

(b) **Fundamental Transaction.** In the event that the Company enters into a Fundamental Transaction, the Company shall deliver or cause to be delivered to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant, including, without limitation, which is exercisable for a corresponding number of shares of capital stock equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such adjustments to the number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction) (the “**Successor Entity Security**”). Upon the consummation of each Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for the Company (so that from and after the date of the applicable Fundamental Transaction, the provisions of this Warrant and the other Transaction Documents referring to the “Company” shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant with the same effect as if such Successor Entity had been named as the Company herein. Upon consummation of each Fundamental Transaction, the Successor Entity to deliver to the Holder confirmation that there shall be issued upon exercise of this Warrant at any time after the consummation of the applicable Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property (except such items still issuable under Sections 3 and 4(a) above, which shall continue to be receivable thereafter)) issuable upon the exercise of this Warrant prior to the applicable Fundamental Transaction, such shares of common stock (or its equivalent) of the Successor Entity (including its Parent Entity) that the Holder would have been entitled to receive upon the happening of the applicable Fundamental Transaction had this Warrant been exercised immediately prior to the applicable Fundamental Transaction (without regard to any limitations on the exercise of this Warrant), as adjusted in accordance with the provisions of this Warrant. Notwithstanding the foregoing, and without limiting Section 1(f) hereof, the Holder may elect, at its sole option, by delivery of written notice to the Company to waive this Section 4(b) to permit the Fundamental Transaction without the assumption of this Warrant. In addition to and not in substitution for any other rights hereunder, prior to the consummation of each Fundamental Transaction pursuant to which holders of shares of Common Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock (a “**Corporate Event**”), the Company shall make appropriate provision to provide the Holder with the right to receive upon an exercise of this Warrant at any time after the consummation of the applicable Fundamental Transaction but prior to the Expiration Date, in lieu of the shares of the Common Stock (or other securities, cash, assets or other property (except such items still issuable under Sections 3 and 4(a) above, which shall continue to be receivable thereafter)) issuable upon the exercise of the Warrant prior to such Fundamental Transaction, such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights) (collectively, the “**Corporate Event Consideration**”) that the Holder would have been entitled to receive upon the happening of the applicable Fundamental Transaction had this Warrant been exercised immediately prior to the applicable Fundamental Transaction (without regard to any limitations on the exercise of this Warrant). The provision made pursuant to the preceding sentence shall be in a form and substance reasonably satisfactory to the Holder. The provisions of this Section 4(b) shall apply similarly and equally to successive Fundamental Transactions and Corporate Events. Notwithstanding the foregoing, in the event of

a Change of Control, at the request of the Holder delivered before the 30th day after public disclosure of the consummation of such Change of Control by the Company pursuant to a Current Report on Form 8-K filed with the SEC, the Company (or the Successor Entity) shall purchase this Warrant from the Holder by paying to the Holder, within ten (10) Business Days after such request (or, if later, on the effective date of the Change of Control), an amount equal to the Black Scholes Value of the remaining unexercised portion of this Warrant on the effective date of such Change of Control, payable in cash; provided, however, that, if the Change of Control is not within the Company's control, including not approved by the Company's Board of Directors, Holder shall only be entitled to receive from the Company or any Successor Entity, as of the date of consummation of such Change of Control, the same type or form of consideration (and in the same proportion), at the Black Scholes Value of the unexercised portion of this Warrant, that is being offered and paid to the holders of Common Stock of the Company in connection with the Change of Control, whether that consideration be in the form of cash, stock or any combination thereof, or whether the holders of Common Stock are given the choice to receive from among alternative forms of consideration in connection with the Change of Control; provided, further, that if holder of Common Stock are not offered or paid any consideration in such Change of Control, such holders of Common Stock will be deemed to have received common stock of the Successor Entity (which entity may be the Company following such Change of Control) in such Change of Control.

5. NONCIRCUMVENTION. The Company will not, by amendment of its Certificate of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issuance or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all of the provisions of this Warrant. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, so long as any of the Warrants are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of the Warrants, the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of the Warrants then outstanding (without regard to any limitations on exercise).

6. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. Except as otherwise specifically provided herein, the Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of capital stock of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this Section 6, the Company shall provide the Holder with copies of the same notices and other information given to the stockholders of the Company generally, contemporaneously with the giving thereof to the stockholders.

7. REISSUANCE OF WARRANTS.

(a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, together with funds sufficient to pay any transfer taxes in connection with the making of such transfer, whereupon such compliance the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 7(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 7(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred. The Company shall not be obligated to pay any tax which may be payable with respect to any transfer (or deemed transfer) arising in connection with the registration of any certificates for Warrant Shares or Warrants in the name of any Person other than the Holder.

(b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form (but without the obligation to post a bond) and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 7(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.

(c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 7(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender.

(d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 7(a) or Section 7(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights and conditions as this Warrant.

8. NOTICES. Whenever notice is required to be given under this Warrant, including, without limitation, an Exercise Notice, unless otherwise provided herein, such notice shall be given in writing, (i) if delivered (a) from within the domestic United States, by first-class registered or certified airmail, or nationally recognized overnight express courier, postage prepaid, or by electronic mail or (b) from outside the United States, by International Federal Express, or by electronic mail, and (ii) will be deemed given (A) if delivered by first-class registered or certified mail domestic, three (3) Business Days after so mailed, (B) if delivered by nationally recognized overnight carrier, one (1) Business Day after so mailed, (C) if delivered by International Federal Express, two (2) Business Days after so mailed and (D) at the time of transmission, if delivered by electronic mail to each of the email addresses specified in this Section 8 prior to 5:00 p.m. (New York time) on a Trading Day, and (E) the next Trading Day after the date of transmission, if delivered by electronic mail to each of the email addresses

specified in this Section 8 on a day that is not a Trading Day or later than 5:00 p.m. (New York time) on any Trading Day, and will be delivered and addressed as follows:

(i) if to the Company, to:
Tellurian Inc.
1201 Louisiana Street
Suite 3100
Houston, TX 77002
Attention: Legal
Email: legal.notices@tellurianinc.com

(ii) if to the Holder, at such address or other contact information delivered by the Holder to Company or as is on the books and records of the Company (provided that, with respect to the Holder, such notice may only be delivered via electronic mail or facsimile),

With a copy (for informational purposes only) to:

Latham & Watkins LLP
12670 High Bluff Drive
San Diego, CA 92130
Telephone: (858) 509-8427
Attention: Michael E. Sullivan, Esq.
Email: michael.sullivan@lw.com

The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant (other than issuances of shares of Common Stock upon exercise of this Warrant in accordance with the terms hereof), including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder (i) promptly upon any adjustment of the Exercise Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment, (ii) at least fifteen (15) days prior to the date on which the Company closes its books or the applicable record date (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property made pro rata to holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation and (iii) ten (10) Business Days (or such shorter period as is reasonably practicable under the circumstances if the Company does not have 10 Business Days' prior notice) prior to the consummation of any Fundamental Transaction; provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder, but only to the extent the information in such notice constitutes material non-public information regarding the Company or any of its subsidiaries.

9. AMENDMENT AND WAIVER. Except as otherwise provided herein, this Warrant may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by the Company or the Holder of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Warrant shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

10. GOVERNING LAW; JURISDICTION; JURY TRIAL. This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that such party is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address set forth with respect to such party in Section 8 above or such other address as such party subsequently delivers to the other party and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein shall be deemed or operate to preclude a party hereto from bringing suit or taking other legal action against the other party hereto in any other jurisdiction to collect on its obligations or to enforce a judgment or other court ruling in favor of such party. If either party shall commence an action, suit or proceeding to enforce any provisions of this Warrant, the prevailing party in such action, suit or proceeding shall be reimbursed by the other party for their reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

11. DISPUTE RESOLUTION. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via electronic mail within two (2) Business Days of receipt of the Exercise Notice or other event giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within three (3) Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within two (2) Business Days submit via electronic mail (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Company and approved by the Holder or (b) the disputed arithmetic calculation of the Warrant Shares to the Company's independent, outside accountant. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than ten (10) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

12. REMEDIES, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant and any other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the rights of the Holder or the Company to pursue actual damages for any failure by the other party to comply with the terms of this

Warrant. Each of the Company and the Holder acknowledges that a breach by such party of its obligations hereunder will cause irreparable harm to the other party and that the remedy at law for any such breach may be inadequate. The Company and the Holder therefore agree that, in the event of any such breach or threatened breach, the other party shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required.

13. TRANSFER. Subject to transfer conditions referred to in the terms and conditions of the Securities Purchase Agreement, this Warrant and the Warrant Shares may be offered for sale, sold, transferred, pledged or assigned without the consent of the Company in accordance with Section 7(a).

14. SECURITIES PURCHASE AGREEMENT. This Warrant and all Warrant Shares issuable upon exercise of this Warrant are and shall become subject to, and have the benefit of, the Securities Purchase Agreement, and the Holder shall be required, for so long as the Holder holds this Warrant or any Warrant Shares, to become and remain a party to the Securities Purchase Agreement.

15. SEVERABILITY; CONSTRUCTION; HEADINGS. If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s). This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.

16. DISCLOSURE. Upon delivery by the Company to the Holder (or receipt by the Company from the Holder) of any notice in accordance with the terms of this Warrant, unless the Company has in good faith determined that the matters relating to such notice do not constitute material, non-public information relating to the Company or any of its subsidiaries, the Company shall contemporaneously with any such notice delivery date, publicly disclose such material, non-public information on a Current Report on Form 8-K or otherwise. In the event that the Company believes that a notice contains material, non-public information relating to the Company or any of its subsidiaries, the Company so shall indicate to the Holder in writing contemporaneously with the delivery of such notice (or promptly following receipt of such notice from the Holder, as applicable), and in the absence of any such written indication, the Holder shall be allowed to presume that all matters relating to such notice do not constitute material, non-public information relating to the Company or any of its subsidiaries.

17. ENTIRE AGREEMENT. This Warrant, together with the Securities Purchase Agreement, constitutes the sole and entire agreement of the parties to this Warrant with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Warrant and the Securities Purchase, the statements in the body of this Warrant shall control.

18. **ABSENCE OF TRADING AND DISCLOSURE RESTRICTIONS.** The Company acknowledges and agrees that the Holder is not a fiduciary or agent of the Company and that the Holder shall have no obligation to (a) maintain the confidentiality of any information provided by the Company or (b) refrain from trading any securities while in possession of such information in the absence of a written non-disclosure agreement signed by the Holder that explicitly provides for such confidentiality and trading restrictions. In the absence of such an executed, written non-disclosure agreement, the Company acknowledges that the Holder may freely trade in any securities issued by the Company, may possess and use any information provided by the Company in connection with such trading activity, and may disclose any such information to any third party.

19. **COUNTERPARTS.** This Warrant may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Warrant delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Warrant.

20. **CERTAIN DEFINITIONS.** For purposes of this Warrant, the following terms shall have the following meanings:

(a) **“Affiliate”** means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the exercise of voting power, by contract or otherwise.

(e) **“Attribution Parties”** means, collectively, the following Persons and entities: (i) any investment vehicle, including, any funds, feeder funds or managed accounts, currently, or from time to time after the Subscription Date, directly or indirectly managed or advised by the Holder’s investment manager or any of its Affiliates or principals, (ii) any direct or indirect Affiliates of the Holder or any of the foregoing, (iii) any Person acting or who could be deemed to be acting as a Group together with the Holder or any of the foregoing and (iv) any other Persons whose beneficial ownership of the Company’s Common Stock would or could be aggregated with the Holder’s and the other Attribution Parties for purposes of Section 13(d) of the 1934 Act. For clarity, the purpose of the foregoing is to subject collectively the Holder and all other Attribution Parties to the Maximum Percentage.

(f) **“Black Scholes Value”** means the value of this Warrant based on the Black-Scholes Option Pricing Model obtained from the “OV” function on Bloomberg determined as of the day immediately following the first public announcement of the applicable Change of Control, or, if the Change of Control is not publicly announced, the date the Change of Control is consummated, for pricing purposes and reflecting (i) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the remaining term of this Warrant as of such date of request, (ii) an expected volatility equal to 100%, (iii) the underlying price per share used in such calculation shall be the highest Weighted Average Price during the five (5) Trading Days immediately prior to the consummation of such Change of Control, (iv) a remaining option time equal to the time between the date of the public announcement of the applicable Change of Control and the Expiration Date, and (v) a zero cost of borrow.

(g) **“Bloomberg”** means Bloomberg Financial Markets.

(h) “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

(i) “**Capital Stock**” of any Person means any and all shares of, warrants or options or similar securities that provide a right to purchase or acquire, the equity of such Person, but excluding any debt securities convertible into such equity.

(j) “**Change of Control**” means any Fundamental Transaction other than (i) any reorganization, recapitalization or reclassification of the Common Stock in which holders of the Company’s voting power immediately prior to such reorganization, recapitalization or reclassification continue after such reorganization, recapitalization or reclassification to hold publicly traded securities and, directly or indirectly, are, in all material respects, the holders of the voting power of the surviving entity (or entities with the authority or voting power to elect the members of the board of directors (or their equivalent if other than a corporation) of such entity or entities) after such reorganization, recapitalization or reclassification, (ii) pursuant to a migratory merger effected solely for the purpose of changing the jurisdiction of incorporation of the Company or (iii) a merger in connection with a bona fide acquisition by the Company of any Person or a merger of equals in which (x) the gross consideration paid, directly or indirectly, by the Company in such acquisition is not greater than 50% of the Company’s market capitalization as calculated on the date of the announcement of such merger and (y) such merger does not contemplate a change to the identity of a majority of the board of directors of the Company. Notwithstanding anything herein to the contrary, any transaction or series of transaction that, directly or indirectly, results in the Company or the Successor Entity not having Common Stock or common stock, as applicable, registered under the 1934 Act and listed on an Eligible Market shall be deemed a Change of Control.

(k) “**Closing Bid Price**” and “**Closing Sale Price**” means, for any security as of any date, the last closing bid price and last closing trade price, respectively, for such security on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing bid price or the closing trade price, as the case may be, then the last bid price or the last trade price, respectively, of such security prior to 4:00:00 p.m., New York time, as reported by Bloomberg, or, if the Principal Market is not the principal securities exchange or trading market for such security, the last closing bid price or last trade price, respectively, of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg, or if the foregoing do not apply, the last closing bid price or last trade price, respectively, of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no closing bid price or last trade price, respectively, is reported for such security by Bloomberg, the average of the bid prices, or the ask prices, respectively, of any market makers for such security as reported in the OTC Link or on the “pink sheets” by OTC Markets Group Inc. (formerly Pink Sheets LLC). If the Closing Bid Price or the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Bid Price or the Closing Sale Price, as the case may be, of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved pursuant to Section 11. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or other similar transaction during the applicable calculation period.

(l) “**Common Stock**” means (i) the Company’s Common Stock, par value \$0.01 per share, and (ii) any Capital Stock into which such Common Stock shall have been changed or any Capital Stock resulting from a reclassification of such Common Stock.

(m) “**Convertible Securities**” means any capital stock or other security of the Company or any of its subsidiaries (other than Options) that is at any time and under any circumstances directly or indirectly convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any capital stock or other security of the Company (including, without limitation, shares of Common Stock) or any of its subsidiaries.

(n) “**Daily VWAP**” means, for any VWAP Trading Day, the per share volume-weighted average price of the Common Stock as displayed under the heading “Bloomberg VWAP” on Bloomberg page “TELL <EQUITY> VAP” (or, if such page is not available, its equivalent successor page) in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such VWAP Trading Day (or, if such volume-weighted average price is unavailable, the market value of one share of Common Stock on such VWAP Trading Day, determined, using a volume-weighted average price method, by a nationally recognized independent investment banking firm selected by the Company). The Daily VWAP will be determined without regard to after-hours trading or any other trading outside of the regular trading session.

(o) “**Eligible Market**” means The Nasdaq Capital Market, the NYSE American LLC, The Nasdaq Global Select Market, The Nasdaq Global Market or The New York Stock Exchange, Inc.

(p) “**Expiration Date**” means the date that is sixty (60) months after the Initial Exercisability Date or, if such date falls on a day other than a Business Day or on which trading does not take place on the Principal Market, the next day on which such trading occurs.

(q) “**Fundamental Transaction**” means (A) that the Company shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, (i) consolidate or merge with or into (whether or not the Company is the surviving corporation) another Subject Entity, or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its subsidiaries (taken as a whole) to one or more Subject Entities, or (iii) make, or allow one or more Subject Entities to make, or allow the Company to be subject to or have its shares of Common Stock be subject to or party to one or more Subject Entities making, a purchase, tender or exchange offer that is accepted by the holders of at least either (x) 50% of the outstanding shares of Common Stock, (y) 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all Subject Entities making or party to, or Affiliated with any Subject Entities making or party to, such purchase, tender or exchange offer were not outstanding; or (z) such number of shares of Common Stock such that all Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such purchase, tender or exchange offer, become collectively the beneficial owners (as defined in Rule 13d-3 under the 1934 Act) of at least 50% of the outstanding shares of Common Stock, or (iv) consummate a stock purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with one or more Subject Entities whereby all such Subject Entities, individually or in the aggregate, acquire, either (x) at least 50% of the outstanding shares of Common Stock, (y) at least 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all the Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such stock purchase agreement or other business combination were not outstanding; or (z) such number of shares of Common Stock such that the Subject Entities become collectively the beneficial owners (as defined in Rule 13d-3 under the 1934 Act) of at least 50% of the outstanding shares of Common Stock, or (v) reorganize, recapitalize or reclassify its shares of Common Stock, (B) that the Company shall, directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, allow any Subject Entity individually or the Subject Entities in the aggregate

to be or become the “beneficial owner” (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, whether through acquisition, purchase, assignment, conveyance, tender, tender offer, exchange, reduction in outstanding shares of Common Stock, merger, consolidation, business combination, reorganization, recapitalization, spin-off, scheme of arrangement, reorganization, recapitalization or reclassification or otherwise in any manner whatsoever, of either (x) at least 50% of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock, (y) at least 50% of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock not held by all such Subject Entities as of the Subscription Date calculated as if any shares of Common Stock held by all such Subject Entities were not outstanding, or (z) a percentage of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock or other equity securities of the Company sufficient to allow such Subject Entities to effect a statutory short form merger or other transaction requiring other stockholders of the Company to surrender their Common Stock without approval of the stockholders of the Company or (C) directly or indirectly, including through subsidiaries, Affiliates or otherwise, in one or more related transactions, the issuance of or the entering into any other instrument or transaction structured in a manner to circumvent, or that circumvents, the intent of this definition in which case this definition shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this definition to the extent necessary to correct this definition or any portion of this definition which may be defective or inconsistent with the intended treatment of such instrument or transaction. Notwithstanding the foregoing, the term “Fundamental Transaction” shall not include transactions consisting solely of issuances of equity interests in Driftwood Holdings LP (f/k/a Driftwood Holdings LLC), a Delaware limited partnership, or any successor entity thereto, or any related reorganizations or contributions of assets comprising the Driftwood LNG terminal, in connection with the financing of the construction of the Driftwood LNG terminal pursuant to a final investment decision in respect thereof.

(r) “**Group**” means a “group” as that term is used in Section 13(d) of the 1934 Act and as defined in Rule 13d-5 thereunder.

(s) “**LD Cap**” means an amount equal to (a) \$1,000,000, *multiplied by* (b) a fraction (i) the numerator of which is the initial total number of Warrant Shares in respect of which this Warrant may be exercised as of the Issuance Date, and (ii) the denominator of which is 20,000,000, in each case, as proportionately adjusted in accordance with the provisions of Section 2 hereof.

(t) “**Options**” means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(u) “**Parent Entity**” of a Person means an entity that, directly or indirectly, controls the applicable Person, including such entity whose common stock or equivalent equity security is quoted or listed on an Eligible Market (or, if so elected by the Holder, any other market, exchange or quotation system), or, if there is more than one such Person or such entity, the Person or such entity designated by the Holder or in the absence of such designation, such Person or entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction.

(v) “**Person**” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof.

(w) “**Principal Market**” means The Nasdaq Capital Market.

Group. (x) “**Subject Entity**” means any Person, Persons or Group or any Affiliate or associate of any such Person, Persons or

(y) “**Successor Entity**” means one or more Person or Persons (or, if so elected by the Holder, the Company or Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or one or more Person or Persons (or, if so elected by the Holder, the Company or the Parent Entity) with which such Fundamental Transaction shall have been entered into.

(z) “**Trading Day**” means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock, then on the principal securities exchange or securities market on which the Common Stock is then traded.

(aa) “**Transaction Documents**” means any agreement entered into by and between the Company and the Holder in connection with or pursuant to this Warrant.

(bb) “**VWAP Market Disruption Event**” means, with respect to any date, (A) the failure by the principal U.S. national or regional securities exchange on which the Common Stock is then listed, or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, the principal other market on which the Common Stock is then traded, to open for trading during its regular trading session on such date; or (B) the occurrence or existence, for more than one half hour period in the aggregate, of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options contracts or futures contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m., New York City time, on such date.

(cc) “**VWAP Trading Day**” means a day on which (A) there is no VWAP Market Disruption Event; provided that the Holder, by notice to the Company, may waive any such VWAP Market Disruption Event; and (B) trading in the Common Stock generally occurs on the principal U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, on the principal other market on which the Common Stock is then traded. If the Common Stock is not so listed or traded, then “**VWAP Trading Day**” means a Business Day.

(dd) “**Weighted Average Price**” means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market during the period beginning at 9:30:01 a.m., New York time (or such other time as the Principal Market publicly announces is the official open of trading), and ending at 4:00:00 p.m., New York time (or such other time as the Principal Market publicly announces is the official close of trading), as reported by Bloomberg through its “Volume at Price” function or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30:01 a.m., New York time (or such other time as such market publicly announces is the official open of trading), and ending at 4:00:00 p.m., New York time (or such other time as such market publicly announces is the official close of trading), as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest Closing Bid Price and the lowest closing ask price of any of the market makers for such security as reported in the OTC Link or “pink sheets” by OTC Markets Group Inc. (formerly Pink OTC Markets Inc.). If the Weighted Average Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Weighted Average Price of such security on such date shall be the fair market value as mutually determined by the Company and

the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved pursuant to Section 11 with the term "Weighted Average Price" being substituted for the term "Exercise Price." All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or other similar transaction during the applicable calculation period.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of _____.

Tellurian Inc.

By: _____
Name: Simon G. Oxley
Title: Chief Financial Officer

[Signature page to Warrant]

EXHIBIT A

EXERCISE NOTICE
TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS
WARRANT TO PURCHASE COMMON STOCK

TELLURIAN INC.

The undersigned holder hereby exercises the right to purchase _____ shares of Common Stock (“**Warrant Shares**”) of Tellurian Inc., a corporation organized under the laws of Delaware (the “**Company**”), evidenced by the attached Warrant to Purchase Common Stock (the “**Warrant**”). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Exercise Price. The Holder intends that payment of the Exercise Price shall be made as:

_____ a “Cash Exercise” with respect to _____ Warrant Shares; and/or

_____ a “Cashless Exercise” with respect to _____ Warrant Shares.

2. Payment of Exercise Price. In the event that the holder has elected a Cash Exercise with respect to some or all of the Warrant Shares to be issued pursuant hereto, the holder shall pay the Aggregate Exercise Price in the sum of \$ _____ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

4. Maximum Percentage Representation. Notwithstanding anything to the contrary contained herein, this Exercise Notice shall constitute a representation by the Holder that, after giving effect to the exercise provided for in this Exercise Notice, the Holder (together with the other Attribution Parties) will not have beneficial ownership of a number of shares of Common Stock in excess of the Maximum Percentage of the total outstanding shares of Common Stock of the Company as determined pursuant to the provisions of Section 1(f) of the Warrant and utilizing a Reported Outstanding Share Number (as provided or reported by the Company, as applicable) equal to _____.

Date: _____, _____

Name of Registered Holder

By: _____
Name:
Title:

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs [TRANSFER AGENT] to issue the above indicated number of shares of Common Stock on or prior to the applicable Share Delivery Date.

TELLURIAN INC.

By: _____
Name:
Title:

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT**

I, Octávio M.C. Simões, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tellurian Inc.:
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023

/s/ Octávio M.C. Simões

Octávio M.C. Simões
Chief Executive Officer
(as Principal Executive Officer)
Tellurian Inc.

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE EXCHANGE ACT**

I, Simon G. Oxley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tellurian Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023

/s/ Simon G. Oxley

Simon G. Oxley
Chief Financial Officer
(as Principal Financial Officer)
Tellurian Inc.

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Tellurian Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Octávio M.C. Simões, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 2, 2023

/s/ Octávio M.C. Simões

Octávio M.C. Simões

Chief Executive Officer

(as Principal Executive Officer)

Tellurian Inc.

**CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of Tellurian Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Simon G. Oxley, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 2, 2023

/s/ Simon G. Oxley

Simon G. Oxley

Chief Financial Officer

(as Principal Financial Officer)

Tellurian Inc.