

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

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 9, 2021



**Tellurian Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**001-5507**  
(Commission File Number)

**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**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common stock, par value \$0.01 per share</b>	<b>TELL</b>	<b>Nasdaq Capital Market</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

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.

**Item 7.01 Regulation FD Disclosure.**

On August 9, 2021, Tellurian Inc. (the "Company") posted an updated corporate presentation to its website, [www.tellurianinc.com](http://www.tellurianinc.com). A copy of the presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including the information set forth in Exhibit 99.1, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
<u>99.1</u>	<u>Tellurian Inc. Corporate Presentation dated August 2021</u>
104	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document (included as Exhibit 101)

**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 hereunto duly authorized.

**TELLURIAN INC.**

By: /s/ L. Kian Granmayeh

Name: L. Kian Granmayeh

Title: Executive Vice President and Chief Financial Officer

Date: August 9, 2021

# Tellurian Inc.

Corporate presentation

August 2021



# Cautionary statements

## Forward-looking statements

The information in this presentation includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are forward-looking statements. The words "anticipate," "assume," "believe," "budget," "estimate," "expect," "forecast," "initial," "intend," "may," "model," "plan," "potential," "project," "should," "will," "would," and similar expressions are intended to identify forward-looking statements. The forward-looking statements in this presentation relate to, among other things, future revenues, production, costs, prices, margins, cash flow, rates of return and payback periods, emissions and other environmental matters, financing transactions, contracts, liquefaction capacity additions, financing discussions, timing for FID, notice to proceed, future demand and supply affecting LNG and general energy markets, future transactions and other aspects of our business and our prospects and those of other industry participants.

Our forward-looking statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments, and other factors that we believe are appropriate under the circumstances. These statements are subject to numerous known and unknown risks and uncertainties which may cause actual results to be materially different from any future results or performance expressed or implied by the forward-looking statements. These risks and uncertainties include those described in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, and our other filings with the Securities and Exchange Commission, which are incorporated by reference in this presentation. Many of the forward-looking statements in this presentation relate to events or developments anticipated to occur numerous years in the future, which increases the likelihood that actual results will differ materially from those indicated in such forward-looking statements.

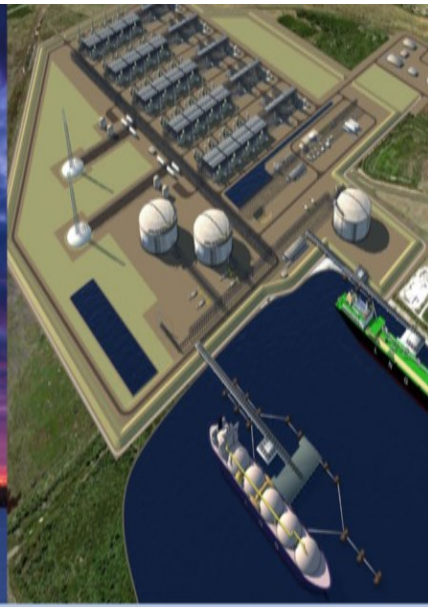
We may not be able to complete the anticipated transactions described in this presentation. FID is subject to the completion of financing arrangements that may not be completed within the time frame expected or at all.

The financial information included on slides 5, 9, 10, 11 and 36 is meant for illustrative purposes only and does not purport to show estimates of actual future financial performance. The information on those slides assumes the completion of certain acquisition, financing and other transactions. Such transactions may not be completed on the assumed terms or at all. Actual commodity prices may vary materially from the commodity prices assumed for the purposes of the illustrative financial performance information.

Estimates of "resources" and other non-proved reserves are subject to substantially greater risk than are estimates of proved reserves.

The forward-looking statements made in or in connection with this presentation speak only as of the date hereof. Although we may from time to time voluntarily update our prior forward-looking statements, we disclaim any commitment to do so except as required by securities laws.





## LNG critical to global decarbonization

Natural gas is a complementary cleaner energy source to support global decarbonization

## Global markets structurally short LNG; abundant low-cost U.S. natural gas supply

Global LNG demand has grown 7% annually over last five years, with limited capacity additions on the horizon

## Tellurian's integrated model is the next innovation in U.S. LNG

Tellurian will be the first integrated<sup>(1)</sup> global gas pure-play in the U.S. – based on low-cost resource and infrastructure

Source: BP Statistical Review, BP World Energy Outlook, Wood Mackenzie.

Note: (1) Tellurian's integrated approach creates physical hedge for Dithwood's natural gas purchases

The integrated Tellurian model is  
the next innovation in U.S. LNG



# Tellurian executive summary

## Tellurian has sold all the necessary offtake for Driftwood Phase I (two-plants/11 mtpa)<sup>(1)</sup>

1

- Definitive, binding agreements with Gunvor, Vitol and Shell for 9.0 mtpa
- The addition of Shell brings the world's largest LNG portfolio and the largest buyer of U.S. LNG into the Driftwood project
- \$12 bn. in development costs has the potential to generate \$5 bn. in operating cash flow/yr. at strip prices

## Commencing debt finance process: continuing to position for 1Q22 FID

2

- Tellurian has started site preparation and begun the debt financing process for Driftwood
- Process underway with several upstream counterparties to expand our footprint in gas production
- Tellurian is debt free and expects to double exit rate gas production revenues from 2020 to 2021

## LNG macro: strong demand, low inventories and carbon premium is leading to record LNG prices

3

- EU carbon prices are up ~110% over the last year; coal + carbon is the new floor for European gas pricing
- JKM 2-year strip is up ~83% over the past year; a clear call on new supply with Asian demand growing 11% YTD
- Global net zero goals are leading to targeted coal phaseouts, supporting long-term gas demand

## ESG is a core attribute of the Tellurian offering

4

- Upstream production allows tracking and certification of GHG emissions along the value chain
- Tellurian's upstream operations use "green completions" to eliminate flaring and minimize methane leakage
- RSG: Tellurian is examining several initiatives that would certify produced natural gas as "responsibly sourced"

Sources: Kpler, ICE via MarketView.

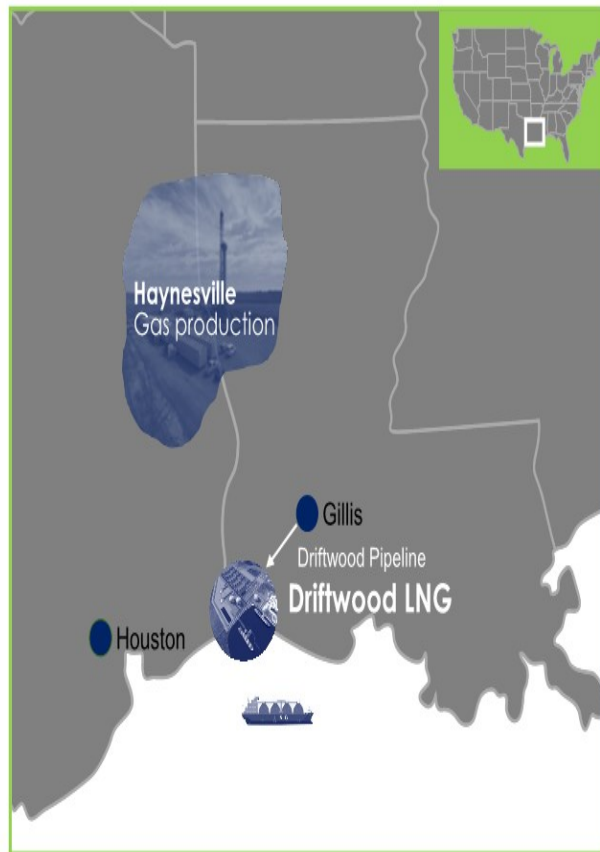
Notes: (1) Gunvor Singapore Pte Ltd., Vitol Inc. and Shell NA LNG LLC.

(2) Estimated revenue from the agreements is based on the JKM price (as quoted by S&P Platts) and the TTF price (as quoted on www.theice.com) as of June 30, 2021. For the full term of the agreements, actual prices will vary.



# Tellurian: fully integrated, pure-play LNG

- **Low-cost, integrated business model:** upstream gas production in Haynesville<sup>(1)</sup>, Driftwood pipeline and LNG terminal in SW Louisiana
- **Pure-play, global gas producer:** monetizing U.S. domestic gas production into premium global gas markets, integration provides cost certainty of supply
- **Bechtel EPC execution:** best in-class LNG execution; lump sum turnkey with ~30% of project engineering complete
- **All critical permits secured:** all FERC and DOE permits secured for Driftwood LNG terminal and pipeline
- **Proven management track record:** Tellurian team has originated and executed ~75% of U.S. LNG capacity development and ~18% of global LNG capacity development across four continents
- **Critical role in energy transition:** significant ESG benefits and end-to-end emissions control from owning upstream



Note: (1) Acts as a physical hedge for Driftwood's natural gas purchases.



# Phase I Driftwood LNG: sold out

mtpa



# Preparing Driftwood LNG site for construction

## Recent Driftwood LNG development activities

- Exercised long-term lease option with Port of Lake Charles in June 2021
  - 20-year term lease agreement with extension options of up to 50 years
- Mobilized early construction activities in July 2021
  - Commenced owner's projects required in advance of providing Bechtel "Notice to Proceed ("NTP") in early 2022
  - Projects include pipeline relocation, highway & road widening, electrical infrastructure removal and drilling of water wells

## Site visit with key Driftwood LNG partners



### Community



Baker Hughes



### Project

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



Note: Artistic rendering of full 5-plant Driftwood LNG development

**Total capacity**

~11 mtpa LNG

**Feedgas requirement**

~550 bcf/year

## 2-plant development costs (\$ bn)

■ Driftwood LNG terminal \$7.8

**EPC cost/tonne (\$/tonne) \$709**

■ Owner's cost<sup>(1)</sup> 1.4

■ Driftwood pipeline<sup>(2)</sup> 0.8

**Capital cost/tonne (\$/tonne) \$909**

■ Financing, interest and other<sup>(3)</sup> 1.9

**Total development costs \$11.9**

Notes: (1) Owner's cost for Driftwood LNG terminal construction.  
 (2) Includes first phase of Driftwood pipeline system.  
 (3) Other includes pre-FID development costs and G&A during construction.

# Illustrative Phase I cash flows at JKM strip

	Market gas		Upstream production	
Phase I development cost		\$12 billion		\$12 billion
LNG sales price <sup>(1)</sup> (JKM less transportation, \$/mmBtu)		\$12		\$12
Gas sourcing (\$/mmBtu)	-	\$4	-	\$2
Liquefaction and transport (\$/mmBtu)	-	\$1	-	\$1
Margin (\$/mmBtu)	=	\$7	=	\$9
Annual capacity	x	~550 bcf	x	~550 bcf
Illustrative annual cash flow from operations	=	\$4 billion	=	\$5 billion
Unlevered IRR <sup>(2)</sup>		34%		42%
Payback		3.0 yrs.		2.4 yrs.

Future phases to be funded by retained cash flow

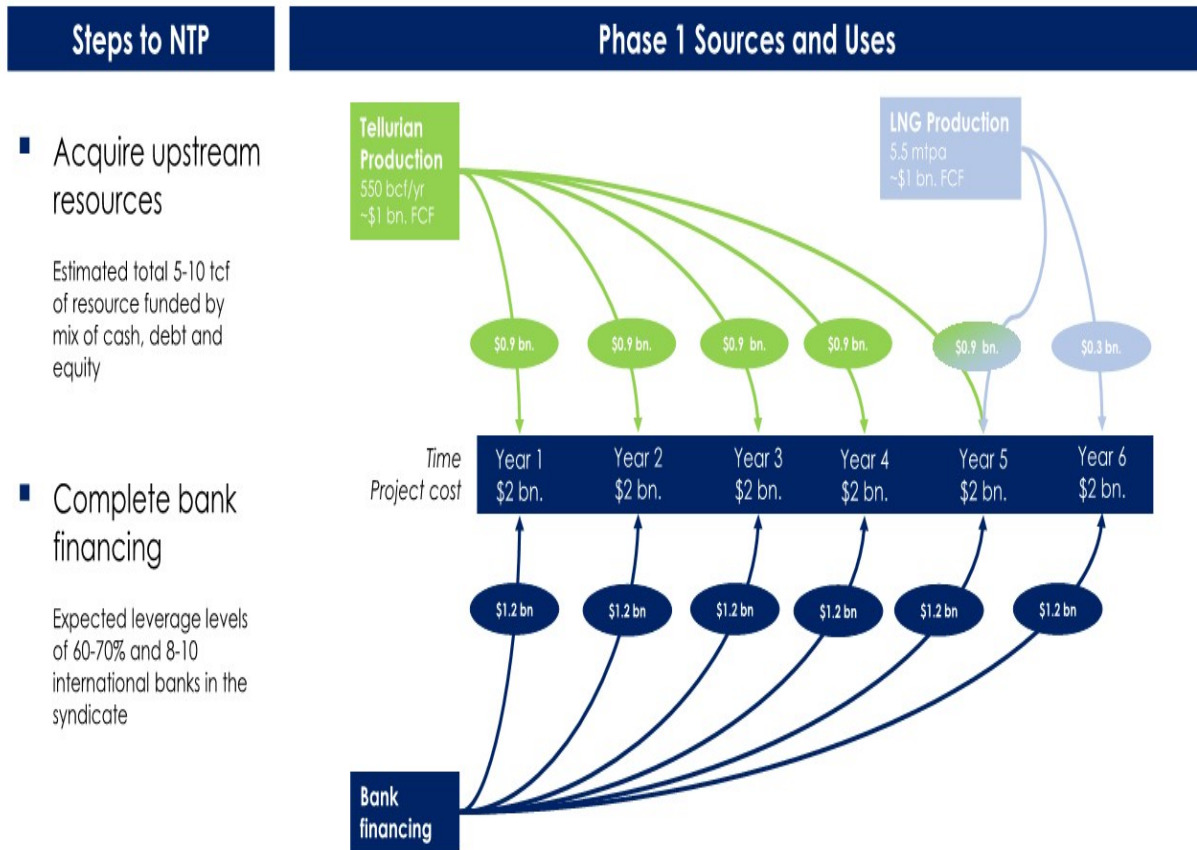
Source: Bloomberg

Note: (1) 12-month JKM strip price of \$13.28 as of 7/30/21 less \$1.75 for transportation.  
 (2) Cash on cash returns before debt service and federal income tax, inclusive of phase I development cost including financing costs.



# Upstream and banks to fund Phase I

## Illustrative funding structure



# Haynesville Basin: primed for consolidation

Driftwood LNG Phase I feedgas requires ~2% of total resource and ~13% of current production from Haynesville

## Basin overview

- World-class resource base, with estimated ~304 TCF of natural gas resource in place
- Resurgence in activity and productivity since 2017
  - Production increased from ~6 bcf/d in 2017 to ~12 bcf/d currently
  - Top 10 Haynesville operators produce ~7.6 bcf/d in gross operated production
- 47 active drilling rigs
- Decades of running room for development at current robust activity pace
  - Consolidation can improve well economics through cost deflation

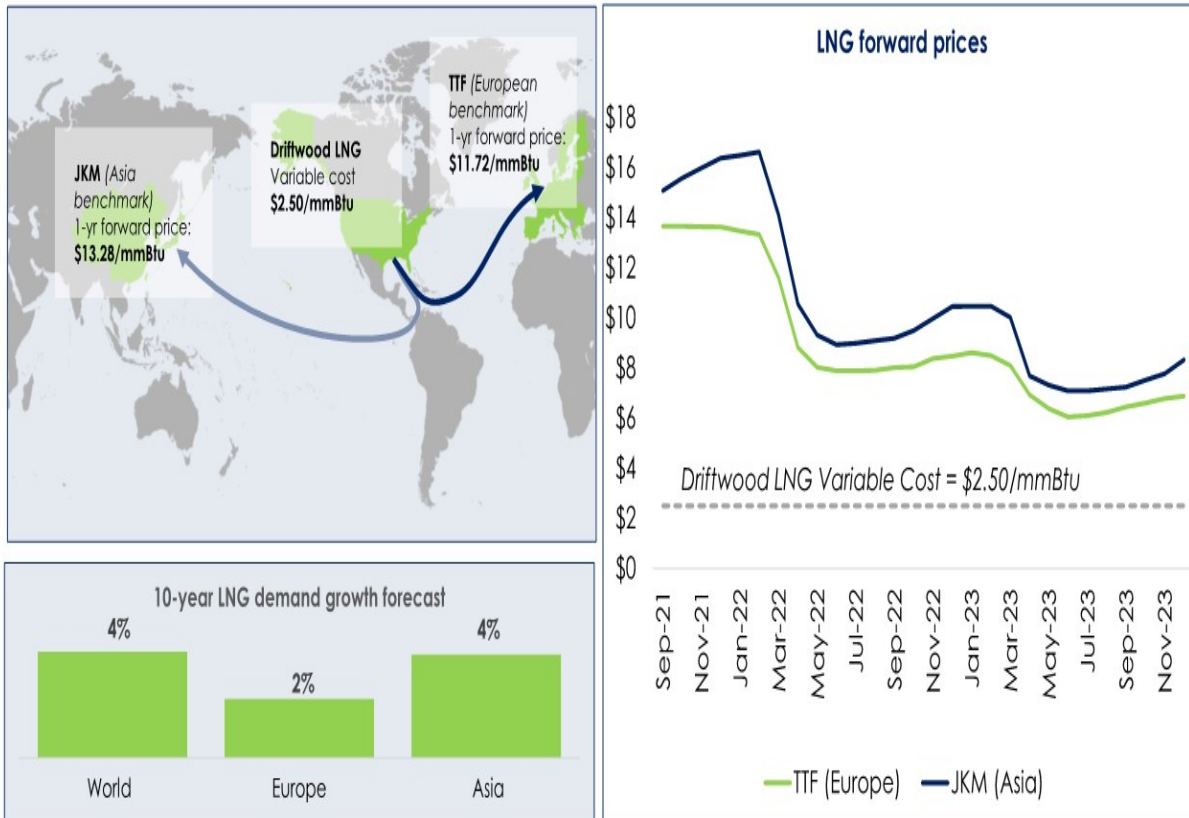
## Haynesville operators<sup>(1)</sup>

Public / Public Entities	
Private	

Source: Baker Hughes North America Rig Count 8/6/21, Enerus, public disclosure  
 Note: (1) Includes operator subsidiaries within public companies (XTO/ExxonMobil, BPX Energy/BP, Rockcliff Energy/Oraika Gas)

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

Access to premium global gas market generates up to \$9/mmBtu margin at current forward prices



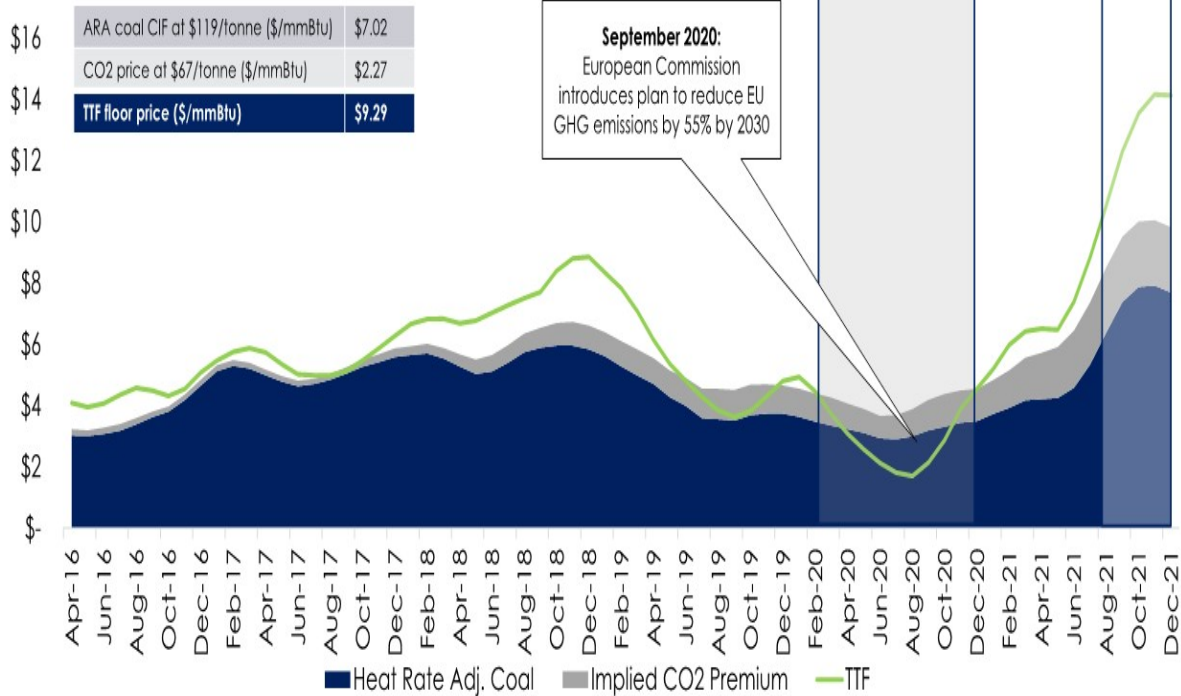
Source: Wood Mackenzie and ICE data via MarketView.

# Carbon prices supporting EU gas prices

Higher carbon prices support higher natural gas demand in the power sector, lifting TTF prices in Europe

## TTF vs. ARA Coal + CO2 Premium (\$/mmBtu)

(3-month moving average)

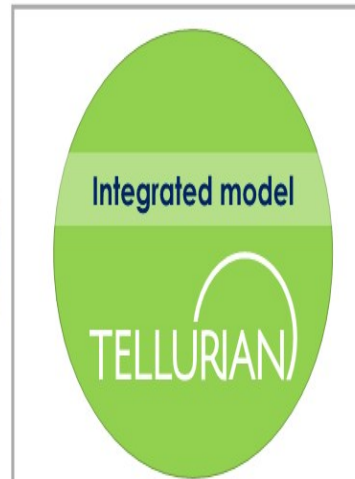


Source: ICE data via Marketview.



# Tellurian management: U.S. LNG pioneers

Tellurian management team responsible for developing ~75% of current U.S. LNG capacity



Pricing innovators	Tellurian management	Tellurian management	Tellurian management
Pricing structure	Fixed fee	Henry Hub plus fixed fee	TTF & JKM netback
Key differentiator	Off-taker procures gas	Pass-through gas pricing	Cost & emissions control across the value chain

# FID expected in 1Q22

	Project milestones	Status
✓	EPC & Regulatory	Fully wrapped, lump-sum turnkey contract; all major permits secured
✓	SPAs	9 mtpa secured for Phase I, no additional SPAs required for Phase I
In progress	Upstream	Process underway to acquire 5-10 tcf of resource.
	Financing	Discussions with bank group in progress
	FID	"Notice to Proceed" to Bechtel expected 1Q22

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Low-cost U.S. natural gas  
critical in supplying global  
LNG demand growth



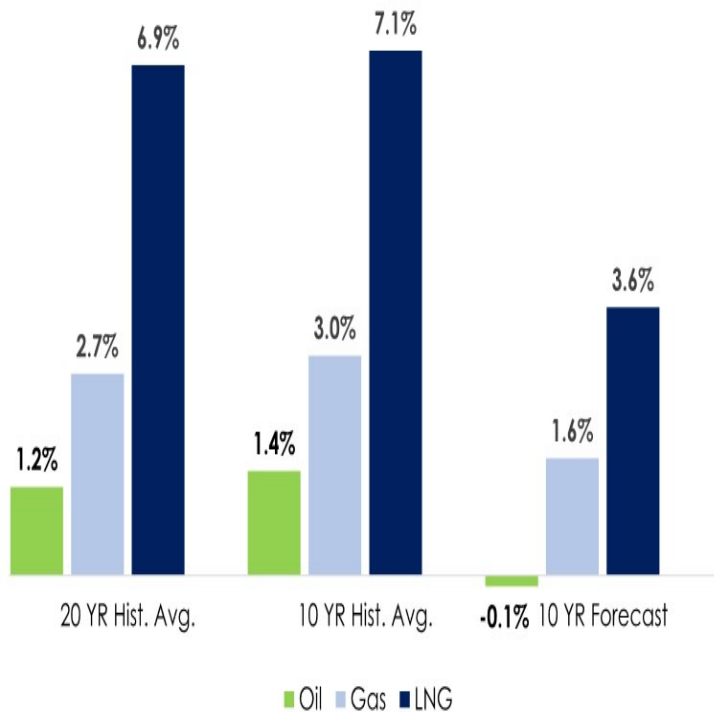
TELLURIAN





# Gas and LNG fastest growing fuels





## Annual increase in oil, gas and LNG consumption



- Gas demand is growing at 2x the rate of crude demand growth
- LNG demand is growing at 5x the rate of crude demand growth
- Headwinds to oil are tailwinds to natural gas – higher EV penetration increases the call on firm power supply
- Gas as a transport fuel favored in SE Asia for environmental and economic reasons

Source: BP Statistical Review, BP World Energy Outlook, Wood Mackenzie

# Structural factors driving LNG demand

Region		YTD growth	Comments
China		+24%	Improved gas infrastructure penetration increases demand. Increased industrial demand from economic recovery & heating demand from consumers.
India		(6.7)%	Government policy to support natural gas to tackle pollution issues and energy poverty; vision for 15% of total primary energy consumption to come from natural gas by 2030, up from just 6.5% now.
Europe		(20)%	Increased reliance on imported gas due to domestic declines. Higher carbon prices and climate action urgency boost demand.
SE Asia		14%	Fastest growing region for power demand at 5.4% in 2021. Limited private-sector financing for new coal projects makes LNG attractive as a baseload fuel.

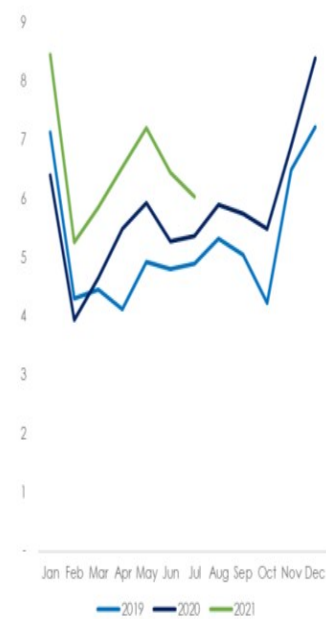
Source: Platts and ICE via MarketView, SIA, IEA Electricity Market Report 2020, Kpler.

# Asian LNG demand up 11% this year

China/JKT (Japan-Korea-Taiwan) LNG imports up 24%/9%, respectively, through July and Indian imports fell due to higher spot prices

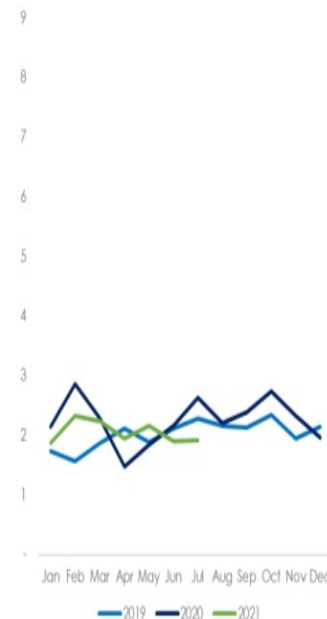
## Chinese LNG imports

million tonnes/month



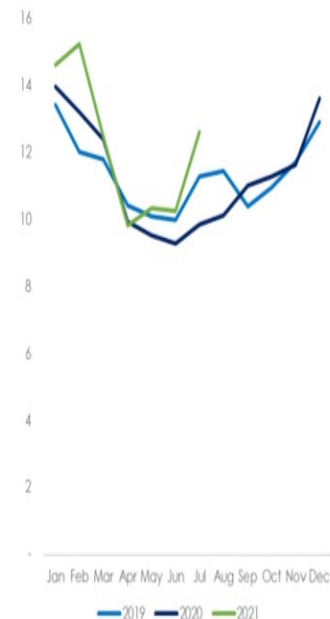
## Indian LNG imports

million tonnes/month



## JKT LNG imports

million tonnes/month



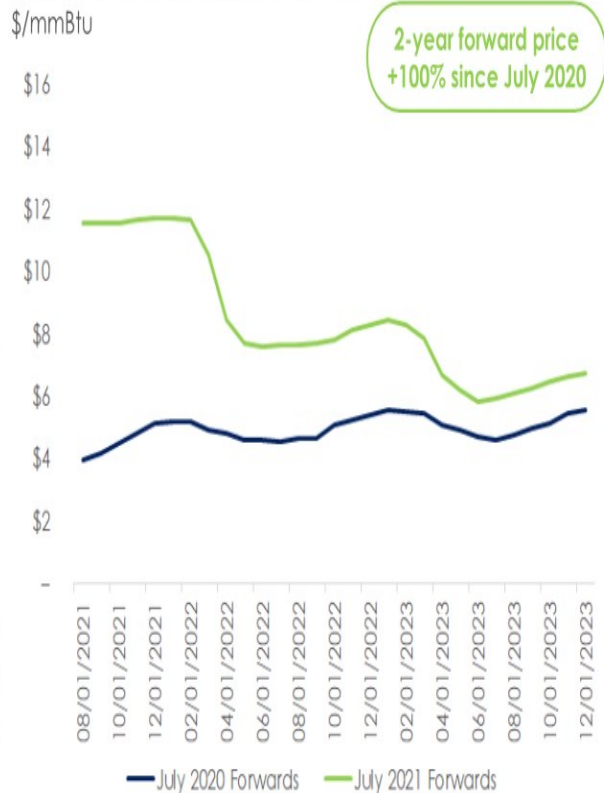
Source: Kpler

# Forward natural gas prices rise globally

## Asian LNG – JKM forward curve



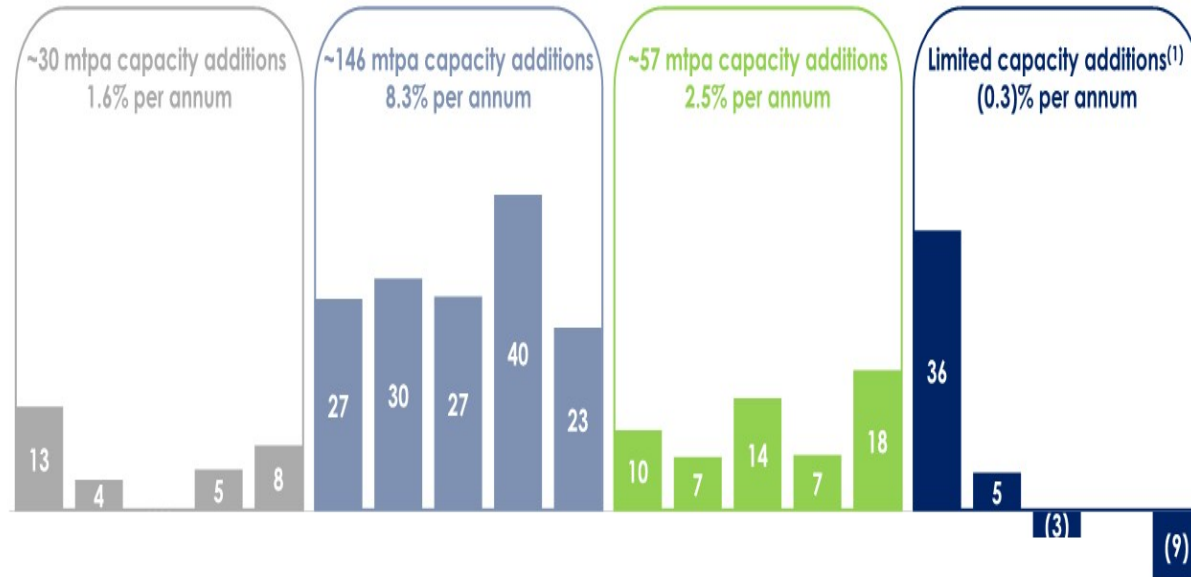
## European natural gas – TTF forward curve



Source: NYMEX and ICE via MarketView

# Lack of LNG investment = widening price

## Global liquefaction capacity additions (mtpa)



2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030

JKM annual average:

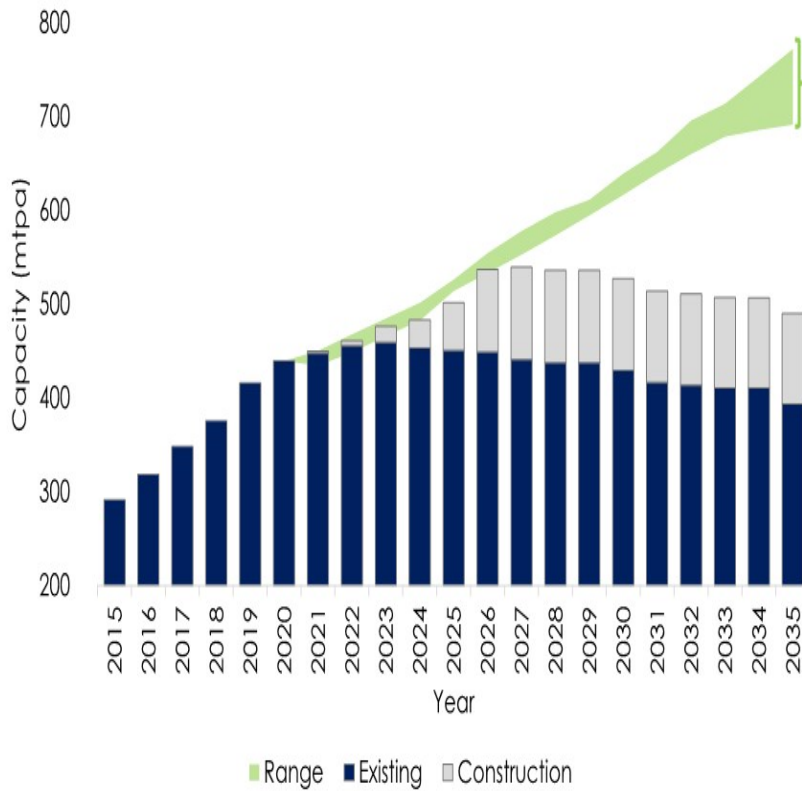
\$14.04 \$15.12 \$16.54 \$13.85 \$7.45 \$5.73 \$7.13 \$9.74 \$5.49 \$4.38 \$10.78  
YTD

Source: Wood Mackenzie, Tellurian analysis.  
Note: (1) Capacity additions for projects that have reached FID only.



# New LNG capacity required

Capacity required under various demand scenarios



Range of third-party demand scenarios	
<b>Growth rate<sup>(1)</sup></b>	<b>Capacity required by 2035<sup>(2)</sup></b>
<b>High: 4.1% p.a.</b>	280 mtpa
<b>Low: 3.3% p.a.</b>	200 mtpa

Source: IHS, Wood Mackenzie, BP World Energy Outlook Rapid Transition Scenario.  
 Notes: (1) Growth rate from base year 2020.  
 (2) Assumes growth rate since 2020 and 85.5% utilization rate of new capacity (based on average utilization from 2015-2019).

# LNG critical to global decarbonization



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# Net zero targets favor natural gas



## ~80% of global LNG demand represented below:



- Pledged net-zero by 2060, with peak emissions prior to 2030



- Pledged net-zero by 2050 with targeted coal phase out during the 2030s



- Pledged net-zero by 2050 with targeted coal phase out during the 2030s



- Pledged net-zero by 2050 with goal of reducing emissions to at least 55% of 1990 levels by 2030

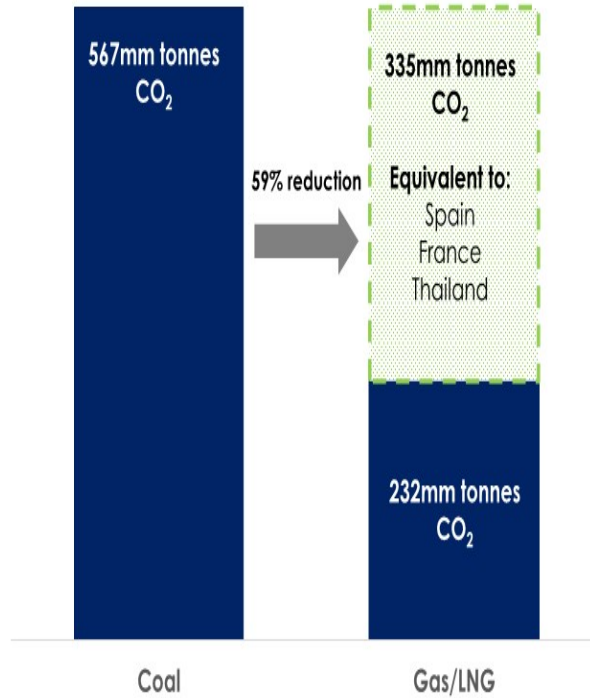
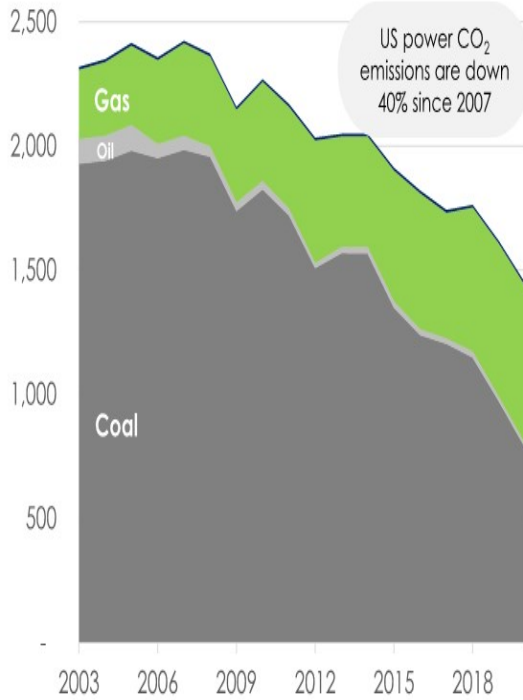


- Pledged net-zero by 2050 with goal of reducing emissions by 68% of 1990 levels by 2030

# Carbon reduction: the U.S. template works

US power industry has avoided 800mtpa of CO<sub>2</sub> in US

US LNG exports avoid 335mtpa of CO<sub>2</sub> globally



Source: EIA Monthly Energy Review, March 2021

# Carbon reduction is exportable

US LNG displaces significant CO<sub>2</sub> versus coal power equivalent



LNG train  
(5 mtpa)

- 26 mmt CO<sub>2</sub> emissions avoided
- Equivalent to Norway, Switzerland total CO<sub>2</sub> emissions<sup>(1)</sup>



LNG plant  
(27mtpa)

- 142 mmt CO<sub>2</sub> emissions avoided
- Equivalent to New York state, Michigan total CO<sub>2</sub> emissions<sup>(2)</sup>



US LNG industry  
(85mtpa)

- 567 mmt CO<sub>2</sub> emissions avoided
- Equivalent to Canada, Indonesia total CO<sub>2</sub> emissions

Source: Tellurian analysis.  
Note: (1) BP Statistical Review in World Energy 2020.  
(2) EIA State CO<sub>2</sub> Emissions report 2020.



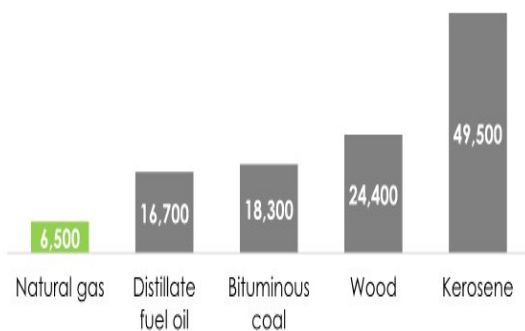
# Air quality improvements with LNG imports

Natural gas produces 64% less air particulate matter than does coal and 73% less than does wood biomass

- Improving air quality is a vital initiative for industrializing nations
  - 2.9 mm premature deaths in China and India attributable to air pollution<sup>(1)</sup>
  - China's decision to cut fossil fuel emissions since 2015 has saved 1.5 mm lives<sup>(2)</sup>
- Gasifying the energy mix is the fastest way to reduce particulate matter emissions
- LNG exports help nations meet UN Sustainable Development Goals 3, 7, 11, and 13<sup>(3)</sup>

## Particulate matter emissions by fuel type<sup>(4)</sup>

lbs/bcf equivalent

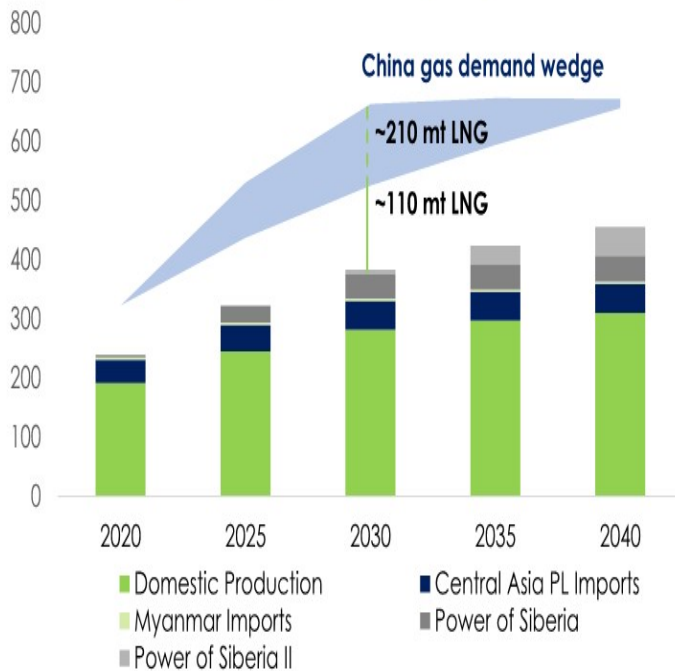


Source: <sup>(1)</sup> The Lancet, Volume 4, Issue 9, September 2020.  
<sup>(2)</sup> Harvard University School of Engineering & Applied Science, February 2021.  
<sup>(3)</sup> World Health Organization (WHO).  
<sup>(4)</sup> "Estimating Particulate Matter Emissions for eGRID" July 2020.

# China decarbonization requires natural gas

Even with 2 major Russian pipelines and growing domestic output, LNG imports could reach over 200 mtpa

China's natural gas supply vs. demand (Bcm)



- Targeting net-zero emissions by 2060
- Pledged to reach peak emissions prior to 2030
- Natural gas is required to reduce emissions while accommodating growing energy consumption
- Demand upside aligns with government target of 15% for gas' share in energy mix

Source: SIA, BP Energy Outlook 2020

# Integration delivers climate advantages

## Upstream



- ✓ Use "green completion" technology to eliminate flaring and minimize methane leakage
- ✓ Perform LDAR surveys utilizing optical gas imaging to allow identification and repair of leaks

## Driftwood pipeline



- ✓ Use the latest equipment, technology and monitoring systems that have been engineered with emission reductions
- ✓ Joined INGAA, a leader in the effort to modernize gas delivery infrastructure with a goal of reducing emissions

## Driftwood LNG



- ✓ Designed and will be operated to be a near-zero hydrocarbon or methane emission facility
- ✓ Emphasis on welded pipes and minimization of flanged connections
- ✓ Heavily instrumented to detect hydrocarbon leaks

Tellurian's integrated strategy enables the company to **measure** and **control** emissions across the value chain, thereby **reducing** CO<sub>2</sub>e emissions below U.S. national averages

# Appendix: Driftwood LNG details





# Driftwood LNG's ideal site for exports



Access to pipeline infrastructure



Access to power and water



Support from local communities



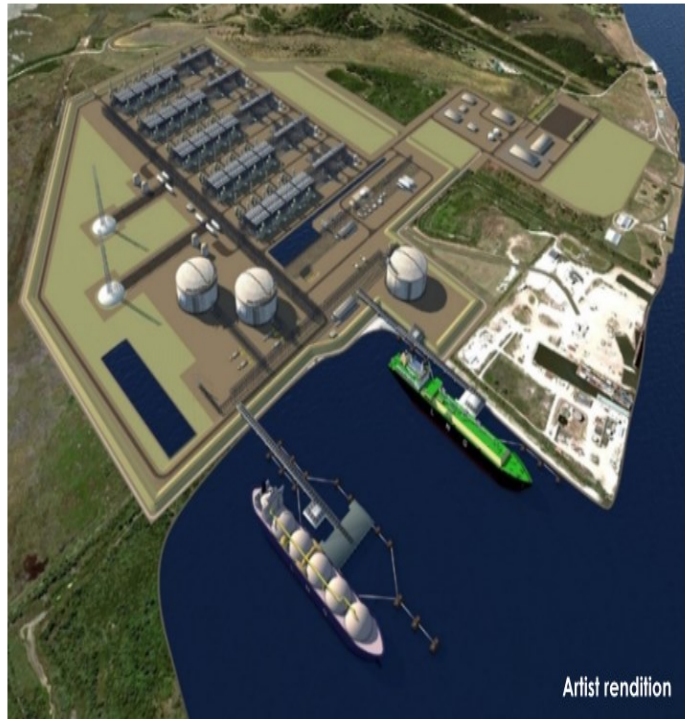
Site size over 1,000 acres



Insulation from surge, wind and local populations



Berth over 45' depth with access to high seas



✓ Fully permitted

✓ 30% engineering complete

✓ EPC contract signed

✓ Shovel ready project



# Unmatched LNG development experience

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



## Charif Souki

Executive Chairman of the Board

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



## Martin Houston

Vice Chairman

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



## Octávio Simões

President & CEO

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



## Keith Teague

EVP & COO

- CEO of Driftwood Holdings
- EVP – Asset Group at Cheniere

79 mtpa

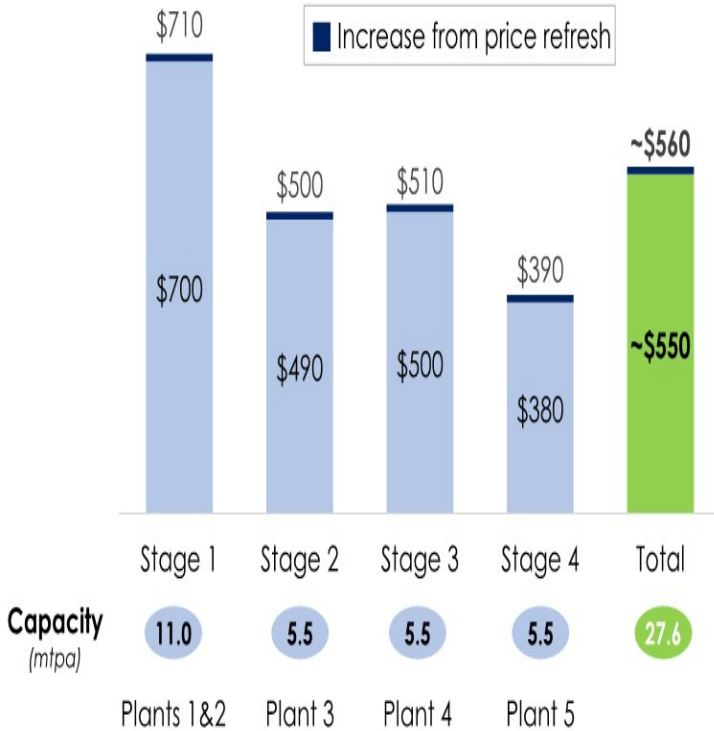
Tellurian management responsible for ~18% of the LNG in production today

35 years

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

# Bechtel LSTK secures project execution

## Driftwood EPC contract costs (\$ per tonne)



- Leading LNG EPC contractor
  - 44 LNG trains delivered to 18 customers in 9 countries
  - ~30% of global LNG liquefaction capacity (>125 mtpa)
- Tellurian and Bechtel relationship
  - 16 trains<sup>(1)</sup> delivered with Tellurian's executive team
  - Invested \$50 million in Tellurian Inc.
- Price refresh in April 2019 resulted in ~2% increase after ~24 months

Source: Tellurian-Bechtel agreements; Bechtel website.  
 Note: (1) Includes all trains from Sabine Pass LNG, Corpus Christi LNG, Atlantic LNG, QCLNG and ELNG.

# Tellurian Phase I unlevered return scenarios

	JKM index price (\$/mmBtu)			
	\$8.00	\$10.00	\$12.00	\$14.00
<b>Gas production &amp; liquefaction opex</b> (\$/mmBtu)	\$(3.00)	\$(3.00)	\$(3.00)	\$(3.00)
<b>Margin</b> (\$/mmBtu)	\$3.25	\$5.25	\$7.25	\$9.25
<b>Annual cash flow<sup>(1)</sup></b> (\$ millions)	\$1,859	\$3,003	\$4,147	\$5,291
<b>Unlevered IRR<sup>(2)</sup></b>	<b>16%</b>	<b>25%</b>	<b>35%</b>	<b>44%</b>
<b>Payback<sup>(3)</sup></b> (years)	6	4	3	2

Notes: (1) Includes \$1.75 mmBtu cost of shipping.  
(2) Annual cash flow equals the margin multiplied by 52 mmBtu per tonne for 11 mtpa.  
(3) Cash on cash returns before debt service and federal income tax; inclusive of phase I development cost including financing costs.  
(4) Payback period based on full production.