

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): May 3, 2023



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	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

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 2.02 Results of Operations and Financial Condition.

The information set forth in Item 7.01 is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On May 3, 2023, Tellurian Inc. (the “Company”) posted an updated corporate presentation to its website, 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.

Exhibit No.	Description
99.1	Tellurian Inc. Corporate Presentation, dated as of May 2023
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.

Date: May 3, 2023

By: /s/ Daniel A. Belhumeur

Name: Daniel A. Belhumeur

Title: Executive Vice President and General Counsel

Tellurian Inc.

Corporate presentation

May 2023



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, the benefits of the proposed integrated structure for Driftwood, Driftwood financing matters, capital structures, future development, costs, margins, cash flow, production, returns, wells, drilling and other development activities, inventory life, commodity prices and demand (including the relationship between domestic and international gas/LNG prices), funding of current and future phases, liquefaction capacity additions, construction of LNG projects, Driftwood capacity, 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, 2022, 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.

A full notice to proceed with construction of the Driftwood Project 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 10, 11, 12, 13, 14 and 19 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.

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.



The world is critically short natural gas

Demand for energy is projected to grow over 50% in the next 25 years as world population continues to grow and people strive to prosper.

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

Tellurian's integrated model aims to connect low-cost U.S. gas with the global market

Tellurian will be the first integrated global gas pure-play in the U.S. with access to low-cost domestic resource and infrastructure.

Sources: BP Statistical Review, BP World Energy Outlook, Wood Mackenzie, IEA.
Note: Tellurian's integrated model creates a physical hedge from upstream operations for Drifwood's natural gas purchases.

Tellurian executive summary

1

Driftwood LNG progress continues with multiple milestones met in 1Q23

- Executed binding LOI for \$1bn in financing; to date, invested or received commitments for \$2bn of project costs
- Received FERC approval of Driftwood Line 200 & 300, a more cost-efficient and environmentally-friendly option
- TELL upstream: forecasted 2023 average production of 180-190 MMcf/d

2

Global gas market volatility showing impact of multi-year underinvestment in LNG

- Nearly all global capacity under construction (~135 mtpa) is required to backfill Russian piped gas to Europe
- Ratio of TTF to Henry Hub gas near all-time high levels – helping to catalyze for further LNG investment
- Global CO₂ emissions and global coal consumption estimated to have reached all-time highs in 2022⁽¹⁾

3

Driftwood Phase I is well underway with Bechtel having commenced construction in April 2022

- Extended limited notice to proceed with Bechtel in 2023, continuing project work from 2022
- Cleared all Phase I critical areas, drove ~30% of Phase I piles and poured Plant 1 compressor foundations
- The advanced site work de-risks the project and provides acceleration options upon full notice to proceed

4

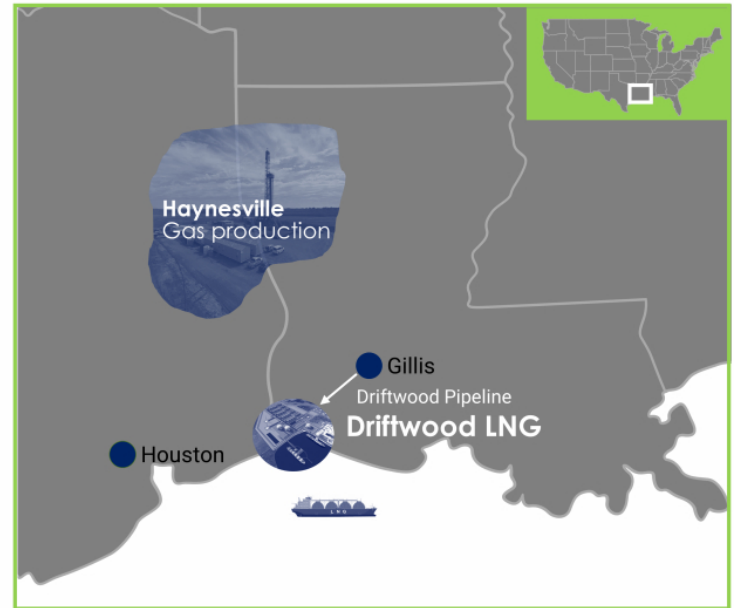
Economic momentum for U.S. LNG to fulfill global gas needs continues to grow

- Integrated LNG production model allows for margins to expand to offset increased development costs
- Driftwood is best placed among U.S. projects due to site, timeline, capacity and construction progress
- Driftwood Phase I open capacity allows for strategic investors to directly invest in low-cost U.S. LNG at the project level

Source: Tellurian analysis.
Note: (1) IEA World Energy Outlook 2022.

Tellurian: fully integrated, pure-play LNG

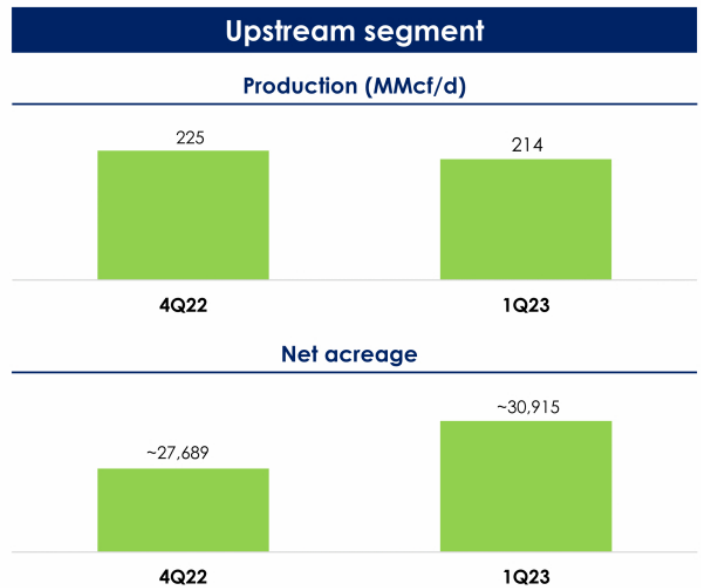
- **Low-cost, integrated business model:** upstream gas production in Haynesville⁽¹⁾, pipeline and LNG terminal in SW Louisiana
- **Pure-play, global gas producer:** monetizing U.S. domestic gas production into premium global gas markets; integration provides cost certainty of supply
- **Bechtel EPC execution:** best-in-class LNG execution; lump sum turnkey with ~30% of overall 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 ~79% of U.S. LNG capacity development and ~33% 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) Tellurian's integrated model creates a physical hedge from upstream operations for Driftwood's natural gas purchases.

Upstream: responsive to price signals

Tellurian Upstream overview ⁽¹⁾	
Acreage	<ul style="list-style-type: none"> ■ ~30,915 net acres primarily in DeSoto, Bossier, Caddo and Webster parishes ■ >60% of undeveloped acreage prospective for Bossier reserves ■ ~75% average operated working interest for operated locations
Well inventory	<ul style="list-style-type: none"> ■ >400 undeveloped, ~50% operated
Gas/ liquids mix	<ul style="list-style-type: none"> ■ 99+% gas



Note: (1) Inventory and reserves information as of December 31, 2022 [using December 30, 2022 NYMEX strip pricing] as prepared by Netherland, Sewell & Associates in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resources Management System (PRMS).

Driftwood LNG: construction in progress

Driftwood LNG development activities

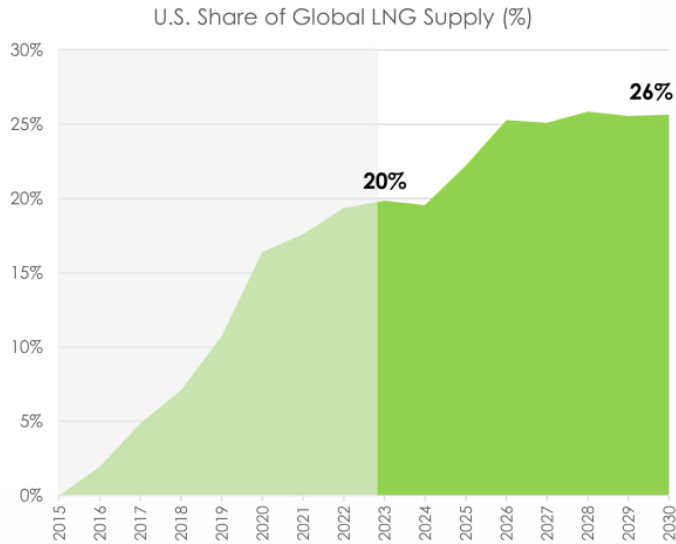
- Substantially completed all critical Phase I owner's projects:
 - Pipeline relocation
 - Highway and road widening
- Bechtel activities since commencing construction in April 2022:
 - Completed demolition of all existing land structures and cleared/backfilled all critical Phase I areas
 - Driven over 30% of all Phase I piles
 - Completed foundation work for Plant 1 compressors
- Upcoming Bechtel activities:
 - Completing the piling for Plant 1 and the LNG tanks
 - Continuing to pour foundations
 - Constructing the marine offloading facilities

Driftwood site and construction progress



Henry Hub will remain global gas price floor

Potential for international pricing / Henry Hub inversion is unsustainable due to U.S. market share on global basis



Source: Wood Mackenzie, S&P, Tellurian research.
 Notes: Includes projects that are under construction.
 [1] Excludes LNG exports, includes Mexico exports.

Price inversion scenario

If forward Henry Hub prices exceed global pricing, **~20-25% of the global LNG supply** could stay within the U.S. market, helping to balance global LNG supply

2030 Expected Figures

U.S. LNG Supply: ~21 Bcf/d	% of domestic gas consumption⁽¹⁾ (~93 bcf/d)	~23%
	% of global LNG supply (~81 bcf/d)	~26%

Future Henry Hub-JKM/TF pricing dynamics should ensure global gas markets are adequately supplied

LNG demand exceeds supply growth

LNG supply vs. demand growth (mtpa)



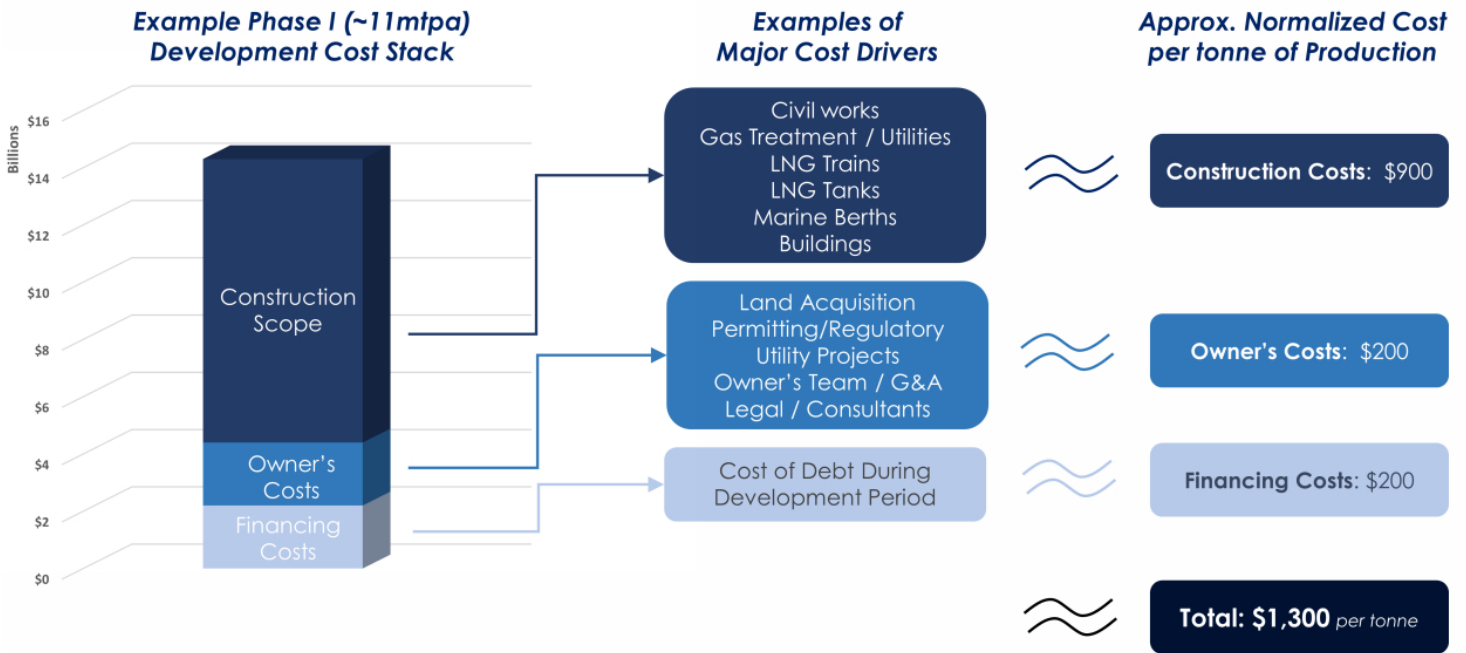
Sources: Wood Mackenzie, Tellurian estimates.

Notes: (1) Based on Wood Mackenzie estimates that global LNG demand will grow 5% p.a. from 2021 to 2035.

(2) Includes supply from projects that have made FID, net number that includes capacity declines of legacy projects.

(3) Assumes a utilization factor of 85%.

How much does a USGC LNG terminal cost?



Traditional LNG project economics

Illustrative LNG project cost stack (~11 mtpa)

\$/mmBtu

Illustrative Capital Structure:

- ~\$6 bn of equity (~43%)
- ~\$8 bn of debt (~57%)

Not inclusive of:

- Debt amortization
- Gas sourcing and fuel use
- Return to developer's equity

Needs to be reflected in
offtake price to make
project feasible



Notes: (1) Assumes 7% interest rate on \$8 bn of senior project debt.
(2) Assumes 11% internal rate of return on \$6 bn equity investment.

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



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

Total capacity
~11 mtpa LNG

Feedgas requirement
~550 Bcf/year

2-plant development costs (\$ bn)

■ LNG terminal⁽¹⁾ \$9.0

EPC cost/tonne (\$/tonne) \$815

■ Owner's cost⁽²⁾ 2.2

■ Pipeline⁽³⁾ 0.9

Capital cost/tonne (\$/tonne) \$1,100

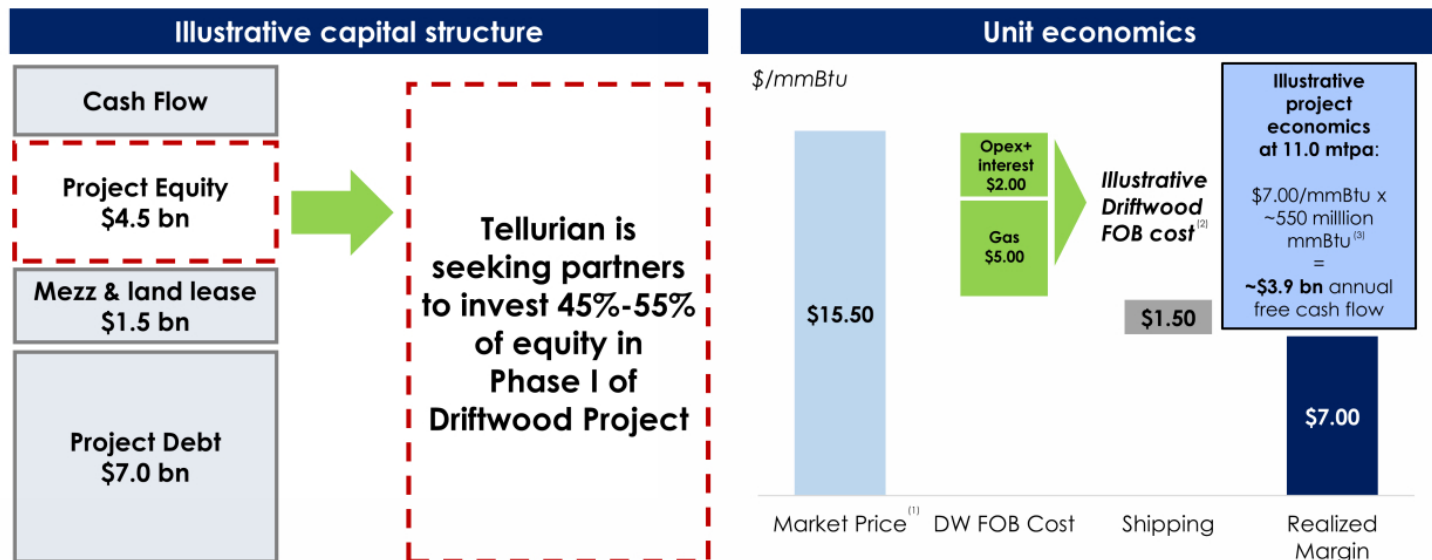
■ Financing, interest and other⁽⁴⁾ 2.4

Total development costs \$14.5

Notes: (1) Phase I EPC contract is an estimate provided by Bechtel for the price as of July 2022, subject to refresh before full notice to proceed.
 (2) Includes owner's costs, terminal labor, opex prior to LNG production, management fee to Tellurian, G&A during construction and contingencies.
 (3) Includes first phase of Driftwood pipeline system construction plus contingency.
 (4) Includes interest during construction, based on secured overnight financing rates as of March 2023 as well as financial advisory fees and transaction costs.

Driftwood capital structure & economics

Partner equity to supplement Tellurian's development expenditures to date



Notes: (1) Assumes Brent parity based on 2027 IHS Markit LNG and Gas Price Forecast as of April 2023 (rounded for illustrative purposes).
 (2) Assumes gas sourcing cost based on 2027 IHS Markit LNG and Gas Price Forecast as of April 2023. Assumes opex of \$1.00 and interest expense of \$1.00 (rounded for illustrative purposes), based on ~7% interest rate on project debt and bonds.
 (3) Assumes \$2 million mmBtu per tonne of LNG.

Illustrative cash flow at 2027 LNG pricing

		Phase I (Plants 1-2)	→	Full Development (Plants 1-5)
LNG sales price^(1,2) (less transportation, \$/mmBtu)		\$14.00		\$14.00
Gas sourcing⁽¹⁾ (\$/mmBtu)	-	\$5.00	-	\$5.00
Liquefaction and transport (\$/mmBtu)	-	\$1.00	-	\$1.00
Margin (\$/mmBtu)	=	\$8.00	=	\$8.00
Annual capacity	x	~550 Bcf	x	~1,380 Bcf
Illustrative annual operating cash flow to Driftwood LNG before land lease and interest expense	=	\$4.4 billion	=	\$11.0 billion

Plants 3-5 to be funded by cash flow from Phase I

Notes: (1) Assumes Brent parity based on 2027 IHS Markit LNG and Gas Price Forecast as of April 2023 (rounded for illustrative purposes).
 (2) 50% Asia/50% Europe blend with transportation estimate of \$1.50/mmBtu.

Contact us

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Appendix



TELLURIAN

Driftwood LNG's ideal site for exports



Access to pipeline infrastructure



Access to power and water



Support from local communities



Site size over 1,200 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
- ✓ Under construction

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
- Former President & CEO of Sempra LNG & Midstream



Samik Mukherjee

EVP and President, Driftwood Assets

- Joined Tellurian in 2022
- Former EVP, COO of McDermott International, Ltd.

166 mtpa

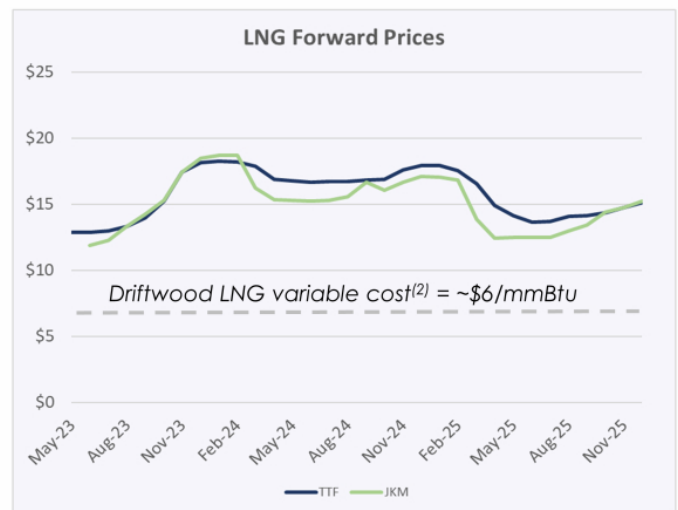
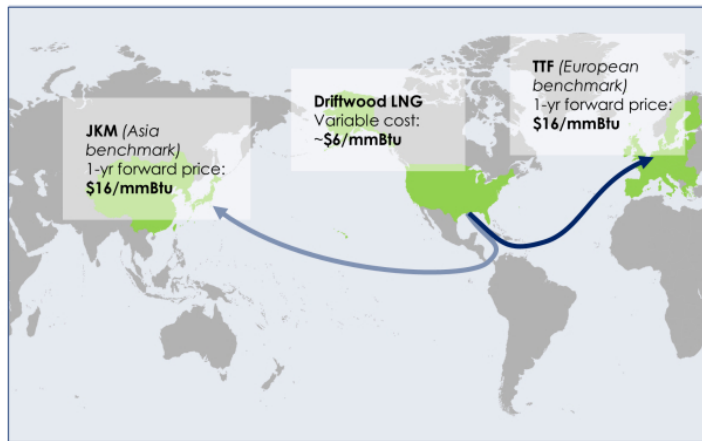
Tellurian management responsible for ~33% of global LNG in production today and 79% of U.S. LNG in production today

35 years

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

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

Access to premium global gas market generates up to \$9/mmBtu margin⁽¹⁾ at current forward prices

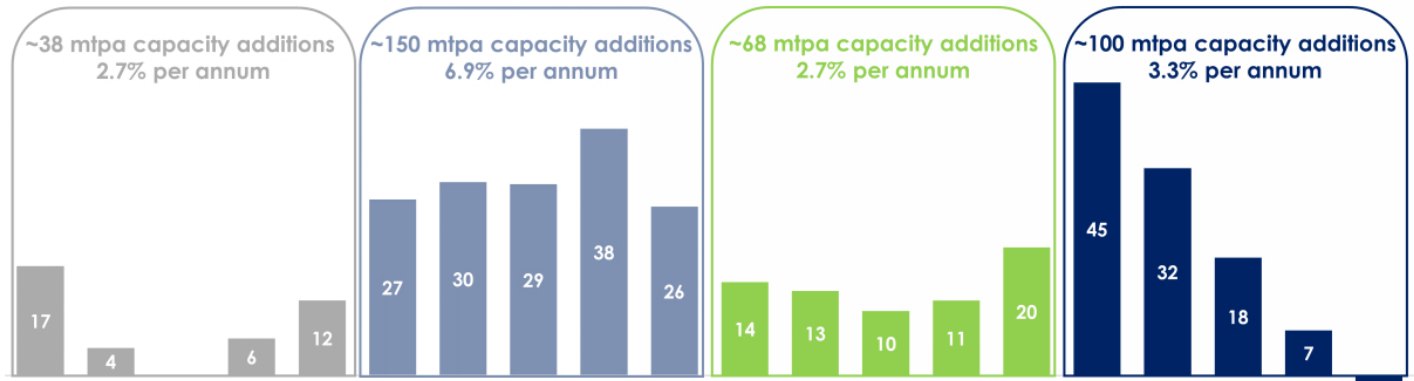


Sources: Wood Mackenzie, IHS Markit, Bloomberg and ICE data via MarketView.

Notes: (1) Assumes maximum netback from Asia or Europe based on 04/25/2023 12-month strip pricing for Henry Hub, TTF, and JKM, \$1.00/mmBtu for plant opex and G&A and \$1-\$1.70/mmBtu shipping, depending on the destination to Europe or Asia.
(2) Driftwood LNG variable cost assumes \$5.00/mmBtu for gas sourcing based on 2027 IHS Markit LNG and Gas Price Forecast as of April 2023 and \$1.00/mmBtu for plant opex and G&A.

Supply fails to keep pace with demand

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 \$18.59 \$33.98 \$16.74 YTD

Sources: Wood Mackenzie, Platts via MarketView.

Note: Capacity additions for projects that have reached FID only.