

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): February 27, 2024



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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 27, 2024, upon the recommendation of the Compensation Committee of the Board of Directors (the “**Board**”) of Tellurian Inc. (the “**Company**”), the Board approved the following base salary and target short-term and long-term compensation under the Tellurian Inc. Incentive Compensation Program (the “**ICP**”) for the President of the Company, Daniel Belhumeur:

Name and principal position	Base salary	Target short-term compensation (as a percentage of base salary)	Target long-term compensation (as a percentage of base salary)
Daniel A. Belhumeur, President (1)	\$ 850,000	120%	350%

(1) On February 27, 2022, upon the recommendation of the Compensation Committee of the Board, the Board approved increases in Mr. Belhumeur’s base salary (from \$525,000), effective as of January 1, 2024, and Mr. Belhumeur’s target short-term and long-term compensation under the ICP (from 100% and 300%, respectively).

On March 1, 2024, the Board elected not to renew or extend the term of the Company’s employment agreement with Octávio Simões, the Chief Executive Officer of the Company, beyond the term ending on June 5, 2024.

Item 7.01 Regulation FD Disclosure.

On March 4, 2024 Tellurian Inc. posted a letter to shareholders and an updated corporate presentation to its website, www.tellurianinc.com. Copies of the letter to shareholders and corporate presentation are attached as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

The information in this Item 7.01, including the information set forth in Exhibits 99.1 and 99.2, 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 8.01 Other Events.

On February 27, 2024, the Board of the Company appointed Chairman of the Board Martin Houston to the position of Executive Chairman.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Letter to Shareholders, dated as of March 4, 2024
99.2	Tellurian Inc. Corporate Presentation, dated as of March 2024
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: March 4, 2024

By: /s/ Simon G. Oxley

Name: Simon G. Oxley

Title: Executive Vice President and Chief Financial Officer

4th March 2024

Dear shareholders of Tellurian,

On February 23rd we issued our 2023 financial results, capping off a year of change for our company. Today we are releasing our new Corporate Presentation which describes the path forward, including the near-term priorities and strategies for longer term value creation for our company.

We remain steadfast in our commitment to developing Driftwood LNG, which will supply low-cost US-sourced LNG to global markets. In that pursuit, we have taken several necessary steps to advance our efforts while improving our financial strength.

- We received our extension authorization from FERC, which will allow us time to complete all five plants of Driftwood.
- The recent announcements from the DOE, along with additional focus and simplification, have helped our commercial efforts.
- We are exploring options to monetize our upstream gas production business as announced on February 6th.
- We've widened the commercial aperture, whilst maintaining our business model.
- We have materially reduced corporate overhead and strengthened our balance sheet.
- We restructured certain debt obligations, giving us further liquidity and runway.
- We have agreed to amend delivery dates for long-lead equipment and to extend Driftwood LNG construction work.
- Last Tuesday, February 27th, the Board appointed me as Executive Chairman. This is part of a leadership succession and renewal process which will be implemented in the coming months.

All these actions demonstrate the renewed focus on delivering value for our shareholders and customers.

Permits – we have all of them and we are un-constrained.

Externally, the Biden Administration is now taking an expanded interest in the LNG export approval process. These changes have “paused” additional approvals for other LNG facilities for some unknown period. Tellurian and a few other companies with existing permits are not impacted.

These changes benefit Tellurian as we are now one of a few facilities with uncontracted capacity for LNG deliveries in 2028. We have a tremendous opportunity to capitalize on this market shift as we continue to seek equity partners and sales and purchase agreements with customers for Driftwood.



Upstream – no longer a core strategic need.

This is a pure capital allocation decision as we focus on developing Driftwood and assess the best way to fund our operations. Our upstream business is less of a strategic fit in a world where the US gas market has shown us there is abundant resource availability.

With this in mind, we are comfortable building a supply model centered on third party producers, as is the case for most US LNG export projects. For potential gas producers, our upstream assets offer the opportunity to acquire existing production with sizeable undrilled inventory that they may be able to develop faster than we would, pulling forward value.

Accordingly, with the help of Lazard, we aim to sell the upstream business, which is a high-quality enterprise. Our Haynesville and Bossier assets are Tier 1, and we know firsthand that there is keen interest from quality buyers.

Balance sheet – strengthened to provide commercial runway.

We're tackling the balance sheet in four ways. Firstly, we have reduced our costs. Secondly, we reduced our debt with the early debt-for-equity swap. Next, we expect to use proceeds from our upstream sale to reduce our indebtedness. Finally, we have amended the terms of the indentures governing our senior secured notes and senior secured convertible notes to reduce our cash obligations in the short term and provide incremental financial flexibility through a reduced minimum liquidity requirement. The goal is to put the company on more stable financial footing and to limit equity dilution.

Commercial – opening the aperture to a wider customer base.

We expanded our outreach to customers and are meeting the market at current terms. Our approach does not radically change our model; however, it recognizes the clearing price for LNG SPAs and ensures we are positioned to match it. We are positioned well compared to other LNG sellers both in the US and internationally.

We also can offer commercial options to both domestic sellers of natural gas as well as global LNG buyers alongside options to partner with us directly in Driftwood. Furthermore, we are fully utilizing our competitively advantaged status since the DOE's announcement. We are already seeing increased intensity of discussions with a wider range of potential customers and partners. This work is moving at pace. The range of potential LNG counterparties is as wide and deep as it's ever been in my long career in this industry.

On the JV and equity investment side, strategic gas assets, especially in the US, are seen as compelling investments in a world that is endeavoring to lower carbon intensity while earning a steady, predictable return. For pure LNG offtake, pricing stability continues to bring in new LNG markets and the expansions of traditional ones. And lastly, consolidation in the US shale sector allows remaining companies to think and act more globally in scope.



I am confident about both our strategy and our direction. We are shareholders too, and we are completely aligned with your interests and invested in ensuring Tellurian's ultimate success. I can assure you that we are working as fast as possible for your benefit.

Thank you for your continued support, feedback, and investment. We appreciate you immensely.

A handwritten signature in blue ink that reads "Martin Houston".

Martin Houston
Executive Chairman
Tellurian Inc.

CAUTIONARY INFORMATION ABOUT FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements within the meaning of U.S. federal securities laws. The words "anticipate," "assume," "believe," "budget," "estimate," "expect," "forecast," "initial," "intend," "may," "plan," "potential," "project," "proposed," "should," "will," "would," and similar expressions are intended to identify forward-looking statements. Forward-looking statements herein relate to, among other things, strategic, commercial, competitive and regulatory matters and the potential sale of our upstream assets. These statements involve a number of known and unknown risks, which may cause actual results to differ materially from expectations expressed or implied in the forward-looking statements. These risks include the matters discussed in Item 1A of Part I of the Annual Report on Form 10-K of Tellurian for the fiscal year ended December 31, 2023, filed by Tellurian with the Securities and Exchange Commission (the SEC) on February 23, 2024, and other Tellurian filings with the SEC, all of which are incorporated by reference herein. The forward-looking statements in this communication speak as of the date of this communication. Although Tellurian may from time to time voluntarily update its prior forward-looking statements, it disclaims any commitment to do so except as required by securities laws.



Licensed to export US LNG
Delivering the transition
Providing energy security

March 2024



Cautionary language regarding 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, commodity prices and demand (including the relationship between domestic and international gas/LNG prices), Driftwood capacity, future demand and supply affecting LNG and general energy markets, liquidity, competitive factors, financial and operating results (including income, production, costs, cash flows and returns), environmental matters, financing efforts and FID, the terms of future contracts, the potential sale of the upstream properties, permitting matters, terms of LNG offtake and other agreements, LNG production, Driftwood construction, growth opportunities, the timing of all of the foregoing, 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, 2023, 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 is meant for illustrative purposes only and does not purport to show estimates of actual future financial performance. The information on that slide assumes the completion of certain financing and other transactions. Such transactions may not be completed on the assumed terms or at all. Actual commodity prices and contract terms may vary materially from the commodity prices and contract terms assumed for the purposes of the illustrative financial performance information.

The forward-looking statements made in or in connection with this presentation speak on 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.



Investing now to meet global demand



The world requires low-carbon energy to support future economic growth

Our purpose is to export reliable, low cost, and low-carbon US LNG to the world

Tellurian offers a pure-play, growth-focused investment in US LNG

The company is **fully permitted**¹ to export 27.6 mtpa of US LNG

Tellurian's new leadership is bringing together demand, gas supply and investment

We have sharpened our focus on stability, financial discipline, and execution

Tellurian is building export infrastructure in a prime location near Lake Charles, LA

We have additional land with deep water access to allow us to grow up to ~60 mtpa

See Supplemental Information for footnotes.



“Driftwood is in construction and is **fully permitted**.

We are differentiated from competing projects fighting the US regulatory headwinds.

Tellurian’s Board and leadership are laser focused on **delivering value** to Tellurian shareholders.

Alongside **balance sheet discipline**, we have **reduced costs**, **widened our commercial aperture** and **increased the pace** of activity in the marketplace.

In just two months, we have made great progress.”



Martin Houston
Executive Chairman,
Co-Founder

40+ years of energy
industry experience

Tellurian's recent advances



Leadership focus

- **Newly appointed Executive Chairman, with decades of LNG experience**
- Board and leadership teams are laser-focused on delivering shareholder value
- Appointment of world-class advisors



Regulatory advancement

- All permits in place
- **FERC extension approval granted for 27.6 mtpa**
- Confirmation by DOE that Driftwood non-FTA permit not impacted by current 'pause'



Balance sheet management

- Materially reduced corporate overhead
- **Amended debt agreements to create more sustainable capital structure and improve liquidity without impacting Driftwood timeline**
- Restructured major payment obligations with partners, lowering near-term liquidity needs

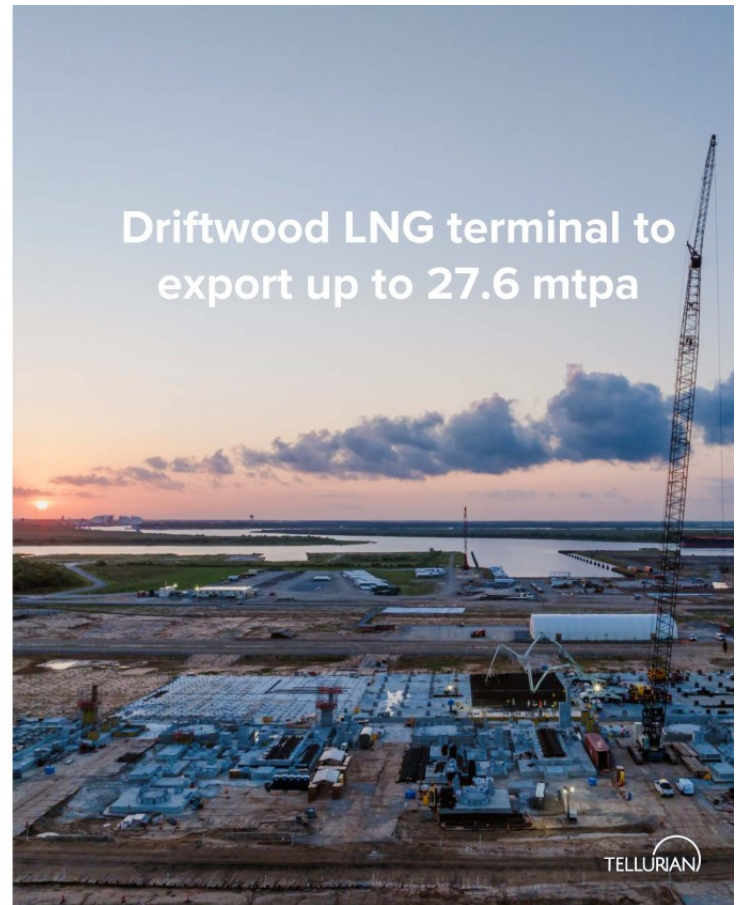


Commercial aperture

- Widened custom base by way of increased commercial flexibility
- **Commercially attractive offering conveys current market terms**

Driftwood LNG: de-risked & moving forward

- **All permits in place** for construction & operation of terminal and pipeline
- **Competitive regulatory advantage** given recent DOE moratorium on non-FTA permits
- **Only world-scale greenfield facility** with capacity for US LNG deliveries in 2028
- **Over \$1 billion invested:** construction ~30% advanced, and sub-surface risk mitigated
- **1,200-acre site** with pipeline access to multiple major gas supply hubs



Driftwood LNG site progress continuing

Being in construction has mitigated regulatory risk

Completed ground work has de-risked future EPC timeline and associated costs



Focused on efficiently reaching Driftwood FID, driving shareholder value

Commercial steps	Financing process	Construction milestones
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Driftwood is...

- Offering competitive and financeable contracts that appeal to a wide range of customers
- Marketing offtake agreements at Henry Hub index with a liquefaction fee

Tellurian is...

- Pursuing project financing for Driftwood
- Strengthening Tellurian’s cost structure, balance sheet, and financial discipline
- Retiring debt secured by upstream assets upon sale

Driftwood plans to...

- Issue a full notice to proceed to Bechtel to begin construction for Phase 1 in 2H 2024¹
- Produce first LNG by 2028
- Maximize shareholder returns

See Supplemental Information for footnotes.



World-class partners providing best-in-class execution, and design & technology expertise



EPC partner

- Lump-sum, turn-key EPC contract for all-plant buildout
- Premier EPC contractor with history of on-budget and ahead-of-schedule production on US Gulf Coast
- Ability to benefit from economies of scale via all-plant buildout schedule

Equipment & technology partner

- LM6000PF+ turbines reduce fuel gas use, lowering emissions without sacrificing production
- Proven aeroderivative turbines and compressors for Driftwood LNG plant
- Near-zero emissions via integrated ICL pipeline compressors

Liquefaction technology partner

- Simplified construction, operation, and maintenance through mid-scale size and cold box design
- Highly efficient, proprietary IPSMR process technology
- Increased uptime and redundancy via multi-train design

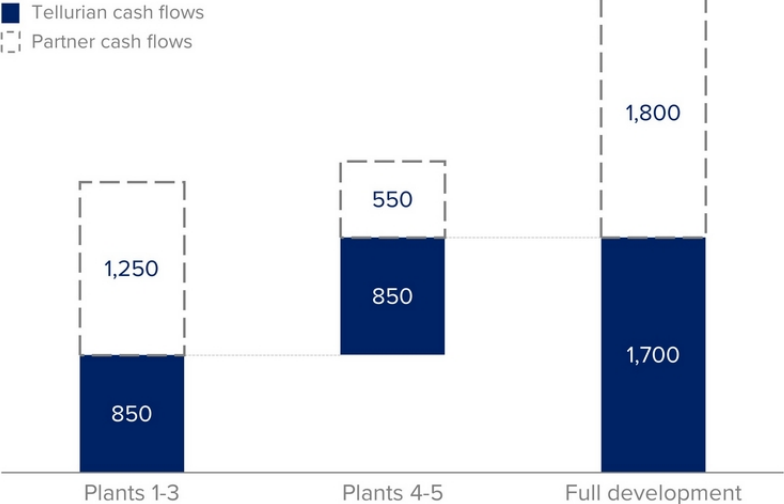


Driftwood value to Tellurian

Driftwood annual cash flows in excess of \$3bn at full development

Illustrative Driftwood annual cash flows

Debt adjusted annual cash flows 2033-2034, \$MM/yr



Driftwood

- Tellurian expects to own 35%-40% of Plants 1 and 2 and an increasing share of expansion plants
- Plants 1 and 2 are expected to FID in 2024 with Plant 3 expected six to nine months thereafter
- Fixed fee contracts to maximize low-cost debt
- Increasing merchant exposure over time to reflect Tellurian's enhanced balance sheet capabilities
- Plants 1-3 EPC cost¹ is estimated at ~\$825-875 per tonne with five-plant full development expected to be ~10% lower per tonne

See Supplemental Information for footnotes.



Site II enables up to 60 mtpa of LNG capacity

Site II could double Tellurian LNG capacity offering long-term shareholder value

LNG capacity development

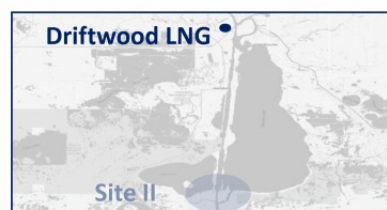
Full phase development, mtpa



See Supplemental Information for footnotes.

Site II

- Further ~800-acre site in Louisiana with deep draft access, ideal for waterborne export development
- Potential expansion options include a second LNG facility, and/or an energy transition hub benefiting from IRA subsidies
- Offers incremental long-term value for shareholders²

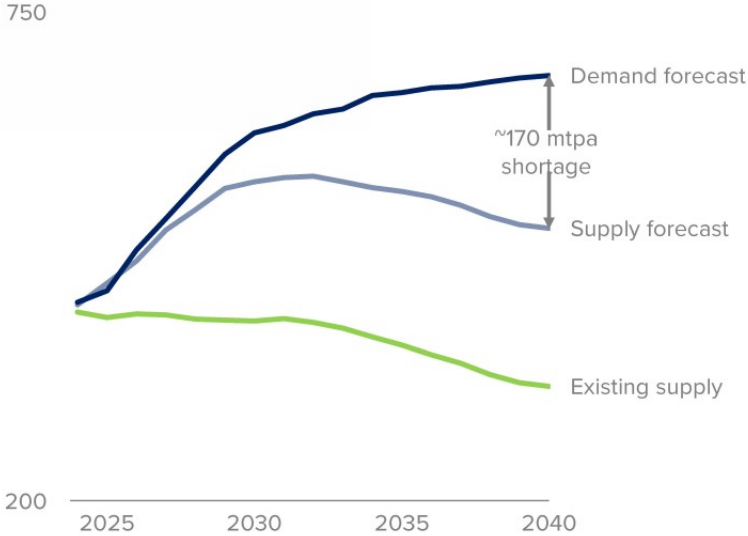


US LNG continues to be critical to global energy security

Global LNG demand is forecast to grow by >50% by 2035

Global LNG deficit of >150 mtpa by year 2040

2024 Baseline year, mtpa¹



See Supplemental Information for footnotes.

Macro

- Global demand for LNG to rise by 54% to over 620 mtpa by 2035, a CAGR of 4%
- Global LNG supply forecasts impacted by non-FTA 'pause'
- Market is pivoting to long-term contracts to guarantee security of supply

US LNG producers

- The US is the world's largest LNG exporter and respected as a reliable counterparty
- Tellurian is helping overcome global challenges of energy affordability, availability, and security while reducing emissions for the power sector



Our environmental credentials

Driftwood's business model enables top quartile Scope 1 ESG ratings



Liquefaction

- 20% lower emissions via leading gas turbine technology¹
- Minimizing of flaring via development of warm start-up sequence
- Reduction in Scope 1 emissions by maximizing welded pipe connections



Pipelines

- Creation of North America's first near-zero emission pipeline due to electric compression technology
- Emission-free actuators installed on more than 90% of pipeline valves



Power supply

- Execution of MoU with Entergy Louisiana to identify and evaluate new, potential low- or zero-carbon energy generation and delivery solutions



Wetlands restoration

- Committed to create ~3,000 acres of restored coastal marsh, which is 4x regular requirement
- Largest privately funded marsh restoration project in the Gulf Coast area
- Partnered with Stream Wetland Services, one of the leading wetland experts in Louisiana

See Supplemental Information for footnotes and Tellurian ESG Report 2022.



Our competitive advantages create value for customers and investors



Purpose

Supplying growing global markets with low-cost US LNG

Position

Driftwood is being constructed on a prime Louisiana location, connecting abundant US natural gas basins with international export routes

People

Refreshed Board and management team, with the experience and focus to deliver

Permitting

Fully permitted, putting Driftwood ahead of competitors during DOE pause in approvals. First LNG anticipated in 2028

Supplemental information

- Slide 3 1) Tellurian requested extensions with FERC in October 2023 for 36 months extension to finish construction of Driftwood and was granted approval on February 15, 2023.
- Slide 8 1) Phase 1 defined as 2 plant, ~11 mtpa scope.
- Slide 10 1) Management estimates on EPC costs.
2) Assumes 35% ownership stake in Plants 1-2, 50% ownership in Plant 3, 60% ownership in Plant 4, and 65% ownership in Plant 5. Assumes \$2bn in project bonds and \$5.5bn in senior debt at 6.25%, \$15 LNG price, \$10bn EPC price, and \$2.35 SPA price in all phases, escalated accordingly for future phases.
- Slide 11 1) Management estimates for FID and First LNG dates. FID for Plants 1&2 in 2024, FID for Plant 3 in 2025.
2) Assumes analogous site to Driftwood LNG is permitted and constructed on Site II with design and project execution synergies between two projects.
- Slide 12 1) Sources: IEA, WoodMackenzie, Shell LNG Outlook 2024, and Tellurian internal research.
- Slide 13 1) Compared to standard industrial frames. For additional information, a copy of the 2022 Tellurian ESG Report can be found at: <https://www.tellurianinc.com/corporate-social-responsibility/esg-performance-summary/>.

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