

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 June 30, 2024

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(s)	Name of each exchange on which registered
<b>Common stock, par value \$0.01 per share</b>	<b>TELL</b>	<b>NYSE American LLC</b>
<b>8.25% Senior Notes due 2028</b>	<b>TELZ</b>	<b>NYSE American LLC</b>

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 August 2, 2024, there were 893,759,536 shares of common stock, \$0.01 par value, issued and outstanding.

**Tellurian Inc.**  
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### 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 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;
- potential impacts of entering into the Merger Agreement with Woodside and the closing of the Merger (in each case as defined below);
- 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 maintain necessary governmental permits and approvals, and the ongoing compliance and conditions required to do so.

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;
  - the risk that Tellurian stockholders may not approve the Merger Agreement;
  - uncertainty as to whether the Merger will close and the timing to consummate the closing;
  - restrictions in the operation of our business while the Merger Agreement is in effect until the closing;
  - 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;
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- 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 and the ability to maintain such 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
- risks and uncertainties associated with litigation matters, including any costs for litigation that might occur relating to the Merger.

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:

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
USACE	U.S. Army Corps of Engineers

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**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	June 30, 2024	December 31, 2023
<b>Current assets:</b>		
Cash and cash equivalents	\$ 19,152	\$ 75,789
Accounts receivable	22,624	25,790
Prepaid expenses and other current assets	1,889	11,672
Current assets of discontinued operations (Note 4)	—	4,279
Total current assets	43,665	117,530
Property, plant and equipment, net	788,019	759,650
Other non-current assets	107,974	70,200
Non-current assets of discontinued operations (Note 4)	—	376,649
Total assets	\$ 939,658	\$ 1,324,029
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 55,056	\$ 55,548
Accrued and other liabilities	58,323	116,066
Borrowings	47,124	—
Current liabilities of discontinued operations (Note 4)	—	7,584
Total current liabilities	160,503	179,198
Borrowings	87,038	361,402
Finance lease liabilities	120,987	121,450
Other non-current liabilities	16,357	33,951
Non-current liabilities of discontinued operations (Note 4)	—	3,103
Total liabilities	384,885	699,104
Commitments and Contingencies (Note 10)		
<b>Stockholders' equity:</b>		
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: 894,992,962 and 703,739,585 shares outstanding, respectively	8,779	6,866
Additional paid-in capital	1,876,781	1,765,044
Accumulated deficit	(1,330,848)	(1,147,046)
Total stockholders' equity	554,773	624,925
Total liabilities and stockholders' equity	\$ 939,658	\$ 1,324,029

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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Revenues:</b>				
Natural gas sales	\$ —	\$ —	\$ —	\$ —
Total revenue	—	—	—	—
<b>Operating costs and expenses:</b>				
Operating expenses	—	—	—	—
Development expenses	6,380	11,530	11,930	23,587
Depreciation, depletion and amortization	1,088	720	2,175	1,416
General and administrative expenses	17,382	28,225	29,176	56,784
Total operating costs and expenses	24,850	40,475	43,281	81,787
Loss from operations	(24,850)	(40,475)	(43,281)	(81,787)
Interest expense, net	(2,369)	(4,179)	(5,038)	(8,189)
Loss on extinguishment of debt, net	(10,881)	—	(15,473)	(2,822)
Other (expense) income, net	(341)	378	(4,555)	12,604
Loss before income tax	(38,441)	(44,276)	(68,347)	(80,194)
Income tax	—	—	—	—
Loss from continuing operations	(38,441)	(44,276)	(68,347)	(80,194)
Loss from discontinued operations, net (Note 4)	(101,346)	(15,343)	(115,455)	(6,918)
Net loss	\$ (139,787)	\$ (59,619)	\$ (183,802)	\$ (87,112)
<b>Net loss per common share<sup>(1)</sup> - Basic and Diluted</b>				
Continuing operations	\$ (0.05)	\$ (0.08)	\$ (0.09)	\$ (0.15)
Discontinued operations	\$ (0.12)	\$ (0.03)	\$ (0.15)	\$ (0.01)
<b>Weighted-average shares outstanding:</b>				
Basic and Diluted	827,834	540,365	791,019	539,039

(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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total shareholders' equity, beginning balance	\$ 645,523	\$ 645,543	\$ 624,925	\$ 672,543
Preferred stock	61	61	61	61
Common stock:				
Beginning balance	7,848	5,458	6,866	5,456
Common stock issuances	931	101	1,913	101
Share-based compensation, net	—	1	—	3
Ending balance	8,779	5,560	8,779	5,560
Additional paid-in capital:				
Beginning balance	1,828,675	1,648,387	1,765,044	1,647,896
Common stock issuances	48,106	12,663	111,737	12,663
Share-based compensation, net	—	685	—	1,176
Ending balance	1,876,781	1,661,735	1,876,781	1,661,735
Accumulated deficit:				
Beginning balance	(1,191,061)	(1,008,363)	(1,147,046)	(980,870)
Net loss	(139,787)	(59,619)	(183,802)	(87,112)
Ending balance	(1,330,848)	(1,067,982)	(1,330,848)	(1,067,982)
Total shareholders' equity, ending balance	\$ 554,773	\$ 599,374	\$ 554,773	\$ 599,374

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)

	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (183,802)	\$ (87,112)
Adjustments to reconcile Net loss to Net cash used in operating activities:		
Depreciation, depletion and amortization	38,839	47,397
Amortization of DFC	6,809	1,652
Share-based compensation	—	1,179
Loss on sale of upstream assets (Note 4)	84,185	—
10% Senior Secured Notes paid in kind interest	5,391	—
Loss on financial instruments not designated as hedges	—	10,346
Change in fair value of embedded derivative	4,332	—
Loss on extinguishment of debt, net	15,473	2,822
Other	1,759	2,141
Net changes in working capital (Note 16)	(16,165)	37,654
Net cash (used in) provided by operating activities	(43,179)	16,080
Cash flows from investing activities:		
Acquisition and development of natural gas properties, net	(9,625)	(95,231)
Proceeds from sale of upstream assets	249,421	—
Driftwood Project construction costs	(46,880)	(112,565)
Note receivable	—	(18,000)
Capitalized internal use software and other assets	(294)	(3,530)
Net cash provided by (used in) investing activities	192,622	(229,326)
Cash flows from financing activities:		
Proceeds from common stock issuances	67,824	13,163
Equity issuance costs	(950)	(399)
Borrowing payments	(239,329)	(166,666)
Other	(429)	(344)
Net cash used in financing activities	(172,884)	(154,246)
Net decrease in cash, cash equivalents and restricted cash	(23,441)	(367,492)
Cash, cash equivalents and restricted cash, beginning of period	105,377	508,468
Cash, cash equivalents and restricted cash, end of period	\$ 81,936	\$ 140,976
Supplementary disclosure of cash flow information:		
Cash interest paid, net of capitalized interest	\$ (3,905)	\$ 13,681

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 a portfolio of LNG marketing and infrastructure assets that includes an LNG terminal facility (the “Driftwood terminal”) and related pipelines. The Driftwood terminal and related pipelines are collectively referred to as the “Driftwood Project.” We refer to the Driftwood Project as the “Business.” 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.

**Upstream Sale**

On May 28, 2024, Tellurian Production LLC (“Tellurian Production Company”) and Tellurian Operating LLC (together with Tellurian Production Company, “Seller”), each an indirect wholly owned subsidiary of Tellurian, entered into a purchase and sale agreement (the “PSA”) with Aethon United BR LP and Aethon III BR LLC (collectively, “Buyer”), pursuant to which Seller agreed to sell its upstream and related midstream assets in the Louisiana region of the Haynesville Shale to Buyer for an aggregate purchase price of \$260.0 million, subject to certain customary adjustments (the “Upstream Sale”). The Upstream Sale closed on June 28, 2024. The accompanying Condensed Consolidated Financial Statements have been revised to reflect the effect of the Upstream Sale. The Upstream Sale was disclosed in prior periods as part of Management’s plans to alleviate substantial doubt about the Company’s ability to continue as a going concern. See Note 4, *Discontinued Operations*, for further information.

**Merger Agreement**

On July 21, 2024, Tellurian entered into a Merger Agreement with Woodside. Refer to Note 17, *Subsequent Events*.

**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, 2023.

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. 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.

There has been no change to our significant accounting policies as included in our Annual Report on Form 10-K for the year ended December 31, 2023 and our Quarterly Report on Form 10-Q for the three-month period ended March 31, 2024, except as follows:

**Discontinued Operations**

The divestiture of a disposal group which represents a strategic shift to the Company’s operations and financial results is presented as discontinued operations in the Condensed Consolidated Statements of Operations. The gain or loss recognized is recognized as the consideration received from the sale less its net carrying value, and direct costs incurred to sell. Adjustments to amounts reported in discontinued operations are presented in subsequent periods. Interest costs associated with debt required to be repaid as a result of the transaction are allocated to the discontinued operations. The assets and liabilities of the disposal group related to discontinued operations in the Condensed Consolidated Balance Sheets are reclassified to conform to the current period presentation. Working capital that is not part of the disposal group is retained by the Company and presented as continuing operations. Cash flows from discontinued and continuing operations are presented on a consolidated basis within the Condensed Consolidated Statements of Cash Flows.

**Segments**

Following the Upstream Sale, the Company conducts its operations as a single operating and reportable segment. Our chief operating decision maker allocates resources and assesses financial performance on a consolidated basis in our strategy to manage the Company.

We are not required to disclose the information prescribed by ASC 280, *Segment Reporting*, for a reportable segment that qualifies for discontinued operations reporting. In addition, segment information for periods prior to the sale of a reportable segment is not required to be restated in the comparative periods.

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

**Going Concern**

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. In accordance with ASC Subtopic 205-40, *Presentation of Financial Statements—Going Concern* ("ASC 205"), the Company evaluates whether conditions and/or events raise substantial doubt about its ability to meet its obligations as they become due within one year after the date that the financial statements are issued. As of June 30, 2024, the Company has generated losses and cash outflows from operations. The Company has not yet established an ongoing source of revenues that is sufficient to satisfy our obligations and fund working capital needs as they become due during the twelve months following the issuance of the financial statements. These conditions raise substantial doubt about our ability to continue as a going concern.

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, the discontinued upstream operations, and the sale of common stock under its at-the-market equity offering programs. Our evaluation does not take into consideration the potential mitigating effect of activities that have not been fully implemented or are not within the Company's direct control. Through the date of this filing, the Company has undertaken the following actions to improve its available cash balances and liquidity:

- From January 1, 2024 to June 30, 2024, raised net proceeds of approximately \$66.9 million from the sale of common stock under our at-the-market equity offering programs; and
- On June 28, 2024, we closed the Upstream Sale and used approximately \$229.9 million of the net proceeds to retire the then-outstanding principal obligations under the Company's 10% Senior Secured Notes.

On July 21, 2024, Tellurian entered into a Merger Agreement with Woodside. In connection with the Merger Agreement, Woodside Energy (USA), Inc. agreed to provide the Company with a bridge loan to continue Driftwood Project construction activities and fund working capital needs. See Note 17, *Subsequent Events*, for defined terms and additional information. Management is planning to alleviate substantial doubt by closing the Merger with Woodside during the fourth quarter of 2024. However, completing the Merger is subject to customary closing conditions, including Tellurian shareholder approval and regulatory approvals, which are not within the Company's control and, therefore, cannot be deemed probable in accordance with ASC 205. As a result, there remains substantial doubt about the Company's ability to continue as a going concern through the date of this filing.

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.

**NOTE 2 — PREPAID EXPENSES AND OTHER CURRENT ASSETS**

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

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
Prepaid expenses	\$ 1,595	\$ 1,788
Restricted cash	—	4,688
Deposits and other current assets	294	5,196
Total prepaid expenses and other current assets	<u>\$ 1,889</u>	<u>\$ 11,672</u>

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

**NOTE 3 — PROPERTY, PLANT AND EQUIPMENT**

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

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>Driftwood Project assets:</b>		
Terminal construction in progress	\$ 553,026	\$ 533,316
Pipeline construction in progress	48,607	35,939
Land and land improvements	53,664	53,664
Finance lease assets, net of accumulated DD&A	54,947	55,534
Buildings and other assets, net of accumulated DD&A	295	310
<b>Total Driftwood Project assets, net</b>	<b>710,539</b>	<b>678,763</b>
<b>Fixed assets and other:</b>		
Finance lease assets, net of accumulated DD&A	69,444	70,691
Leasehold improvements and other assets, net of accumulated DD&A	8,036	10,196
<b>Total fixed assets and other, net</b>	<b>77,480</b>	<b>80,887</b>
<b>Total property, plant and equipment, net</b>	<b>\$ 788,019</b>	<b>\$ 759,650</b>

**Driftwood Project Construction in Progress**

During the six months ended June 30, 2024, we capitalized approximately \$19.6 million and \$12.8 million of directly identifiable project costs as Driftwood terminal construction in progress and Pipeline construction in progress, respectively.

**NOTE 4 — DISCONTINUED OPERATIONS**

Refer to Note 1, *General - Upstream Sale*, for background. The carrying amounts of the major classes of assets and liabilities of the disposal group related to discontinued operations are as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>Current assets:</b>		
Upstream Pipe	\$ —	\$ 4,279
<b>Total current assets of discontinued operations</b>	<b>—</b>	<b>4,279</b>
<b>Non-current assets:</b>		
Property, plant and equipment, net	—	376,649
<b>Total non-current assets of discontinued operations</b>	<b>—</b>	<b>376,649</b>
<b>Current liabilities:</b>		
Upstream accrued liabilities	—	7,584
<b>Total current liabilities of discontinued operations</b>	<b>—</b>	<b>7,584</b>
<b>Non-current liabilities:</b>		
Asset retirement obligations	—	3,103
<b>Total non-current liabilities of discontinued operations</b>	<b>\$ —</b>	<b>\$ 3,103</b>

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

Discontinued operations are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Natural gas sales	\$ 15,586	\$ 31,987	\$ 41,058	\$ 82,922
Operating expenses	9,040	20,848	22,161	38,293
Depreciation, depletion and amortization	16,517	24,489	36,664	45,981
General and administrative expenses	5,209	3,065	8,176	6,755
Interest expense, net	1,981	3	3,629	3
Loss on sale of upstream assets	84,185	—	84,185	—
Other Income, net	—	(1,075)	1,698	(1,192)
Loss from discontinued operations before tax	(101,346)	(15,343)	(115,455)	(6,918)
Income tax benefit (provision)	—	—	—	—
Loss from discontinued operations, net of tax	\$ (101,346)	\$ (15,343)	\$ (115,455)	\$ (6,918)

We recognized a loss on sale of upstream assets of approximately \$84.2 million based on the preliminary settlement statement net proceeds. The final settlement statement will be executed during the fourth quarter of 2024.

DD&A, capital expenditures and significant operating and investing non-cash items related to discontinued operations are as follows:

	Six Months Ended June 30,	
	2024	2023
Depreciation, depletion and amortization	\$ 36,664	\$ 45,981
Loss on sale of upstream assets	84,185	—
Acquisition and development of natural gas properties, net	9,625	95,231
Net proceeds from sale of upstream assets	249,421	—

**NOTE 5 — OTHER NON-CURRENT ASSETS**

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

	June 30, 2024	December 31, 2023
Restricted cash — finance leases	\$ 27,750	\$ 24,900
Restricted cash — debt collateral	35,034	—
Note receivable	25,753	24,189
Right of use asset — operating leases	11,141	12,814
Investment in unconsolidated entity	6,089	6,089
Other	2,207	2,208
Total other non-current assets	\$ 107,974	\$ 70,200

**Restricted Cash**

Restricted Cash — finance leases represents cash collateralization of letters of credit associated with finance leases. Restricted Cash — debt collateral represents cash held in a blocked deposit account under the terms of the indenture governing the Convertible Notes (as defined below).

**Note Receivable**

The promissory note bears interest at a rate of 6.00%, which is capitalized into the outstanding principal balance.

**NOTE 6 — FINANCIAL INSTRUMENTS**

**Natural Gas Financial Instruments**

The primary purpose of our commodity risk management activities was to hedge our exposure to cash flow variability from commodity price risk due to fluctuations in commodity prices. The Company has used 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 June 30, 2024 and December 31, 2023, there were no open natural gas financial instrument positions.

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**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 9, *Borrowings*, we determined that the Senior Notes and Convertible 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):

	June 30, 2024	December 31, 2023
<b>Current assets:</b>		
Natural gas financial instruments	\$ —	\$ —
<b>Current liabilities:</b>		
Embedded derivatives	4,665	13,332
<b>Long-term liabilities:</b>		
Embedded derivatives	7,648	18,892

The fair value of the Company's embedded derivatives as of June 30, 2024 was estimated using a Black-Scholes valuation model, which is considered to be a Level 3 fair value measurement.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Natural gas financial instruments:</b>				
Realized gain	\$ —	\$ 11,444	\$ —	\$ 23,310
Unrealized loss	—	(10,891)	—	(10,463)
<b>Embedded Derivatives</b>				
Realized loss	(6,426)	—	(8,571)	—
Unrealized gain	6,198	—	4,239	—

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

	Six Months Ended June 30, 2024
Balance at January 1, 2024	\$ 32,225
Issued	—
Settled	(24,243)
Total gains or losses (realized and unrealized) included in earnings	4,332
Balance at June 30, 2024	\$ 12,314

**NOTE 7 — RELATED PARTY TRANSACTIONS**

**Related Party Contractor Service Fees and Expenses**

The Company entered into a one-year independent contractor agreement with Mr. Martin Houston, the Executive Chairman of the Board of Directors. The agreement is subject to annual renewal. Pursuant to the terms and conditions of this agreement, the Company paid Mr. Houston a monthly fee plus approved expenses. For the three and six months ended June 30, 2024, the Company paid Mr. Houston \$200.0 thousand and \$425.0 thousand, respectively, for contractor service fees and expenses. For each of the three and six months ended June 30, 2023, the Company paid Mr. Houston \$220.0 thousand and \$330.0 thousand for contractor service fees and expenses. As of June 30, 2024 and December 31, 2023, there were no balances due to Mr. Houston.

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**NOTE 8 — ACCRUED AND OTHER LIABILITIES**

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

	June 30, 2024	December 31, 2023
Payroll and compensation	\$ 11,539	\$ 15,422
Upstream accrued liabilities	19,924	40,068
Accrued taxes	593	1,478
Driftwood Project development activities	9,154	24,455
Lease liabilities	4,895	4,710
Accrued interest	2,081	8,293
Embedded derivatives (Note 6)	4,665	13,332
Other	5,472	8,308
<b>Total accrued and other liabilities</b>	<b>\$ 58,323</b>	<b>\$ 116,066</b>

**NOTE 9 — BORROWINGS**

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

	June 30, 2024		
	Principal obligation	Unamortized DFC	Carrying value
Senior Secured Convertible Notes due 2025, current	\$ 51,500	\$ (4,376)	\$ 47,124
Senior Secured Convertible Notes due 2025	34,334	(2,917)	31,417
Senior Secured Notes due 2025	—	—	—
Senior Unsecured Notes due 2028	57,678	(2,057)	55,621
<b>Total borrowings</b>	<b>\$ 143,512</b>	<b>\$ (9,350)</b>	<b>\$ 134,161</b>
	December 31, 2023		
	Principal obligation	Unamortized DFC	Carrying value
Senior Secured Convertible Notes due 2025	\$ 83,334	\$ (10,415)	\$ 72,919
Senior Secured Notes due 2025	250,000	(16,954)	233,046
Senior Unsecured Notes due 2028	57,678	(2,241)	55,437
<b>Total borrowings</b>	<b>\$ 391,012</b>	<b>\$ (29,610)</b>	<b>\$ 361,402</b>

Amortization of the borrowings' DFC is a component of Interest expense, net in the Company's Condensed Consolidated Statements of Operations. The Company amortized approximately \$3.5 million and \$6.8 million during the three and six months ended June 30, 2024, respectively. We amortized approximately \$0.7 million and \$1.7 million during the three and six months ended June 30, 2023, respectively.

**Senior Secured Convertible Notes due 2025**

On August 15, 2023, we issued and sold in a private placement approximately \$83.3 million aggregate principal amount of 6% Secured Convertible Notes due October 1, 2025 (the "Secured Convertible Notes" or "Convertible Notes"). The Secured Convertible Notes have quarterly interest payments due in cash on the first day of January, April, July, and October of each year.

The holders of the Convertible Notes have the right to convert the notes into shares of our common stock at an initial conversion price of approximately \$1.05 per share of common stock (the "Conversion Price"), subject to adjustment in certain circumstances, at any time until the second trading day immediately prior to the maturity date, with the number of shares of common stock of the Company issuable upon conversion limited to approximately 42.7 million shares (the "Conversion Feature"). 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.

Following a full exercise of the Conversion Feature, the balance of the principal amount of the Convertible Notes will remain outstanding as a non-convertible instrument. The Convertible Notes, including the non-convertible component of those notes, are required to be paid monthly over a period of 10 months beginning on January 1, 2025. The current portion of the

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Convertible Notes that is contractually scheduled to amortize within one year is classified as a current borrowing in our Condensed Consolidated Balance Sheets.

As of June 30, 2024, the estimated fair value of the Convertible Notes was approximately \$81.0 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. As of June 30, 2024, we remained in compliance with all covenants under the Convertible Notes.

**Senior Secured Notes due 2025**

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”).

***January 2024 & February 2024 Amendments***

On January 2, 2024, we amended the supplemental indentures governing the Senior Notes and Senior Convertible Notes and issued approximately 47.8 million shares of common stock to partially repay approximately \$37.9 million of Senior Notes principal plus accrued interest of approximately \$7.5 million. As a result of the partial redemption, we recognized a \$4.6 million Loss on extinguishment of debt, net, in our Condensed Consolidated Statements of Operations.

On February 22, 2024, we executed an additional amendment (the “February Amendment”) to the notes. At closing, we paid \$4.0 million of a conditional top-up payment in cash, with the remaining balance of approximately \$11.8 million added to the aggregate Senior Notes principal amount in March 2024. In April 2024, the quarterly cash interest and cash shortfall due related to the first quarter of 2024 of approximately \$2.5 million and \$6.0 million were added to the aggregate principal amount of the Convertible Notes and Senior Notes, respectively.

***June 2024 Senior Notes Retirement***

On June 28, 2024, approximately \$240.0 million of the net cash proceeds from the Upstream Sale were used to fully retire and discharge all of the Company’s then-outstanding obligations under the Senior Notes, comprised of approximately \$229.9 million in aggregate principal amount, \$5.6 million in accrued interest, and \$4.5 million in share coupon cash shortfall amount (the “Debt Payoff”). We recognized a Loss on extinguishment of debt, net, in our Condensed Consolidated Statements of Operations of approximately \$10.8 million, comprised of the unamortized Senior Notes DFC.

The Senior Notes and Convertible Notes required a non-recourse pledge of our equity interest in the principal properties of the Company comprising the Driftwood Project and were also collateralized by a first priority lien on the Company’s equity interests in Tellurian Production Holdings LLC and mortgages of the material real property oil and gas assets of Tellurian Production Holdings LLC and its subsidiaries (together, the “Collateral”). As a result of the Debt Payoff, the Collateral was released and replaced by \$35.0 million in cash held in a blocked and restricted account. The amount shall be reduced to \$25.0 million when the outstanding principal amount of the Convertible Notes is less than \$50.0 million. The blocked and restricted account will be released upon the full satisfaction of the Convertible Notes.

**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.

On March 28, 2023, the Company paid 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, we wrote off approximately \$2.8 million of prorated unamortized DFC, which was recognized within Loss on extinguishment of debt, net, in our Condensed Consolidated Statements of Operations. The issuance of the Senior Notes and Convertible Notes resulted in the satisfaction and discharge of the Company’s outstanding principal repayment obligation under the Extinguished Convertible Notes.

**Embedded Derivatives**

As part of the issuance of the Senior Notes and Convertible 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 notes. The Share Coupon was fully satisfied as part of the February Amendment. 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 previously issuable for that quarter (the “Cash Shortfall Payments”). Upon any retirement, redemption, or conversion of the Senior Notes and Convertible Notes, the Company will issue any and all unpaid Cash Shortfall Payments (the “Make Whole”).

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

The Company evaluated the potential embedded features within the host contracts and determined that the Conversion Feature, Cash Shortfall Payments and the Make Whole embedded features continued to require bifurcation as a single unit of account from the host contracts and accounted for them separately at fair value. See Note 6, *Financial Instruments*, for more information on the fair value measurement of the 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 \$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 June 30, 2024, 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 June 30, 2024, the closing market price was \$17.75 per Senior Unsecured Note.

**NOTE 10 — 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 June 30, 2024, no amounts were drawn under this credit line.

**Minimum Volume Commitments**

The Company was subject to gas gathering commitments with unrelated companies that provided 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 June 30, 2024 is approximately \$4.9 million.

**NOTE 11 — 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. On December 30, 2022, we entered into an at-the-market equity offering program for aggregate sales proceeds of up to \$500.0 million. During the six months ended June 30, 2023, we issued approximately 10.1 million shares of our common stock under this at-the-market equity offering program for net proceeds of approximately \$12.8 million. During the three months ended March 31, 2024, we issued approximately 29.6 million shares of our common stock under this at-the-market equity offering program for net proceeds of approximately \$17.8 million. On May 3, 2024 we terminated this at-the-market equity offering program.

On March 15, 2024, we entered into a new at-the-market equity offering program with capacity to raise aggregate sales proceeds of up to approximately \$366.1 million. During the six months ended June 30, 2024, we issued approximately 93.0 million shares of our common stock under this at-the-market equity offering program for net proceeds of approximately \$49.0 million. As of June 30, 2024, this at-the-market equity offering program had remaining capacity to raise aggregate sales proceeds of up to approximately \$316.6 million.

**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. See Note 17, *Subsequent Events*, for additional information.



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

**NOTE 12 — 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 June 30, 2024, there was no Restricted Stock that would be required to be settled in cash.

As of June 30, 2024, we had approximately 25.4 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 10.0 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 June 30, 2024, no expense had been recognized in connection with performance-based Restricted Stock.

As of June 30, 2024, unrecognized compensation expenses, based on the grant date fair value, for all share-based awards totaled approximately \$170.4 million. Further, approximately 25.4 million shares of primarily performance-based Restricted Stock, as well as approximately 0.7 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. See Note 17, *Subsequent Events*, for additional information.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Share-based compensation expense	\$ —	\$ 686	\$ —	\$ 1,179

**NOTE 13 — INCENTIVE COMPENSATION PROGRAM**

On November 18, 2021, the Company’s Board of Directors approved the adoption of the Tellurian Incentive Compensation Program (the “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”). 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”). There were no LTI awards granted for the fiscal period ended December 31, 2023. 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.

The Company recognized compensation expense (income) as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
2022 LTI Awards	\$ 471	\$ 2,801	\$ 523	\$ 4,979
2021 LTI Awards	—	1,739	(485)	1,038

**NOTE 14 — 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 June 30, 2024 and December 31, 2023. Accordingly, we have not recorded a provision for federal, state or foreign income taxes during the three and six months ended June 30, 2024.

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**Notes to Condensed Consolidated Financial Statements (unaudited)**

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.

**NOTE 15 — 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	Balance Sheets Classification	June 30, 2024	December 31, 2023
<b>Right of use asset</b>			
Operating	Other non-current assets	\$ 11,141	\$ 12,814
Finance	Property, plant and equipment, net	124,391	126,225
<b>Total leased assets</b>		<b>\$ 135,532</b>	<b>\$ 139,039</b>
<b>Liabilities</b>			
<b>Current</b>			
Operating	Accrued and other liabilities	\$ 3,987	\$ 3,835
Finance	Accrued and other liabilities	908	875
<b>Non-current</b>			
Operating	Other non-current liabilities	8,708	10,743
Finance	Finance lease liabilities	120,987	121,450
<b>Total leased liabilities</b>		<b>\$ 134,590</b>	<b>\$ 136,903</b>

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

Lease costs	Six Months Ended June 30,	
	2024	2023
Operating lease cost	\$ 2,117	\$ 1,804
Finance lease cost		
Amortization of lease assets	1,835	1,627
Interest on lease liabilities	4,816	4,370
Finance lease cost	6,651	5,997
<b>Total lease cost</b>	<b>\$ 8,768</b>	<b>\$ 7,801</b>

**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:

	June 30, 2024
Lease term and discount rate	
Weighted average remaining lease term (years)	
Operating lease	3.0
Finance lease	35.6
Weighted average discount rate	
Operating lease	6.4 %
Finance lease	8.7 %

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

	Six Months Ended June 30,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 2,174	\$ 2,009
Operating cash flows from finance leases	5,502	4,294
Financing cash flows from finance leases	356	170

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 June 30, 2024 (in thousands):

	Operating	Finance
2024	\$ 2,341	\$ 5,245
2025	4,723	10,491
2026	4,758	10,491
2027	1,955	10,491
2028	275	10,491
After 2028	—	322,335
Total lease payments	\$ 14,052	\$ 369,544
Less: discount	1,357	247,649
Present value of lease liability	\$ 12,695	\$ 121,895

**NOTE 16 — ADDITIONAL CASH FLOW INFORMATION**

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

	Six Months Ended June 30,	
	2024	2023
Accounts receivable	\$ 2,069	\$ 61,000
Prepaid expenses and other current assets <sup>1</sup>	6,534	(6,370)
Accounts payable	13,940	28,482
Accrued liabilities <sup>1</sup>	(38,708)	(45,458)
Net changes in working capital	\$ (16,165)	\$ 37,654

<sup>1</sup> 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):

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
Non-cash accruals of property, plant and equipment and other non-current assets	\$ (22,499)	\$ 9,406
Non-cash Share Coupon settlement	15,164	—
Non-cash settlement of Senior Notes principal, net	26,090	—
Non-cash settlement of Senior Notes accrued interest	7,500	—

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):

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	19,152	106,706
Current restricted cash	—	9,375
Non-current restricted cash — finance leases	27,750	24,895
Non-current restricted cash — debt collateral	35,034	—
Total cash, cash equivalents and restricted cash per the statements of cash flows	<u>\$ 81,936</u>	<u>\$ 140,976</u>

**NOTE 17 — SUBSEQUENT EVENTS**

**Merger Agreement**

On July 21, 2024, the Company executed an Agreement and Plan of Merger (“Merger Agreement”) with Woodside Energy Holdings (NA) LLC (“Woodside Holdings”) and Woodside Energy (Transitory) Inc. (“Woodside Sub”, and together with Woodside Holdings “Woodside”), pursuant to which, Woodside Sub will merge with and into the Company (the “Merger”), with the Company continuing as the surviving corporation of the Merger and a wholly-owned subsidiary of Woodside. As set forth in the Merger Agreement, at the closing of the Merger, each share of the Company’s common stock and Restricted Stock will, subject to customary exceptions, be converted into the right to receive \$1.00 per share in cash. Each share of Tellurian’s Series C Convertible Preferred Stock will be converted into the right to receive \$8.16489 per share in cash. The Merger is expected to close during the fourth quarter of 2024, subject to the satisfaction of customary closing conditions, including Tellurian shareholder approval and regulatory approvals.

**Bridge Loan Agreement**

In connection with the execution of the Merger Agreement, Tellurian entered into a Bridge Loan Agreement (the “Bridge Loan Agreement” or “Loan Agreement”) with Woodside Energy (USA), Inc. pursuant to which the Company may borrow up to \$230.0 million, of which \$75.2 million was funded on July 22, 2024. The remainder may be requested by Tellurian in subsequent draws. Amounts borrowed under the Loan Agreement will bear interest at a rate of 12% per annum, payable on the last business day of each month in cash or in kind, at the Company’s option. The obligations under the Loan Agreement will be secured by a lien on substantially all of the assets of the Company. Loan proceeds are to be used to continue Driftwood Project construction activities and fund working capital needs. Amounts borrowed under the Loan Agreement will mature on the earliest of (i) December 15, 2024, subject to extension in certain circumstances, (ii) 30 days after the valid termination of the Merger Agreement for any reason thereunder, and (iii) the date of any acceleration of the Loan Agreement obligations during the continuation of an event of default.

## 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 a portfolio of LNG marketing and infrastructure assets that includes an LNG terminal facility (the "Driftwood terminal") and related pipelines. The Driftwood terminal and related pipelines are collectively referred to as the "Driftwood Project." We refer to the Driftwood Project as the "Business."

Since the Upstream Sale, the Company has become a single operating and reportable segment. Our chief operating decision maker allocates resources and assesses financial performance on a consolidated basis in the execution of our strategy to manage the Company.

We expanded our engagement with a strategic advisor to include a broader spectrum of opportunities, including a potential sale of the Company. Refer to *Overview of Significant Events* and Note 17, *Subsequent Events*.

### Overview of Significant Events

#### *Merger Agreement*

On July 21, 2024, the Company executed an Agreement and Plan of Merger ("Merger Agreement") with Woodside Energy Holdings (NA) LLC ("Woodside Holdings") and Woodside Energy (Transitory) Inc. ("Woodside Sub", and together with Woodside Holdings "Woodside"), pursuant to which, Woodside Sub will merge with and into the Company (the "Merger"), with the Company continuing as the surviving corporation of the Merger and a wholly-owned subsidiary of Woodside. The Merger is expected to close during the fourth quarter of 2024, subject to the satisfaction of customary closing conditions, including Tellurian shareholder approval and regulatory approvals. Refer to Note 17, *Subsequent Events*.

#### *Bridge Loan Agreement*

In connection with the execution of the Merger Agreement, Tellurian entered into a Bridge Loan Agreement (the "Bridge Loan Agreement") with Woodside Energy (USA) Inc. pursuant to which the Company may borrow up to \$230.0 million. Refer to Note 17, *Subsequent Events*.

#### *Sale of Upstream Assets*

On June 28, 2024, we closed the sale of our upstream assets for an aggregate purchase price of \$260.0 million, subject to certain customary adjustments set forth in the purchase and sale agreement (the "Upstream Sale"). Refer to Note 1, *General - Upstream Sale*, and Note 4, *Discontinued Operations*.

#### *Debt Retirement*

Net cash proceeds from the Upstream Sale were used to retire all of the Company's then-outstanding principal obligations under the Senior Notes of approximately \$229.9 million (the "Debt Payoff"). Refer to Note 9, *Borrowings*.

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

**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. To date, we have been 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, the discontinued upstream operations and the sale of common stock under our at-the-market equity offering programs. 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 June 30, 2024, we had total borrowing obligations of approximately \$143.5 million. The Convertible Notes require us to maintain a restricted minimum cash balance of \$35.0 million. See Note 8, *Borrowings*. We also had contractual obligations associated with our finance and operating leases totaling \$383.6 million, of which \$15.2 million is scheduled to be paid within the next twelve months. Our current capital resources consist of approximately \$19.2 million of unrestricted cash and cash equivalents and approximately \$22.6 million of accounts receivable.

As of June 30, 2024, the Company had generated losses and cash outflows from operations. The Company has not yet established an ongoing source of revenues that is sufficient to satisfy our obligations and fund working capital needs as they become due during the twelve months following the issuance of the financial statements. These conditions raise substantial doubt about our ability to continue as a going concern.

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, the discontinued upstream operations, and the sale of common stock under its at-the-market equity offering programs. Our evaluation does not take into consideration the potential mitigating effect of activities that have not been fully implemented or are not within the Company's direct control. Through the date of this filing, the Company has undertaken the following actions to improve its available cash balances and liquidity:

- From January 1, 2024 to June 30, 2024, raised net proceeds of approximately \$66.9 million from the sale of common stock under our at-the-market equity offering programs; and
- On June 28, 2024, we closed the Upstream Sale and used approximately \$229.9 million of the net proceeds to retire the then-outstanding principal obligations under the Company's 10% Senior Secured Notes.

On July 21, 2024, Tellurian entered into a Merger Agreement with Woodside. In connection with the Merger Agreement, Woodside Energy (USA), Inc. agreed to provide the Company with a bridge loan to continue Driftwood Project construction activities and fund working capital needs. Management is planning to alleviate substantial doubt by closing the Merger with Woodside during the fourth quarter of 2024. However, completing the Merger is subject to customary closing conditions, including Tellurian shareholder approval and regulatory approvals, which are not within the Company's control and, therefore, cannot be deemed probable in accordance with ASC 205. As a result, there remains substantial doubt about the Company's ability to continue as a going concern through the date of this filing. See Note 17, *Subsequent Events*, for defined terms and additional information.

*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):

	<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
Cash (used in) provided by operating activities	\$ (43,179)	\$ 16,080
Cash provided by (used in) investing activities	192,622	(229,326)
Cash used in financing activities	(172,884)	(154,246)
Net decrease in cash, cash equivalents and restricted cash	(23,441)	(367,492)
Cash, cash equivalents and restricted cash, beginning of the period	105,377	508,468
Cash, cash equivalents and restricted cash, end of the period	<u>\$ 81,936</u>	<u>\$ 140,976</u>
Net working (deficit) capital	\$ (116,838)	\$ 6,374

Refer to the Condensed Consolidated Statements of Cash Flows for information about our operating, investing and financing activities.

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**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.

We anticipate funding our more immediate liquidity requirements for the construction of the Driftwood terminal and working capital needs through the use of cash on hand and proceeds from the Bridge Loan Agreement. Investments in the construction of the Driftwood terminal are and will continue to be significant, but the size of those investments will depend on, among other things, Driftwood Project financing developments including closing the Merger with Woodside and other liquidity considerations.

**Results of Operations**

**Continuing operations**

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Natural gas sales	\$ —	\$ —	\$ —	\$ —
Total revenue	—	—	—	—
Operating expenses		—	—	—
Development expenses	6,380	11,530	11,930	23,587
Depreciation, depletion and amortization	1,088	720	2,175	1,416
General and administrative expenses	17,382	28,225	29,176	56,784
Loss from operations	(24,850)	(40,475)	(43,281)	(81,787)
Interest expense, net	(2,369)	(4,179)	(5,038)	(8,189)
Loss on extinguishment of debt, net	(10,881)	—	(15,473)	(2,822)
Other (expense) income, net	(341)	378	(4,555)	12,604
Income tax	—	—	—	—
Net loss from continuing operations	(38,441)	(44,276)	(68,347)	(80,194)

**Three Months Ended June 30, 2024, compared to the Three Months Ended June 30, 2023**

- Decrease of approximately \$10.8 million in General and administrative expenses primarily attributable to decreased marketing expenses partially offset by increased professional expenses in the current period.
- Increase of approximately \$10.8 million in Loss on extinguishment of debt, net due to the Debt Payoff.

**Six Months Ended June 30, 2024, compared to the Six Months Ended June 30, 2023**

- Decrease of approximately \$11.7 million in Development expenses primarily attributable to decreased compensation and professional expenses in the current period.
- Decrease of approximately \$27.6 million in General and administrative expenses primarily attributable to decreased compensation and marketing expenses partially offset by increased professional expenses in the current period.
- Increase of approximately \$12.7 million in Loss on extinguishment of debt, net primarily due to the Debt Payoff.
- Decrease of approximately \$17.2 million in Other (expense) income, net primarily attributable to approximately \$4.3 million of embedded derivative losses, net in the current period as compared to approximately \$12.8 million of realized gain, net of natural gas financial instruments in the prior period.

**Tellurian Inc. and Subsidiaries**  
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**Discontinued operations**

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Natural gas sales	\$ 15,586	\$ 31,987	\$ 41,058	\$ 82,922
Operating expenses	9,040	20,848	22,161	38,293
Depreciation, depletion and amortization	16,517	24,489	36,664	45,981
General and administrative expenses	5,209	3,065	8,176	6,755
Interest expense, net	1,981	3	3,629	3
Loss on sale of upstream assets	84,185	—	84,185	—
Other Income, net	—	(1,075)	1,698	(1,192)
Loss from discontinued operations before tax	\$ (101,346)	\$ (15,343)	\$ (115,455)	\$ (6,918)
Income tax benefit (provision)	—	—	—	—
Loss from discontinued operations, net of tax	\$ (101,346)	\$ (15,343)	\$ (115,455)	\$ (6,918)

**Three Months Ended June 30, 2024, compared to the Three Months Ended June 30, 2023**

- Decrease of approximately \$16.4 million in Natural gas sales as a result of decreased realized natural gas prices and production volumes.
- Decrease of approximately \$11.8 million in Operating expenses as a result of decreased production volumes.
- Decrease of approximately \$8.0 million in DD&A as a result of decreased production volumes.
- Increase of approximately \$84.2 million in Loss on sale of upstream assets due to the Upstream Sale.

**Six Months Ended June 30, 2024, compared to the Six Months Ended June 30, 2023**

- Decrease of approximately \$41.9 million in Natural gas sales as a result of decreased realized natural gas prices and production volumes.
- Decrease of approximately \$16.1 million in Operating expenses as a result of decreased production volumes.
- Decrease of approximately \$9.3 million in DD&A as a result of decreased production volumes.
- Increase of approximately \$84.2 million in Loss on sale of upstream assets due to the Upstream Sale.



**Tellurian Inc. and Subsidiaries**  
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**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 June 30, 2024. 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, 2023 for a discussion of our critical accounting estimates and accounting policies.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

As of June 30, 2024, 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 6, *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 President and Chief Financial Officer have evaluated our disclosure controls and procedures as of June 30, 2024. 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, 2023, other than as follows:

**We will be subject to business uncertainties while the Merger is pending, which could adversely affect our businesses.**

Uncertainty about the effect of the Merger on employees and those that do business with us may have an adverse effect on Tellurian. These uncertainties may impair our ability to attract, retain and motivate key personnel until the Merger is completed and for a period of time thereafter, and could cause those who transact with us to seek to change their existing business relationships with us. We may face challenges in retaining key personnel during the pendency of the Merger due to uncertainties about future roles, responsibilities, and potential organizational changes. This could result in the loss of institutional knowledge, disruption to our operations, and difficulty in executing our business strategies. In addition, the Merger Agreement restricts us from entering into certain corporate transactions, entering into certain material contracts, making certain capital expenditures, incurring certain indebtedness and taking other specified actions without the consent of Woodside, and generally requires us to continue our operations in the ordinary course of business during the pendency of the Merger. These restrictions may prevent us from pursuing certain business opportunities and alternative financing sources prior to the completion of the Merger.

**We may be the subject to lawsuits relating to the Merger, which could adversely affect our business, financial condition and operating results.**

We and/or our respective directors and officers may be subject to lawsuits relating to the Merger. Such litigation is common in connection with acquisitions of public companies, regardless of the merits of the underlying transaction. While we will evaluate and defend against any actions vigorously, the costs of the defense of such lawsuits and other effects of such litigation could adversely affect our business, financial condition, and operating results.

**Completion of the Merger is subject to a number of conditions, and if these conditions are not satisfied or waived, the Merger will not be completed. Failure to complete, or significant delays in completing, the Merger could negatively affect the trading prices of our securities and our future business and financial results, and potentially trigger acceleration of our bridge loan obligations.**

Completion of the Merger is subject to satisfaction or waiver of certain closing conditions, including (i) the receipt of the required approval from Tellurian stockholders, (ii) the absence of any law or order that enjoins or otherwise prohibits or makes illegal the consummation of the Merger, and (iii) the receipt of specified regulatory approvals, including from the Committee on Foreign Investment in the United States (CFIUS). There can be no assurance that the conditions to the completion of the Merger will be satisfied or waived or that the Merger will be completed.

If the Merger is not completed, or if there are significant delays in completing the Merger, the trading price of our securities and our future business and financial results could be negatively affected, and we may be subject to several risks, including the following:

- the requirement that we pay Woodside a termination fee of approximately \$36.1 million under certain circumstances provided in the Merger Agreement;
- adverse reactions from the financial markets, including declines in the prices of our securities due to the fact that current prices may reflect a market assumption that the Merger will be completed;
- having to pay certain significant costs relating to the Merger, regardless of whether the Merger is completed;
- the attention of our management will have been diverted to the Merger rather than our operations and pursuit of other opportunities that could have been beneficial to us; and
- the accelerated maturity of our Bridge Loan obligations, potentially requiring immediate refinancing or repayment.

**The Merger Agreement limits our ability to pursue alternatives to the Merger.**

The Merger Agreement contains provisions that may discourage a third party from submitting a competing proposal that might result in greater value to our stockholders than the Merger, or may result in a potential competing acquirer of the Company proposing to pay a lower per share price to acquire us than it might otherwise have proposed to pay. These provisions include a general prohibition on us from soliciting or, subject to certain exceptions relating to the exercise of fiduciary duties by our Board of Directors, entering into discussions with any third party regarding any competing proposal or offer for a competing transaction.

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

**Recent Sales of Unregistered Securities**

None that occurred during the three months ended June 30, 2024, 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 June 30, 2024.

**ITEM 5. OTHER INFORMATION**

**Insider Trading Arrangements and Policies**

During the three months ended June 30, 2024, 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).

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**ITEM 6. EXHIBITS**

Exhibit No.	Description
2.1‡	<a href="#">Agreement and Plan of Merger, dated as of July 21, 2024, by and among Tellurian Inc., Woodside Energy Holdings (NA) LLC, and Woodside Energy (Transitory) Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
4.1*	<a href="#">Third Amendment to Eighth Supplemental Indenture, dated as of May 24, 2024, by and among Tellurian Inc., as issuer, Wilmington Trust, National Association, as trustee, and the collateral agent named therein, relating to the 10.00% Senior Secured Notes due 2025</a>
4.2*	<a href="#">Third Amendment to Ninth Supplemental Indenture, dated as of May 24, 2024, 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</a>
10.1††‡	<a href="#">Purchase and Sale Agreement, dated as of May 28, 2024, by and among Tellurian Production LLC, Tellurian Operating LLC, Aethon United BR LP, and Aethon III BR LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 29, 2024)</a>
10.2†	<a href="#">Tellurian Inc. Incentive Compensation Program, as amended and restated effective as of June 4, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 7, 2024)</a>
10.3††‡*	<a href="#">Change Order CO-013, executed on June 27, 2024, to the Lump Sum Turnkey Agreement for the Engineering, Procurement and Construction of the Driftwood LNG Phase 1 Liquefaction Facility, dated as of November 10, 2017, by and between Driftwood LNG LLC and Bechtel Energy Inc. (formerly known as Bechtel Oil, Gas and Chemicals, Inc.)</a>
10.4	<a href="#">Guaranty, dated as of July 21, 2024, by Woodside Energy (USA) Inc. in favor of Tellurian Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
10.5‡	<a href="#">Bridge Loan Agreement, dated as of July 21, 2024, by and among Tellurian Inc., as borrower, certain subsidiary guarantors, and Woodside Energy (USA) Inc., as lender (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
10.6†	<a href="#">Form of CIP Award Amendment, dated as of July 18, 2024 (Daniel Belhumeur, Samik Mukherjee, Simon Oxley) (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
10.7†	<a href="#">CIP Award Amendment, dated as of July 19, 2024, by and among Tellurian Inc., Tellurian Services LLC, and Khaled Sharafeldin (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
10.8†	<a href="#">Tellurian Inc. Executive Severance Plan, amended and restated as of July 21, 2024 (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
10.9†	<a href="#">Form of Tax Gross-Up Payment Agreement, dated as of July 18, 2024 (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed on July 22, 2024)</a>
31.1*	<a href="#">Certification by President required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act</a>
31.2*	<a href="#">Certification by Chief Financial Officer required by Rule 13a-14(a) and 15d-14(a) under the Exchange Act</a>
32.1**	<a href="#">Certification by President pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2**	<a href="#">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</a>
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 June 30, 2024, formatted in Inline XBRL

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- \* Filed herewith.
  - \*\* Furnished herewith.
  - † Management contract or compensatory plan or arrangement.
  - †† Portions of this exhibit have been omitted in accordance with Item 601(b)(10) of Regulation S-K. The omitted information is not material, and the registrant treats such information as private and confidential. The registrant hereby agrees to furnish supplementally an unredacted copy of this exhibit to the Securities and Exchange Commission upon request.
  - ‡ 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: August 8, 2024

By: /s/ Simon G. Oxley  
Simon G. Oxley  
Chief Financial Officer  
(as Principal Financial Officer)  
Tellurian Inc.

August 8, 2024

By: /s/ Khaled A. Sharafeldin  
Khaled A. Sharafeldin  
Chief Accounting Officer  
(as Principal Accounting Officer)  
Tellurian Inc.

THIRD AMENDMENT TO EIGHTH SUPPLEMENTAL INDENTURE

THIRD AMENDMENT TO EIGHTH SUPPLEMENTAL INDENTURE (this “**Third Amendment**”), dated as of May 24, 2024, by and among TELLURIAN INC., a Delaware corporation (the “**Company**”), WILMINGTON TRUST, NATIONAL ASSOCIATION, as trustee (the “**Trustee**”) and HB FUND LLC, as collateral agent (the “**Collateral Agent**”).

WITNESSETH

**WHEREAS**, the Company has heretofore executed and delivered to the Trustee an indenture, dated as of June 3, 2022 (the “**Base Indenture**”), as amended and supplemented by the eighth supplemental indenture, dated as of August 15, 2023, as amended by the first amendment to eighth supplemental indenture, dated as of January 2, 2024, and as further amended by the second amendment to eighth supplemental indenture, dated as of February 22, 2024, each between the Issuer, the Trustee and the Collateral Agent (as amended, the “**Eighth Supplemental Indenture**” and the Base Indenture, as amended and supplemented by the Eighth Supplemental Indenture, the “**Indenture**”), providing for the issuance of \$229,938,000 aggregate principal amount of the Company’s 10.00% Senior Secured Notes due 2025 (the “**Notes**”);

**WHEREAS**, Section 9.02(a) of the Eighth Supplemental Indenture provides that the Company, the Trustee and the Collateral Agent, as applicable, may, with the consent of 100% of the Holders (the “**Required Holders**”), amend or supplement the Indenture, the Notes or the Collateral Documents; and

**WHEREAS**, the Company desires, pursuant to Section 9.02(a) of the Eighth Supplemental Indenture, to amend the Indenture with the consent of the Required Holders.

**NOW THEREFORE**, for and in consideration of the provisions set forth herein, it is mutually agreed, for the equal and proportional benefit of the Holders, from time to time, as follows:

1. **Capitalized Terms.** Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.
2. **Amendments to the Eighth Supplemental Indenture.** Effective as of the Effective Date (as defined below) and subject to the terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, Section 4.14 of the Eighth Supplemental Indenture is hereby amended and restated in its entirety to read as follows:

“The Company shall have at all times liquidity calculated as unrestricted, unencumbered Cash or Cash Equivalents of the Company and its Subsidiaries (including, notwithstanding anything herein to the contrary, Cash or Cash Equivalents in any Blocked DACA), excluding the Driftwood Companies, as taken as a whole, in one or more deposit, securities or money market or similar accounts located in the United States (“**Liquidity**”) in an aggregate minimum amount equal to (i) forty million dollars (\$40,000,000) for the period commencing on January 2, 2024 through and including

February 22, 2024, (ii) twenty-five million dollars (\$25,000,000) for the period commencing on February 22, 2024 through and including April 30, 2024, (iii) thirty million dollars (\$30,000,000) for the period commencing on May 1, 2024 through and including June 14, 2024, (iv) thirty five million dollars (\$35,000,000) for the period commencing on June 15, 2024 through and including June 30, 2024, and (v) forty million dollars (\$40,000,000) for the period commencing July 1, 2024 and thereafter.”

3. **Conditions of Effectiveness of this Third Amendment.** This Third Amendment shall become effective on the date when the following conditions shall have been satisfied or waived (such date, the “Effective Date”):

(a) **Executed Third Amendment Documents.** The Trustee’s receipt of this Third Amendment, duly authorized, executed and delivered by each of the Company, the Trustee and the Collateral Agent.

(b) **Delivery of Additional Documents.** The Trustee’s receipt of such additional documents required by Section 9.7 of the Indenture, executed and delivered by the Company.

(c) **Fees and Expenses.** The Company shall promptly pay all reasonable and documented out-of-pocket expenses and costs of the Holders (including, without limitation, the reasonable and documented attorney fees and expenses of Latham & Watkins, LLP, counsel to High Trail, and FTI Consulting, Inc., financial advisor and consultant to High Trail) and the Trustee and Collateral Agent (including, without limitation, all reasonable and documented attorney fees) in connection with the preparation, negotiation, execution, approval and consummation of this Third Amendment and the transactions contemplated hereby.

4. **Release.** In consideration of the benefits received by the Company pursuant to this Third Amendment, and for other good and valuable consideration (the receipt, adequacy and sufficiency of which are hereby acknowledged), effective on the date of this Third Amendment, the Company, on behalf of itself and its agents, representatives, officers, directors, advisors, employees, Subsidiaries, affiliates, successors and assigns (collectively, “**Releasors**”), hereby forever waives, releases and discharges each the Trustee, the Collateral Agent, the Holder, and each of their respective officers, directors, partners, general partners, limited partners, managing directors, members, stockholders, trustees, shareholders, representatives, employees, principals, agents, parents, subsidiaries, predecessors, successors, assigns, beneficiaries, heirs, executors, personal or legal representatives and attorneys of any of them, each in their capacities as such, (collectively, the “**Releasees**”), of and from any and all claims, causes of action, suits, obligations, demands, debts, agreements, promises, liabilities, controversies, costs, damages, expenses and fees whatsoever, whether arising from any act, failure to act, omission, misrepresentation, fact, event, transaction or other cause, and whether based on any federal, state, local or foreign law or right of action, at law or in equity or otherwise, foreseen or unforeseen, matured or unmatured, known or unknown, accrued or not accrued, which any Releasor now has, has ever had or may hereafter have against any Releasee arising contemporaneously with or prior to the date of this amendment or on account of or arising out of any matter, cause, circumstance

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or event occurring contemporaneously with or prior to the date of this amendment that relate to, arise out of, or otherwise are in connection with any or all of the Transaction Documents or transactions contemplated thereby.

5. **Governing Law.** This Third Amendment shall be governed by and construed in accordance with the laws of the State of New York.

6. **No Material Non-Public Information.** The Company agrees that neither this Third Amendment, nor the transactions contemplated hereby, constitute material, non-public information regarding the Company or any of its Subsidiaries that would cause the Holder or the Collateral Agent to be deemed to be in possession of any material, non-public information regarding the Company or any of its Subsidiaries. The Company agrees that neither the Company, any of its Subsidiaries, nor any of their respective officers, directors, employees or agents have provided Holder or the Collateral Agent or any of their respective officers, directors, employees or agents (other than High Trail Capital) with any information regarding the Company or its Subsidiaries that could constitute material, non-public information regarding the Company or any of its Subsidiaries. In addition, the Company acknowledges and agrees that neither Holder nor the Collateral Agent nor any of their respective affiliates (other than High Trail Capital) is under any confidentiality or similar obligations under any agreement with respect to the Company or any of its Subsidiaries; provided, however, the parties hereby acknowledge and reaffirm any obligations under that certain Non-Disclosure Agreement by and between the Company and Hudson Bay Capital Management LP, dated as of February 9, 2024 (the “**Non-Disclosure Agreement**”) and the Company confirms that it has not authorized High Trail Capital to share any Confidential Information (as such term is defined in the Non-Disclosure Agreement) with Hudson Bay Capital Management LP or any of its affiliates.

7. **Counterparts.** This Third Amendment may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. Any signature to this Third Amendment may be delivered by facsimile, electronic mail (including pdf) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 or the New York Electronic Signature and Records Act or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law. Each party hereto accepts the foregoing, and any document received in accordance with this Section 7 shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law.

8. **Effect of Headings.** The Section headings herein are for convenience only and shall not affect the construction hereof.

9. **The Trustee.** The Trustee makes no representation or warranty as to the validity or sufficiency of this Third Amendment or with respect to the recitals contained herein, all of which recitals are made solely by the other parties hereto.

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10. **Ratification of Indenture; Third Amendment part of Indenture.** Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed, and all the terms, conditions, and provisions thereof shall remain in full force and effect. This Third Amendment shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby.

*[Remainder of page intentionally left blank]*

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IN WITNESS WHEREOF, the parties to this Third Amendment have caused this Third Amendment to be duly executed as of the date first written above.

Tellurian Inc.

By: /s/ Daniel Belhumeur  
Name: Daniel Belhumeur  
Title: President

Wilmington Trust, National Association, as trustee

By: /s/ Karen Ferry  
Name: Karen Ferry  
Title: Vice President

HB Fund LLC, as the Collateral Agent

By: Hudson Bay Capital Management LP  
Not individually, but solely as Investment Advisor to HB Fund LLC

By: /s/ George Antonopoulos  
Name: George Antonopoulos  
Title: Authorized Signatory

*[Signature Page to Third Amendment to Eighth Supplemental Indenture]*

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In connection with the execution of this Third Amendment to Eighth Supplemental Indenture, dated as of May 24, 2024, by and among the Company, the Trustee and the Collateral Agent, the undersigned holders of the Notes, representing 100% of the aggregate principal amount of the outstanding Notes immediately prior to execution of this Third Amendment to Eighth Supplemental Indenture, hereby (i) consent to the amendments to the Eighth Supplemental Indenture set forth in Section 2 of this Third Amendment to Eighth Supplemental Indenture; (ii) direct the Trustee to execute this Third Amendment to Eighth Supplemental Indenture; (iii) represent and warrant that they are the Holders of the aggregate principal amount of the outstanding Notes set forth under their signature line on the date hereof and have not transferred its position in such Notes; (iv) certify that it has the full power and authority to deliver this consent and that such power has not been granted or assigned to any other person:

HOLDER:

HB FUND LLC

By:           /s/ George Antonopoulos            
Name:           George Antonopoulos  
Title:           Authorized Signatory\*

Aggregate Principal Amount of Notes Held: \$229,938,000

\* Authorized Signatory  
Hudson Bay Capital Management LP  
Not individually, but solely as investment adviser to HB Fund LLC

*[Signature Page to Third Amendment to Eighth Supplemental Indenture]*

**THIRD AMENDMENT TO NINTH SUPPLEMENTAL INDENTURE**

THIRD AMENDMENT TO NINTH SUPPLEMENTAL INDENTURE (this “**Third Amendment**”), dated as of May 24, 2024, by and among TELLURIAN INC., a Delaware corporation (the “**Company**”), WILMINGTON TRUST, NATIONAL ASSOCIATION, as trustee (the “**Trustee**”) and HB FUND LLC, as collateral agent (the “**Collateral Agent**”).

**WITNESSETH**

**WHEREAS**, the Company has heretofore executed and delivered to the Trustee an indenture, dated as of June 3, 2022 (the “**Base Indenture**”), as amended and supplemented by the ninth supplemental indenture, dated as of August 15, 2023, as amended by the first amendment to ninth supplemental indenture, dated as of January 2, 2024, and as further amended by the second amendment to ninth supplemental indenture, dated as of February 22, 2024, each between the Issuer, the Trustee and the Collateral Agent (as amended, the “**Ninth Supplemental Indenture**” and the Base Indenture, as amended and supplemented by the Ninth Supplemental Indenture, the “**Indenture**”), providing for the issuance of \$85,834,000 aggregate principal amount of the Company’s 6.00% Senior Secured Convertible Notes due 2025 (the “**Notes**”);

**WHEREAS**, Section 9.02(a) of the Ninth Supplemental Indenture provides that the Company, the Trustee and the Collateral Agent, as applicable, may, with the consent of 100% of the Holders (the “**Required Holders**”), amend or supplement the Indenture, the Notes or the Collateral Documents; and

**WHEREAS**, the Company desires, pursuant to Section 9.02(a) of the Ninth Supplemental Indenture, to amend the Indenture with the consent of the Required Holders.

**NOW THEREFORE**, for and in consideration of the provisions set forth herein, it is mutually agreed, for the equal and proportional benefit of the Holders, from time to time, as follows:

1. **Capitalized Terms.** Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.
2. **Amendments to the Ninth Supplemental Indenture.** Effective as of the Effective Date (as defined below) and subject to the terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, Section 4.14(A) of the Ninth Supplemental Indenture is hereby amended and restated in its entirety to read as follows:

“(A) Prior to the earliest to occur of (i) the E&P Sale (as defined in the Secured Notes Indenture), (ii) the repayment in full of all obligations under the Secured Notes, and (iii) October 1, 2024 (such earliest date, the “**Liquidity Trigger**”), the Company shall have at all times liquidity calculated as unrestricted, unencumbered Cash or Cash Equivalents of the Company and its Subsidiaries (including, notwithstanding anything herein to the contrary, Cash or Cash Equivalents in any Blocked DACA), excluding the Driftwood Companies, as taken as a whole, in one or more deposit, securities or money market or

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similar accounts located in the United States (“**Liquidity**”) in an aggregate minimum amount equal to (i) forty million dollars (\$40,000,000) for the period commencing on January 2, 2024 through and including February 22, 2024, (ii) twenty-five million dollars (\$25,000,000) for the period commencing on February 22, 2024 through and including April 30, 2024, (iii) thirty million dollars (\$30,000,000) for the period commencing on May 1, 2024 through and including June 14, 2024, (iv) thirty five million dollars (\$35,000,000) for the period commencing on June 15, 2024 through and including June 30, 2024, and (v) forty million dollars (\$40,000,000) for the period commencing July 1, 2024 and thereafter.”

3. **Conditions of Effectiveness of this Third Amendment.** This Third Amendment shall become effective on the date when the following conditions shall have been satisfied or waived (such date, the “**Effective Date**”):

(a) **Executed Third Amendment Documents.** The Trustee’s receipt of this Third Amendment, duly authorized, executed and delivered by each of the Company, the Trustee and the Collateral Agent.

(b) **Delivery of Additional Documents.** The Trustee’s receipt of such additional documents required by Section 9.7 of the Indenture, executed and delivered by the Company.

(c) **Fees and Expenses.** The Company shall promptly pay all reasonable and documented out-of-pocket expenses and costs of the Holders (including, without limitation, the reasonable and documented attorney fees and expenses of Latham & Watkins, LLP, counsel to High Trail, and FTI Consulting, Inc., financial advisor and consultant to High Trail) and the Trustee and Collateral Agent (including, without limitation, all reasonable and documented attorney fees) in connection with the preparation, negotiation, execution, approval and consummation of this Third Amendment and the transactions contemplated hereby.

1. **Release.** In consideration of the benefits received by the Company pursuant to this Third Amendment, and for other good and valuable consideration (the receipt, adequacy and sufficiency of which are hereby acknowledged), effective on the date of this Third Amendment, the Company, on behalf of itself and its agents, representatives, officers, directors, advisors, employees, Subsidiaries, affiliates, successors and assigns (collectively, “**Releasors**”), hereby forever waives, releases and discharges each the Trustee, the Collateral Agent, the Holder, and each of their respective officers, directors, partners, general partners, limited partners, managing directors, members, stockholders, trustees, shareholders, representatives, employees, principals, agents, parents, subsidiaries, predecessors, successors, assigns, beneficiaries, heirs, executors, personal or legal representatives and attorneys of any of them, each in their capacities as such, (collectively, the “**Releasees**”), of and from any and all claims, causes of action, suits, obligations, demands, debts, agreements, promises, liabilities, controversies, costs, damages, expenses and fees whatsoever, whether arising from any act, failure to act, omission, misrepresentation, fact, event, transaction or other cause, and whether based on any federal, state, local or foreign law or right of action, at law or in equity or otherwise, foreseen or unforeseen,

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matured or unmatured, known or unknown, accrued or not accrued, which any Releasor now has, has ever had or may hereafter have against any Releasee arising contemporaneously with or prior to the date of this amendment or on account of or arising out of any matter, cause, circumstance or event occurring contemporaneously with or prior to the date of this amendment that relate to, arise out of, or otherwise are in connection with any or all of the Transaction Documents or transactions contemplated thereby.

2. **Governing Law.** This Third Amendment shall be governed by and construed in accordance with the laws of the State of New York.

3. **No Material Non-Public Information.** The Company agrees that neither this Third Amendment, nor the transactions contemplated hereby, constitute material, non-public information regarding the Company or any of its Subsidiaries that would cause the Holder or the Collateral Agent to be deemed to be in possession of any material, non-public information regarding the Company or any of its Subsidiaries. The Company agrees that neither the Company, any of its Subsidiaries, nor any of their respective officers, directors, employees or agents have provided Holder or the Collateral Agent or any of their respective officers, directors, employees or agents (other than High Trail Capital) with any information regarding the Company or its Subsidiaries that could constitute material, non-public information regarding the Company or any of its Subsidiaries. In addition, the Company acknowledges and agrees that neither Holder nor the Collateral Agent nor any of their respective affiliates (other than High Trail Capital) is under any confidentiality or similar obligations under any agreement with respect to the Company or any of its Subsidiaries; provided, however, the parties hereby acknowledge and reaffirm any obligations under that certain Non-Disclosure Agreement by and between the Company and Hudson Bay Capital Management LP, dated as of February 9, 2024 (the “**Non-Disclosure Agreement**”) and the Company confirms that it has not authorized High Trail Capital to share any Confidential Information (as such term is defined in the Non-Disclosure Agreement) with Hudson Bay Capital Management LP or any of its affiliates.

4. **Counterparts.** This Third Amendment may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. Any signature to this Third Amendment may be delivered by facsimile, electronic mail (including pdf) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 or the New York Electronic Signature and Records Act or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law. Each party hereto accepts the foregoing, and any document received in accordance with this Section 7 shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law.

5. **Effect of Headings.** The Section headings herein are for convenience only and shall not affect the construction hereof.

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6. **The Trustee.** The Trustee makes no representation or warranty as to the validity or sufficiency of this Third Amendment or with respect to the recitals contained herein, all of which recitals are made solely by the other parties hereto.

7. **Ratification of Indenture; Third Amendment part of Indenture.** Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed, and all the terms, conditions, and provisions thereof shall remain in full force and effect. This Third Amendment shall form a part of the Indenture for all purposes, and every Holder heretofore or hereafter authenticated and delivered shall be bound hereby.

*[Remainder of page intentionally left blank]*

---

IN WITNESS WHEREOF, the parties to this Third Amendment have caused this Third Amendment to be duly executed as of the date first written above.

Tellurian Inc.

By: /s/ Daniel Belhumeur  
Name: Daniel Belhumeur  
Title: President

Wilmington Trust, National Association, as trustee

By: /s/ Karen Ferry  
Name: Karen Ferry  
Title: Vice President

HB Fund LLC, as the Collateral Agent

By: Hudson Bay Capital Management LP  
Not individually, but solely as Investment Advisor to HB Fund LLC

By: /s/ George Antonopoulos  
Name: George Antonopoulos  
Title: Authorized Signatory

*[Signature Page to Third Amendment to Ninth Supplemental Indenture]*

---



In connection with the execution of this Third Amendment to Ninth Supplemental Indenture, dated as of May 24, 2024, by and among the Company, the Trustee and the Collateral Agent, the undersigned holders of the Notes, representing 100% of the aggregate principal amount of the outstanding Notes immediately prior to execution of this Third Amendment to Ninth Supplemental Indenture, hereby (i) consent to the amendments to the Ninth Supplemental Indenture set forth in Section 2 of this Third Amendment to Ninth Supplemental Indenture; (ii) direct the Trustee to execute this Third Amendment to Ninth Supplemental Indenture; (iii) represent and warrant that they are the Holders of the aggregate principal amount of the outstanding Notes set forth under their signature line on the date hereof and have not transferred its position in such Notes; (iv) certify that it has the full power and authority to deliver this consent and that such power has not been granted or assigned to any other person:

HOLDER:

HB FUND LLC

/s/ George Antonopoulos  
Name: George Antonopoulos  
Title: Authorized Signatory\*

Aggregate Principal Amount of Notes Held: \$85,834,000

\* Authorized Signatory  
Hudson Bay Capital Management LP  
Not individually, but solely as investment adviser to HB Fund LLC

*[Signature Page to Third Amendment to Ninth Supplemental Indenture]*

CHANGE ORDER

PROJECT NAME: Driftwood LNG Phase 1

OWNER: Driftwood LNG LLC

CONTRACTOR: Bechtel Energy Inc.

CHANGE ORDER NUMBER: CO-013

DATE OF AGREEMENT: November 10, 2017

DATE OF CHANGE ORDER:

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The Agreement between the Parties is changed as follows:

In accordance with Section 5.1 of the Agreement, the Parties agree to enter into this CO-013 defining the LNTP No. 3 Work as defined and detailed below:

**I. OWNER RESPONSIBILITIES**

Prior to Contractor's commencement of the Work specified in Exhibit C (*LNTP No. 3 Work*) attached to and made a part of this CO-013 ("*LNTP No. 3 Work*"), Owner shall comply with its relevant obligations defined in the Agreement, including Section 5.2A.

Contractor shall not be obligated to commence Work under this LNTP No. 3 until the Monthly Payment for Month 2 identified in Exhibit A (*LNTP No. 3 Payment Schedule*) attached to and made a part of this CO-013 (the "*Second Monthly Payment*") has been received by Contractor in cleared funds.

**A. Scope Modifications**

None.

**B. Agreement Terms Modifications**

None with respect to Owner Responsibilities.

**C. Commercial Impacts**

None.

**II. LIMITED NOTICE TO PROCEED NO. 3 (LNTP NO. 3)**

**A. LNTP No. 3 Work Schedule**

Subject to Section I (*Owner Responsibilities*) above, Contractor will:

**1. Commencement of Work:**

Contractor shall commence with the performance of the LNTP No. 3 Work on the date the Second Monthly Payment is received pursuant to I.A above ("*LNTP No. 3 Commencement*").

**2. Completion of Work:**

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Contractor shall use reasonable efforts to achieve completion of LNTP No. 3 Work by August 31, 2024.

**B. Agreement Schedule Modifications**

None.

**C. Agreement Terms Modifications**

None.

**D. Commercial Impacts**

Owner acknowledges and agrees Contractor has used and is continuing to use reasonable efforts to progress the Work of LNTP No. 2 (including under Change Orders CO-011 and CO-012) and such Work is separate and apart from this LNTP No. 3.

**III. SCOPE OF LNTP No. 3 WORK**

**A. LNTP No. 3 Site**

For the purpose of the LNTP No. 3 Work and subject to the terms of the Agreement (including Section 3.24), Owner shall, at LNTP No. 3 Commencement, provide Contractor with access to and care and custody of the LNTP No. 3 Site (as defined below), and such access shall be sufficient to permit Contractor to progress with the LNTP No. 3 Work on a continuous basis without material interruption or interference by others in accordance with Section 4.3A of the Agreement.

Pursuant to Section 4.5 of the Agreement, Owner has provided to Contractor in Exhibit B (*LNTP No. 3 Site Legal Description and Survey*) attached to and made a part of this CO-013 (i) the legal description of the Site for the LNTP No. 3 Work ("*LNTP No. 3 Site*"); and (ii) a survey of the LNTP No. 3 Site showing the boundaries of the LNTP No. 3 Site and one survey control point. Contractor has received and reviewed the provided legal description and survey of the LNTP No. 3 Site and determined that Owner has satisfied such obligation and that no adjustments are required for Contractor to perform the LNTP No. 3 Work in accordance with the requirements of the Agreement (as amended by this CO-013). To the extent any existing above-ground structures or utilities are shown in the survey, Contractor shall independently verify the locations of such existing structures and utilities.

**B. Scope of LNTP No. 3 Work**

The LNTP No. 3 Work is defined in Exhibit C to this CO-013. The Work authorized under LNTP No. 2 (including work detailed in Change Order No. 11 (CO-011) and Change Order No. 12 (CO-012)) is separate and apart from the Work authorized under this LNTP No. 3. If: (i) Contractor does not complete the LNTP No. 3 Work by the completion date identified in Section II.A; (ii) the Monthly Payment for all months identified in Exhibit A to this CO-013 have been received by Contractor in cleared funds; and (iii) Contractor has not received further Limited Notice to Proceed or Notice to Proceed from Owner, then, as Owner's sole remedy, Contractor shall, at its option either (y) credit Owner for all incomplete LNTP No. 3 Work for which Owner compensated Contractor based on mutual agreement of such incomplete Work (both acting reasonably), or (z) absent such mutual agreement, complete the LNTP No. 3 Work. If Contractor elects to complete the incomplete LNTP No. 3 Work and does so partially, Owner shall receive a credit for the portion of LNTP No. 3 Work that remains incomplete after Contractor's efforts to complete such Work. For the avoidance of doubt, Contractor reserves the right to complete the LNTP No. 3 Work in its sole discretion. If Contractor has received further Limited Notice to Proceed or Notice to Proceed from Owner, then, subject to the Parties' rights under the Agreement, the Parties agree that Owner shall have

fully compensated Contractor for the completion of all LNTP No. 3 Work and Contractor agrees to complete all incomplete LNTP No. 3 Work as part of the Work under such Limited Notice to Proceed or Notice to Proceed.

Pursuant to Section 3.2(G) and Attachment 16 (*Contractor Permits*) of the Agreement, Contractor acknowledges and agrees that it has obtained or will obtain all Contractor Permits that are necessary for the performance of the LNTP No. 3 Work and will continue to maintain such permits throughout performance of the LNTP No. 3 Work.

**C. Agreement Terms Modifications**

None.

**D. Commercial Impacts**

None.

**IV. LNTP NO. 3 INSURANCE REQUIREMENTS**

From LNTP No. 3 Work Commencement through completion of the LNTP No. 3 Work, Contractor shall maintain only those insurance coverages identified in Attachment 15 (*Insurance*) of the Agreement that are required for the LNTP No. 3 Work subject to the following modifications:

- 1) Clause 1.A.4: Excess Liability with a limit of Thirty Million US Dollars (\$30M) per occurrence and in the aggregate;
- 2) Clause 1.A.9: Builder's Risk Insurance Sum Insured of One Hundred Fifty Million US Dollars (\$150M) including a Windstorm/Water Damage sublimit of Twenty-Five Million US Dollars (\$25M);
- 3) Clause 1.A.10: Builder's Risk Delayed Startup Insurance will not be procured for this LNTP No. 3 Work;
- 4) Clause 1.A.11: Marine Cargo insurance for the replacement value of each shipment on a C.I.F. basis plus Ten percent (10%) with a maximum limit of Twenty-Five Million US Dollars (\$25M) per conveyance;
- 5) Clause 1.A.12: Marine Cargo Delayed Startup Insurance will not be procured for this LNTP No. 3 Work;
- 6) Clause 1.A.13: Marine General Liability with a limit of Fifty Million US Dollars (\$50M) per occurrence and in the aggregate; and
- 7) Clause 1.A.14: Contractor's Pollution Liability with a limit of Ten Million US Dollars (\$10M) per occurrence and in the aggregate.

**A. Agreement Terms Modification**

None.

**B. Commercial Impacts**

None.

**V. LNTP NO. 3 PAYMENT SCHEDULE; TERMINATION**

Subject to the terms of the Agreement (including Section 7.2D) as applicable for this LNTP No. 3, Owner shall pay Contractor the amounts specified in the table attached as Exhibit A to this CO-013 no later than the twenty-fifth (25th) Business Day of the month in which the payment is due, except for the Second Monthly Payment which shall be paid before commencement of the LNTP No. 3 Work as required by Section I of this CO-013.

Subject to Section III of this CO-013, Contractor shall credit Owner for all amounts paid for the LNTP No. 3 Work by representing such amounts in Contractor's first invoice following NTP under "9. Less Previous Invoices" according to Schedule 9-2 (*Form of Contractor's Invoice*) of the Agreement. Any Contract Price adjustments after the effective date of this CO-013 shall exclude all amounts paid by Owner to Contractor for the LNTP No. 3 Work.

Owner, in its sole discretion, may terminate the LNTP No. 3 Work at any time after commencement of the LNTP No. 3 Work, without cause, by providing at least thirty (30) Days' prior written notice to the Contractor. As consideration for the right to terminate the LNTP No. 3 Work, Owner shall, upon the effective date of termination, pay to Contractor the lump-sum demobilization fee as specified in Exhibit A ("**Demobilization Fee**"), which shall be deemed to cover all costs and expenditures of Contractor in completely demobilizing Construction Equipment and Contractor Group personnel from the LNTP No. 3 Site; *provided, that*, if the LNTP No. 3 Work terminates before the end of any month, the Demobilization Fee for the period from the beginning of such month to the effective date of termination shall be prorated according to the proportion which such period bears to the full month in which such effectiveness or termination occurs. The Parties intend the Demobilization Fee to be liquidated damages constituting compensation, and not a penalty. The Parties acknowledge and agree that damages resulting from termination pursuant to this Section II.D would be impossible or very difficult to accurately estimate, and that the Demobilization Fee is a reasonable estimate of the anticipated or actual harm that may arise from such termination. Owner's payment of the Demobilization Fee is the Owner's sole liability and entire obligation and the Contractor's exclusive remedy for any termination by Owner under this Section II.D. For avoidance of doubt, the payment schedule and demobilization fee (Exhibit A) for LNTP No. 3 is in addition to and does not replace the Owner's existing obligations under LNTP No. 2 (CO-012) which remain in effect and continuing.

**A. Agreement Payment Schedule Modifications**

None.

**B. Agreement Terms Modifications**

None.

**C. Commercial Impacts**

None.

**VI. OTHER COMMERCIAL ITEMS**

Notwithstanding the Contract Price set out below, the bid validity for the Contract Price and Project Schedule proposal issued by Contractor on or about August 4, 2023, expired on December 15, 2023, and is no longer valid. The Owner shall not issue NTP until the Parties agree to a Pre-NTP Refresh Adjustment and Risk Sharing Mechanisms as set out in CO-011, and the lack of a Party's agreement shall not be subject to Owner's right to issue a unilateral Change Order.

**A. Scope Modifications**

None.

**B. Agreement Terms Modifications**

None.

**C. Commercial Impacts**

None.

**VII. LIST OF EXHIBITS**

Exhibit A LNTP No. 3 Payment Schedule

Exhibit B LNTP No. 3 Site Legal Description and Survey

Exhibit C LNTP No. 3 Work (Scope of Work)

**Adjustment to Contract Price**

The original Contract Price was ..... USD [\*\*\*] EUR [\*\*\*]

Net change by previously authorized Change Orders (# CO-010) ..... USD [\*\*\*] EUR [\*\*\*]

The Contract Price prior to this Change Order was ..... USD [\*\*\*] EUR [\*\*\*]

The Contract Price will be increased (~~decreased~~) (~~unchanged~~)  
by this Change Order in the amount of ..... USD [\*\*\*] EUR [\*\*\*]

The new Contract Price including this Change Order will be ..... USD [\*\*\*] EUR [\*\*\*]

The Aggregate Provisional Sum prior to this Change Order was ..... USD [\*\*\*] EUR [\*\*\*]

The Aggregate Provisional Sum will be increased .....  
by this Change Order in the amount of USD [\*\*\*] EUR [\*\*\*]

The new Aggregate Provisional Sum  
including this Change Order will be ..... USD [\*\*\*] EUR [\*\*\*]

**Adjustments to dates in Project Schedule:**

The following dates are modified: N/A

Adjustment to other Changed Criteria: N/A

Adjustment to Payment Schedule: N/A

Adjustment to Provisional Sums: N/A

Adjustment to Minimum Acceptance Criteria: N/A

Adjustment to Performance Guarantees: N/A

Adjustment to Design Basis: N/A

Other adjustments to liability or obligation of Contractor or Owner under the Agreement: N/A

Select either A or B:

[A] This Change Order **shall** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall** be deemed to compensate Contractor fully for such change. Initials: [REDACTED] Contractor [REDACTED] Owner

~~[B] This Change Order **shall not** constitute a full and final settlement and accord and satisfaction of all effects of the change reflected in this Change Order upon the Changed Criteria and **shall not** be deemed to compensate Contractor fully for such change. Initials: \_\_\_\_\_ Contractor \_\_\_\_\_ Owner~~

Upon execution of this Change Order by Owner and Contractor, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Orders, all other terms and conditions of the Agreement shall remain in full force and effect. This Change Order is executed by each of the Parties' duly authorized representatives.

/s/ [REDACTED] \_\_\_\_\_ /s/ [REDACTED] \_\_\_\_\_  
Owner Contractor  
[REDACTED] [REDACTED]

6/27/2024 \_\_\_\_\_ 6/27/2024 \_\_\_\_\_  
Date of Signing Date of Signing

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

I, Daniel A. Belhumeur, 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: August 8, 2024

/s/ Daniel A. Belhumeur

Daniel A. Belhumeur

President

(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: August 8, 2024

/s/ Simon G. Oxley

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

**CERTIFICATION BY PRESIDENT  
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 June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel A. Belhumeur, President 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: August 8, 2024

/s/ Daniel A. Belhumeur

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Daniel A. Belhumeur

President

(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 June 30, 2024, 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: August 8, 2024

/s/ Simon G. Oxley

Simon G. Oxley

Chief Financial Officer

(as Principal Financial Officer)

Tellurian Inc.