

# Long-term LNG outlook



Renee Pirrong | June 16, 2020

TELLURIAN

# Cautionary statements

## Forward looking statements

The information in this presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are forward-looking statements. The words “anticipate,” “assume,” “believe,” “budget,” “estimate,” “expect,” “forecast,” “initial,” “intend,” “may,” “plan,” “potential,” “project,” “should,” “will,” “would,” and similar expressions are intended to identify forward-looking statements. The forward-looking statements in this presentation relate to, among other things, the terms of any offered investment in Driftwood Holdings or related businesses (“Driftwood”) and Driftwood’s future: financial and operational results, transactions, operations and capabilities, development timeline, capital expenditures and requirements, regulatory approvals and environment, workforce, partners, business and prospects.

Our forward-looking statements are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments, and other factors that we believe are appropriate under the circumstances. These statements are subject to numerous known and unknown risks and uncertainties, which may cause actual results to be materially different from any future results or performance expressed or implied by the forward-looking statements. These risks and uncertainties include those described in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the Securities and Exchange Commission (the “SEC”) on March 15, 2018 and other filings with the SEC, which are incorporated by reference in this presentation. Many of the forward-looking statements in this presentation relate to events or developments anticipated to occur numerous years in the future, which increases the likelihood that actual results will differ materially from those indicated in such forward-looking statements. Projected future cash flows and other financial measures as set forth herein may differ from those measures as determined in accordance with GAAP.

The projected financial information included in this presentation is provided for illustrative purposes only and does not purport to show estimates of actual future financial performance.

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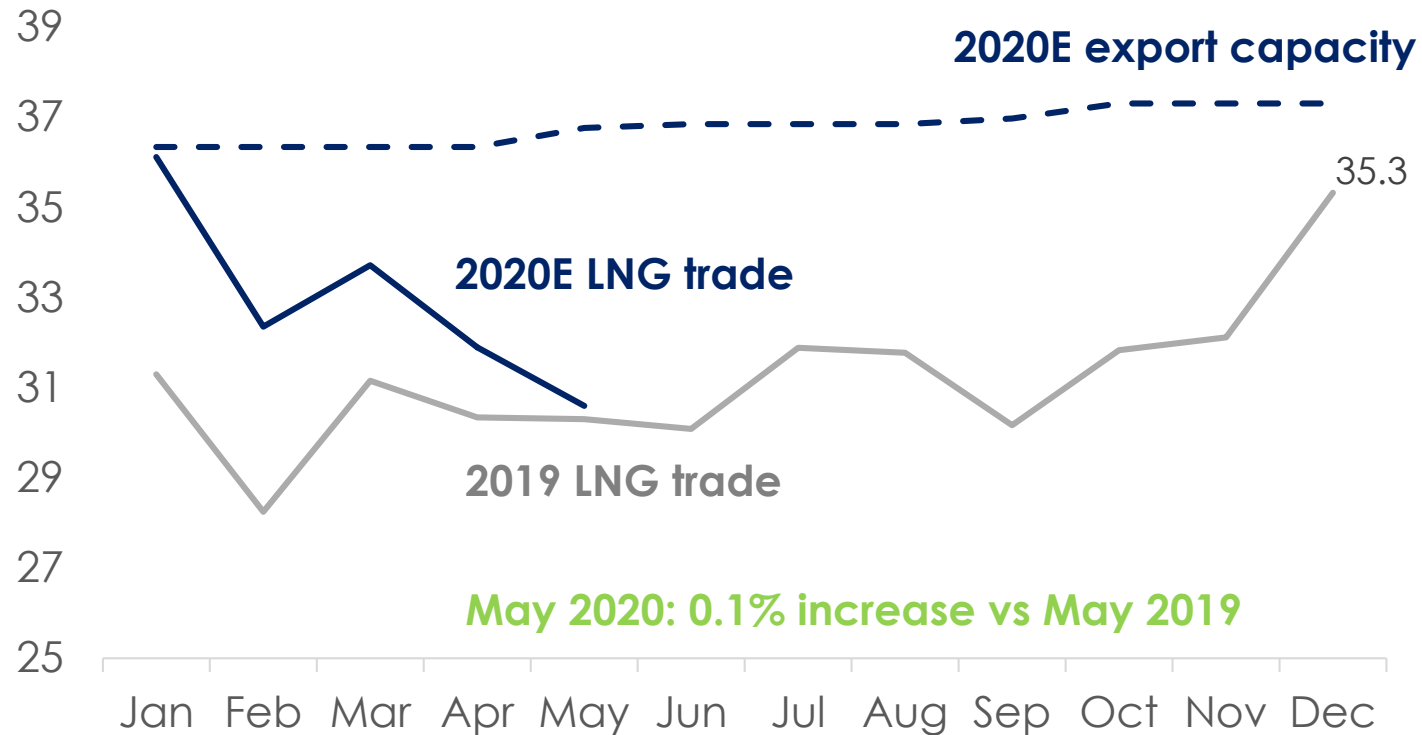
## Reserves and resources

Estimates of non-proved reserves and resources are based on more limited information, and are subject to significantly greater risk of not being produced, than are estimates of proved reserves.

# LNG trade growing faster than capacity

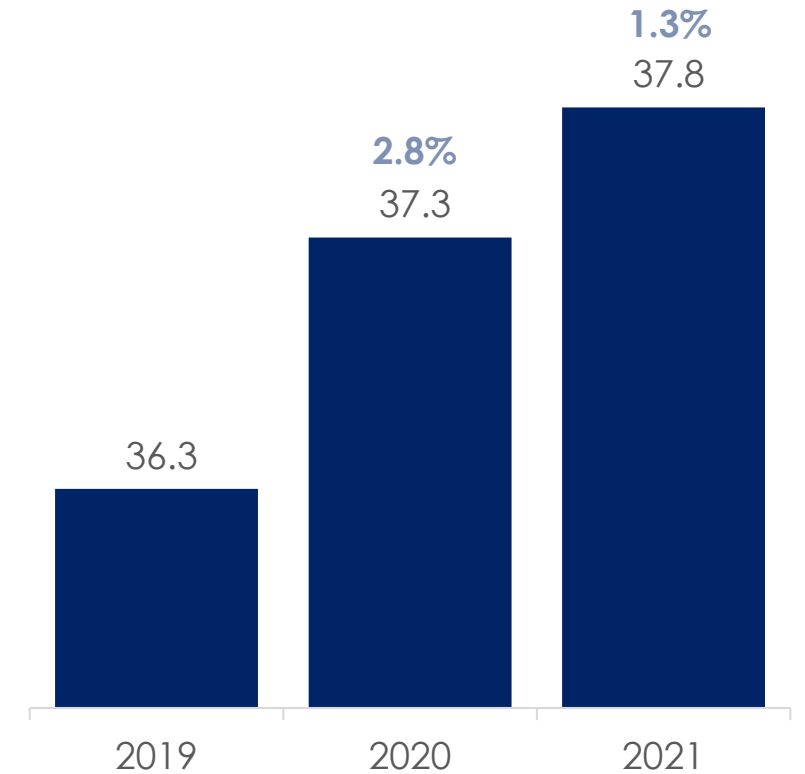
## Monthly global LNG trade and capacity

million tonnes/month



## LNG production capacity at year end

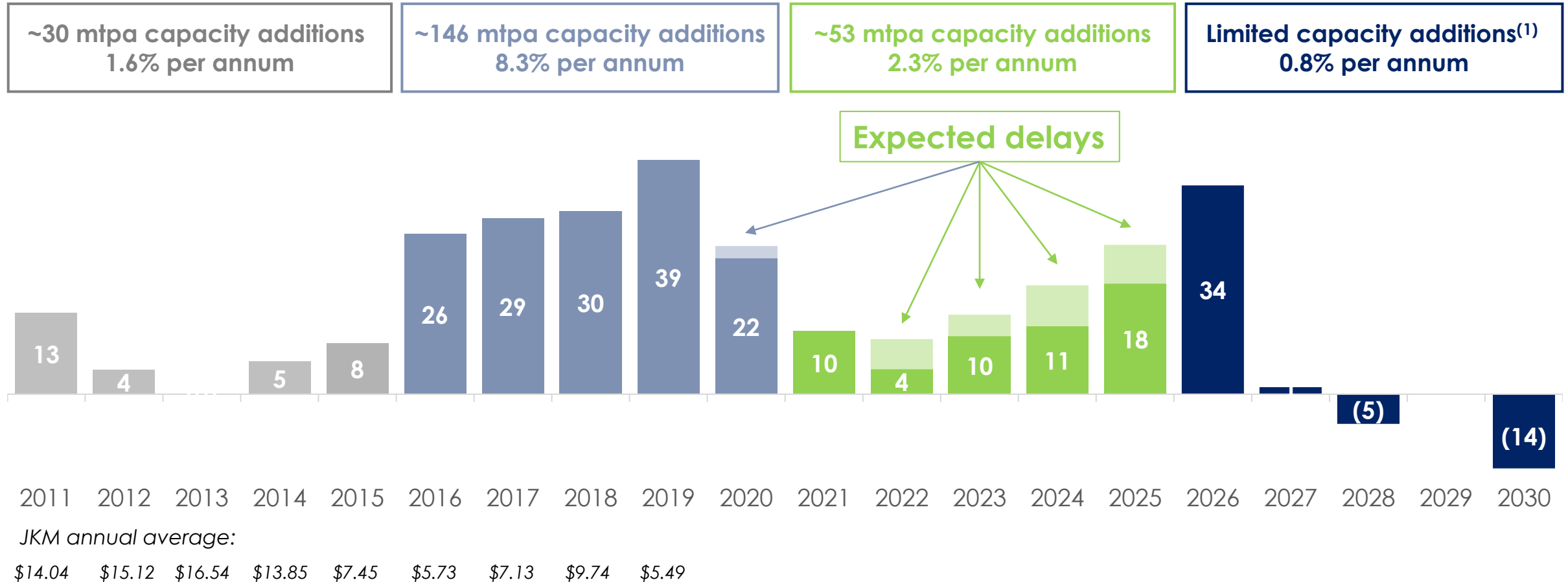
Expected % increase over prior year end  
million tonnes/month production capacity



Sources: IHS CERA, Tellurian analysis.

# Entering 5-year starvation; expect rising price

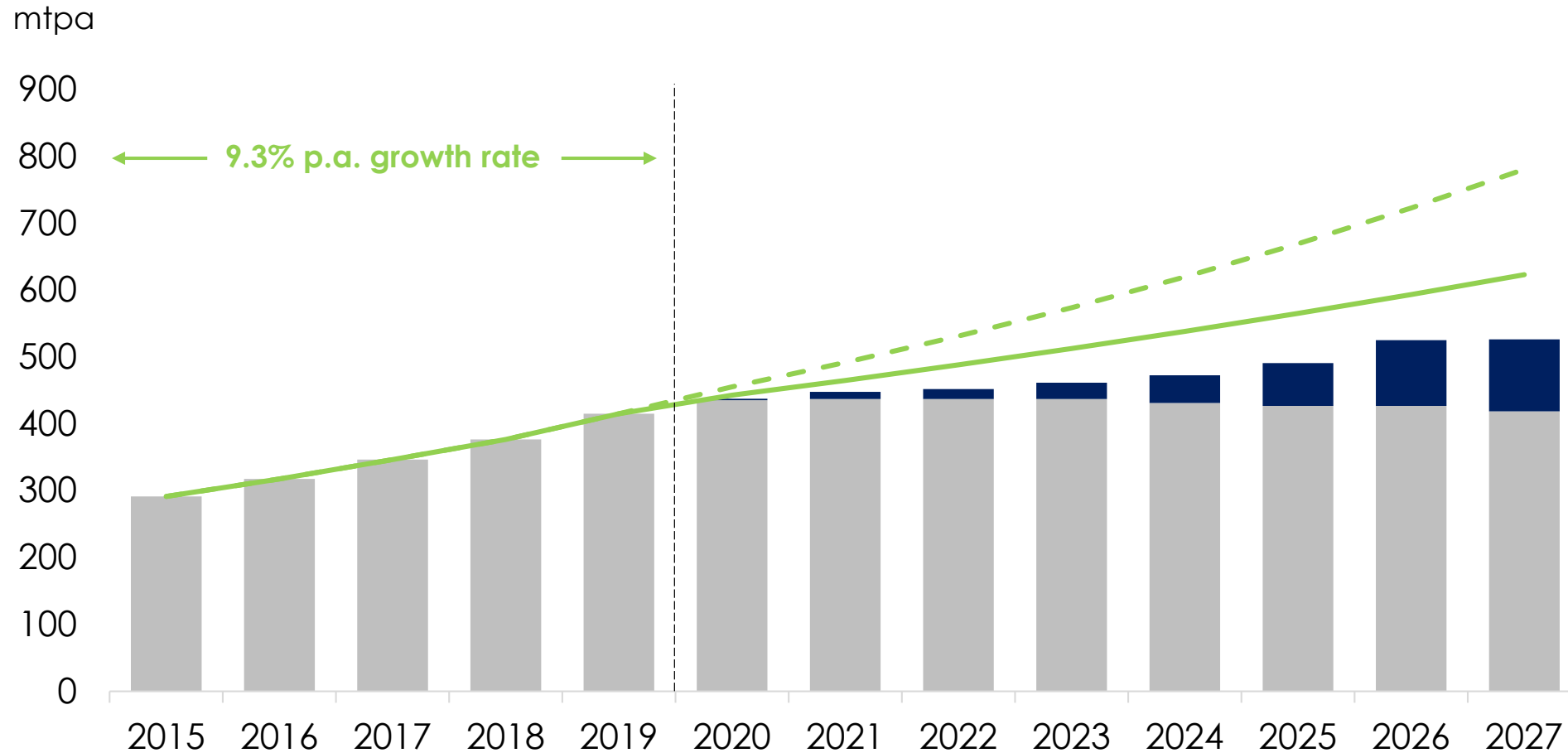
## Global liquefaction capacity additions (mtpa)



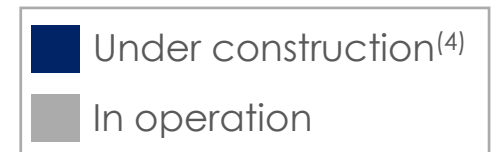
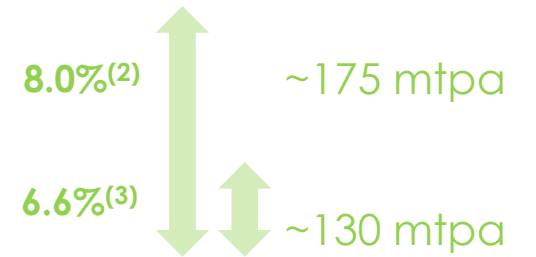
Sources: Wood Mackenzie, Tellurian analysis.  
Note: (1) Capacity additions for projects that have reached FID only.

# >100 mtpa additional construction needed

Recent demand growth rates imply the world will have LNG capacity constraints by 2021



Liquefaction capacity required by 2025<sup>(1)</sup>



Sources: Wood Mackenzie, Tellurian Research.

Notes: (1) Assumes 86.5% utilization rate.

(2) Assumes 8.0% annual demand growth rate from 2020-2025.

(3) Assumes 6.6% annual demand growth rate from 2020-2025.

(4) Assumes 112 mtpa of projects under construction coming online by 2025, including Portovaya, Petronas FLNG 2, Coral FLNG, Petronas FLNG 2, Tortue LNG, LNG Canada, Calcasieu Pass, Mozambique LNG, Golden Pass LNG, Arctic LNG 2 and NLNG T7.



# LNG can help improve air quality

India, 2017

*"Delhi has become a gas chamber"*

*- Delhi Chief Minister Arvind Kejriwal*

