



Issued April 8, 2019

Permian Global Access Pipeline LLC

Notice of Binding Open Season

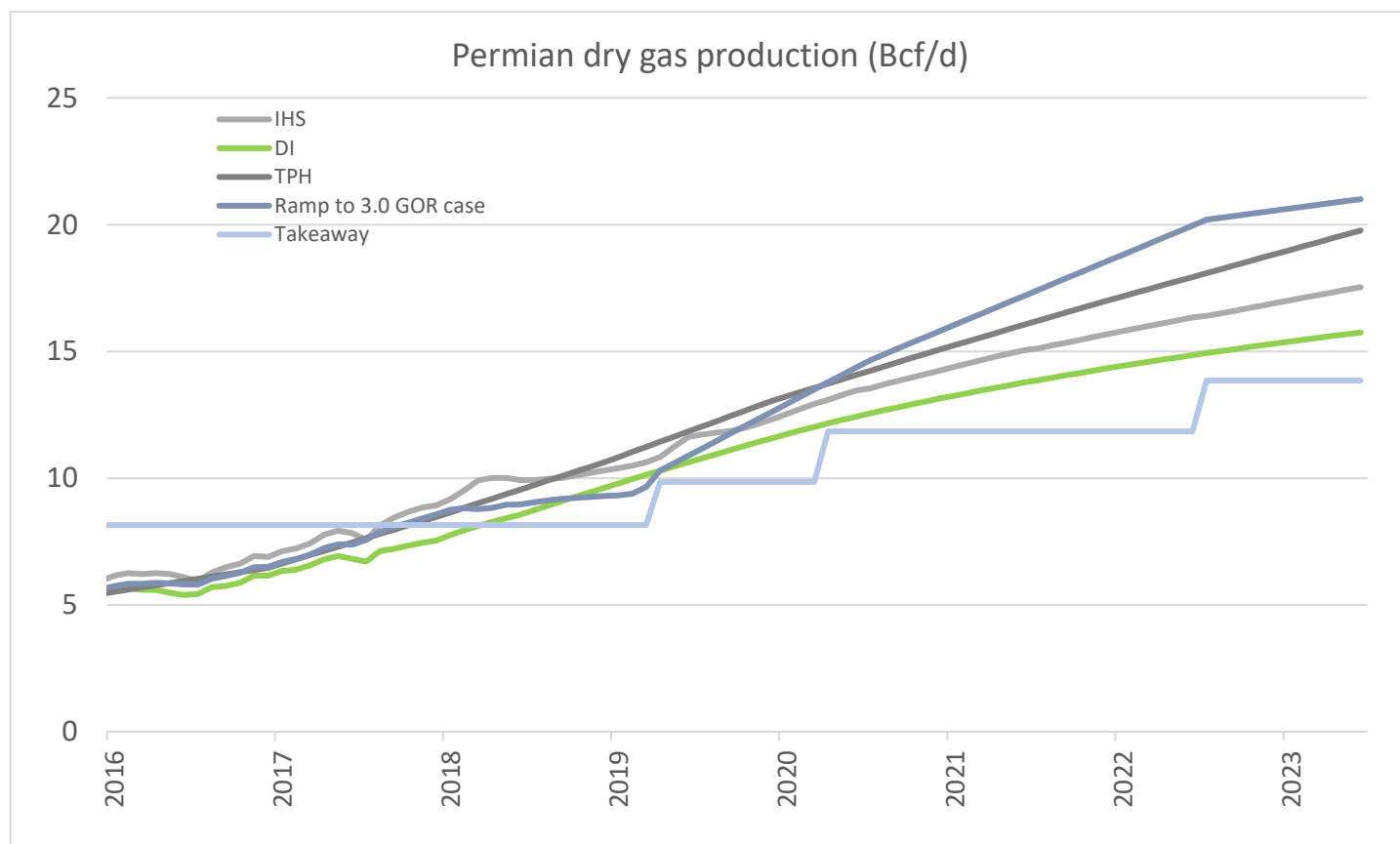


Notice of Binding Open Season

Permian Global Access Pipeline LLC ("PGAP"), a wholly-owned subsidiary of Tellurian Inc. ("Tellurian"), announces a Binding Open Season for transportation services on the Permian Global Access Pipeline ("Project" or "Pipeline"). PGAP proposes to construct, own and operate the Project, an approximately 625-mile long, 42-inch diameter interstate natural gas pipeline. The Project will originate at the Waha Hub, the gateway for Permian gas coming to market, and terminate near Lake Charles, Louisiana, the heart of U.S. natural gas market growth.

Dry natural gas production from the Permian region is expected to exceed 16 billion standard cubic feet per day ("Bcf/d"), at a minimum, by 2023. Crude oil and natural gas liquids production in the basin drives natural gas production, as wellhead economics primarily depend on these two commodities. As a result, natural gas production is very inelastic: depressed prices have not decreased production, creating flow assurance problems for producers. Production growth has exceeded pipeline capacity, leading to negative prices and significant flaring in the region. The Pipeline will help Permian producers achieve a better price for their gas, reduce flaring to meet their greenhouse gas objectives, and provide access to the fastest growing natural gas market in the U.S. Accounting for the benefits of reduced greenhouse gas emissions from flaring in the Permian region, coupled with the substitution of coal by natural gas in the US and globally, the Project will significantly reduce both greenhouse gas emissions and particulate matter pollution domestically and internationally.

TX / NM dry gas production forecasts



Source: Drilling Info, IHS, TPH

Demand for natural gas in Southwest Louisiana and East Texas is growing faster than anywhere else in the country. Growth of the petrochemical, industrial and liquefied natural gas ("LNG") export industries in the region are expected to increase natural gas demand in the area by approximately 14 Bcf/d by 2025. Total regional consumption could reach or exceed 20 Bcf/d in the same time period. New pipelines are necessary to meet this growing demand. Without new infrastructure, the region will experience a deficit of natural gas supply by 2025. The Project will provide the region with 2 Bcf/d of additional stable and predictable gas supply to serve this need, linking the fastest growing supply with the largest expanding market demand.

The growth of the Southwest Louisiana natural gas market comes at a time of increased competition in traditional markets for Permian natural gas. Historically, volumes from West Texas have been delivered to California or Midwestern markets, in addition to serving demand in Texas. However, California's natural gas demand is declining, while Anadarko, Haynesville and Northeast gas have displaced Permian natural gas in the Midwest.

Southwest Louisiana: core of US gas demand growth, 2025

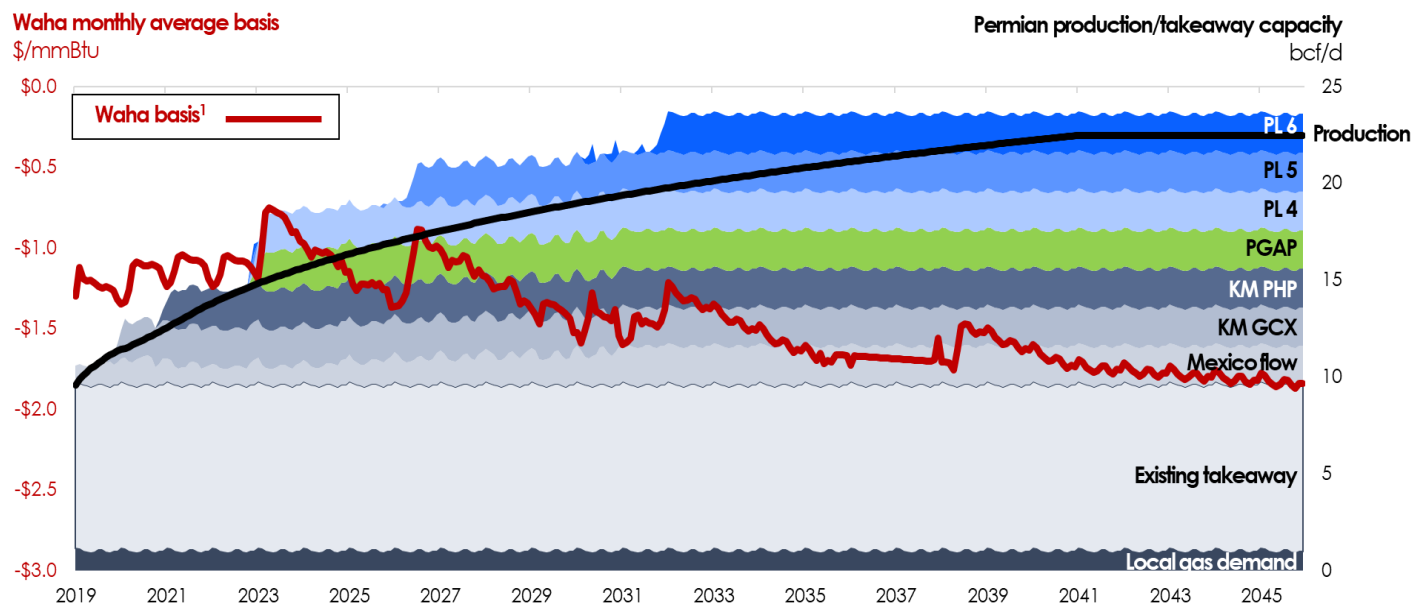


Sources: company data, drilling info, Entergy, Tellurian estimates



Demand for natural gas in Texas, while growing, cannot absorb the entirety of the excess supply from the Permian region. Industrial, LNG export and natural gas-fired power demand growth in Texas will total approximately 5 Bcf/d by 2025, which is significantly less than the 14 Bcf/d from the petrochemical, industrial and LNG export industries in SW Louisiana, as discussed above. As a result, the significant basis declines at the Waha Hub will affect natural gas markets throughout Texas. As the low basis at Waha forces natural gas to other markets, South Texas and Houston Ship Channel/Katy pricing will also begin to suffer. Meanwhile the demand growth in SW Louisiana will provide unparalleled liquidity and a higher realized price than in Texas markets.

Waha basis: lower for longer is the new normal

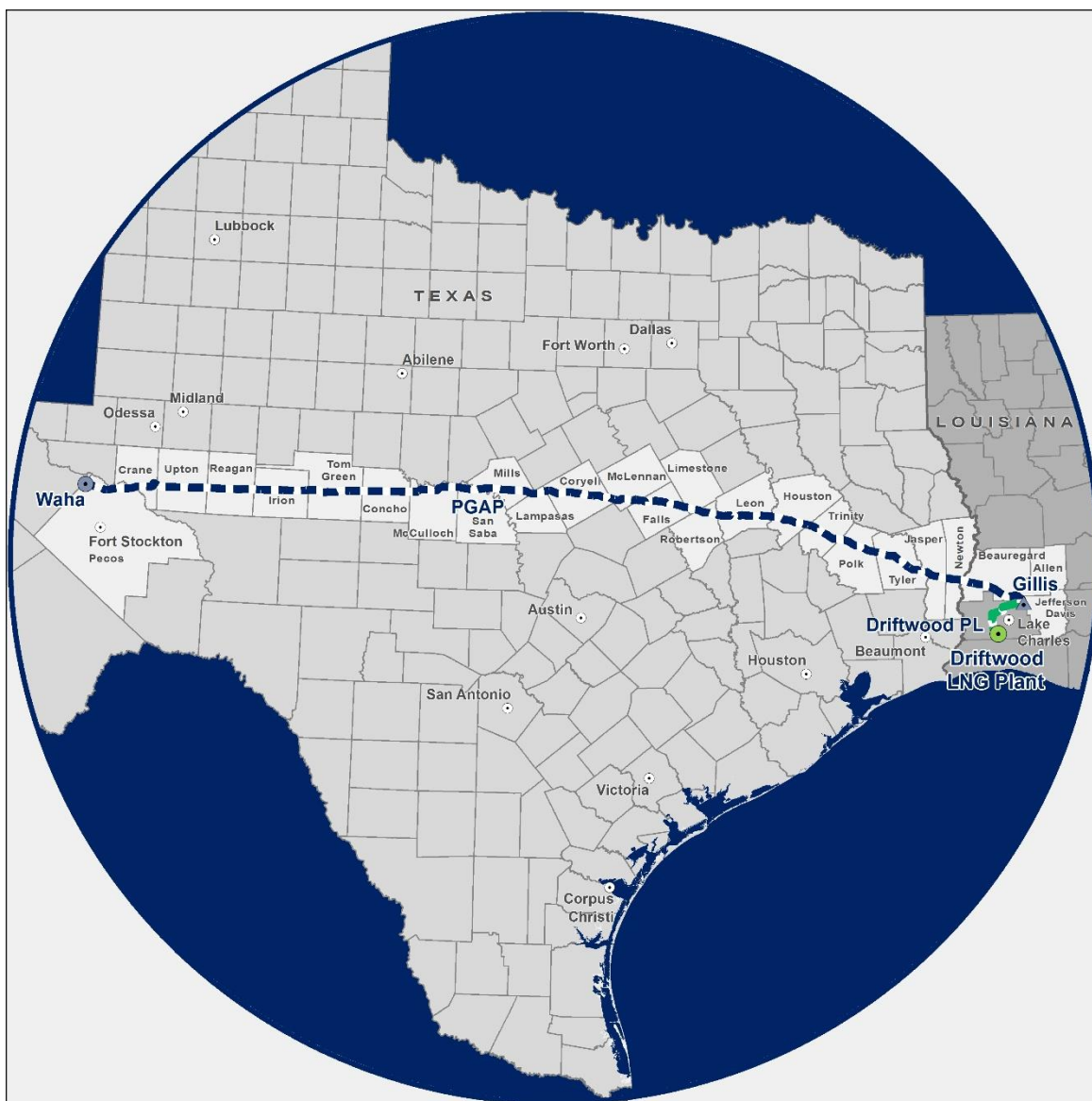


Source: Tellurian estimates, IHS, public filings; forward curve from 1st half March 2019, escalated at 0.1%/month post-2032

¹Assumes minimum basis/HH ratio of -0.10 to represent marginal operating cost in overbuilt takeaway infrastructure situation; assumes maximum overbuild where takeaway capacity exceeds production by 4 bcf/d

Project Overview

PGAP is announcing this Binding Open Season to solicit participation in its proposed Pipeline on a firm basis for a minimum term of ten (10) years and up to twenty (20) years. The Pipeline is offering a single rate (the “Mainline Rate”) from Waha Hub, in Pecos County, Texas, to delivery locations near Lake Charles, Louisiana. The Project will consider additional lateral pipelines, but the rate will be incremental to the Mainline Rate.



The Pipeline anticipates having as many as 22 meter locations and six mainline compressor stations. All receipt connections are proposed to be located near or at the Waha Hub and all delivery locations are proposed to be near Lake Charles or Gillis, Louisiana. Any lateral that extends beyond two miles from the Waha Hub located in Pecos County, Texas, or any lateral from the mainline to interconnect to a pipeline or plant not listed as a proposed receipt point may be considered an additional pipe segment. As a result, a supplemental scope, cost



and rate may apply. All interested shippers are encouraged to provide any requested receipt and delivery locations in the nomination form for consideration. For additional points, please indicate the name, latitude/longitude and capacity requirements.

Participation in the Open Season will be considered binding on all participants, including PGAP. Participation commits the Shipper to negotiate a Precedent Agreement ("PA") in good faith with PGAP. Additionally, PGAP will provide transportation service on a daily reservation recourse rate basis or for customers that sign up for long term contracts for 10 or more years. Transportation services will be provided based upon shipper class and on a negotiated rate basis as more fully described below.

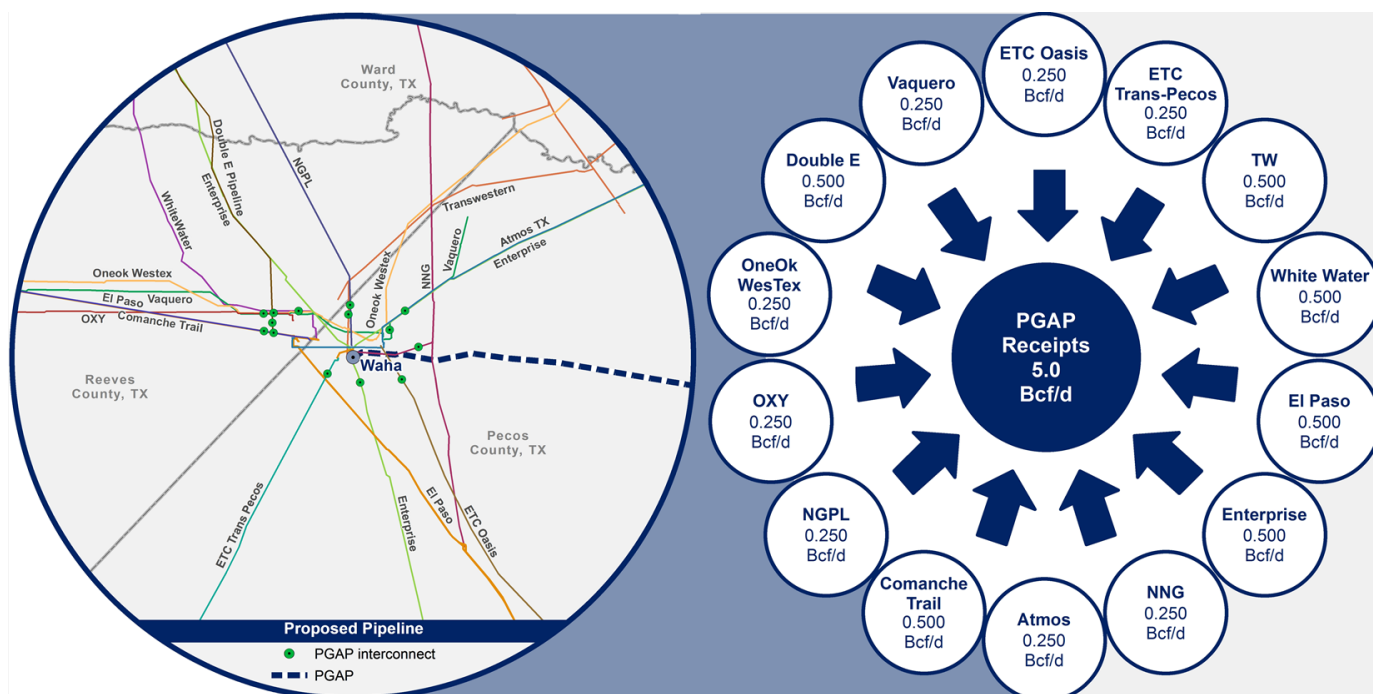
The Pipeline is proposed to have one Mainline Rate Zone. At this time and until PGAP has received defined shipper interest, PGAP is only offering the Mainline Rate Zone on a firm basis. Additional potential rate zones could be offered with sufficient shipper interest.

- **The Mainline Rate** The Mainline Rate Zone would originate at the Waha Hub located in Pecos County, Texas, and traverse 23 counties in Texas, three (3) parishes in Louisiana, and extend approximately 625 miles. The Pipeline would ultimately terminate at third-party pipelines located near and around Lake Charles or Gillis, Louisiana, in Beauregard, Allen, Jefferson Davis or Calcasieu Parishes. This Mainline Rate Zone would include all proposed receipt and delivery meters. As currently designed, no compression is proposed to deliver gas into any third-party pipelines operating at pressures greater than 800 psig. All receipts into the Pipeline must be at or above 850 psig at the interconnect meter located at the suction side of the Waha compressor station. Any receipts downstream of the Waha compressor station must meet the MAOP of the pipe (1440 psig) and/or be able to exceed the normal prevailing operating pressure of the Pipeline at the time of the receipt. The Mainline Rate Zone would consist of a minimum 42-inch diameter pipeline capable of transporting a minimum of 2.0 Bcf/d. In-service of this section of the Project is anticipated to be mid-2023.

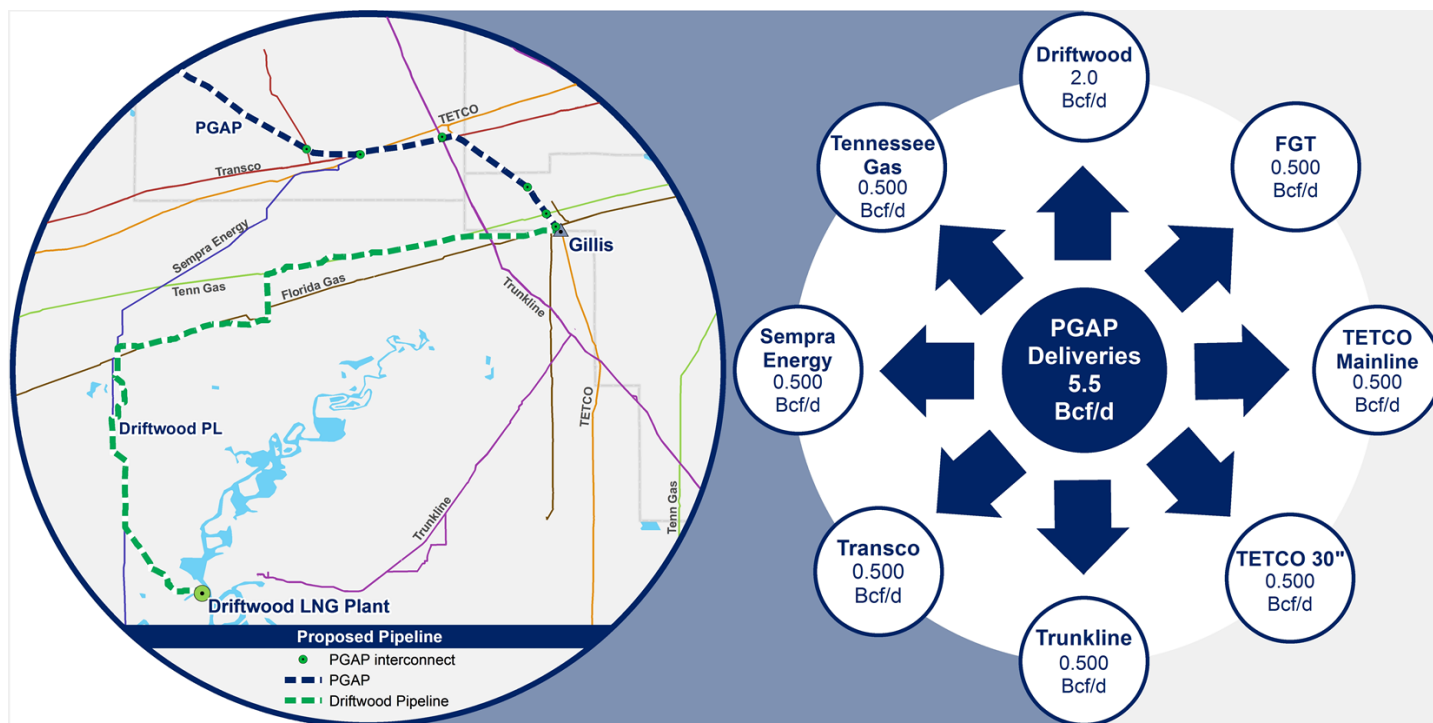
Zone map of proposed PGAP pipeline route



PGAP is proposing approximately fourteen (14) receipt meter stations located at or near the Waha Hub in Pecos County, Texas.



PGAP is also proposing up to eight (8) delivery points. These could include a connection with the pipelines as identified below located near Gillis, Louisiana. Similar to the receipt points, PGAP encourages the shippers to propose alternate delivery points for consideration.





Contract term

PGAP is accepting bids for a minimum contract term for firm service of ten (10) years and up to twenty (20) years.

Shipper Classifications

Foundation shipper status

Foundation shipper status shall be afforded to Shippers who:

- commit to a minimum capacity of 2.0 million mmBtu/d of natural gas that is directed to be delivered to or near Gillis, Louisiana;
- commit to a twenty (20) year term; and
- meet the credit provisions as provided in the PA.

To the extent practicable, PGAP will work with potential Foundation shippers to accommodate to their specific transportation contracting needs.

Subject to Federal Energy Regulatory Commission ("FERC") approval, Foundation shippers will enjoy benefits such as negotiated rates, flexible contract commencement dates for transportation service agreements, term extensions, most favored nations benefits, a right of refusal for short-term firm capacity that becomes available as a result of ambient conditions, enhanced and redundant primary receipt and delivery point capacity rights of up to six Bcf/d or three times their Maximum Daily Transportation Quantity ("MDTQ"), secondary receipt and delivery point rights and other benefits negotiated on a not-unduly discriminatory basis. A Foundation Shipper will also have the right to request Transporter hold an additional open season for an increase in capacity of specific portions of the Project. Any expanded capacity will be awarded on a non-discriminatory basis. Indicative rates and credit provisions can be provided upon request.

Anchor shipper status

Anchor shipper status shall be afforded to Shippers who:

- commit to a minimum capacity of 250,000 mmBtu/d of natural gas that is directed to be delivered to or near Gillis, Louisiana;
- commit to a minimum ten (10) year term, but no more than twenty (20) years; and
- meet the credit provisions as provided in the PA.

Subject to FERC approval, Anchor shippers will enjoy benefits such as negotiated rates, secondary rights to short-term firm capacity that becomes available as a result of environmental conditions, term extensions, primary receipt and delivery capacity up to their nominated MDTQ, secondary receipt and delivery point rights and other benefits negotiated on a not-unduly discriminatory basis. Indicative rates and credit provisions can be provided upon request.



Length of open season

Beginning of open season: 12:00 PM Central Standard Time ("CST"), Monday, April 8, 2019
Close of open season: 4:00 PM CST, Friday, May 24, 2019

Transportation Rates

PGAP will provide service on a negotiated daily reservation rate(s) basis based upon scope, term and volume to be transported and as negotiated and documented in a binding PA. Indicative rates can be provided upon request.

PGAP will also offer transportation service on a cost-of-service basis, with daily reservation recourse rates. Recourse rates will be determined based upon the receipt and delivery points and transportation pathway, as well as the final scope of the Project. Indicative rates can be provided upon request.

PGAP may, depending upon shipper interest and subject to FERC approval, provide seasonal, short haul, wheeling or pooling services and other capacity arrangements on a short-term firm or on an interruptible basis, as available. Short-term firm service is defined as the potential capacity above the nominal or summer day design case and the capacity that results from ambient conditions (e.g. up to the peak or winter design case) that could allow for system capacities to exceed the nominal or summer day design case. Any short-term firm service above the interruptible capacity would be limited to up to one (1) year in duration under the terms of a Short-Term Firm Transportation Service Agreement at the posted rate or long-term shipper's negotiated rate.

Retainage, surcharges and fuel

In addition to the above indicated transportation rates, shippers will pay the applicable surcharges as allowed and approved by FERC. Shippers will be responsible for the applicable compressor fuel and/or electric power charges, and provide the applicable company use, loss and unaccounted for ("LAUF") gas associated with transportation under PGAP's Rate Schedule, as provided in PGAP's then effective FERC Gas Tariff. Estimates of compressor fuel and the LAUF can be provided upon request.

Participation in the open season

To participate in this Open Season, interested parties desiring firm transportation service should submit an Open Season Transportation Request Form (attached), by 4:00 PM CST, Friday, May 24, 2019. Specific attention should be paid to the term of service, total firm capacity requested or MDTQ, and desired receipt and delivery point(s).

Submission of an Open Season Transportation Request Form binds the parties to negotiate a PA in good faith.

Bid evaluation criteria

PGAP will evaluate the prospective bids on a net present value ("NPV") basis and take into consideration the total scope and cost impact on the Project economics as determined by PGAP. PGAP reserves the right to reject and remove from consideration non-conforming bids, bids that have a delayed or early in-service requirement beyond or before what is acceptable to PGAP including bids that require a contract for a partial-year term, or bids that fail to meet the minimum terms set forth above with regard to contract term, credit, or any other economic criteria which could adversely affect the economics or operational viability of the Project. PGAP reserves the right to define and maintain the economic viability of the Project in its sole discretion.



If PGAP receives acceptable bids for capacity in excess of the actual amount of available capacity and beyond the initial scope as defined herein, then the capacity may be allocated based upon shipper status or as further defined below. Any modifications to the Project may be implemented and agreed upon as part of this initial Binding Open Season, whereas any future modifications by the successful shippers may require a rate adjustment as agreed upon prior to implementing the change.

Upon receipt of all timely submitted Open Season Transportation Request Forms, PGAP will evaluate the total capacity requested and, if necessary, make an initial allocation under the process described below. PGAP, in its sole discretion, may:

- revise the scope and/or capacity of the Project;
- evaluate and award capacity based upon the shipper status, with priority given to those shippers whose bids qualify them to be Foundation Shippers, then to Anchor Shippers and then to all other shippers;
- in the event of equal bids, work with the shippers to voluntarily reduce or revise their requested reservation volume and Project path quantities, as applicable;
- allocate the available firm transportation capacity under the Project; or
- determine not to pursue the Project.

If PGAP allocates the available firm transportation capacity under the Project, then the capacity will be allocated first to those who qualify as Foundation Shippers, then to the Anchor Shippers, then to all other shippers on a NPV basis. However, PGAP reserves the right to not award any capacity or service to bidders who submit less than the minimum term.

If two or more acceptable bids are of equivalent NPV and shipper status, then the capacity will be allocated pro rata among those bidders.

Requests received by PGAP after the close of the Open Season period may be accepted or rejected by PGAP on a not-unduly discriminatory basis.

Shippers are responsible for securing their own transportation arrangements on pipelines upstream and downstream of the designated receipt and delivery points and to facilitate any interconnect agreements with the final delivery point operators. Shippers will also be responsible for confirming the availability of their requested receipt and delivery points with the point operators. Please note that the individual receipt and delivery meter capacities in most cases could be more or less than the firm transportation capacity under the Project.

PGAP reserves the right to reject any requests for service under the Project on a not-unduly discriminatory basis. PGAP reserves the right, in its sole discretion, to consider requests for capacity received after the close of the Open Season period but before the start of construction or rely upon this Binding Open Season for any capacity arrangements as part of any PAs, including requests to modify a participant's validly submitted bid, but shall be under no obligation to do so.

PGAP's decision to proceed with the proposed Project is subject to the Final Investment Decision ("FID") of its Executive Team and its parent Tellurian and upon the FID of an LNG facility located within 50 miles of the terminus of PGAP.