

PGAP

Permian Global Access Pipeline



Tellurian Midstream Group | April 2019

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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, future contracts, contract terms and margins, our business and prospects, future costs, prices, financial results, liquidity and financing, regulatory and permitting developments, future demand and supply affecting LNG and general energy markets and the closing of, and the achievement of anticipated benefits from, our natural gas property acquisition.

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 Exhibit 99.1 to our Current Report on Form 8-K/A filed with the Securities and Exchange Commission (the “SEC”) on March 15, 2017 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. In addition, the acquisition, exploration and development of natural gas properties involve numerous risks and uncertainties, including the risks that we will assume unanticipated liabilities associated with the assets to be acquired and that the performance of the assets will not meet our expectations due to operational, geologic, regulatory, midstream or other issues. It is possible that the acquisition will not be completed on the terms or at the time expected, or at all.

The forward-looking statements made in or in connection with this presentation speak only as of the date hereof. Although we may from time to time voluntarily update our prior forward-looking statements, we disclaim any commitment to do so except as required by securities laws.

Non-GAAP financial measures

This presentation contains information about projected EBITDA of Tellurian. EBITDA is not a financial measure determined in accordance with U.S. generally accepted accounting principles (“GAAP”), should not be viewed as a substitute for any financial measure determined in accordance with GAAP and is not necessarily comparable to similarly titled measures reported by other companies. It would not be possible without unreasonable efforts to reconcile the projected non-GAAP information presented herein to net income, the most directly comparable GAAP financial measure. Similarly, projected future cash flows as set forth herein may differ from cash flows determined in accordance with GAAP.

Reserves and resources

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

Permian overview

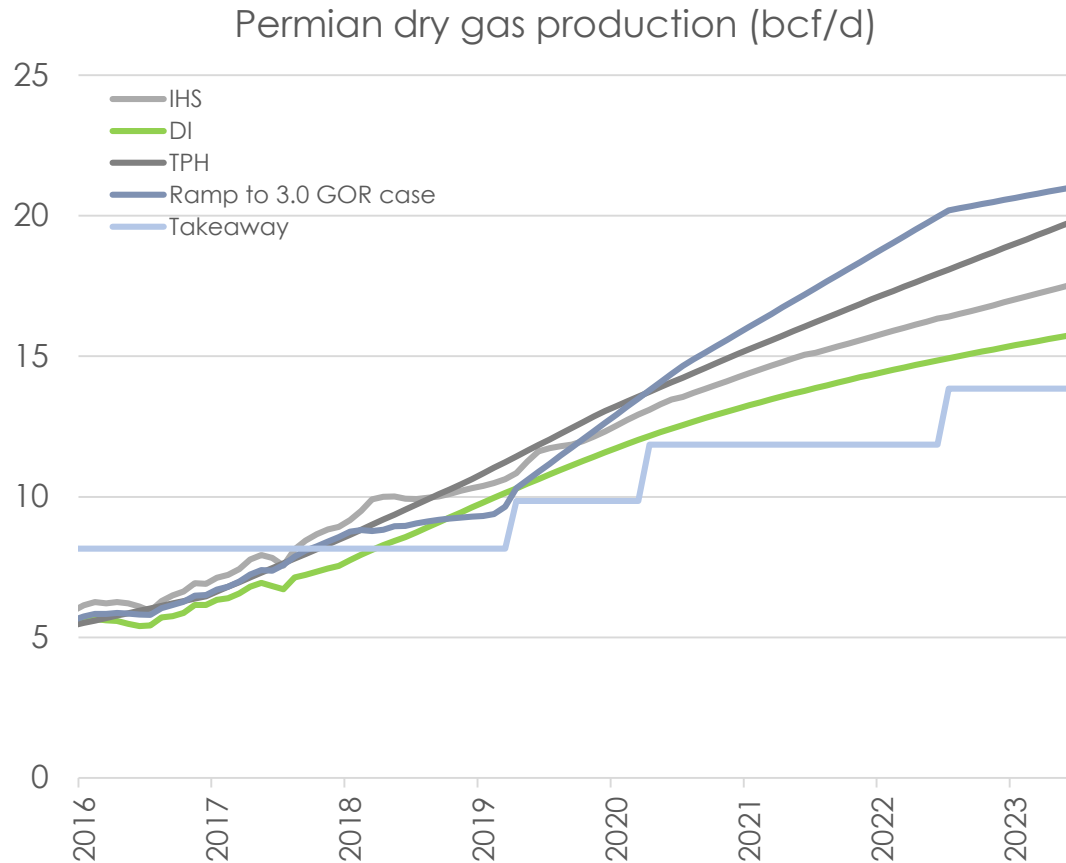
Without pipes, it's just good rock



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Permian basin: the big long

Too much of a good thing?



Source: Drilling Info, IHS, TPH, TELL estimate

Notes:

(1) Takeaway based on IHS source – 1H2019 outlook with incremental takeaway from KinderMorgan's GCX and PHP projects and TELL's PGAP;

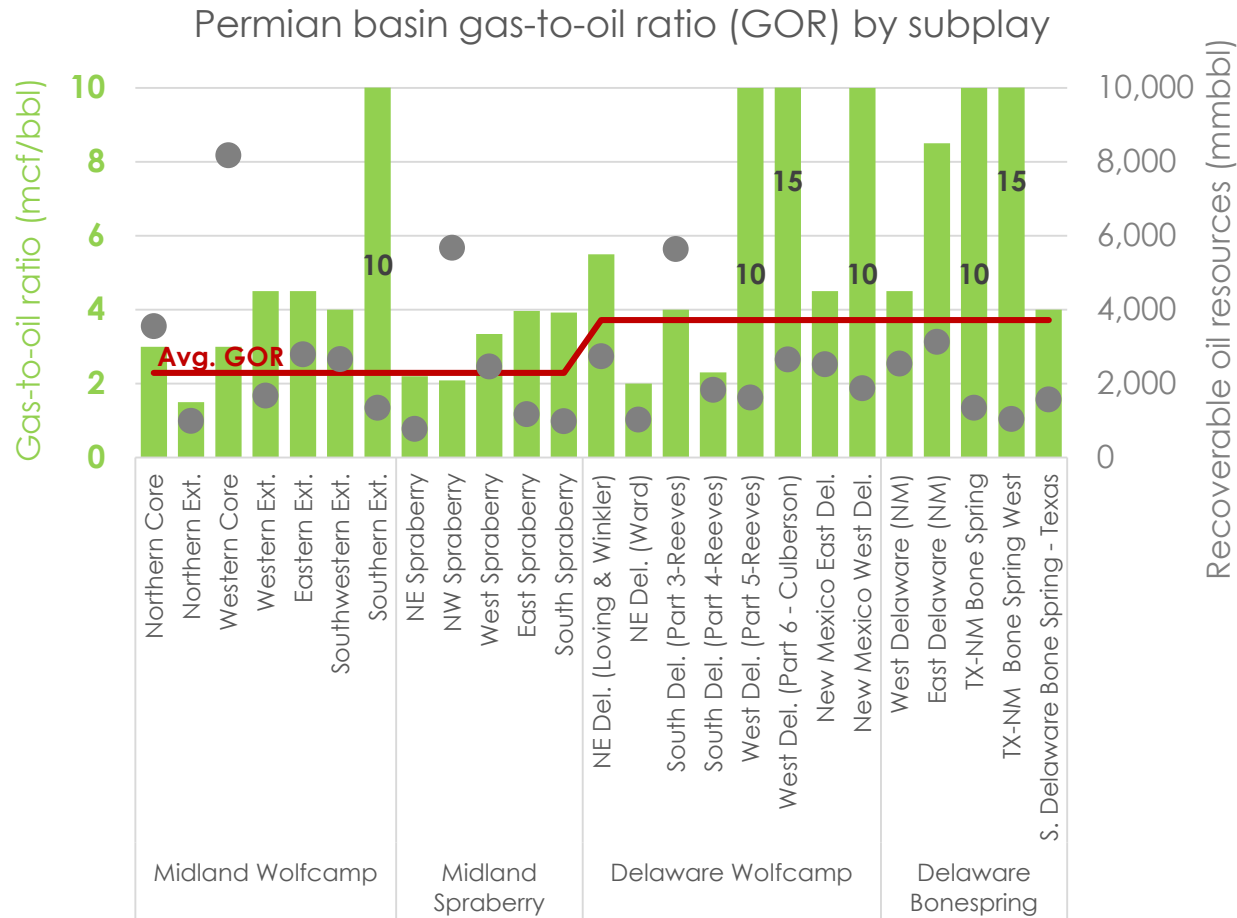
(2) TPH production based on annual average wellhead gas production with a 23% shrink, Dec 2018 outlook; IHS/DI - 1Q 2019 production growth outlook

(3) GOR case uses IHS crude forecast and is based on residue gas

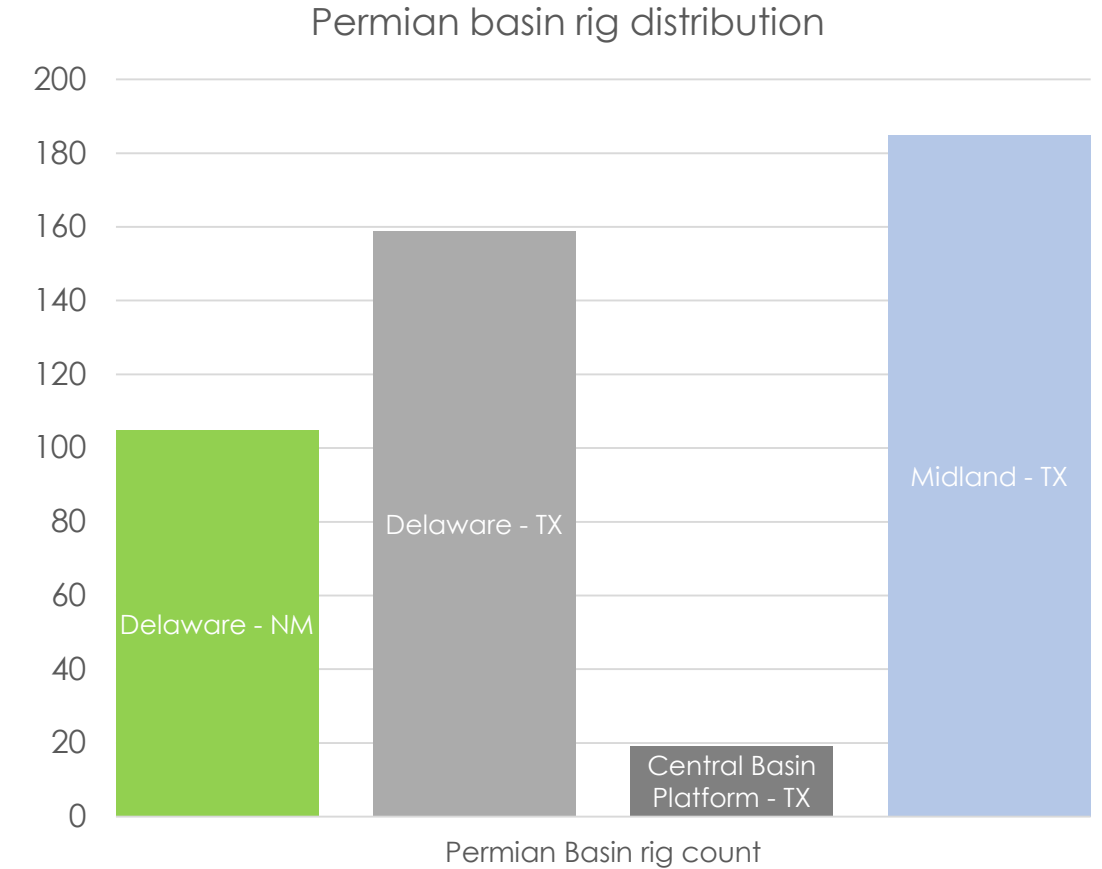
- The Permian is the premier destination of global oil and gas capital allocation
- Economics are driven by oil production and NGL recovery
- Rock is not the constraint
- As drilling shifts to the Delaware basin and wells mature, the gas-to-oil ratio will increase
- **The right market matters:** new pipelines will reduce flaring and provide flow assurance, but access to growing, liquid markets enhances returns and enables long-term growth
- **Even in more conservative scenarios, the basin requires 3-4 new pipelines (large-diameter) over the next five years**

P-G-A-P spells relief

As more drilling occurs in the Delaware basin, expect more gas



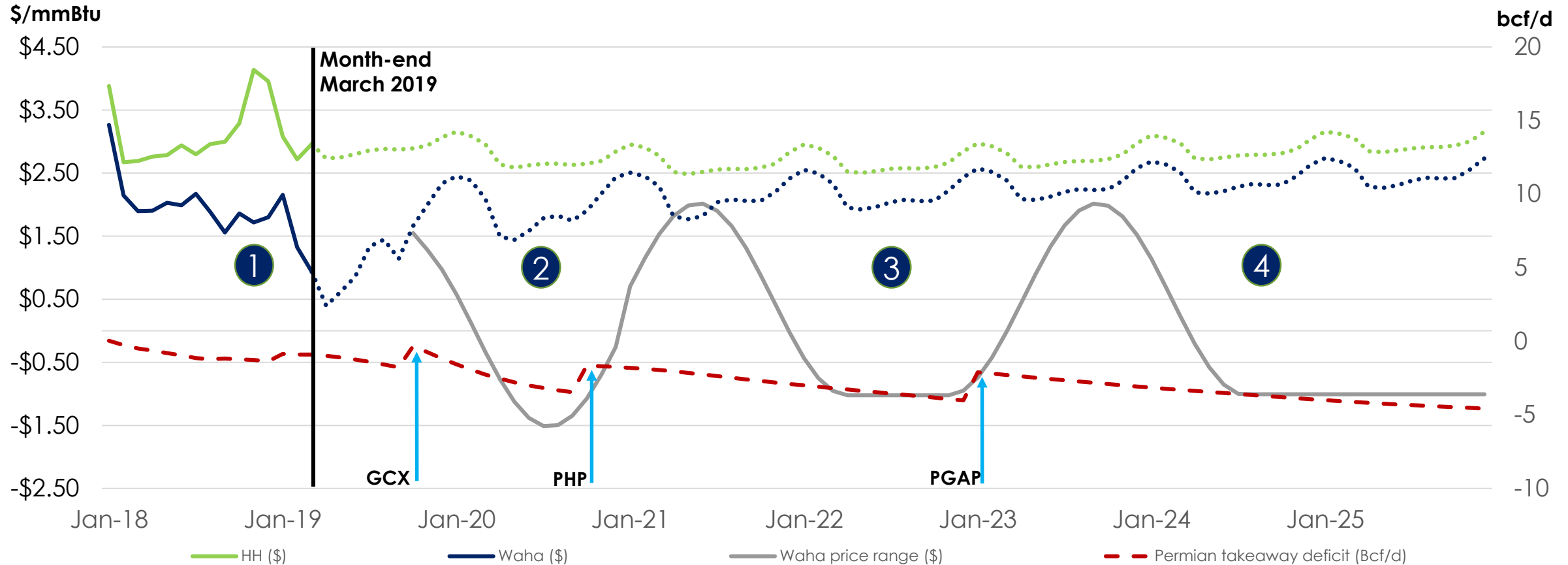
Source: ARI (Nov 2018)



Source: Drilling Info (Mar 2019)

Lower for longer

Interstate projects will be needed to clear market

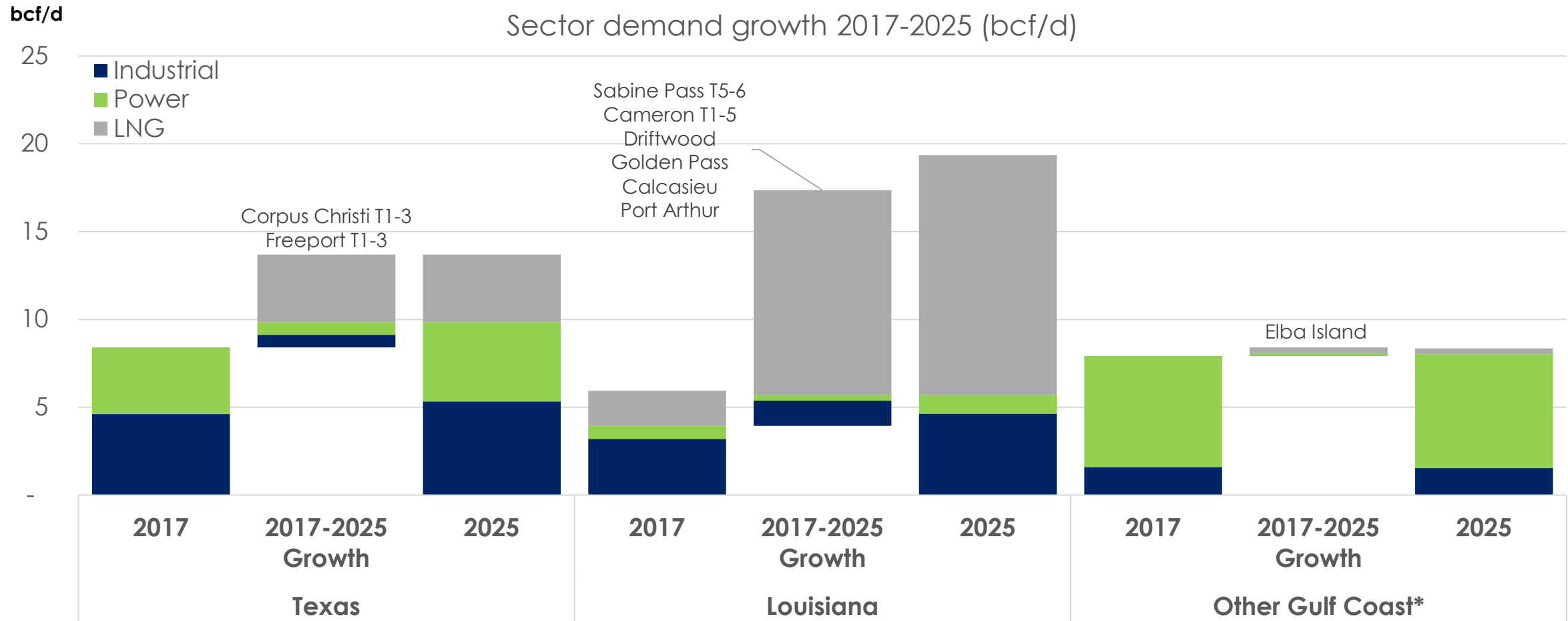


- 1 Nov 18 – March 19: Waha trades negative periodically, as producers without FT pay capacity holders for flow assurance
- 2 Forward curve to dip as more volumes hedged in 2020 and GCX fills up
- 3 Gas production exceeds pipeline capacity as GOR increases; basis is 'lower for longer' as new pipes take more time to develop, commercialize and permit
- 4 Fourth pipeline is planned, but when will pipe be available to market?

Source: IHS, NYMEX; Takeaway deficit based on IHS production case

LNG dominates demand growth...

... industrial and power do not move the needle in the near-term

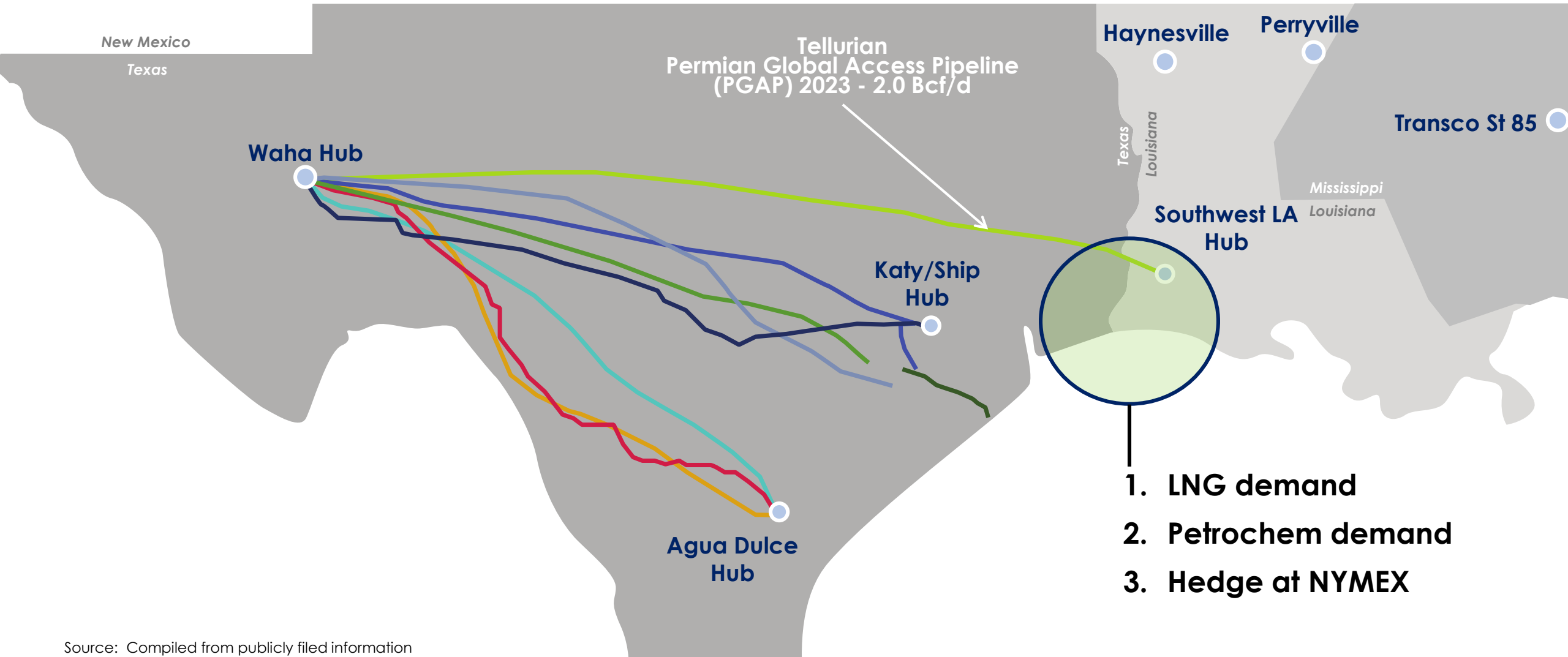


Source: IHS-Markit (long-term outlook 2H 2018), LNG TELL Analysis; Golden Pass and Port Arthur included in LA due to connectivity

*MS, AL, GA and FL

Permian natural gas pipeline projects

PGAP is only pipeline going east of the Houston Ship Channel to growing Louisiana demand markets

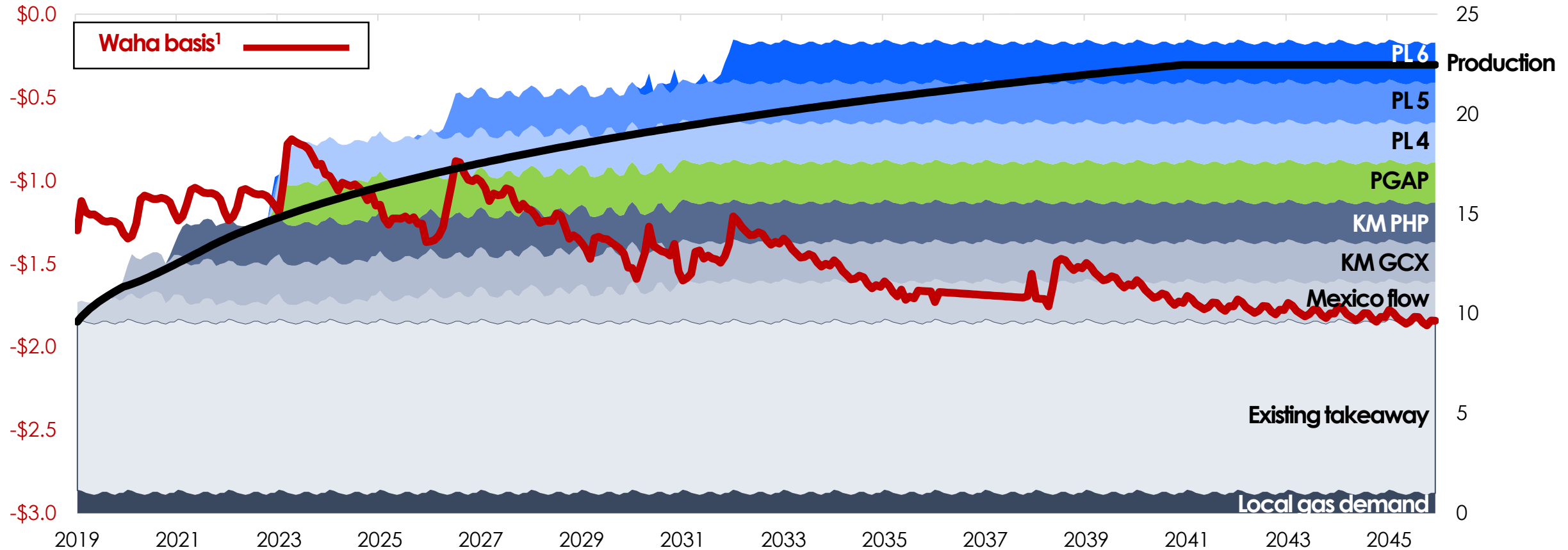


Source: Compiled from publicly filed information

New normal: basis discount not going away

\$70/bbl WTI² production outlook, Current HH forward curve³

Waha monthly average basis
\$/mmBtu



- (1) Assumes minimum basis/HH ratio of -0.10 to represent marginal operating cost in overbuilt takeaway infrastructure situation; assumes maximum overbuild where takeaway capacity exceeding production by 4 bcf/d
(2) Assumes \$70/bbl WTI price and \$2.75/mmBtu HH prices; generates higher associated gas production from Permian
(3) Forward curve from 1st half March 2019; escalated at 0.1%/month post 2032

Southwest Louisiana

The big short



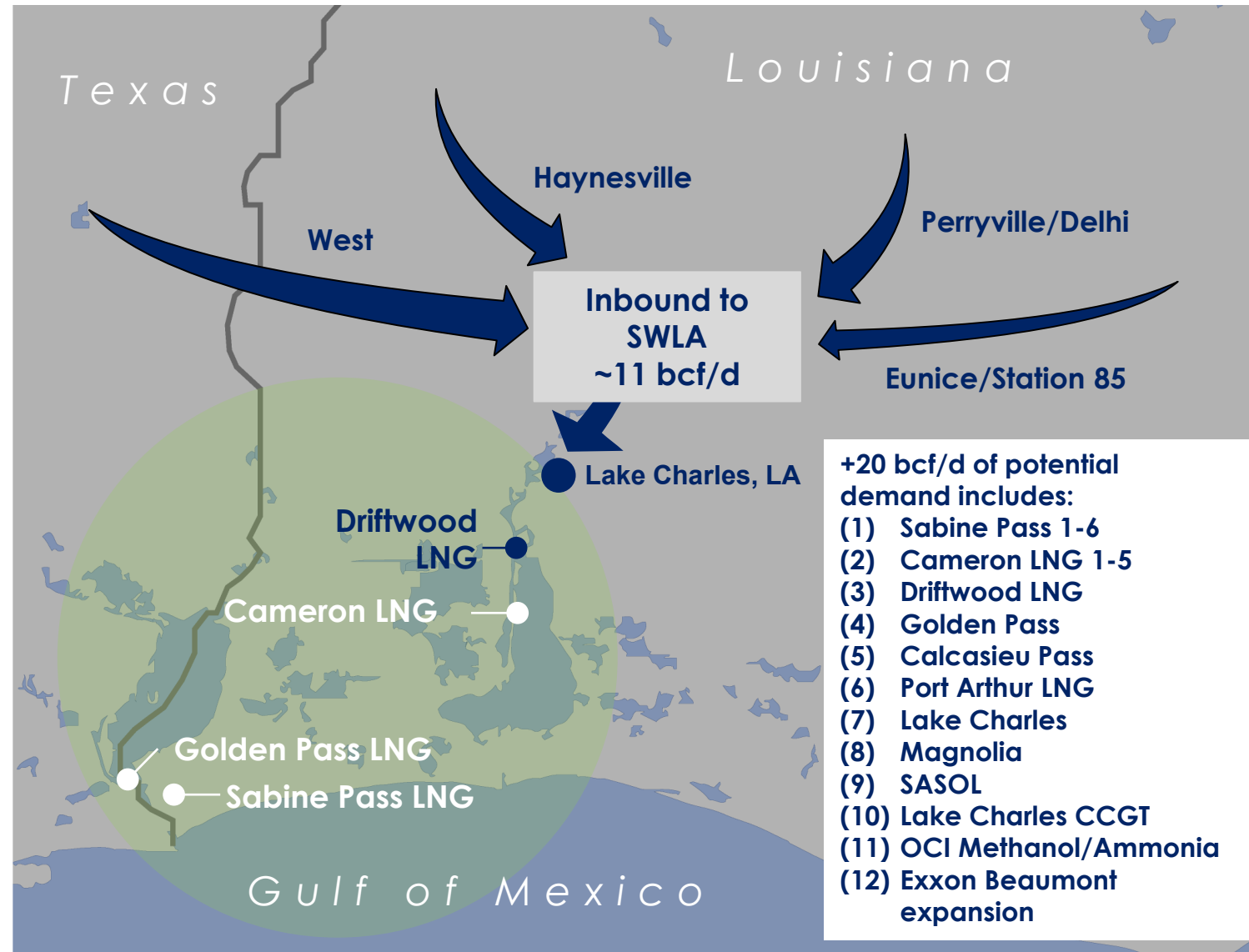
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SW Louisiana: core of US gas demand 2025

SW Louisiana is the epicenter of US LNG growth

- 11 bcf/d of expected pipeline capacity not enough for +20 bcf/d of potential demand in 2025
- Need Permian and North/South infrastructure to connect supply to demand

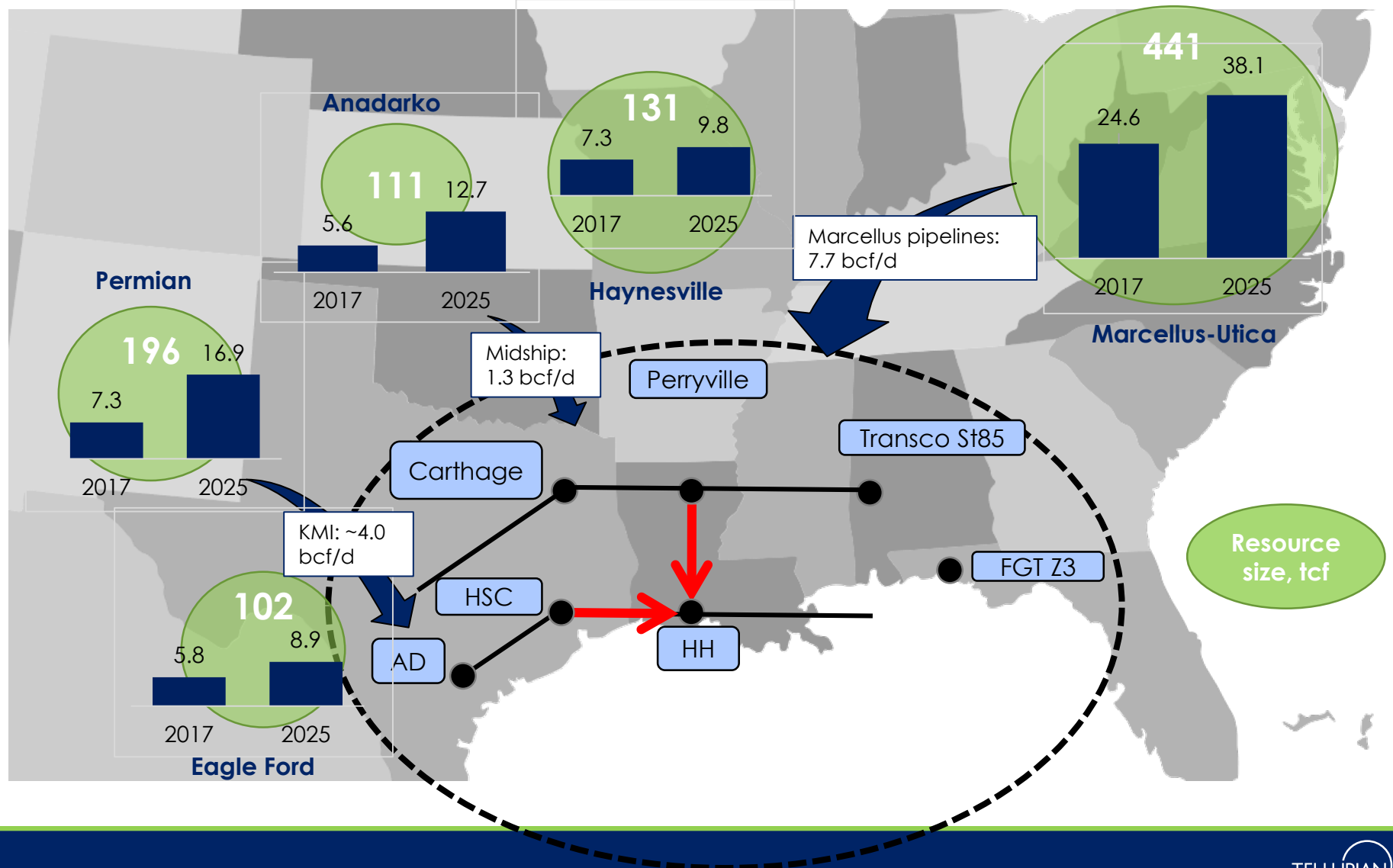
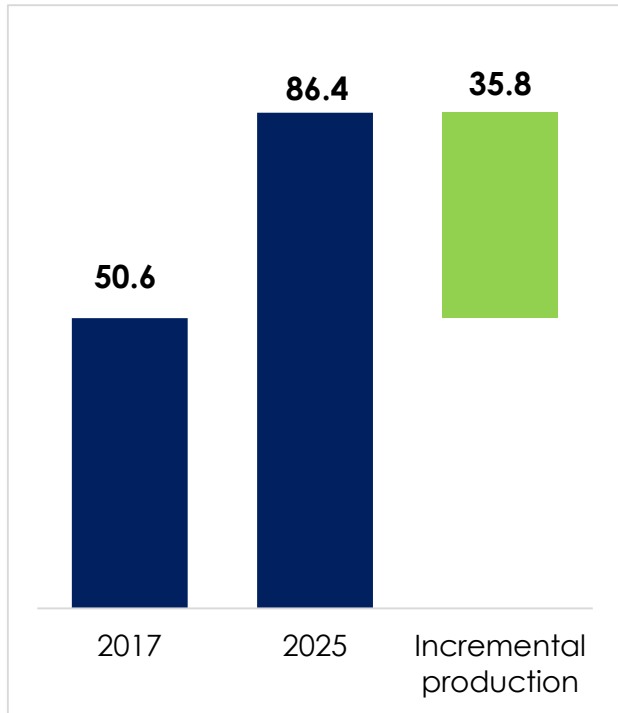
Notes: LNG demand includes ambient capacity; Sources: company data, drilling info, Entergy, Tellurian estimates



Last mile problem

You can get to Houston or Perryville, but you still need more infrastructure to get to demand growth

Total selected basin shale production, bcf/d



Sources: ARI, Drilling Info

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Maps

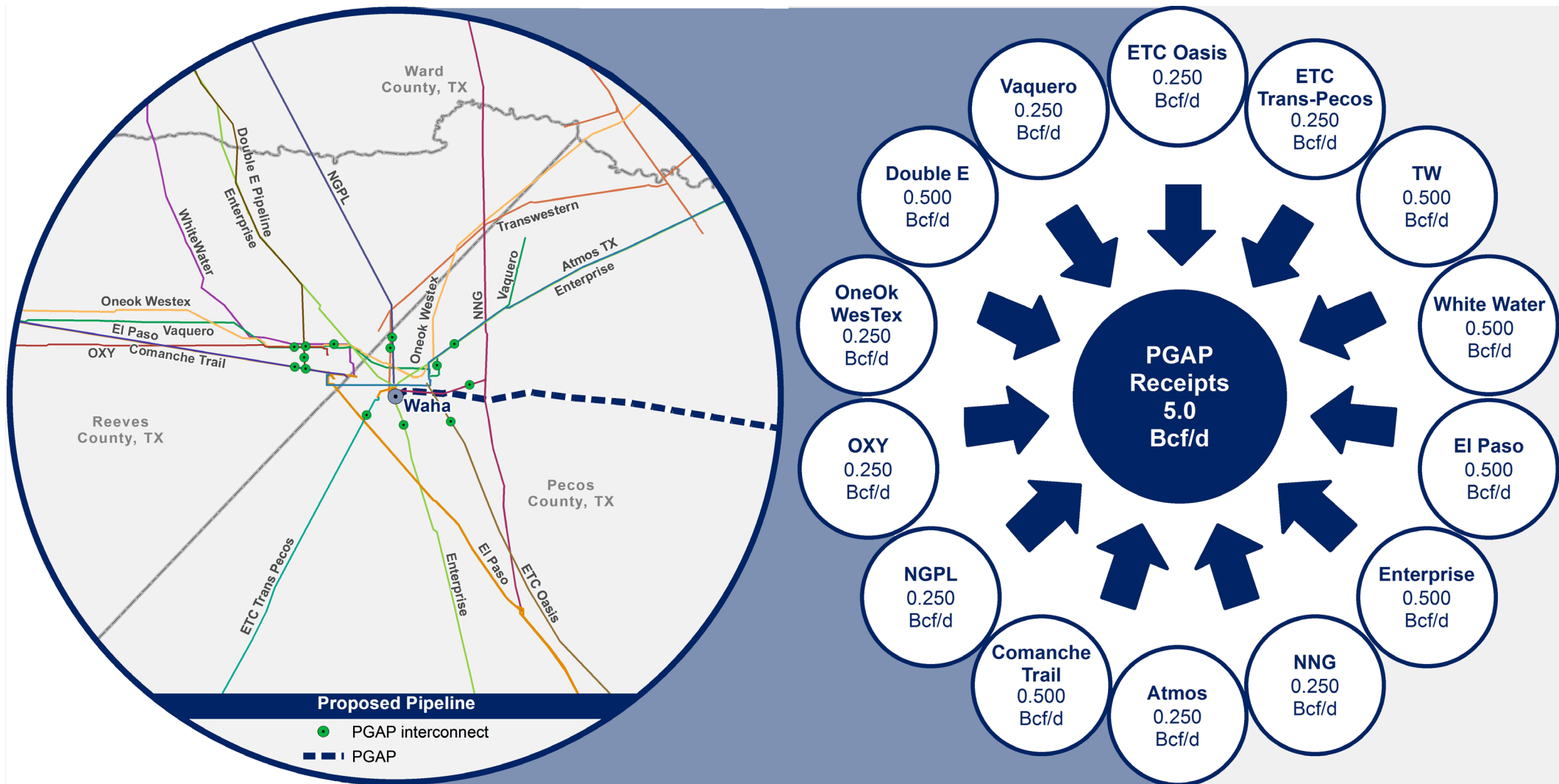


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PGAP route

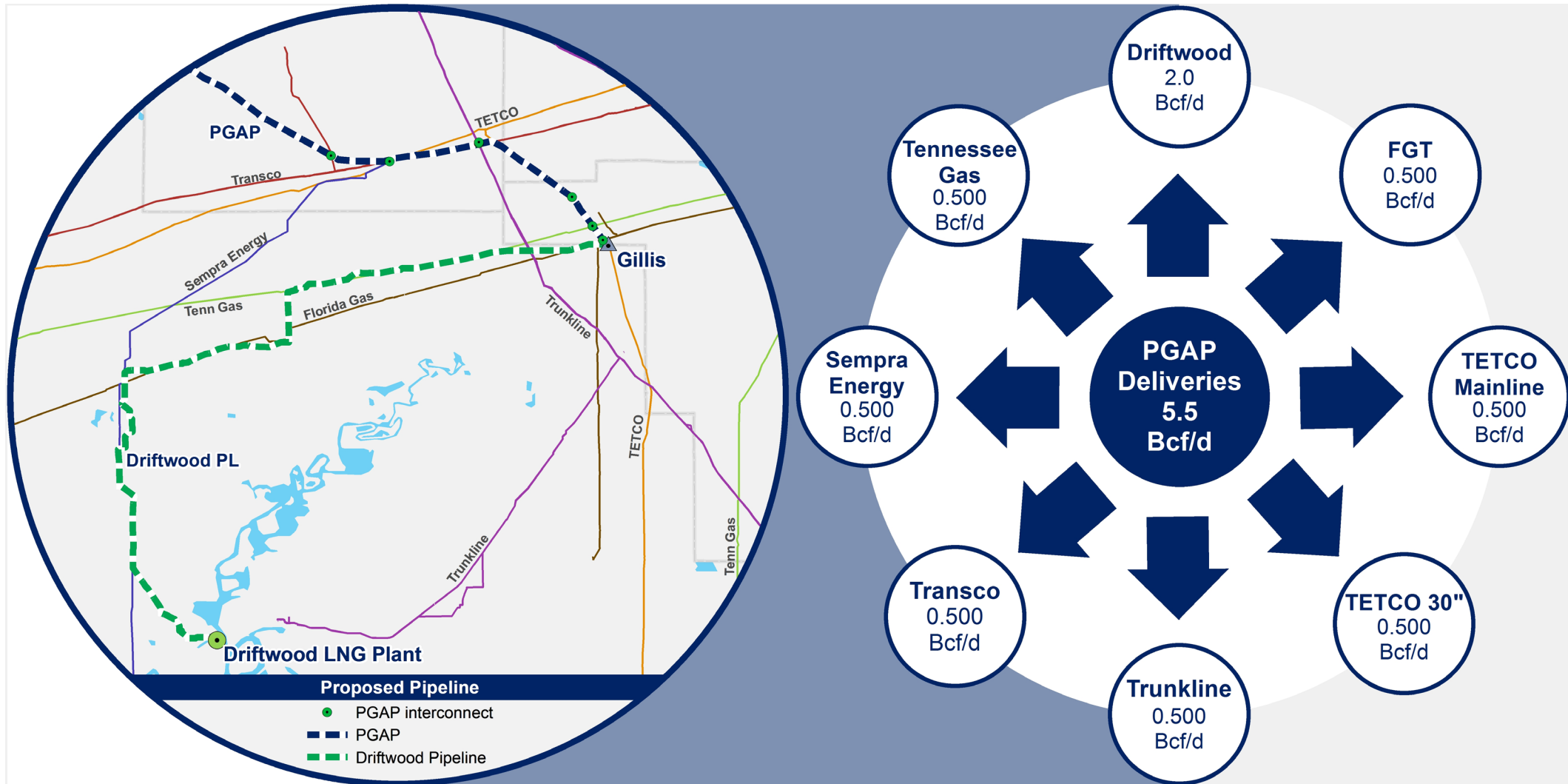


PGAP anticipated receipts



Note: Actual meter size/location to be determined after the open season closes, PGAP determines the shippers' desired receipts and verifies the interconnect with third-party pipeline.

PGAP anticipated deliveries



Note: Actual meter size/location to be determined after the open season closes, PGAP determines the shippers' desired deliveries and verifies the interconnect with third-party pipeline.

Thank you



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