



NextDecade Completes Evaluation of Galveston Bay LNG Site

January 29, 2021

HOUSTON--(BUSINESS WIRE)--Jan. 29, 2021-- NextDecade Corporation (NextDecade or the Company) (NASDAQ: NEXT) today announced that the Company has completed an evaluation of the Galveston Bay LNG site and determined that the site in Texas City is not suitable for development of an LNG facility and related infrastructure and utilities.

The U.S. Army Corps of Engineers (USACE), Galveston District, has advised that a portion of the Galveston Bay LNG site is under Federal Navigation Servitude and serves as an active Dredged Material Placement Area (DMPA) for the Texas City Ship Channel Federal Project. The Galveston Bay LNG project cannot be constructed without USACE requesting that Congress – via the Water Resources Development Act or other legislation – authorize the release of its constitutional right of Navigation Servitude over this DMPA.

On account of the potential for prolonged uncertainty around the prospect of release of Federal Navigation Servitude by USACE, NextDecade has elected to forfeit the Galveston Bay LNG site and will no longer make lease payments to the site's landholders, the Texas General Land Office and the City of Texas City. Additionally, NextDecade has informed the Federal Energy Regulatory Commission (FERC) of its intent to withdraw Galveston Bay LNG from FERC pre-filing proceedings and cease all related activities. The Company has also requested that the U.S. Department of Energy terminate its June 2018 authorization for export of LNG from Galveston Bay LNG.

"While it is unfortunate that the Galveston Bay LNG site is not viable for large-scale infrastructure development, this determination only further enhances the value of – and the need for – NextDecade's world-class Rio Grande LNG project in the Port of Brownsville," said Matt Schatzman, NextDecade's Chairman and Chief Executive Officer. "Since 2015, NextDecade's development activities have been acutely focused on delivering Rio Grande LNG and developing the largest LNG export solution linking Permian Basin and Eagle Ford Shale natural gas to the rapidly tightening global LNG market."

The circumstances of Galveston Bay LNG have no impact on NextDecade's Rio Grande LNG project in the Port of Brownsville, where late-stage development activities are ongoing. NextDecade continues to work on remaining commercial agreements needed to achieve a final investment decision on the Rio Grande LNG project in 2021.

About NextDecade Corporation

NextDecade Corporation (NextDecade) is a liquefied natural gas (LNG) company focused on delivering the 27 mtpa Rio Grande LNG export facility in South Texas. Rio Grande LNG will be the largest U.S. LNG export solution linking Permian Basin and Eagle Ford Shale natural gas to the global LNG market. Utilizing proven carbon capture and storage technology and proprietary processes, NextDecade is targeting carbon neutrality at Rio Grande LNG. NextDecade's common stock is listed on the Nasdaq Stock Market under the symbol "NEXT." NextDecade is headquartered in Houston, Texas. For more information, visit www.next-decade.com.

NextDecade Forward-Looking Information

This press release contains forward-looking statements within the meaning of U.S. federal securities laws. The words "anticipate," "contemplate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "might," "will," "would," "could," "should," "can have," "likely," "continue," "design" and other words and terms of similar expressions are intended to identify forward-looking statements, and these statements may relate to the business of NextDecade and its subsidiaries. These statements have been based on NextDecade's current assumptions, expectations, and projections about future events and trends and involve a number of known and unknown risks, which may cause actual results to differ materially from expectations expressed or implied in the forward-looking statements. These risks include uncertainties about progress in the development of NextDecade's LNG liquefaction and export projects and the timing of that progress; NextDecade's final investment decision ("FID") in the construction and operation of a LNG terminal at the Port of Brownsville in southern Texas (the "Terminal") and the timing of that decision; the successful completion of the Terminal by third-party contractors and an approximately 137-mile pipeline to supply gas to the Terminal being developed by a third-party; NextDecade's ability to secure additional debt and equity financing in the future to complete the Terminal; the accuracy of estimated costs for the Terminal; statements that the Terminal, when completed, will have certain characteristics, including amounts of liquefaction capacities; the development risks, operational hazards, regulatory approvals applicable to the Terminal's and the third-party pipeline's construction and operations activities; NextDecade's anticipated competitive advantage and technological innovation which may render its anticipated competitive advantage obsolete; the global demand for and price of natural gas (versus the price of imported LNG); the availability of LNG vessels worldwide; changes in legislation and regulations relating to the LNG industry, including environmental laws and regulations that impose significant compliance costs and liabilities; the 2019 novel coronavirus pandemic and its impact on NextDecade's business and operating results, including any disruptions in NextDecade's operations or development of the Terminal and the health and safety of NextDecade's employees, and on NextDecade's customers, the global economy and the demand for LNG; risks related to doing business in and having counterparties in foreign countries; NextDecade's ability to maintain the listing of its securities on a securities exchange or quotation medium; changes adversely affecting the business in which NextDecade is engaged; management of growth; general economic conditions; NextDecade's ability to generate cash; compliance with environmental laws and regulations; the result of future financing efforts and applications for customary tax incentives; and other matters discussed in the "Risk Factors" section of NextDecade's Annual Report on Form 10-K for the year ended December 31, 2019 and other subsequent reports filed with the Securities and Exchange Commission, all of which are incorporated herein by reference.

Additionally, any development of the Terminal remains contingent upon completing required commercial agreements, acquiring all necessary permits and approval, securing all financing commitments and potential tax incentives, achieving other customary conditions and making a final investment decision to proceed. The forward-looking statements in this press release speak as of the date of this release. Although NextDecade believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that the expectations will prove to be correct. NextDecade may from time to time voluntarily update its prior forward-looking statements, however, it disclaims any commitment to do so except as required by securities laws.

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