

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 24, 2019

NEXTDECADE CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-36842
(Commission File Number)

46-5723951
(IRS Employer Identification No.)

1000 Louisiana Street, Suite 3900, Houston, Texas 77002
(Address of Principal Executive Offices) (Zip Code)

(713) 574-1880
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
Securities registered pursuant to Section 12(b) of the Act:

Title of each class:
Common Stock, \$0.0001 par value

Trading Symbol
NEXT

Name of each exchange on which registered:
The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Item 1.01. Entry into a Material Definitive Agreement.

Common Stock Purchase Agreement

On October 24, 2019, NextDecade Corporation (the “Company”) entered into a Common Stock Purchase Agreement (the “Common Stock Purchase Agreement”) with Ninteenth Investment Company LLC, an affiliate of Mubadala Investment Company PJSC (the “Purchaser”), pursuant to which the Company agreed to sell, and the Purchaser agreed to purchase, an aggregate of \$50.0 million of shares (the “Shares”) of the Company’s Common Stock, par value \$0.0001 per share (the “Common Stock”). The offering of the Shares (the “Offering”) and the other transactions contemplated by the Common Stock Purchase Agreement will close after all of the closing conditions set forth in the Common Stock Purchase Agreement have been satisfied or waived, or such other date as may be agreed by mutual consent of the parties (the “Closing Date”).

The Company is conducting the offering in reliance on the exemption from the registration requirements provided by Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”), or any other applicable Securities Act exemptions available to the Company.

Purchase Price. The purchase price of the Shares is \$6.27 per share, for an aggregate purchase price of \$50.0 million (the “Purchase Price”).

Number of Shares of Common Stock on Closing Date. The Purchaser has agreed to purchase 7,974,482 Shares for the Purchase Price on the Closing Date.

Circumstances That May Result in Issuance of Additional Shares to Purchaser. The Company has agreed to issue to the Purchaser an additional 398,724 shares of Common Stock on each of January 1, 2021 and July 1, 2021 if (i) FID (as defined below) does not occur on or before each of such dates and (ii) the Purchaser has not disposed of or transferred any of the Shares acquired under the Common Stock Purchase Agreement prior to each of such dates.

The term “FID” means the Board of Directors of the Company (the “Board”) has affirmatively voted or consented to undertake construction of the liquefied natural gas (“LNG”) liquefaction and export facility to be located on the U.S. Gulf Coast known as the Rio Grande LNG Project and the Company has given a full notice to proceed under a fixed price, date certain engineering, procurement and construction contract with respect to the construction of such facility.

Representations, Warranties and Covenants. The Common Stock Purchase Agreement contains customary representations, warranties and covenants from the Company and the Purchaser.

Use of Proceeds. Proceeds from the Offering will be used by the Company for development activities related to the liquefaction of natural gas and the sale of LNG in international markets, including development activities related to the Rio Grande LNG Project and an associated 137-mile Rio Bravo pipeline to supply gas to the Rio Grande LNG Project; development activities related to an approximate 1,000-acre site near Texas City, Texas for a second potential LNG terminal; and development activities conducted in overseas locations in direct support of the Company’s businesses.

Closing Conditions. The obligations of the Company and the Purchaser to consummate the transactions contemplated by the Common Stock Purchase Agreement are subject to the satisfaction or waiver of certain closing conditions, including, among others, (i) the accuracy of representations and warranties, (ii) the execution and delivery of the additional agreements described below in the paragraph titled “*Other Agreements*” and (iii) the parties having received clearance by the Committee on Foreign Investment in the United States (“CFIUS”) on the transactions contemplated by the Common Stock Purchase Agreement or the parties determining, to each of their reasonable satisfaction, that CFIUS clearance is not required under applicable law for the transactions contemplated by the Common Stock Purchase Agreement.

Termination. The Common Stock Purchase Agreement may be terminated prior to the closing of the Offering by the Company or the Purchaser in the event that (i) any of the closing conditions fail to be satisfied, which failure cannot be cured or is not cured before the earlier of 15 business days after receipt of written notice thereof or the Closing Date, (ii) the breach of any representation or warranty in any material respect or the breach of any covenant in any material respect by the other party and, if such breach is curable, it is not cured before the earlier of 15 business days after receipt of written notice thereof or the Closing Date, or (iii) any governmental authority enters a final order declaring the Common Stock Purchase Agreement or any material portion thereof to be unenforceable. Additionally, the Common Stock Purchase Agreement can be terminated by the mutual written consent of the Company and the Purchaser.

Indemnification. Pursuant to the Common Stock Purchase Agreement, the Company agrees to indemnify the Purchaser and its affiliates (collectively, the “Indemnified Party”) from and against all claims, damages, losses and expenses (including fees and disbursements of counsel) arising out of the Common Stock Purchase Agreement or related documents or the transactions contemplated thereby, or any use or proposed use by the Company of the proceeds of the Offering, except to the extent such claim, damages, loss or expense is found in a final order to have resulted from the Indemnified Party’s bad faith, actual fraud, gross negligence or willful misconduct.

Other Agreements

Additional agreements are required to be executed and delivered on the Closing Date, including the Registration Rights Agreement, the Purchaser Rights Agreement and the Lock-Up Agreement described below.

Registration Rights Agreement

Pursuant to the Common Stock Purchase Agreement, the Company and the holders of the Shares (the “Holders”) will enter into a registration rights agreement (the “Registration Rights Agreement”). Under the Registration Rights Agreement, the Company is required to file a registration statement within 45 days after the Closing Date to permit the resale of shares of Common Stock held by the Holders. Additionally, the Holders may in certain instances elect to dispose of shares of Common Stock pursuant to an underwritten offering or engage in an underwritten block trade. The Holders will also have demand and piggy-back registration rights covering any shares of Common Stock held by the Holders. The Registration Rights Agreement also contains customary indemnification obligations.



Purchaser Rights Agreement

Right to Appoint Director. Pursuant to the purchaser rights agreement (the “Purchaser Rights Agreement”), the Company will increase the size of the Board by one person and grant the Purchaser the right to appoint one person to serve on the Board (the “Purchaser Designee”). The Purchaser Designee is expected to be appointed as a Class B director of the Board. Until the Purchaser’s and its affiliates’ ownership in the Company falls below 50% of such aggregate ownership of Common Stock as of the Closing Date, the Company will nominate the Purchaser Designee for re-election at each of its annual meeting of stockholders at which the Purchaser Designee is up for re-election.

Project Equity Rights. Under the Purchaser Rights Agreement, the Purchaser will have a right of first refusal to purchase an aggregate of approximately \$116.8 million of any project-level equity or equity-linked securities or certain debt securities issued in connection with a FID in addition to any other right of first refusal to purchase such securities that the Purchaser might otherwise be entitled to on the Closing Date (collectively, the “Purchaser ROFR”). The Purchaser ROFR may not be transferred without the prior written consent of the Company or the Board, not to be unreasonably withheld, delayed or conditioned.

Prior to the Purchaser being provided the opportunity to exercise the Purchaser ROFR with respect to the Company’s first two liquefaction units to be constructed as part of the Rio Grande LNG Project, the Purchaser may not transfer any portion of the Purchaser ROFR unless such transfer includes at least 50% of the Purchaser ROFR applicable to equity or equity-linked securities or 50% of the Purchaser ROFR applicable to certain debt securities. After the Purchaser has been provided the opportunity to exercise the Purchaser ROFR with respect to the Company’s first two liquefaction units to be constructed as part of the Rio Grande LNG Project and a FID has occurred in respect of such first two liquefaction units, the Purchaser may transfer all of the remaining Purchaser ROFR even if the remaining Purchaser ROFR is less than 50% of the Purchaser ROFR applicable to equity or equity-linked securities or certain debt securities, as applicable, on the Closing Date. In the event of the transfer of any portion of the Purchaser ROFR, the Purchaser will retain any portion of the Purchaser ROFR not so transferred.

Lock-Up Agreement

Pursuant to the lock-up letter (the “Lock-Up Agreement”), the Purchaser agreed that it will not, and will cause its affiliates not to, transfer the Shares for 180 days after the Closing Date without the Company’s prior written consent, provided, however, that the Purchaser may transfer the Shares to any of its affiliates without the Company’s prior written consent so long as it provides prior notice to the Company of any such transfer.

The foregoing summaries of the material terms of the Common Stock Purchase Agreement, the Registration Rights Agreement, the Purchaser Rights Agreement and the Lock-Up Agreement (the “Transaction Agreements”) do not purport to be complete and are subject to, and are qualified in their entirety by, reference to the full text of such agreements, copies of which will be filed as exhibits to the Company’s Annual Report on Form 10-K for the fiscal year ending December 31, 2019. The Company intends to redact certain portions of the Transaction Agreements in accordance with Item 601 of Regulation S-K.

No Offer or Solicitation

THE INFORMATION CONTAINED IN THIS CURRENT REPORT ON FORM 8-K IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY SHARES OF COMMON STOCK OR ANY OTHER SECURITIES OF THE COMPANY. THE SHARES OF COMMON STOCK HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION UNDER THE SECURITIES ACT OR AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE COMPANY IS FILING THIS CURRENT REPORT ON FORM 8-K WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION FOR THE SOLE PURPOSE OF REPORTING ITS ENTRY INTO THE COMMON STOCK PURCHASE AGREEMENT, AS REQUIRED BY THE RULES AND REGULATIONS OF THE COMMISSION.

Forward-Looking Statements

This Current Report on Form 8-K includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that are intended to be covered by the “safe harbor” created by those sections. Such forward-looking statements include, but may not be limited to, statements regarding the closing of the Offering, the use of proceeds from the Offering by the Company and the appointment of the Purchaser Designee. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, these forward-looking statements are based on management’s current beliefs, expectations and assumptions and are subject to risks and uncertainties. Considering these risks, uncertainties and assumptions, the forward-looking statements regarding future events and circumstances discussed in this Current Report on Form 8-K may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. The forward-looking statements included in this report speak only as of the date hereof and, except as required by law, the Company undertakes no obligation to update publicly or privately any forward-looking statements, whether written or oral, for any reason after the date of this report to conform these statements to new information, actual results or to changes in its expectations.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference in response to this Item 3.02.

Item 7.01 Regulation FD Disclosure.

The information in this Item 7.01 of this Current Report is being furnished pursuant to Item 7.01 of Form 8-K and, according to general instruction B.2. thereunder, the information in this Item 7.01 of this Current Report shall not be deemed “filed” for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section. The information in this Item 7.01 of this Current Report shall not be incorporated by reference into any registration statement pursuant to the Securities Act or the Exchange Act.

On October 24, 2019, the Company issued a press release regarding the transactions described above under Item 1.01 of this Current Report on Form 8-K. A copy of the press release is attached hereto as Exhibit 99.1.

In addition, on October 24, 2019, the Company posted an updated investor presentation on its website, <http://www.next-decade.com>, under the heading “Investors.”

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 [Press Release, dated October 24, 2019.](#)

SIGNATURE

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 hereunto duly authorized.

Dated: October 24, 2019

NEXTDECADE CORPORATION

By: /s/ Krysta De Lima
Name: Krysta De Lima
Title: General Counsel

NextDecade Announces US\$50 Million Investment by Mubadala

- *Mubadala makes investment in leading LNG project developer adding to significant global energy portfolio*

HOUSTON and ABU DHABI (October 24, 2019) -- NextDecade Corporation (NextDecade) (NASDAQ: NEXT) and Mubadala Investment Company (Mubadala), the Abu Dhabi-based sovereign investor, announced today that they have reached agreement for Mubadala to purchase US\$50 million of NextDecade's common stock in a private placement. NextDecade will issue the common stock to Mubadala at a price of US\$6.27 per share.

Mubadala's investment further strengthens NextDecade's capital position as the company continues to develop its Rio Grande LNG project, the largest liquefied natural gas (LNG) export solution linking Permian Basin associated gas to the global LNG market.

"We are honored to welcome Mubadala, a leading global investor, as a shareholder in our company," said Matt Schatzman, Chairman and Chief Executive Officer of NextDecade. "Mubadala brings a valuable perspective on large-scale infrastructure investment and the growing role of LNG in the Middle East and other markets around the world. We look forward to a strong and lasting partnership."

Khalifa Al Romaithi, Mubadala's Executive Director, Midstream, said, "We are pleased to make this investment in NextDecade. We strongly believe that the Rio Grande LNG project is optimally positioned to provide a highly competitive export route for the abundant gas resources of the Permian Basin and a compelling commercial proposition for LNG customers, Permian producers and NextDecade shareholders alike. Our investment also reflects Mubadala's positive outlook on the global gas market and the growing role of gas in the energy transition."

As part of its investment in NextDecade, Mubadala will receive one seat on NextDecade's board of directors. Mubadala will also have the right to contribute a certain amount of project-level capital upon the final investment decision of NextDecade's Rio Grande LNG project.

Ends

About NextDecade Corporation

NextDecade is a liquefied natural gas (LNG) development company focused on LNG export projects and associated pipelines in Texas. NextDecade intends to develop the largest LNG export solution linking Permian Basin associated gas to the global LNG market, creating value for producers, customers, and stockholders. Its portfolio of LNG projects includes the 27 mtpa Rio Grande LNG export facility in Brownsville, Texas and the 4.5 Bcf/d Rio Bravo Pipeline that would transport natural gas from the Agua Dulce area to 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.

About Mubadala

Mubadala Investment Company is a sovereign investor managing a global portfolio, aimed at generating sustainable financial returns for its shareholder, the Government of Abu Dhabi.

Mubadala's US\$229 billion portfolio spans five continents with interests in multiple sectors including aerospace, ICT, semiconductors, metals and mining, renewable energy, oil and gas, petrochemicals, utilities, healthcare, real estate, pharmaceuticals and medical technology, agribusiness and a global portfolio of financial holdings across all asset classes. Mubadala has offices in Rio de Janeiro, Moscow, New York and San Francisco, with a joint venture in Hong Kong.

Mubadala is a trusted partner, an engaged shareholder and a responsible global company that is committed to world-class standards of governance.

For more information visit: www.mubadala.com

NextDecade Forward-Looking Information

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any state or jurisdiction in which such offer, solicitation or sale of these securities would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction

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; government approval of construction and operation of NextDecade's Rio Grande LNG and Rio Bravo Pipeline projects terminal at the Port of Brownsville in southern Texas (the "Terminal") and an associated 137-mile pipeline to supply gas to the Terminal (the "Pipeline" and together with the Terminal, the "Project") and the timing of that approval; the successful completion of the Project by third-party contractors; our ability to secure additional debt and equity financing in the future to complete the Project; the accuracy of estimated costs for the Project; statements that the Project, when completed, will have certain characteristics, including amounts of liquefaction capacities; 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; negotiations for the Terminal site lease and right-of-way options for the Pipeline route; changes in legislation and regulations relating to the LNG industry, including environmental laws and regulations that impose significant compliance costs and liabilities; risks related to doing business in and having counterparties in foreign countries; 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, 2018 and other subsequent reports filed with the Securities and Exchange Commission, all of which are incorporated herein by reference.

Additionally, any development of the Project 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.

More information:

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Mubadala (Abu Dhabi)

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