NextDecade Provides First Quarter 2025 Business Update

May 6, 2025

HOUSTON--(BUSINESS WIRE)--May 6, 2025-- NextDecade Corporation (NextDecade or the Company) (NASDAQ: NEXT) today provided an update on developmental and strategic activities for the first quarter 2025 and early second quarter 2025.

CEO Commentary

“NextDecade has had an incredibly strong start to 2025, as we announced expansion plans at the Rio Grande LNG Facility, including Trains 6 through 8, received a positive outcome in the D.C. Circuit Court case, completed the commercialization of Train 4, and continued to progress the construction of Phase 1 safely, on schedule, and on budget,” said Matt Schatzman, NextDecade’s Chairman and Chief Executive Officer. “We continue to see excellent demand for U.S. LNG, which will help us commercialize Train 5 and advance both Trains 4 and 5 toward positive final investment decisions (FIDs).”

“In February, we announced expansion capacity at the Rio Grande LNG Facility beyond Trains 1 through 5, including Trains 6 through 8, bringing our total expected LNG production capacity under construction or in development to 48 MTPA. We expect to pre-file with the Federal Energy Regulatory Commission (FERC) for Train 6 this year and will provide a permitting timeline for Trains 7 and 8 later this year.”

“In March, we received a positive outcome in the D.C. Circuit Court case impacting our FERC order when the Court issued a revision to its August 2024 judgment, resulting in a remand without vacatur of the FERC order and therefore ensuring that construction on Phase 1 can continue uninterrupted while FERC completes a supplemental environmental impact statement (SEIS). FERC issued a draft SEIS in March and its analysis was consistent with our expectations and previous analysis of our project. We will continue to work with FERC as it completes the SEIS and reauthorization process this year.”

“In April, we announced 20-year LNG sale and purchase agreements (SPAs) with Aramco and Total, which join ADNOC as the long-term customers supporting Train 4, resulting in sufficient commercial commitments to underpin a positive FID. We are working with Bechtel on a refresh of our Train 4 EPC contract and we expect to launch the financing process for Train 4 imminently. Train 5 commercialization is progressing and we are working with Bechtel on a Train 5 EPC contract, with a plan to launch the financing process for Train 5 once those are completed.”

“We thank our stakeholders and the local community for their continued support of the Rio Grande LNG Facility and NextDecade, and we are now laser-focused on progressing Phase 1 safely toward completion and capitalizing on growth opportunities for expansion capacity.”

Significant Recent Developments

Construction

- Under the EPC contracts with Bechtel Energy Inc. (Bechtel), Phase 1 progress is tracked for Train 1, Train 2, and the common facilities on a combined basis and Train 3 on a separate basis. As of March 2025:
- The overall project completion percentage for Trains 1 and 2 and the common facilities of the Rio Grande LNG Facility was 42.8%, which is in line with the schedule under the EPC contract. Within this project completion percentage, engineering was 87.9% complete, procurement was 76.3% complete, and construction was 14.1% complete.
- The overall project completion percentage for Train 3 of the Rio Grande LNG Facility was 17.8%, which is also in line with the schedule under the EPC contract. Within this project completion percentage, engineering was 41.9% complete, procurement was 37.2% complete, and construction was 0.8% complete.
- In February 2025, the Company provided additional information regarding its development of additional liquefaction capacity at the Rio Grande LNG Facility beyond Trains 1 through 5. Trains 6 through 8 are wholly owned by NextDecade and are cumulatively expected to increase the Company's total liquefaction capacity by approximately 18 million tonnes per annum (MTPA) once constructed and placed into operation.
- Train 6, with expected LNG production capacity of approximately 6 MTPA, is being developed inside the existing levee at the site and adjacent to Trains 1 through 5. A pre-filing application with FERC for Train 6 is expected in 2025, and a full FERC application is expected in early 2026.
- Trains 7 and 8, with a total expected LNG production capacity of approximately 12 MTPA, are being developed on the site outside of the existing levee.

Strategic and Commercial

- In January 2025, the Company requested a pricing refresh under the August 2024 EPC contract with Bechtel for Train 4 and related infrastructure. The pricing refresh is in process and is expected to be completed in the second quarter of 2025.
- In April 2025, the Company announced a 20-year LNG SPA with a subsidiary of Saudi Aramco (Aramco), pursuant to

which the Aramco subsidiary will purchase 1.2 MTPA of LNG From Train 4 at the Rio Grande LNG Facility for 20 years, on a free on board (FOB) basis at a price indexed to Henry Hub, subject to a positive FID on Train 4.
- In April 2025, the Company announced that TotalEnergies exercised its LNG purchase option with respect to Train 4 and the Company entered into a 20-year LNG SPA with TotalEnergies, pursuant to which TotalEnergies will purchase 1.5 MTPA of LNG from Train 4 at the Rio Grande LNG Facility for 20 years, on an FOB basis at a price indexed to Henry Hub, subject to a positive FID on Train 4. The Company believes sufficient long-term commercial agreements are now in place to support a positive FID on Train 4.

Financial

- In April 2025, Rio Grande LNG, LLC elected to terminate $250 million of commitments under its working capital facility due to a decrease in expected requirements for credit support during construction, which reduced the outstanding commitments under the working capital facility to $250 million and is expected to reduce related commitment fees by approximately $2 million annually.

Regulatory

- In March 2025, the U.S. Court of Appeals for the D.C. Circuit issued a revision to its August 2024 decision regarding the Company's FERC order, resulting in a remand without vacatur of the FERC order for the first five liquefaction trains at the Rio Grande LNG Facility. Pursuant to the remand, FERC is to consider the issue of an SEIS in view of several executive orders issued since January 20, 2025.
- In March 2025, the FERC issued a draft SEIS for the first five liquefaction trains at the Rio Grande LNG Facility. A final SEIS is expected in July 2025.

Rio Grande LNG Facility

NextDecade is constructing and developing the Rio Grande LNG Facility on the north shore of the Brownsville Ship Channel in south Texas. The site is located on 984 acres of land which has been leased long-term and includes 15,000 feet of frontage on the Brownsville Ship Channel. The Company believes the site is advantaged due to its proximity to abundant natural gas resources in the Permian Basin and Eagle Ford Shale, access to an uncongested waterway for vessel loading, and location in a region that has historically been subject to fewer and less severe weather events relative to other locations along the U.S. Gulf Coast. The Rio Grande LNG Facility has been permitted by the FERC and authorized by the DOE to export of up to 27 MTPA of LNG. Phase 1 at the Rio Grande LNG Facility is under construction, Train 4 has been commercialized and is being progressed toward FID, Train 5 is being commercialized, and the Company is developing and beginning the permitting process for Trains 6 through 8.

Phase 1 (Trains 1-3)

Phase 1 at the Rio Grande LNG Facility is under construction. Phase 1 includes three liquefaction trains with a total expected LNG production capacity of approximately 18 MTPA, two 180,000 cubic meter full containment LNG storage tanks, and two jetty berthing structures designed to load LNG carriers up to 216,000 cubic meters in capacity. Phase 1 also includes associated site infrastructure and common facilities including feed gas pretreatment facilities, electric and water utilities, two totally enclosed ground flares for the LNG tanks and marine facilities, two ground flares for the liquefaction trains, roads, levees surrounding the development area, and warehouses, administrative, operations control room, and maintenance buildings.

As of March 2025, progress on Trains 1 through 3 is in line with the schedule under the EPC contracts. During the first quarter 2025, the construction team continued steel assembly and progressed above-ground piping and setting of equipment in the Train 1 area. Within Train 2, foundation pours and steel assembly continued to progress. Concrete pours for Tanks 1 and 2 continued. First steel was placed for Train 3 in April 2025. Siteworks were finished for the material offload facility area to support equipment deliveries. Across the site, Bechtel also continued installing undergrounds, structures, loading berths, piling, concrete foundations, and other siteworks.

NextDecade holds equity interests in the Phase 1 joint venture that entitle it to receive up to 20.8% of the distributions of available cash during operations.

Final Investment Decision on Train 4 and Train 5

We expect to make a positive FID and commence construction on Trains 4 and 5 and related infrastructure at the Rio Grande LNG Facility, subject to, among other things, entering into EPC contracts, entering into appropriate commercial arrangements, and obtaining adequate financing to construct each train and related infrastructure.

The Company has finalized 20-year LNG SPAs totaling 4.6 MTPA of LNG with ADNOC, Aramco, and TotalEnergies in support of Train 4, and the Company believes sufficient commercial support is now in place to support a positive FID on Train 4.

The Company has finalized an EPC contract with Bechtel for Train 4 and related infrastructure. In January 2025, the Company requested a pricing refresh under the Train 4 EPC contract, which is in process and is expected to be completed in the second quarter of 2025.

The Company expects to finance construction of Train 4 utilizing a combination of debt and equity funding. The Company expects

to enter into bank facilities for the debt portion of the funding. In connection with consummating the Rio Grande Phase 1 equity joint venture, the Company's equity partners each have options to invest in Train 4 equity, which, if exercised, would provide approximately 60% of the equity funding required for Train 4. Inclusive of these options, NextDecade currently expects to fund 40% of the equity commitments for Train 4, and to have an initial economic interest of 40% in Train 4, increasing to 60% after its equity partners achieve certain returns on their investments in Train 4.

The Company expects to launch the financing process for Train 4 in the second quarter of 2025 and expects to make a positive FID on Train 4 after financing arrangements are finalized.

The Company is also progressing the development and commercialization of Train 5. TotalEnergies holds an LNG purchase option for 1.5 MTPA for Train 5, and the Rio Grande Phase 1 equity partners have options to invest in Train 5 equity which are identical to their options to participate in Train 4 equity.

Development of Additional Liquefaction Capacity

The Company is developing and beginning the permitting process for additional liquefaction capacity at the Rio Grande LNG Facility site beyond Trains 1 through 5. Trains 6 through 8 are wholly owned by NextDecade and are cumulatively expected to increase the Company's total liquefaction capacity by approximately 18 MTPA once constructed and placed into operation.

Train 6 is being developed inside the existing levee at the Rio Grande LNG Facility site and adjacent to Trains 1 through 5. The Company expects to pre-file an application with FERC for Train 6 in 2025 and a full application with FERC in early 2026. Trains 7 and 8 are being developed on the site outside of the existing levee.

Investor Presentation

NextDecade has posted an updated investor presentation to its website concurrently with this release. A copy of this release and the investor presentation can be found on its website at https://investors.next-decade.com/.

About NextDecade Corporation

NextDecade is committed to providing the world access to reliable, lower carbon energy. We are focused on delivering secure, low-cost, and sustainable energy solutions through the safe and efficient development and operation of natural gas liquefaction and carbon capture and storage infrastructure. Through our subsidiaries, we are developing and constructing the Rio Grande LNG natural gas liquefaction and export facility near Brownsville, Texas, with approximately 48 MTPA of potential liquefaction capacity currently under construction or in development. We are also developing a potential carbon capture and storage project at the facility that is expected to make meaningful impacts toward a lower carbon future. NextDecade's common stock is listed on the Nasdaq Stock Market under the symbol "NEXT." NextDecade is headquartered in Houston, Texas. For more information, please visit www.next-decade.com.

Forward-Looking Statements

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," "assume," "budget," "guidance," "forecast," and "target," 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 assumptions and analysis made by NextDecade in light of current expectations, perceptions of historical trends, current conditions 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. 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's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in NextDecade's periodic reports that are filed with and available from the Securities and Exchange Commission. The taking of a final investment decision on Trains 4 and 5 at the Rio Grande LNG Facility is subject to, among other things, maintaining requisite governmental approvals, finalizing and entering into EPC contracts, entering into appropriate commercial arrangements, and obtaining adequate financing to construct each train and related infrastructure. Additionally, any development of additional expansion trains at the Rio Grande LNG Facility or CCS projects remains contingent upon receipt of requisite governmental approvals, execution of definitive commercial and financing agreements, 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. 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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