



NextDecade Signs Lump-Sum Turnkey EPC Contracts with Bechtel for ~ \$543 Per Ton

May 28, 2019

HOUSTON--(BUSINESS WIRE)--May 28, 2019-- NextDecade Corporation (NextDecade) (NASDAQ: NEXT) announced today that it has signed two contracts with Bechtel Oil, Gas and Chemicals (Bechtel) for the engineering, procurement, and construction (EPC) of NextDecade's Rio Grande LNG project in Brownsville, Texas. The fully wrapped lump-sum turnkey (LSTK) EPC contracts include cost, schedule, and performance guarantees.

The EPC contracts are for the first phase of the Rio Grande LNG project, which consists of three liquefaction trains, two 180,000 cubic meter storage tanks and two marine berths totaling \$9.565 billion. Each liquefaction train is expected to have capacity up to 5.87 million tons per annum of LNG, which would generate an EPC cost of approximately \$543 per ton for the first three trains.

"We are pleased to be working with Bechtel, who is responsible for constructing about 30 percent of the world's LNG capacity," said Matt Schatzman, NextDecade's President and Chief Executive Officer. "Bechtel's extensive experience developing LNG projects on the U.S. Gulf Coast, along with our advantaged site and technology choices, including Air Products C3MR and Baker Hughes GE rotating equipment, is expected to enable NextDecade – in just the first three trains – to have the lowest cost per ton greenfield LNG project built on the U.S. Gulf Coast under a fully wrapped lump-sum turnkey EPC contract."

"Throughout our competitive EPC process, Bechtel has demonstrated a steadfast commitment to safety, reliability, and efficiency," said Ivan Van der Walt, NextDecade's Senior Vice President of Engineering and Construction. "Bechtel's track record building LNG projects on the U.S. Gulf Coast is unrivaled. Our global LNG customers, feed gas suppliers, and other stakeholders can have the utmost confidence in the on-time and on-budget delivery of our Rio Grande LNG project."

The EPC contracts include full site preparation activities, which are expected to further reduce the costs per ton of the remaining trains to below the first phase cost of \$543 per ton. In addition, the EPC contracts provide NextDecade the ability to have Bechtel commence construction of the first phase of Rio Grande LNG with either two or three trains. Bechtel will perform limited notice to proceed activities from June 1, 2019 until January 1, 2020 and has agreed to accept up to \$15 million in NextDecade common stock in consideration for certain activities.

"We are honored to be selected by NextDecade to deliver their facility using our fully integrated engineering, procurement and direct-hire construction model," said Alasdair Cathcart, President of Oil, Gas and Chemicals for Bechtel. "Bechtel has a proud history of successfully developing lump-sum turnkey LNG projects around the world, having delivered 14 large-scale LNG Trains in just the last four years."

Pending the achievement of further commercial milestones and receipt of final regulatory approvals, NextDecade anticipates making a positive final investment decision on up to three trains of the Rio Grande LNG project as early as the end of the third quarter of 2019 and commencing operations in 2023.

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.

CAUTIONARY INFORMATION ABOUT FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of U.S. federal securities laws. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "potential," "project," "should," "will" and 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 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 NextDecade's Rio Grande LNG and Rio Bravo Pipeline projects; its ability to secure additional debt and equity financing in the future to complete its contemplated projects; the accuracy of the estimated costs for the projects; governmental approval of construction and operation of the projects; the successful completion of the projects by third-party contractors; its ability to generate cash; the development risks, operational hazards, regulatory approvals applicable to the projects' construction and operations activities; its anticipated competitive advantage; the global demand for and price of natural gas (versus the price of imported LNG); the availability of LNG

vessels worldwide; legislation and regulations relating to the LNG industry; negotiations for the project site lease and right-of-way options for the pipeline route; 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 projects remains contingent upon completing required commercial agreements; acquiring all necessary permits and approvals; 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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