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

FORM 10-K

(MARK ONE)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 001-36842

NEXTDECADE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**46-5723951**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1000 Louisiana Street, Suite 3900 **Houston, Texas**	**77002**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: **(713) 574-1880**

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class:	Trading Symbol:	Name of each exchange on which registered:
Common stock $0.0001 par value	NEXT	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:
Redeemable Warrants, each to purchase one share of Company common stock

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

The aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates of the registrant was approximately $109.0 million as of June 30, 2021 (based on the closing price of the registrant's common stock on June 30, 2021 of $4.13 per share).

123,355,700 shares of the registrant's Common Stock, $0.0001 par value, were outstanding as of March 22, 2022.

Documents incorporated by reference: None.

NEXTDECADE CORPORATION

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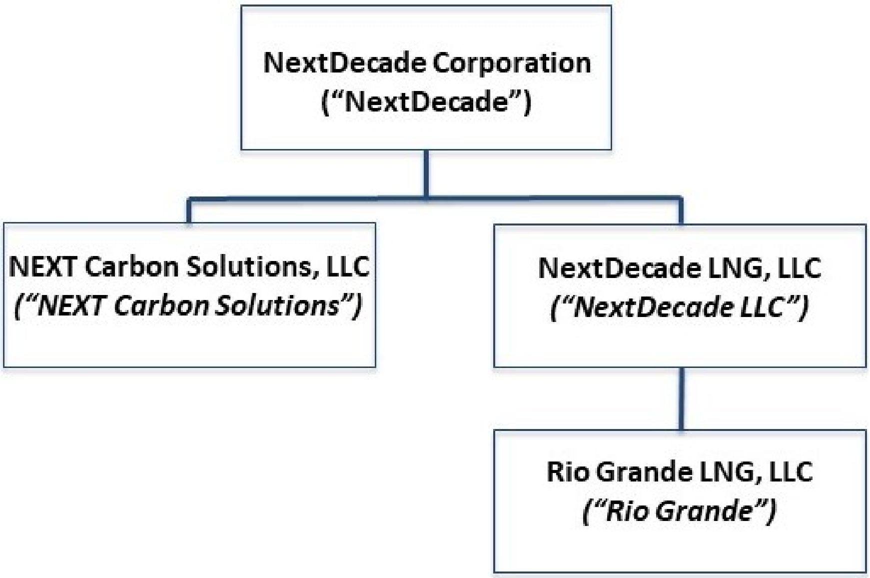
Organizational Structure

The following diagram depicts our abbreviated organizational structure as of December 31, 2021 with references to the names of certain entities discussed in this Annual Report.



Unless the context requires otherwise, references to "NextDecade," the "Company," "we," "us" and "our" refer to NextDecade Corporation and its consolidated subsidiaries.

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains certain statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical fact contained in this Annual Report on Form 10-K, including statements regarding our future results of operations and financial position, strategy and plans, and our expectations for future operations and economic performance, are forward-looking statements. The words "anticipate," "contemplate," "estimate," "expect," "project," "plan," "intend," "believe," "seek," "may," "might," "will," "would," "could," "should," "can have," "likely," "continue," "design," "assume," "budget," "forecast" and other words and terms of similar expressions, are intended to identify forward-looking statements.

We have based these forward-looking statements on assumptions and analysis made by us in light of our current expectations, perceptions of historical trends, current conditions and projections about future events and trends that we believe may affect our financial condition, results of operations, strategy, short-term and long-term business operations and objectives and financial needs.

Although we believe that the expectations reflected in our forward-looking statements are reasonable, actual results could differ from those expressed in our forward-looking statements. Our future financial position and results of operations, as well as any forward-looking statements are subject to change and inherent risks and uncertainties, including those described in the section titled "Risk Factors" in this Annual Report on Form 10-K. You should consider our forward-looking statements in light of a number of factors that may cause actual results to vary from our forward-looking statements including, but not limited to:

- our progress in the development of our liquefied natural gas ("LNG") liquefaction and export project and any carbon capture and storage projects we may develop ("CCS projects") and the timing of that progress;
- the timing of achieving a final investment decision ("FID") in the construction and operation of a 27 million tonne LNG export facility at the Port of Brownsville in southern Texas (the "Terminal");
- our reliance on third-party contractors to successfully complete the Terminal, the pipeline to supply gas to the Terminal and any CCS projects we develop;
- our ability to develop our NEXT Carbon Solutions business through implementation of our CCS projects;
- our ability to secure additional debt and equity financing in the future to complete the Terminal and other CCS projects on commercially acceptable terms and to continue as a going concern;
- the accuracy of estimated costs for the Terminal and CCS projects;
- our ability to achieve operational characteristics of the Terminal and CCS projects, when completed, including amounts of liquefaction capacities and amount of CO_2 captured and stored, and any differences in such operational characteristics from our expectations;
- the development risks, operational hazards and regulatory approvals applicable to our LNG and carbon capture and storage development, construction and operation activities and those of our third-party contractors and counterparties;
- technological innovation which may lessen our anticipated competitive advantage or demand for our offerings;
- the global demand for and price of LNG;
- the availability of LNG vessels worldwide;
- changes in legislation and regulations relating to the LNG and carbon capture industries, including environmental laws and regulations that impose significant compliance costs and liabilities;
- scope of implementation of carbon pricing regimes aimed at reducing greenhouse gas emissions;
- global development and maturation of emissions reduction credit markets;
- adverse changes to existing or proposed carbon tax incentive regimes;
- global pandemics, including the 2019 novel coronavirus ("COVID-19") pandemic, the Russia-Ukraine conflict, other sources of volatility in the energy markets and their impact on our business and operating results, including any disruptions in our operations or development of the Terminal and the health and safety of our employees, and on our customers, the global economy and the demand for LNG or carbon capture;
- risks related to doing business in and having counterparties in foreign countries;
- our ability to maintain the listing of our securities on the Nasdaq Capital Market or another securities exchange or quotation medium;
- changes adversely affecting the businesses in which we are engaged;
- management of growth;
- general economic conditions;
- our ability to generate cash; and
- the result of future financing efforts and applications for customary tax incentives.

Should one or more of the foregoing risks or uncertainties materialize in a way that negatively impacts us, or should the assumptions underlying our forward-looking statements prove incorrect, our actual results may vary materially from those anticipated in our forward-looking statements and, our business, financial condition and results of operations could be materially and adversely affected.

You should not rely upon forward-looking statements as predictions of future events. In addition, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Except as required by applicable law, we do not undertake any obligation to publicly correct or update any forward-looking statement.

Please read “Risk Factors” contained in this Annual Report on Form 10-K for a more complete discussion of the risks and uncertainties mentioned above and for a discussion of other risks and uncertainties. All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements and hereafter in our other filings with the Securities and Exchange Commission (the “SEC”) and public communications. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties.

Part I

Item 1. Business

Our Formation

We were incorporated in Delaware on May 21, 2014, and were formed for the purpose of acquiring, through a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization, or other similar business combination, one or more businesses or entities. On July 24, 2017, one of our subsidiaries merged with and into NextDecade LLC, an LNG development company founded in 2010 to develop LNG export projects and associated pipelines. Prior to the merger with NextDecade LLC, we had no operations and our assets consisted of cash proceeds received in connection with our initial public offering.

Our common stock trades on the Nasdaq Capital Market ("Nasdaq") under the symbol "NEXT."

Our warrants issued in connection with our initial public offering in 2015 (the "IPO Warrants") trade on the OTC Pink Market under the symbol "NEXTW."

Company Overview

We believe that natural gas in the form of LNG will play an important role in the energy transition, but its contribution to global greenhouse gas emissions must be reduced to an absolute minimum. Through our subsidiary Rio Grande, we are developing the Terminal, and we seek to minimize its associated emissions footprint by developing a CCS project at the Terminal (the "Terminal CCS project"), combined with using responsibly sourced natural gas and our pledge to use net-zero electricity.

We also believe reducing CO_2 emissions from industrial facilities around the world is critical to realizing the Paris Agreement's goal of limiting global warming compared to pre-industrial levels. We believe carbon capture and storage equipment and technology must be extensively implemented to achieve this goal, and through our subsidiary NEXT Carbon Solutions, we seek to deploy the proprietary carbon capture and storage processes that we have developed at industrial source facilities to reduce CO_2 emission levels.

Our management is comprised of a team of industry leaders with extensive experience in the development of major projects. We have continued to focus our development activities on the Terminal and to undertake various initiatives to evaluate, design, and engineer the Terminal that we expect will result in demand for LNG supply, which would enable us to seek construction financing to develop the Terminal and have expanded into developing CCS projects through NEXT Carbon Solutions.

Rio Grande

Rio Grande is developing the Terminal on a 984-acre site in southern Texas. The Terminal, in conjunction with the Terminal CCS Project is designed to offer competitively priced LNG in the global market while emitting what we believe to be a lower level of CO_2 per million tonnes per annum ("mtpa") of LNG produced than other LNG terminals currently in operation or under construction.

All necessary permits and approvals have been obtained, including the LNG terminal design and the ability to mobilize to site and perform full site preparation and test pilings, pending final FERC notice to proceed. The site has deep-water port access and is supported by area-wide marine infrastructure. The Terminal will deploy proven Air Products liquefaction technology and we intend to deploy carbon capture and storage technology to capture greater than 90 percent of facility CO_2 emissions. Rio Grande has lump-sum separated turnkey contracts with Bechtel Oil, Gas and Chemicals, Inc. ("Bechtel"), the engineering, procurement and construction ("EPC") contractor. The Rio Bravo Pipeline (defined below) will connect the Terminal to the Agua Dulce supply area. The Agua Dulce supply area is supplied by significant natural gas resources in Texas, including the Permian Basin and Eagle Ford Shale.

Development Actions

On November 22, 2019, the Terminal received an order from the FERC ("the Order") authorizing the siting, construction, and operation of six liquefaction trains, four LNG storage tanks (each with a capacity of 180,000 cubic meters ("m^3")), two marine jetties for ocean-going LNG vessels, one turning basin, and six truck loading bays for LNG and natural gas liquids and all associated facilities for the production of up to 27 mtpa of LNG for export.

The original front-end engineering and design for the Terminal was based on six LNG trains capable of producing 27 mtpa of LNG for export. The technologies that were selected and filed with the FERC in 2015 and 2016 evolved over the five-year permitting period; the individual LNG trains are now more efficient and will produce a greater volume of LNG with lower total CO_2 emissions. Multiple optimizations have been identified that will enable delivery of the Terminal capable of producing 27 mtpa with just five LNG trains instead of six.

We expect the optimization to a five-train project to result in several environmental and community benefits when compared with our original six-train project, including (i) approximately 21 percent lower CO_2 emissions (independent of the GHG emissions reductions enabled by the deployment of the Terminal CCS project), (ii) a shortened construction timeline for the full 27 mtpa project, (iii) reduced facility footprint, and (iv) reduction in roadway traffic.

Engineering, Procurement, and Construction

On May 24, 2019, Rio Grande entered into two lump-sum separated turnkey ("LSTK") EPC agreements with Bechtel for the construction of (i) two LNG trains with expected aggregate production capacity up to approximately 11.74 mtpa, two 180,000m^3 full containment LNG tanks, one marine loading berth, related utilities and facilities, and all related appurtenances thereto, together with certain additional work options (the "Trains 1 and 2 EPC Agreement") and (ii) an LNG train with expected production capacity of up to approximately 5.87 mtpa, related utilities and facilities, and all related appurtenances thereto (the "Train 3 EPC Agreement" and together with the Trains 1 and 2 EPC Agreement, the "EPC Agreements"). As of December 31, 2021, we have issued six limited notices to proceed to Bechtel under the Trains 1 and 2 EPC Agreement.

Commercial

We are continuing commercial discussions with a variety of parties ranging from large utilities and state-sponsored enterprises to portfolio and multinational commodity interests. Leveraging the global relationships and extensive experience of our management team, we expect to sign long-term binding offtake commitments for substantially all of the Terminal's capacity, or a subset of the total project liquefaction trains, as applicable, prior to a FID.

We believe the Terminal's location will provide customers with access to low-cost natural gas from the Permian Basin and Eagle Ford Shale. We are focused on selling LNG to customers primarily through a "free on board" ("FOB") model whereby a marketing affiliate would acquire feed gas, the Terminal would produce the LNG, and the title transfer would occur at the interface between the Terminal and the customer's ship.

We offer multiple LNG pricing options and flexible contract tenors (from 10 – 20 years), meeting the evolving needs of our customers and maximizing our total addressable market.

In March 2019, we entered into a 20-year sale and purchase agreement (the "SPA") with Shell NA LNG LLC ("Shell") for the supply of two mtpa of LNG from the Terminal. Pursuant to the SPA, Shell will purchase LNG on a FOB basis starting from the date the first liquefaction train of the Terminal that is commercially operable, with approximately three-quarters of the purchased LNG volume indexed to Brent and the remaining volume indexed to domestic United States gas indices, including Henry Hub. In the first quarter of 2020, the SPA became effective upon the conditions precedent in the SPA being satisfied or waived. The SPA obligates Rio Grande to deliver the contracted volumes of LNG to Shell at the FOB delivery point, subject to the first liquefaction train at the Terminal being commercially operable.

Governmental Permits, Approvals and Authorizations

We are required to obtain governmental approvals and authorizations to implement our proposed business strategy, which includes the design, construction and operation of the Terminal and the export of LNG from the U.S. to foreign countries. The design, siting, construction and operation of LNG export terminals is a regulated activity and is subject to Section 3 of the Natural Gas Act (the "NGA"). Federal law has bifurcated regulatory jurisdiction of LNG export activities. The FERC has jurisdiction over the siting, construction and permitting of LNG export facilities. The DOE has jurisdiction over the import and export of the natural gas commodity, including natural gas in the form of LNG. The FERC also has jurisdiction over the siting, construction and operation of interstate natural gas pipelines under Section 7 of the NGA and regulates interstate pipelines' rates and terms and conditions of service under Sections 4 and 5 of the NGA. In 2002, the FERC established a policy of not regulating the terms and conditions of service for LNG import or export facilities or requiring that LNG import or export facilities operate as "open access" facilities for all customers. The Energy Policy Act of 2005, which amended the NGA, codified this policy until January 1, 2015, and the FERC has not indicated that it intends to depart from its policy of not regulating the terms or conditions of service or requiring that LNG terminals operate on an open access basis.

Although the FERC acts as the lead agency with jurisdiction over LNG import and export facilities, other federal and state agencies act as cooperating agencies, coordinating with the FERC to evaluate applications for LNG export facilities. These agencies include the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (the "PHMSA"), the U.S. Coast Guard (the "Coast Guard"), the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the International Boundary and Water Commission and other federal agencies with jurisdiction over potential environmental impacts of LNG terminal construction and operation. Certain federal laws, such as the Clean Water Act, the Clean Air Act and the Coastal Zone Management Act, delegate authority over certain actions to state agencies, like the Texas Commission on Environmental Quality and the Railroad Commission of Texas. In reviewing an application for an LNG import or export terminal or an interstate natural gas pipeline, the FERC also works with these state agencies that have jurisdiction over certain aspects of LNG terminal or interstate natural gas pipeline construction or operation.

In particular, the PHMSA has established safety standards for interstate natural gas pipelines and LNG facilities. Similarly, the Coast Guard has established safety regulations for marine operations at LNG facilities and the operation of LNG carriers. The FERC, the PHMSA and the Coast Guard entered into a Memorandum of Understanding in 2004 that establishes the FERC's primary role in evaluating LNG terminal applications and defines the process for coordinating the review of an LNG import or export terminal application with the PHMSA and the Coast Guard. In 2018, the FERC and the PHMSA entered into a separate Memorandum of Understanding that establishes the process and timeline by which the PHMSA should determine whether an LNG terminal project will meet the PHMSA's LNG safety siting standards.

We have obtained all major permits required to build the Terminal and export LNG, pending final FERC notice to proceed.

As indicated above, on November 22, 2019, we received the Order from FERC authorizing the siting, construction and operation of the Terminal. On August 13, 2020, the FERC approved the change of the design for the Terminal from six trains to five trains. On September 22, 2021, RGLNG received the U.S. Army Corps of Engineers Permit issued under CWA Section 404/RHA – Section 10.

On September 7, 2016, Rio Grande obtained an authorization for export of LNG to countries with which the U.S. has a Free Trade Agreement ("FTA") on its own behalf and as an agent for others for a term of 30 years. On February 10, 2020, the DOE issued its "Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations to Rio Grande" in DOE/FE Order No. 4492. In addition, on October 21, 2020, the DOE issued its Order Extending Export Term for Authorization to Non-Free Trade Agreement Nations through December 31, 2050.

Following receipt of the Order, two requests for re-hearing were filed. One of those requests for rehearing also requested that the FERC stay the Order. On January 23, 2020, the FERC issued its Order on Rehearing and Stay in which the FERC rejected all challenges presented in the requests for rehearing and the request for stay of the Order. The parties who filed the requests for re-hearing petitioned the U.S. Court of Appeals for the District of Columbia ("D.C. Circuit") to review the Order and the order denying rehearing. On August 3, 2021, the D.C. Circuit denied all petitions, except for two technical issues dealing with environmental justice and GHG emissions, which were remanded to the FERC for further consideration. The D.C. Circuit did so without *vacatur*, and accordingly, the Terminal's authorization from the FERC remains legally valid and enforceable. A second appeal was also filed with the same court by the same parties, seeking a review of the FERC letter order amending the Order to account for the design change from six to five trains but the petitioners moved to voluntarily dismiss this appeal on August 23, 2021. A similar appeal is also pending in the U.S Court of Appeals for the Fifth Circuit in respect to the U.S. Army Corps of Engineers permit issued pursuant to Section 404 of the Clean Water Act.

On November 17, 2021, Rio Grande filed a Limited Amendment with the FERC, seeking authorization to incorporate carbon capture and storage systems, which would enable Rio Grande to voluntarily capture and sequester at least 90% of the CO_2 generated at the Terminal. Once captured, the CO_2 will be transported via pipeline to an underground geologic formation permitted by the U.S. Environmental Protection Agency ("EPA") and relevant Texas agencies via the existing underground injection control ("UIC") Class VI permitting regime for geologic sequestration of CO_2.

Gas Supply

The proposed Terminal site will be located near Brownsville, Texas, benefiting from close access to gas supply from the Permian Basin and Eagle Ford Shale. We expect to realize material benefits from providing our customers with access to these low-cost associated gas resources.

The Permian Basin offers one of the deepest inventories of economic natural gas resource in the world. According to Enverus, there are approximately 700 trillion cubic feet ("Tcf") of remaining natural gas resource in the Permian Basin and Eagle Ford Shale. Permian Basin economics are largely driven by the production of oil, such that producers must market their associated natural gas at any price in order to sustain oil production programs. Furthermore, major oil companies and independent shale producers have created extraordinary efficiencies and improvements, including extended lateral lengths and hydraulic fracturing technology, rig productivity, and reductions in operating and lifecycle costs, which will support economic development of these vast reserves. We believe the Permian Basin will produce very substantial quantities of low-cost natural gas for decades.

We began developing the Rio Bravo Pipeline (the "Pipeline") to connect Rio Grande LNG to these low-cost associated gas reserves. On March 2, 2020, we completed the sale of Rio Bravo Pipeline Company, LLC ("Rio Bravo") to Spectra Energy Transmission II, LLC, a wholly owned subsidiary of Enbridge, Inc ("Enbridge"). Enbridge is continuing the development of the Pipeline. In connection with the sale of Rio Bravo, our indirect, wholly owned subsidiary, Rio Grande LNG Gas Supply LLC ("Rio Grande Gas Supply"), entered into precedent agreements (the "Transportation Precedent Agreements") with Rio Bravo and Valley Crossing Pipeline, LLC ("VCP"), pursuant to which Rio Grande Gas Supply will retain its rights to the natural gas firm transportation capacity on the Pipeline for a term of at least twenty years and Rio Bravo and VCP will provide pipeline transportation service to Rio Grande Gas Supply in order to supply natural gas to the Terminal.

Through the Transportation Precedent Agreements and the Pipeline's projected interconnects with a combined receipt capacity of more than 10 billion cubic feet per day ("Bcf/d"), we believe that we will have supply flexibility needed to supply natural gas efficiently and reliably to the Terminal. The combination of increased production in the Permian and Eagle Ford, together with expanding takeaway capacity indicates that the Agua Dulce supply area, from which the Pipeline is proposed to be routed, is expected to become increasingly liquid and remain competitively priced to Henry Hub. We believe our proximity to two major gas reserves basins, increasing takeaway capacity in the area, a significant influx of production and infrastructure investment, as well as our existing contacts and discussions with some of the largest regional operators, represent key elements of a compelling feed gas strategy for partners and customers alike. We are continuing to advance substantive negotiations in these areas.

We estimate that development of the Permian and Eagle Ford basins will drive dry gas production in Texas to reach 36 Bcf/d by 2030, which will vastly exceed estimated domestic demand within Texas and exports to Mexico. Consequently, we believe new LNG projects will be needed to absorb large volumes of natural gas. To rebalance supply and demand, we estimate Texas may need 9.3 Bcf/d of incremental LNG export capacity by 2030, and at least 6.1 Bcf/d of incremental LNG FIDs, equivalent to 41 mtpa, may be needed within the next 12 months, to support expected Permian Basin and Eagle Ford Shale natural gas production growth.

NEXT Carbon Solutions

Carbon capture and storage ("CCS") is the process of (i) capturing CO_2 at the source, (ii) compressing the CO_2 for transportation and (iii) injecting the compressed CO_2 into deep rock formations at a safe site, where it is then monitored and permanently stored. According to The World Resources Institute, the world currently emits more than 50 billion tonnes of greenhouse gas emissions annually. The Paris Agreement is a multilateral, binding agreement that brings nations together in a common cause to combat climate change and adapt to its effects. We believe that deploying CCS equipment and technology is key to achieving global de-carbonization, a goal of the Paris Agreement.

NEXT Carbon Solutions offers end-to-end CCS solutions for industrial facilities and power plants that produce CO_2 that would otherwise be emitted. Leveraging our team's years of engineering and project management experience, we have developed proprietary processes that lower the capital and operating costs of deploying CCS on industrial facilities. We expect to partner with customers to invest in the deployment of CCS to reduce and permanently store CO_2 emissions.

Service Offerings and Potential Market

NEXT Carbon Solutions' proprietary CCS processes use an absorption post-combustion CO_2 removal system. Derived from extensive engineering efforts, our proprietary CCS processes are designed to generate the following benefits as compared to existing applications of carbon capture and storage processes:

- Increase the efficiency of CO_2 capture to an expected 95% of emissions generated from a source facility at full capacity;
- Lower the cost (both capital and operating expenditures) of post-combustion carbon capture and storage;
- Use proven technology and equipment to capture CO_2 emissions at scale;
- Reduce energy requirements;
- Substantially reduce or, in some cases, eliminate consumption of fresh-water compared to post-combustion carbon capture technologies utilizing water to cool the flue gas; and
- Reduce the land footprint.

Our proprietary CCS processes do not include new equipment or technology. We have developed novel applications of existing industrial-scale equipment to reduce the capital and operating expenditures associated with the CCS process applied at scale. These novel designs and processes represent the intellectual property of NEXT Carbon Solutions that includes patents and patents pending. Consequently, NEXT Carbon Solutions is technology agnostic allowing its business to evolve with advancements in components of the CCS process while still maintaining its anticipated competitive advantages.

Our end-to-end CCS offering includes design, construction, operation, capture, transportation, and permanent geologic storage of captured CO_2.

Each customer-specific CCS design represents a bespoke application of our proprietary CCS processes. Due to the unique operational aspects of each customer, we undertake preliminary front-end engineering and design activities in determining optimal designs for CCS integration with each source facility.

NEXT Carbon Solutions' marketing efforts target existing CO_2 source facilities having emissions greater than one million tonnes of CO_2 per annum and that are in close proximity of saline aquifer storage capacity. We understand that there are more than 600 facilities in the United States alone that produce more than one million tonnes of CO_2 per annum, representing a very robust addressable market. We believe the optimal transportation and storage solution for our customers is a point-to-point solution, whereby, CO_2 captured from a source facility is permanently stored in a dedicated saline aquifer storage site. Our analysis indicates that source emitters of greater than one million tonnes per annum are sufficient in size to support a point-to-point sequestration model and that there is more than sufficient saline aquifer storage to support our screening criteria.

Potential Sources of Value

Value to be derived from integrated deployment of CCS at a source facility include government incentives, such as the Internal Revenue Code Section 45Q tax credit, buildout and marketing of a portfolio of low cost, independently verified carbon credits, and additional sources of value associated with environmental, social, and corporate governance ("ESG") premiums, blue product marketing, and, in certain potential commercial arrangements, increased market share earned by the source facility following CCS deployment.

We offer prospective customers a variety of commercial structures, aimed at providing sufficient flexibility to meet customers' ESG goals, commercial desires, risk profiles and investing strategies. We also believe that certain of our prospective customers may have significant commercial upside due to improved competitive position resulting from a full integration of the source facility with CCS processes, and we will seek to share in this value creation when applicable. Further, we believe that a blend of cash flow streams, risk and reward profiles and contractual terms expected from a portfolio of projects would generate positive returns to our shareholders. NEXT Carbon Solutions will negotiate commercial terms with prospective customers on a case-by-case basis based on the unique characteristics of the relevant source facility.

Competition

We are subject to a high degree of competition in all aspects of our business. See "Item 1.A — Risk Factors —*Competition in the energy industry is intense, and some of our competitors have greater financial, technological and other resources.*"

The Terminal will compete with liquefaction facilities worldwide to supply low-cost liquefaction to the market. In addition, we will compete with a variety of companies in the global LNG market, such as independent, technology-driven companies, state-owned and other independent oil and natural gas companies and utilities. Many of these competitors have longer operating histories, more development experience, greater name recognition, greater access to the LNG market, more employees and substantially greater financial, technical and marketing resources than we currently possess.

NEXT Carbon Solutions will compete with other providers of CCS services, traditional original end manufacturers, EPC firms and midstream transportation and storage companies in offering CCS solutions. Our competitors in the CCS space may have greater financial, technical and marketing resources than we currently possess.

Employees

As of December 31, 2021, we had 57 full-time employees and 4 independent contractors. We hire independent contractors on an as-needed basis and have no collective bargaining agreements with our employees.

Offices

Our principal executive offices are located at 1000 Louisiana St., Suite 3900, Houston, Texas, 77002, and our telephone number is (713) 574-1880.

Available Information

Our internet website address is www.next-decade.com. We intend to use our website as a means of disclosing material non-public information and for complying with disclosure obligations under Regulation FD. Such disclosures will be included on our website under the heading "Investors." Accordingly, investors should monitor such portion of our website, in addition to following our press releases and SEC filings. Within our website under the heading "Investors," we make available free of charge our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed with or furnished to the SEC under applicable securities laws. These materials are made available as soon as reasonably practical after we electronically file such materials with or furnish such materials to the SEC. Information on our website is not incorporated by reference into this Annual Report on Form 10-K and should not be considered part of this document. In addition, we intend to disclose on our website any amendments to, or waivers from, our Code of Conduct and Ethics that are required to be publicly disclosed pursuant to rules of the SEC.

The SEC also maintains a website that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Item 1A. Risk Factors

We are subject to uncertainties and risks due to the nature of the business activities we conduct. The following information describes certain uncertainties and risks that could affect our business, financial condition or results of operations or could cause actual results to differ materially from estimates or expectations contained in our forward-looking statements. This section does not describe all risks applicable to us, our industry or our business, and it is intended only as a summary of known material risks that are specific to us. We may experience additional risks and uncertainties not currently known to us or that we currently deem to be immaterial which may materially and adversely affect our business, financial condition and results of operations.

We are in the process of developing the Rio Grande LNG liquefaction and export project and several potential carbon capture and storage projects on industrial facilities, and the success of such projects is unpredictable; as such, positive cash flows and even revenues will be several years away, if they occur at all.

We are not expected to generate cash flow, or even obtain revenues, from our LNG liquefaction and export activities unless and until the Terminal is operational, which is expected to be at least four years away. Additionally, we do not expect to generate cash flow from our CCS projects until we install CCS systems on third-party industrial facilities. Accordingly, distributions to investors may be limited, delayed, or non-existent.

Our cash flow and consequently our ability to distribute earnings will be dependent upon our ability to complete the Terminal and implement CCS systems and generate cash and net operating income from operations. Rio Grande's ability to complete the Terminal, as discussed further below, is dependent upon, among other things, our ability to obtain necessary regulatory approvals and raise the capital necessary to fund development of the Terminal. NEXT Carbon Solutions' ability to install CCS systems at third-party industrial facilities, as discussed further below, is dependent on the development of front-end engineering and design ("FEED") offerings and contracting with third parties to install CCS systems in their industrial facilities. We do not expect Rio Grande to generate any revenue until the completion of construction of the first phase of the Terminal or NEXT Carbon Solutions to generate any revenue until successful installation of CCS systems at third-party facilities. After the first phase of the Terminal is completed or our CCS systems are installed in third-party industrial facilities, financing and numerous other factors may reduce our cash flow. As a result, we may not make distributions of any amount or any distributions may be delayed.

We will be required to seek additional debt and equity financing in the future to complete the Terminal and the development of CCS projects and may not be able to secure such financing on acceptable terms, or at all.

Since we will be unable to generate any revenue while we are in the development and construction stages, which will be for multiple years with respect to the Terminal, we will need additional financing to provide the capital required to execute our business plan. We will need significant funding to develop and construct the Terminal and CCS projects as well as for working capital requirements and other operating and general corporate purposes.

There can be no assurance that we will be able to raise sufficient capital on acceptable terms, or at all. If sufficient capital is not available on satisfactory terms, we may be required to delay, scale back or eliminate the development of business opportunities, and our operations and financial condition may be adversely affected to a significant extent.

Debt financing, if obtained, may involve agreements that include liens on the Terminal or other assets and covenants limiting or restricting our ability to take specific actions, such as paying dividends or making distributions, incurring additional debt, acquiring or disposing of assets and increasing expenses. Debt financing would also be required to be repaid regardless of our operating results.

In addition, the ability to obtain financing for the Terminal is expected to be contingent upon, among other things, our ability to enter into sufficient long-term commercial agreements prior to the commencement of construction. For additional information regarding our ability to enter into sufficient long-term commercial agreements, see "*— Our ability to generate cash is substantially dependent upon us entering into satisfactory contracts with third parties and the performance of those third parties under those contracts*."

There is substantial doubt about our ability to continue as a going concern.

We have incurred operating losses since our inception and management expects operating losses and negative cash flows to continue for the foreseeable future and, as a result, we will require additional capital to fund our operations and execute our business plan. As of December 31, 2021, the Company had $25.6 million in cash and cash equivalents which are not sufficient to fund the Company's planned operations through one year after the date the consolidated financial statements are issued. Accordingly, there is substantial doubt about the Company's ability to continue as a going concern. The analysis used to determine the Company's ability to continue as a going concern does not include cash sources outside of the Company's direct control that management expects to be available within the next twelve months.

Our ability to continue as a going concern is dependent upon our ability to obtain sufficient funding through additional debt or equity financing and to manage operating and overhead costs. There can be no assurance that we will be able to raise sufficient capital on acceptable or favorable terms to the Company, or at all.

Postponement in making a positive FID in the construction and operation of the Terminal may require us to amend some of our agreements.

The terms of certain agreements to which we are a party require that a positive FID in the Terminal occurs no later than specified dates or may otherwise terminate at the end of their respective terms. If we postpone making a positive FID in the construction and operation of the Terminal beyond any such date or term, we may need to amend the corresponding agreement in order to extend such date or term. Our business could be materially adversely affected if certain of such agreements are not amended.

The Terminal's operations will be substantially dependent on the development and operation of the Pipeline by Enbridge and its affiliates.

The Terminal will be dependent on a pipeline owned by an affiliate of Enbridge (the "Transporter") for the delivery of all of its natural gas. The Pipeline is currently in development and its construction will require the Transporter to secure options for rights-of-way along the proposed Pipeline route. It is possible that, in negotiating to secure these rights-of-way, the Transporter encounters recalcitrant landowners or competitive projects, which could result in additional time needed to secure the Pipeline route and, consequently, delays in, or abandonment of, its construction. Construction of the Pipeline could be delayed or abandoned for any of many other reasons, such as it becoming economically disadvantageous to the Transporter, a failure to obtain or maintain necessary permits for construction or operation, mechanical or structural failures, inadvertent damages during construction, or any terrorist attack, including cyberterrorism, affecting the Pipeline or the Transporter. Any such delays in the construction of the Pipeline could delay the development of the Terminal and its becoming operational.

We may be subject to risks related to doing business in, and having counterparties based in, foreign countries.

We may engage in operations or make substantial commitments to and investments in, and enter into agreements with, counterparties located outside the U.S., which would expose us to political, governmental and economic instability and foreign currency exchange rate fluctuations. We also may participate in global carbon capture credit markets to the extent those develop and become available to our CCS projects or their customers.

Any disruption caused by these factors could harm our business, results of operations, financial condition, liquidity and prospects. Risks associated with potential operations, commitments and investments outside of the U.S. include but are not limited to risks of:

- currency exchange restrictions and currency fluctuations;
- war or terrorist attack;
- expropriation or nationalization of assets;
- renegotiation or nullification of existing contracts or international trade arrangements;
- changing political conditions;
- macro-economic conditions impacting key markets and sources of supply;
- changing laws and policies affecting trade, taxation, financial regulation, immigration, and investment, including laws and policies regarding the verification and trading of carbon capture credits;
- the implementation of tariffs by the U.S. or foreign countries in which we do business;
- duplicative taxation by different governments;
- general hazards associated with the assertion of sovereignty over areas in which operations are conducted, transactions occur, or counterparties are located; and
- the unexpected credit rating downgrade of countries in which our LNG customers are based.

As our reporting currency is the U.S. dollar, any operations conducted outside the U.S. or transactions denominated in foreign currencies would face additional risks of fluctuating currency values and exchange rates, hard currency shortages and controls on currency exchange. In addition, we would be subject to the impact of foreign currency fluctuations and exchange rate changes on our financial reports when translating our assets, liabilities, revenues and expenses from operations or transactions outside of the U.S. into U.S. dollars at the then-applicable exchange rates. These translations could result in changes to our results of operations from period to period.

Costs for the Terminal and CCS projects are subject to various factors.

Construction costs for the Terminal and CCS projects will be subject to various factors such as economic and market conditions, government policy, claims and litigation risk, competition, the final terms of any definitive agreement for services with EPC service providers, change orders, delays in construction, legal and regulatory requirements, unanticipated regulatory delays, site issues, increased component and material costs, escalation of labor costs, labor disputes, increased spending to maintain construction schedules and other factors. In particular, costs for the Terminal are expected to be substantially affected by:

- global prices of nickel, steel, concrete, pipe, aluminum and other component parts of the Terminal or CCS projects and the contractual terms upon which our contractors are able to source and procure required materials;
- any U.S. import tariffs or quotas on steel, aluminum, pipe or other component parts of the Terminal or CCS projects, which may raise the prices of certain materials used in the Terminal;
- commodity and consumer prices (principally, natural gas, crude oil and fuels that compete with them in our target markets) on which our economic assumptions are based;
- the exchange rate of the U.S. Dollar with other currencies;
- changes in regulatory regimes in the U.S. and the countries to which we will be authorized to sell LNG;
- changes in regulatory regimes in the U.S. and the countries that seek to develop and regulate a market for the trading of global carbon capture credits;
- levels of competition in the U.S. and worldwide;
- changes in the tax regimes in the countries to which we sell LNG or in which we operate;
- cost inflation relating to the personnel, materials and equipment used in our operations;
- delays caused by events of force majeure or unforeseeable climatic events;
- interest rates; and
- synergy benefits associated with the development of multiple phases of the Terminal using identical design and construction philosophies.

In addition to our willingness to make a FID and our ability to construct the Terminal and achieve operations, events related to such activities may cause actual costs of the Terminal to vary from the range, combination and timing of assumptions used for projected costs of the Terminal. Such variations may be material and adverse, and an investor may lose all or a portion of its investment.

The construction and operation of the Terminal remains subject to further governmental approvals, and some approvals may be subject to further conditions, review and/or revocation and other legal and regulatory risks, which may result in delays, increased costs or decreased cash flows.

We are required to obtain governmental approvals and authorizations to implement our proposed business strategy, which includes the design, construction and operation of the Terminal and the export of LNG from the U.S. to foreign countries. As described above under "Business− Governmental Permits, Approvals and Authorizations," the design, construction and operation of LNG export terminals is a highly regulated activity in the U.S., subject to a number of permitting requirements, regulatory approvals and ongoing safety and operational compliance programs. There is no guarantee that we will obtain or, if obtained, maintain these governmental authorizations, approvals and permits. Failure to obtain, or failure to obtain on a timely basis, or failure to maintain any of these governmental authorizations, approvals and permits could have a material adverse effect on our business, results of operations, financial condition and prospects.

Authorizations obtained from the FERC, the DOE and other federal and state regulatory agencies also contain ongoing conditions, and additional approval and permit requirements may be imposed. We do not know whether or when any such approvals or permits can be obtained, or whether any existing or potential interventions or other actions by third parties will interfere with our ability to obtain and maintain such permits or approvals. If we are unable to obtain and maintain the necessary approvals and permits, including as a result of untimely notices or filings, we may not be able to recover our investment in the Terminal. Additionally, government disruptions, such as a U.S. government shutdown, may delay or halt our ability to obtain and maintain necessary approvals and permits. There is no assurance that we will obtain and maintain these governmental permits, approvals and authorizations, or that we will be able to obtain them on a timely basis, and failure to obtain and maintain any of these permits, approvals or authorizations could have a material adverse effect on our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

In addition, some of these governmental authorizations, approvals and permits require extensive environmental review. Some groups have perceived, and other groups could perceive, that the proposed construction and operation of the Terminal could negatively impact the environment or cultural heritage sites. Objections from such groups could cause delays, damage to reputation and difficulties in obtaining governmental authorizations, approvals or permits or prevent the obtaining of such authorizations, approvals or permits altogether. Although the necessary authorizations, approvals and permits to construct and operate the Terminal may be obtained, such authorizations, approvals and permits may be subject to ongoing conditions imposed by regulatory agencies or may be subject to legal proceedings not involving us, which is customary for U.S. LNG projects.

The Terminal will be subject to a number of environmental laws and regulations that impose significant compliance costs, and existing and future environmental and similar laws and regulations could result in increased compliance costs, liabilities or additional operating restrictions.

Our business will be subject to extensive federal, state and local regulations and laws, including regulations and restrictions on discharges and releases to the air, land and water and the handling, storage and disposal of hazardous materials and wastes in connection with the development, construction and operation of the Terminal. Failure to comply with these regulations and laws could result in the imposition of administrative, civil and criminal sanctions.

These regulations and laws, which include the Clean Air Act, the Oil Pollution Act, the Clean Water Act and the Resource Conservation and Recovery Act, and analogous state and local laws and regulations, will restrict, prohibit or otherwise regulate the types, quantities and concentration of substances that can be released into the environment in connection with the construction and operation of our facilities. Additionally, these regulations and laws, including the National Environmental Policy Act, will require and have required us to obtain and maintain permits, with respect to our facilities, prepare environmental impact assessments, provide governmental authorities with access to our facilities for inspection and provide reports related to compliance. Violation of these laws and regulations could lead to substantial liabilities, fines and penalties, the denial or revocation of permits necessary for our operations, governmental orders to shut down our facilities or to capital expenditures related to pollution control or remediation equipment that could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects. Federal and state laws impose liability, without regard to fault or the lawfulness of the original conduct, for the release of certain types or quantities of hazardous substances into the environment. As the owner and operator of the Terminal and CCS systems, we could be liable for the costs of cleaning up hazardous substances released into the environment and for damage to natural resources.

In addition, future federal, state and local legislation and regulations, such as regulations regarding greenhouse gas emissions, the transportation of LNG, and the sequestration of carbon dioxide may impose unforeseen burdens and increased costs on our business that could have a material adverse effect on our financial results. As an international shipper of LNG, our operations could also be impacted by environmental laws applicable under international treaties or foreign jurisdictions.

Increasing attention to environmental, social and governance matters may impact our business, financial results or stock price and climate change concerns may pose challenges to our operating model.

In recent years, increasing attention has been given to corporate activities related to environmental, social and governance matters in public discourse and the investment community. A number of advocacy groups, both domestically and internationally, have campaigned for governmental and private action to promote change at public companies related to ESG matters, including through the investment and voting practices of investment advisers, public pension funds, universities and other members of the investing community. These activities include increasing attention and demands for action related to climate change, promoting the use of substitutes to fossil fuel products, and encouraging the divestment of companies in the fossil fuel industry. These activities could negatively impact negotiations with potential customers, reduce demand for our products, reduce our profits, increase the potential for investigations and litigation, impair our brand and have negative impacts on the price of our common stock and access to capital markets.

In October 2020, we announced that we have developed proprietary CCS processes, which we intend to deploy at the Terminal to significantly reduce its expected CO_2 emissions. However, the Terminal CCS project may ultimately be unsuccessful or, even if successful, may not satisfy the demands or expectations of certain members of the investing community focused on ESG matters.

In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings systems for evaluating companies on their approach to ESG matters. These ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings may lead to increased negative investor sentiment toward us and our industry and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and costs of capital.

Changes in legislation and regulations or interpretations thereof, such as those relating to the importation and exportation of LNG and incentives for reduction of emissions, could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects and could cause additional expenditures and delays in connection with the Terminal and CCS projects and their construction.

The laws, rules and regulations applicable to our business, including federal agencies' interpretations of and policies under such laws rules and regulations, are subject to change, either through new or modified regulations enacted on the federal, state or local level or by a change in policy of the agencies charged with enforcing such regulations. For example, the provisions of the Energy Policy Act of 2005 that codified the FERC's policy of not regulating the terms and conditions of service for LNG import or export facilities expired in 2015. Although the FERC has not indicated that it intends to depart from this policy, there can be no assurance it will not do so in the future. The nature and extent of any changes in these laws, rules, regulations and policies may be unpredictable and may have material effects on our business. Future legislation and regulations or changes in existing legislation and regulations, or interpretations thereof, such as those relating to (i) the liquefaction, storage, or regasification of LNG, or its transportation, and (ii) the capture of CO_2, its transportation and sequestration, could cause additional expenditures, restrictions and delays in connection with our operations as well as other future projects, the extent of which cannot be predicted and which may require us to limit substantially, delay or cease operations in some circumstances. Revised, reinterpreted or additional laws and regulations that result in increased compliance costs or additional operating costs and restrictions could have an adverse effect on our business, the ability to expand our business, including into new markets, results of operations, financial condition, liquidity and prospects.

In addition, our CCS systems may benefit from federal, state and local governmental incentives, mandates or other programs promoting the reduction of emissions. Any changes to or termination of these programs could reduce demand for our CCS systems, impair our ability to obtain financing, and adversely impact our business, financial condition and results of operations.

We will be dependent on third-party contractors for the successful completion of the Terminal and CCS projects, and these contractors may be unable to complete the Terminal or CCS projects or may build a non-conforming Terminal or CCS projects.

The construction of the Terminal is expected to take several years, will be confined to a limited geographic area and could be subject to delays, cost overruns, labor disputes and other factors that could adversely affect financial performance or impair our ability to execute our scheduled business plan.

Timely and cost-effective completion of the Terminal and our CCS projects in conformity with agreed-upon specifications will be highly dependent upon the performance of third-party contractors pursuant to their agreements. However, with respect to CCS projects, we have not yet entered into definitive agreements with certain of the contractors, advisors and consultants necessary for the development and construction of each CCS project. We may not be able to successfully enter into such construction agreements on terms or at prices that are acceptable to us.

Further, faulty construction that does not conform to our design and quality standards may have an adverse effect on our business, results of operations, financial condition and prospects. For example, improper equipment installation may lead to a shortened life of our equipment, increased operations and maintenance costs or a reduced availability or production capacity of the affected facility. The ability of our third-party contractors to perform successfully under any agreements to be entered into is dependent on a number of factors, including force majeure events and such contractors' ability to:

- design, engineer and receive critical components and equipment necessary for the Terminal and CCS projects to operate in accordance with specifications and address any start-up and operational issues that may arise in connection with the commencement of commercial operations;

- attract, develop and retain skilled personnel and engage and retain third-party subcontractors, and address any labor issues that may arise;

- post required construction bonds and comply with the terms thereof, and maintain their own financial condition, including adequate working capital;

- adhere to any warranties the contractors provide in their EPC contracts; and

- respond to difficulties such as equipment failure, delivery delays, schedule changes and failure to perform by subcontractors, some of which are beyond their control, and manage the construction process generally, including engaging and retaining third-party contractors, coordinating with other contractors and regulatory agencies and dealing with inclement weather conditions.

Furthermore, we may have disagreements with our third-party contractors about different elements of the construction process, which could lead to the assertion of rights and remedies under the related contracts, resulting in a contractor's unwillingness to perform further work on the relevant project. We may also face difficulties in commissioning a newly constructed facility at the Terminal. Any of the foregoing issues or significant project delays in the development or construction of the Terminal and, to the extent applicable, CCS projects could materially and adversely affect our business, results of operations, financial condition and prospects.

Our ability to generate cash is substantially dependent upon us entering into satisfactory contracts with third parties and the performance of those third parties under those contracts.

We have not yet entered into, and may never be able to enter into, satisfactory commercial arrangements with additional customers for products and services from the Terminal and third-parties desiring to install our CCS systems in their industrial facilities. We also have not entered into, and may never be able to enter into, satisfactory commercial arrangements with third-party suppliers of feedstock or other required supplies to the Terminal.

Our business strategy regarding how and when the Terminal's export capacity or, LNG produced by the Terminal, or CCS systems are marketed may change based on market factors. Without limitation, our business strategy may change due to inability to enter into agreements with customers or based on our or market participants' views regarding future supply and demand of LNG, prices, available worldwide natural gas liquefaction capacity or regasification capacity, the availability and efficiency of a market for carbon capture credits or other factors. If efforts to market the Terminal's export capacity, LNG produced by the Terminal, or our CCS systems are not successful, our business, results of operations, financial condition and prospects may be materially and adversely affected.

Our exposure to the performance and credit risks of counterparties may adversely affect our operating results, liquidity and access to financing.

Our operations involve our entering into various construction, purchase and sale, supply and other transactions with numerous third parties. In such arrangements, we will be exposed to the performance and credit risks of our counterparties, including the risk that one or more counterparties fail to perform their obligations under the applicable agreement. Some of these risks may increase during periods of commodity price volatility. In some cases, we will be dependent on a single counterparty or a small group of counterparties, all of whom may be similarly affected by changes in economic and other conditions. These risks include, but are not limited to, risks related to the construction discussed above in "*We will be dependent on third-party contractors for the successful completion of the Terminal or CCS projects, and these contractors may be unable to complete the Terminal and CCS projects or may build a non-conforming Terminal or CCS projects.*" Defaults by suppliers, customers and other counterparties may adversely affect our operating results, liquidity and access to financing.

Our construction and operations activities will be subject to a number of development risks, operational hazards, regulatory approvals and other risks which may not be fully covered by insurance, and which could cause cost overruns and delays that could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects.

Siting, development and construction of the Terminal and CCS projects will be subject to the risks of delay or cost overruns inherent in any construction project resulting from numerous factors, including, but not limited to, the following:

- difficulties or delays in obtaining, or failure to obtain, sufficient debt or equity financing on reasonable terms;
- failure to obtain all necessary government and third-party permits, approvals and licenses for the construction and operation of the Terminal and CCS projects;
- failure to obtain commercial agreements that generate sufficient revenue to support the financing and construction of the Terminal or CCS projects;
- difficulties in engaging qualified contractors necessary to the construction of the contemplated Terminal or CCS projects;
- shortages of equipment, materials or skilled labor;
- natural disasters and catastrophes, such as hurricanes, explosions, fires, floods, industrial accidents and terrorism;
- delays in the delivery of ordered materials;
- work stoppages and labor disputes;
- competition with other domestic and international LNG export terminals;
- unanticipated changes in domestic and international market demand for and supply of natural gas and LNG, which will depend in part on supplies of and prices for alternative energy sources and the discovery of new sources of natural resources;
- insufficiency in domestic and international market demand for verified carbon capture credits;
- unexpected or unanticipated additional improvements; and
- adverse general economic conditions.

Delays beyond the estimated development periods, as well as cost overruns, could increase the cost of completion beyond the amounts that are currently estimated, which could require us to obtain additional sources of financing to fund the activities until the Terminal is constructed and operational, which could cause further delays. The need for additional financing may also make the Terminal uneconomic. Any delay in completion of the Terminal may also cause a delay in the receipt of revenues projected from the Terminal or cause a loss of one or more customers. As a result, any significant construction delay, whatever the cause, could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects.

Terminal operations will be subject to all of the hazards inherent in the receipt and processing of natural gas to LNG, and associated short-term storage including:

- damage to pipelines and plants, related equipment, loading terminal, and surrounding properties caused by hurricanes, tornadoes, floods, fires and other natural disasters, acts of terrorism and acts of third parties;
- damage from subsurface and/or waterway activity (for example, sedimentation of shipping channel access);
- leaks of natural gas, natural gas liquids, or oil or losses of natural gas, natural gas liquid, or oil as a result of the malfunction of equipment or facilities;
- fires, ruptures and explosions;
- other hazards that could also result in personal injury and loss of life, pollution and suspension of operations; and
- hazards experienced by other operators that may affect our operations by instigating increased regulations and oversight.

Any of these risks could adversely affect our ability to conduct operations or result in substantial loss to us as a result of claims for:

- injury or loss of life;
- damage to and destruction of property, natural resources and equipment;
- pollution and other environmental damage;
- regulatory investigations and penalties;
- suspension of our operations;
- failure to perform contractual obligations; and
- repair and remediation costs.

Due to the scale of the Terminal, we may encounter capacity limits in insurance markets, thereby limiting our ability to economically obtain insurance with our desired level of coverage limits and terms. With respect to the Terminal or CCS projects, we may elect not to obtain insurance for any or all of these risks if we believe that the cost of available insurance is excessive relative to the risks presented. In addition, contractual liabilities and pollution and environmental risks generally are not fully insurable. The occurrence of an event that is not fully covered by insurance could have a material adverse effect on our business, financial condition and results of operations.

We may experience increased labor costs, and the unavailability of skilled workers or our failure to attract and retain qualified personnel could adversely affect us. In addition, changes in our senior management or other key personnel could affect our business operations.

We are dependent upon the available labor pool of skilled employees authorized to work in the U.S. We compete with other energy companies and other employers to attract and retain qualified personnel with the technical skills and experience required to construct and operate our facilities and pipelines and to provide our customers with the highest quality service. A shortage in the labor pool of skilled workers able to legally work in the U.S. or other general inflationary pressures or changes in applicable laws and regulations could make it more difficult for us to attract and retain qualified personnel and could require an increase in the wage and benefits packages that we offer, thereby increasing our operating costs. Any increase in our operating costs could materially and adversely affect our business, financial condition, operating results, liquidity and prospects.

We depend on our executive officers for various activities. We do not maintain key person life insurance policies on any of our personnel. Although we have arrangements relating to compensation and benefits with certain of our executive officers, we do not have any employment contracts or other agreements with key personnel binding them to provide services for any particular term. The loss of the services of any of these individuals could have a material adverse effect on our business.

Technological innovation, competition or other factors may negatively impact our anticipated competitive advantage or our processes.

Our success will depend on our ability to create and maintain a competitive position in the natural gas liquefaction and carbon capture and storage industries. We do not have any exclusive rights to any of the liquefaction technologies that we will be utilizing in the Terminal. In addition, the LNG technology we anticipate using in the Terminal may face competition due to the technological advances of other companies or solutions, including more efficient and cost-effective processes or entirely different approaches developed by one or more of our competitors or others. Although we have applied for and obtained patents relating to our CCS processes and rely on other procedures to protect our intellectual property, we may be unable to prevent third parties from utilizing our intellectual property; see "*— We depend on our intellectual property for our CCS projects, and our failure to protect that intellectual property could adversely affect the future growth and success of our CCS business.*"

Continuing technological changes in the market for carbon capture solutions could make our CCS projects less competitive or obsolete, either generally or for particular applications. Our future success will depend upon our ability to develop and introduce a variety of new capabilities and enhancements to our CCS offerings to address the changing needs of the carbon capture markets. Delays in introducing enhancements, the failure to choose correctly among technical alternatives or the failure to offer innovative products or enhancements at competitive prices may cause existing and potential customers to utilize competing projects or solutions.

We depend on our intellectual property for our CCS projects, and our failure to protect that intellectual property could adversely affect the future growth and success of our CCS business.

We rely on a combination of internal procedures, nondisclosure agreements, licenses, patents, trademarks and copyright law to protect our intellectual property and know-how. Our intellectual property rights may not be successfully asserted in the future or may be invalidated, circumvented or challenged. For example, we frequently explore and evaluate potential relationships and projects with other parties, which often require that we provide the potential partner with confidential technical information.

While confidentiality agreements are typically put in place, there is a risk the potential partner could violate the confidentiality agreement and use our technical information for its own benefit or the benefit of others or compromise the confidentiality. We have applied for and obtained some U.S. patents and will continue to evaluate the registration of additional patents, as appropriate. We cannot guarantee that any of our pending applications will be approved. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge them. A failure to obtain registrations in the United States or elsewhere could limit our ability to protect our proprietary processes and could impede our business. Further, the protection of our intellectual property may require expensive investment in protracted litigation and the investment of substantial management time and there is no assurance we ultimately would prevail or that a successful outcome would lead to an economic benefit that is greater than the investment in the litigation.

In addition, we may be unable to prevent third parties from using our intellectual property rights and know-how without our authorization or from independently developing intellectual property that is the same as or similar to ours. The unauthorized use of our know-how by third parties could reduce or eliminate any competitive advantage we have developed, cause us to lose sales or otherwise harm our CCS business or increase our expenses as we attempt to enforce our rights.

Failure of exported LNG to be a competitive source of energy for international markets could adversely affect our customers and could materially and adversely affect our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

Operations of the Terminal will be dependent upon our ability to deliver LNG supplies from the U.S., which is primarily dependent upon LNG being a competitive source of energy internationally. The success of the Terminal is dependent, in part, on the extent to which LNG can, for significant periods and in significant volumes, be supplied from North America and delivered to international markets at a lower cost than the cost of alternative energy sources. Through the use of improved exploration technologies, additional sources of natural gas may be discovered outside the U.S., which could increase the available supply of natural gas outside the U.S. and could result in natural gas in those markets being available at a lower cost than that of LNG exported to those markets.

Additionally, the Terminal will be subject to the risk of LNG price competition at times when we need to replace any existing LNG sale and purchase contract, whether due to natural expiration, default or otherwise, or enter into new LNG sale and purchase contracts. Factors relating to competition may prevent us from entering into a new or replacement LNG sale and purchase contract on economically comparable terms as prior LNG sale and purchase contracts, or at all. Factors which may negatively affect potential demand for LNG from our liquefaction projects are diverse and include, among others:

- increases in worldwide LNG production capacity and availability of LNG for market supply;
- decreases in demand for LNG or increases in demand for LNG, but at levels below those required to maintain current price equilibrium with respect to supply;
- increases in the cost of natural gas feedstock supplied to any project;
- decreases in the cost of competing sources of natural gas or alternate sources of energy such as coal, heavy fuel oil, diesel, nuclear, hydroelectric, wind and solar;
- decrease in the price of non-U.S. LNG, including decreases in price as a result of contracts indexed to lower oil prices;
- increases in capacity and utilization of nuclear power and related facilities;
- increases in the cost of LNG shipping; and
- displacement of LNG by pipeline natural gas or alternate fuels in locations where access to these energy sources is not currently available.

Political instability in foreign countries that import natural gas, or strained relations between such countries and the U.S. may also impede the willingness or ability of LNG suppliers, purchasers and merchants in such countries to import LNG from the U.S. Furthermore, some foreign purchasers of LNG may have economic or other reasons to obtain their LNG from non-U.S. markets or our competitors' liquefaction facilities in the U.S.

As a result of these and other factors, LNG may not be a competitive source of energy internationally. The failure of LNG to be a competitive supply alternative to local natural gas, oil and other alternative energy sources in markets accessible to our customers could adversely affect the ability of our customers to deliver LNG from the U.S. on a commercial basis. Any significant impediment to the ability to deliver LNG from the U.S. generally or from the Terminal specifically could have a material adverse effect on our customers and our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

Decreases in the global demand for and price of natural gas (versus the price of imported LNG) could lead to reduced development of LNG projects worldwide.

We are subject to risks associated with the development, operation and financing of domestic LNG facilities. The development of domestic LNG facilities and projects is generally based on assumptions about the future price of natural gas and LNG and the conditions of the global natural gas and LNG markets. Natural gas and LNG prices have been, and are likely to remain in the future, volatile and subject to wide fluctuations that are difficult to predict. As a result, our activities will expose us to risks of commodity price movements, which we believe could be mitigated by entering into long-term LNG sales contracts. There can be no assurance that we will be successful in entering into long-term LNG sales contracts. Additionally, the global LNG market could shift toward the use of shorter-term LNG sales contracts.

Fluctuations in commodity prices may create a mismatch between natural gas and petroleum prices, which could have a significant impact on our future revenues. Commodity prices and volumes are volatile due to many factors over which we have no control, including competing liquefaction capacity in North America; the international supply and receiving capacity of LNG; LNG marine transportation capacity; weather conditions affecting production or transportation of LNG from the Terminal; domestic and global demand for natural gas; the effect of government regulation on the production, transportation and sale of natural gas; oil and natural gas exploration and production activities; the development of and changes in the cost of alternative energy sources for natural gas and political and economic conditions worldwide.

Our activities are also dependent on the price and availability of materials for the construction of the Terminal, such as nickel, aluminum, pipe, and steel, which may be subject to import tariffs in the U.S. market and are all also subject to factors affecting commodity prices and volumes. In addition, authorities with jurisdiction over wholesale power rates in the U.S., Europe and elsewhere, as well as independent system operators overseeing some of these markets, may impose price limitations, bidding rules and other mechanisms which may adversely impact or otherwise limit trading margins and lead to diminished opportunities for gain. We cannot predict the impact energy trading may have on our business, results of operations or financial condition.

Further, the development of the Terminal takes a substantial amount of time, requires significant capital investment, may be delayed by unforeseen and uncontrollable factors and is dependent on our financial viability and ability to market LNG internationally.

The reduction or elimination of government incentives could adversely affect our business, financial condition, future results and cash flows.

We expect our CCS projects, following successful construction and deployment, to generate revenue from a combination of sources, including fees from source facilities, government incentives and carbon credits. Government incentives include federal income tax credits under Section 45Q of the Internal Revenue Code, which currently provides a federal income tax credit per MT of carbon captured and permanently stored. The availability of these government incentives have a significant effect on the economics and viability of our CCS projects, and any reduction or elimination of such incentives could adversely affect the growth of our CCS business, our financial condition and our future results.

We may not be able to utilize any future federal income tax credits.

Our LNG and CCS activities are in the development stage and have not historically generated any revenue; consequently, as of December 31, 2021, we had significant deferred tax assets primarily resulting from net operating losses for federal income tax purposes. See Note 13 – Income Taxes in Notes to Consolidated Financial Statements. Any federal income tax credits that we become entitled to under Section 45Q or a successor provision will increase our net operating losses until such time as we generate taxable income that such federal income tax credits may be used to offset. There is no assurance that we will generate taxable income or otherwise be able to monetize the value represented by these federal income tax credits.

Carbon credit markets may not develop as quickly or efficiently as we anticipate or at all.

The continued development of global carbon credit marketplaces will be crucial for the successful deployment of our CCS processes, as we expect carbon credits to be a significant source of future revenue. The efficiency of the voluntary carbon credit market is currently affected by several concerns, including insufficiency of demand, the risk that reduction credits could be counted multiple times and a lack of standardization of credit verification. Delayed development of global carbon credit market could negatively impact the commercial viability of our CCS projects and could limit the growth of the business and adversely impact our financial condition and future results.

Competition in the industries in which we operate is intense, and some of our competitors have greater financial, technological and other resources.

We plan to operate in the highly competitive area of LNG production and face intense competition from independent, technology-driven companies as well as from both major and other independent oil and natural gas companies and utilities.

Many competing companies have secured access to, or are pursuing development or acquisition of, LNG facilities and deployment of carbon capture processes in North America. We may face competition from major energy companies and others in pursuing our proposed business strategy. Some of these competitors have longer operating histories, more development experience, greater name recognition, superior tax incentives, more employees and substantially greater financial, technical and marketing resources than we currently possess. NEXT Carbon Solutions will compete with other providers of CCS services, traditional original end manufactururers, EPC firms and midstream transportation and storage companies in offering CCS solutions. Our competitors in the CCS space may have greater financial, technical and marketing resources than we currently possess. The superior resources that some of these competitors have available for deployment could allow them to compete successfully against us, which could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects.

There may be shortages of LNG vessels worldwide, which could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects.

The construction and delivery of LNG vessels requires significant capital and long construction lead times, and the availability of the vessels could be delayed to the detriment of our business and customers due to the following:

- an inadequate number of shipyards constructing LNG vessels and a backlog of orders at these shipyards;
- political or economic disturbances in the countries where the vessels are being constructed;
- changes in governmental regulations or maritime self-regulatory organizations;
- work stoppages or other labor disturbances at the shipyards;
- bankruptcies or other financial crises of shipbuilders;
- quality or engineering problems;
- weather interference or catastrophic events, such as a major earthquake, tsunami, or fire; or
- shortages of or delays in the receipt of necessary construction materials.

We will rely on third-party engineers to estimate the future capacity ratings and performance capabilities of the Terminal and CCS projects, and these estimates may prove to be inaccurate.

We will rely on third parties for the design and engineering services underlying our estimates of the future capacity ratings and performance capabilities of the Terminal and CCS projects. Any of such facilities, when constructed, may not have the capacity ratings and performance capabilities that we intend or estimate. Failure of any of our facilities to achieve our intended capacity ratings and performance capabilities could prevent us from achieving the commercial start dates or otherwise impact the generation of revenue under our future commercial agreements and could have a material adverse effect on our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

Cyberattacks targeting systems and infrastructure used in our business may adversely impact our operations.

We depend on digital technology in many aspects of our business, including the processing and recording of financial and operating data, analysis of information, and communications with our employees and third parties. Cyberattacks on our systems and those of third-party vendors and other counterparties occur frequently and have grown in sophistication. A successful cyberattack on us or a vendor or other counterparty could have a variety of adverse consequences, including theft of proprietary or commercially sensitive information, data corruption, interruption in communications, disruptions to our existing or planned activities or transactions, and damage to third parties, any of which could have a material adverse impact on us. Further, as cyberattacks continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any vulnerabilities to cyberattacks.

Terrorist attacks, including cyberterrorism, or military campaigns involving us or our projects could result in delays in, or cancellation of, construction or closure of the project.

A terrorist or military incident involving the Terminal or any industrial facility that hosts a CCS project may result in delays in, or cancellation of, construction of the Terminal and the relevant CCS project, which would increase our costs and prevent us from obtaining expected cash flows. A terrorist incident could also result in temporary or permanent closure of the Terminal or such host industrial facility, which could increase costs and decrease cash flows, depending on the duration of the closure. Operations at the Terminal and CCS projects could also become subject to increased governmental scrutiny that may result in additional security measures at a significant incremental cost. In addition, the threat of terrorism and the impact of military campaigns may lead to continued volatility in prices for natural gas that could adversely affect our business and customers, including the ability of our suppliers or customers to satisfy their respective obligations under our commercial agreements. Instability in the financial markets as a result of terrorism, including cyberterrorism, or war could also materially adversely affect our ability to raise capital. The continuation of these developments may subject our construction and operations to increased risks, as well as increased costs, and, depending on their ultimate magnitude, could have a material adverse effect on our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

The operation of the Terminal and any CCS project may be subject to significant operating hazards and uninsured risks, one or more of which may create significant liabilities and losses that could have a material adverse effect on our business, results of operations, financial condition, liquidity and prospects.

The plan of operations for the Terminal is subject to the inherent risks associated with LNG operations, including explosions, pollution, release of toxic substances, fires, hurricanes and other adverse weather conditions, and other hazards, each of which could result in significant delays in commencement or interruptions of operations and/or result in damage to or destruction of the Terminal and assets or damage to persons and property. These risks may similarly affect CCS projects and their host facilities.

We do not, nor do we intend to, maintain insurance against all these risks and losses. We may not be able to maintain desired or required insurance in the future at rates that we consider reasonable. The occurrence of a significant event not fully insured or indemnified against could have a material adverse effect on our business, contracts, financial condition, operating results, cash flow, liquidity and prospects.

We are dependent on a limited number of customers for the purchase of LNG.

The number of potential customers is limited. Some potential purchasers of the LNG to be produced from the Terminal are new to the LNG business and have limited experience in the industry. We will be reliant upon the ability of these customers to enter into satisfactory downstream arrangements in their home markets for the licenses to import and sell re-gasified LNG. Some of these jurisdictions are heavily regulated and dominated by state entities. In certain instances, customers may require credit enhancement measures in order to satisfy project-financing requirements.

Objections from local communities or environmental groups can delay the Terminal.

Some local communities and/or environmental groups could perceive the proposed construction and operation of the Terminal as negatively impacting the environment, wildlife, cultural heritage sites or the public health of residents. Objections from local communities or environmental groups could cause delays, limit access to or increase the cost of construction capital, cause reputational damage and impede us in obtaining or renewing permits. For instance, environmental activists have attempted to intervene in the permitting process of the Terminal and persuade regulators to deny necessary permits or seek to overturn permits that have been issued. These third-party actions can materially increase the costs and cause delays in the permitting process and could cause us to not proceed with the development of the Terminal.

The Terminal will be dependent on the availability of gas supply at the Agua Dulce supply area.

The Pipeline is expected to collect and transport natural gas to the Terminal. The header system at the upstream end of the Pipeline is expected to have multiple interconnects to the existing natural gas pipeline grid located in the Agua Dulce supply area (the “Agua Dulce Hub”). The Agua Dulce Hub includes deliveries from, but not limited to, ConocoPhillips' 1,100-mile South Texas intrastate and gas gathering pipeline system and ExxonMobil’s 925 MMcf/d King Ranch processing facility. As the Pipeline system interconnects are expected to be relatively close to the Agua Dulce Hub, it is expected that gas will be available for purchase in large volumes at commercially acceptable prices. Nonetheless, disruptions in upstream supply sources or increased market demand could impact the availability of gas supply to the Pipeline header system, which would result in curtailments at the Terminal.

Each liquefaction train for the Terminal is expected to involve the transportation and liquefaction of approximately 0.9 Bcf/day of natural gas, for a total of 4.5 Bcf/day for five liquefaction trains at full build-out. Gas sales agreements for the supply of these volumes could entail negotiations with multiple parties for firm and interruptible gas supply and transportation services to the Pipeline header system, as well as pipeline interconnects and ancillary operational agreements. Delays caused by third parties in the course of negotiating agreements and constructing the required interconnects could delay the start of commercial operations for the Terminal.

Unethical conduct and non-compliance with applicable laws could have a significant adverse effect on our business.

Incidents of unethical behavior, fraudulent activity, corruption or non-compliance with applicable laws and regulations could be damaging to our operations and reputation and may subject us to criminal and civil penalties or loss of operating licenses. We have implemented an anti-corruption policy which applies to all employees and contractors without exception and we are a member of TRACE International, an internationally recognized anti-bribery compliance organization. Our legal team screens potential partners, agents and advisors in multiple databases to which it has access and regularly conducts due diligence interviews with potential counterparties. Due to the global nature of the LNG business and the diversity of jurisdictions in which our customers operate, it is possible that a prospective counterparty could be accused of behavior that falls short of our expectations in this regard, leading to reputational damage and potential legal liabilities, notwithstanding our best efforts to prevent such behaviors.

Litigation could expose us to significant costs and adversely affect our business, financial condition, and results of operations.

We are, or may become, party to various lawsuits, arbitrations, mediations, regulatory proceedings and claims, which may include lawsuits, arbitrations, mediations, regulatory proceedings or claims relating to commercial liability, product recalls, product liability, product claims, employment matters, environmental matters, breach of contract, intellectual property, indemnification, stockholder suits, derivative actions or other aspects of our business.

Litigation (including the other types of proceedings identified above) is inherently unpredictable, and although we may believe we have meaningful defenses in these matters, we may incur judgments or enter into settlements of claims that could have a material adverse effect on our business, financial condition, and results of operations. The costs of responding to or defending litigation may be significant and may divert the attention of management away from our strategic objectives. There may also be adverse publicity associated with litigation that may decrease customer confidence in our business or our management, regardless of whether the allegations are valid or whether we are ultimately found liable.

The COVID-19 pandemic, Russia-Ukraine conflict and other sources of volatility in the energy markets may materially and adversely affect our business, financial condition, operating results, cash flow, liquidity and prospects, including our efforts to reach a final investment decision with respect to the Terminal.

The COVID-19 pandemic has resulted in significant disruption globally. Actions taken by various governmental authorities, individuals and companies around the world to prevent the spread of COVID-19 have restricted travel, business operations, and the overall level of individual movement and in-person interaction across the globe. Furthermore, the impact of the pandemic, including its effect on the demand for natural gas, led to significant global economic contraction generally and in our industry in particular. Prospects for the development and financing of the Terminal are based in part on factors including global economic conditions that have been, and are likely to continue to be, adversely affected by the COVID-19 pandemic.

The COVID-19 pandemic has caused us to modify our business practices, including by restricting employee travel, requiring employees to work remotely and cancelling physical participation in meetings, events and conferences, and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers and business partners. There is no certainty that such measures will be sufficient to mitigate the risks posed by COVID-19 or otherwise be satisfactory to government authorities. If a number of our employees were to contract COVID-19 at the same time, our operations could be adversely affected.

In February 2022, Russia, one of the world's largest producers of natural gas, launched an invasion of Ukraine. These actions resulted in a number of countries, including the United States and members of the European Union, announcing sanctions against Russia. Additionally, Germany halted the Nord Stream 2 gas pipeline project, which was built to provide 55 billion cubic meters of natural gas to Europe annually. The current geopolitical climate in Europe is unstable and conflict may further escalate. While it is difficult to anticipate the impact the sanctions announced to date may have on our operations, any further sanctions imposed or actions taken by the U.S. or other countries, and any retaliatory measures by Russia in response, such as restrictions on energy supplies from Russia to countries in the region, could have a significant and uncertain impact on the natural gas industry.

A sustained disruption in the capital markets from the COVID-19 pandemic or the Russia-Ukraine conflict, specifically with respect to the energy industry, could negatively impact our ability to raise capital. In the past, we have financed our operations by the issuance of equity and equity-based securities. However, we cannot predict when macro-economic disruption stemming from COVID-19 or outbreaks of variants of the virus or geopolitical uncertainty may occur. This macro-economic disruption may disrupt our ability to raise additional capital to finance our operations in the future, which could materially and adversely affect our business, financial condition and prospects, and could ultimately cause our business to fail.

The COVID-19 pandemic and Russia-Ukraine conflict may also have the effect of heightening many of the other risks described in this Annual Report on Form 10-K, such as risks related to the development of the CCS projects and the Terminal, including postponement in making a positive FID in the Terminal, doing business in foreign countries, obtaining governmental approvals, and exported LNG remaining a competitive source of energy for international markets, global demand for and price of natural gas, and fluctuation in the price of our common stock.

The extent to which COVID-19 ultimately impacts our business, results of operations and financial condition depends on future developments, which are uncertain and cannot be predicted, including, but not limited to, the duration and spread of COVID-19, its severity, the actions to contain COVID-19 or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. Additionally, the ultimate outcome of Russia's invasion of Ukraine, including resulting tensions among the United States, North Atlantic Treaty Organization and Russia, disruption to the production and supply of natural gas throughout Europe, cyberwarfare and economic instability, could impact our operations or disrupt our ability to access the capital markets. The duration of the impact of the COVID-19 pandemic and the Russia-Ukraine conflict is uncertain, and we may continue to experience materially adverse impacts to our business as a result of their global economic impact, including any recession that has occurred or may occur in the future, and lasting effects on the price of natural gas.

Our common stock could be delisted from Nasdaq.

Our common stock is currently listed on Nasdaq. However, we cannot assure you that we will be able to comply with the continued listing standards of Nasdaq. If we fail to comply with the continued listing standards of Nasdaq, our common stock may become subject to delisting. If Nasdaq delists our common stock from trading on its exchange for failure to meet the continued listing standards, we and our stockholders could face significant material adverse consequences including:

- a limited availability of market quotations for our securities;
- a limited amount of analyst coverage; and
- a decreased ability for us to issue additional securities or obtain additional financing in the future.

The market price of our common stock has fluctuated in the past and is likely to fluctuate in the future. Holders of our common stock could lose all or part of their investment.

The securities markets in general and our common stock have experienced significant price and volume volatility. The market price and trading volume of our common stock may continue to experience significant fluctuations due not only to general stock market conditions but also to a change in sentiment in the market regarding our operations, business prospects or those of companies in our industry. In addition to the other risk factors discussed in this section, the price and volume volatility of our common stock may be affected by:

- domestic and worldwide supply of and demand for natural gas and corresponding fluctuations in the price of natural gas;
- fluctuations in our quarterly or annual financial results or those of other companies in our industry;
- issuance of additional equity securities which causes further dilution to stockholders;
- sales of a high volume of shares of our common stock by our stockholders (including sales by our directors, executive officers, and other employees) or the perception or expectation that such sales may occur;
- short sales, hedging, and other derivative transactions on shares of our common stock;
- the volume of shares of our common stock available for public sale;
- operating and stock price performance of companies that investors deem comparable to us;
- events affecting other companies that the market deems comparable to us;
- changes in government regulation or proposals applicable to us;
- actual or potential non-performance by any customer or a counterparty under any agreement;
- announcements made by us or our competitors of significant contracts;
- changes in accounting standards, policies, guidance, interpretations or principles;
- general conditions in the industries in which we operate;
- general economic conditions; and
- the failure of securities analysts to cover our common stock or changes in financial or other estimates by analysts.

The stock prices of companies in the LNG industry have experienced wide fluctuations that have often been unrelated to the operating performance of these companies. Following periods of volatility in the market price of a company's securities, securities class action litigation often has been initiated against a company. If any class action litigation is initiated against us, we may incur substantial costs and our management's attention may be diverted from our operations, which could materially adversely affect our business and financial condition.

Raising additional capital may cause dilution to existing stockholders, restrict our operations or require us to relinquish rights. Additionally, sales of a substantial number of shares of our common stock or other securities in the public market could cause our stock price to fall.

We may seek the additional capital necessary to fund our operations through public or private equity offerings and debt financings. To the extent that we raise additional capital through the sale of equity or convertible debt securities, existing stockholders' ownership interests will be diluted, and the terms may include liquidation or other preferences that adversely affect their rights as a stockholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures or declaring dividends. In addition, sales of a substantial number of shares of our common stock or other securities in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock.

Our Second Amended and Restated Certificate of Incorporation grants our board of directors the power to designate and issue additional shares of common and/or preferred stock.

Our authorized capital consists of 480,000,000 shares of common stock and 1,000,000 shares of preferred stock. Our preferred stock may be designated into series pursuant to authority granted by our Second Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation"), and on approval from our board of directors (the "Board of Directors" or "Board"). 166,364 shares of preferred stock have been designated as Series A Convertible Preferred Stock, par value $0.0001 per share (the "Series A Preferred Stock"), 166,364 shares of preferred stock have been designated as Series B Convertible Preferred Stock, par value $0.0001 per share (the "Series B Preferred Stock"), and 166,364 shares of preferred stock have been designated as Series C Convertible Preferred Stock, par value $0.0001 per share (the "Series C Preferred Stock" and together with the Series A Preferred Stock and Series B Preferred Stock, the "Convertible Preferred Stock"), in each case which are convertible into shares of common stock upon the occurrence of certain events. The Board of Directors, without any action by our common stockholders, may designate and issue additional shares of preferred stock in such classes or series as it deems appropriate and establish the rights, preferences and privileges of such shares, including dividends, liquidation and voting rights, subject to the limitations of the Convertible Preferred Stock as further described in the risk factor titled "*Holders of the Convertible Preferred Stock have certain voting and other rights that may adversely affect holders of our common stock, and the holders of Convertible Preferred Stock may have different interests from and vote their shares in a manner deemed adverse to, holders of our common stock.*" The rights of holders of other classes or series of stock that may be issued could be superior to the rights of holders of our common stock. The designation and issuance of shares of capital stock having preferential rights could adversely affect other rights appurtenant to shares of our common stock.

The dividend, liquidation, and redemption rights of the holders of the Convertible Preferred Stock may adversely affect our financial position and the rights of the holders of our common stock.

At March 22, 2022, we had 75,938 shares of Series A Preferred Stock, 72,556 shares of Series B Preferred Stock, and 54,587 shares of Series C Preferred Stock outstanding. The shares of Convertible Preferred Stock bear dividends at a rate of 12% per annum, which are cumulative and accrue daily from the date of issuance on the $1,000 stated value. Such dividends are payable quarterly and may be paid in cash or in-kind. No dividends may be paid to holders of our common stock while accumulated dividends remain unpaid on the Convertible Preferred Stock.

Further, we are required, on the earlier of (i) ten (10) business days following a FID Event (as defined in the certificates of designations of the Convertible Preferred Stock) and (ii) the date that is the tenth (10th) anniversary of the closings of the issuances of the Convertible Preferred Stock, as applicable, to convert all of the (i) the Series A Preferred Stock into shares of Company common stock at a conversion price of $6.53 per share of Company common stock, (ii) the Series B Preferred Stock into shares of Company common stock at a conversion price of $6.57 per share of Company common stock and (iii) the Series C Preferred Stock into shares of Company common stock at a weighted average conversion price of $3.28 per share of Company common stock. The conversion of the Convertible Preferred Stock would directly dilute the holders of our common stock. In the event we are liquidated while shares of Convertible Preferred Stock are outstanding, holders of Convertible Preferred Stock will be entitled to receive a preferred liquidation distribution, plus any accumulated and unpaid dividends, before holders of our common stock receive any distributions.

Holders of the Convertible Preferred Stock have certain voting and other rights that may adversely affect holders of our common stock, and the holders of Convertible Preferred Stock may have different interests from and vote their shares in a manner deemed adverse to, holders of our common stock.

The holders of Convertible Preferred Stock vote on an "as-converted" basis with the holders of our common stock on all matters brought before the holders of our common stock. In addition, prior to the conversion of the Convertible Preferred Stock, the consent of the holders of at least a majority of each of the Series A Preferred Stock, the Series B Preferred Stock and the Series C Preferred Stock then outstanding, in each case voting together as a single class, will be required for the Company to take certain actions, including, among others, (i) authorizing, creating or approving the issuance of any shares, or of any security convertible into, or convertible or exchangeable for shares of, senior to the Convertible Preferred Stock; (ii) authorizing, creating or approving the issuance of any shares of, or of any security convertible into, or convertible or exchangeable for shares of, Parity Stock (as defined in the certificates of designations of the Convertible Preferred Stock), subject to certain exceptions; (iii) adversely affecting the rights, preferences or privileges of the Convertible Preferred Stock, as applicable, subject to certain exceptions; (iv) amending, altering or repealing any of the provisions of the Certificate of Incorporation in a manner that would adversely affect the powers, designations, preferences or rights of the Convertible Preferred Stock, as applicable; or (v) amending, altering or repealing any of the provisions of the certificates of designations of the Convertible Preferred Stock, as applicable. Further, the holders of Convertible Preferred Stock have the right to purchase their pro rata share of any future issuance of preferred stock of the Company.

The holders of Convertible Preferred Stock may have different interests from the holders of our common stock and could vote their shares in a manner deemed adverse to the holders of our common stock.

Our largest stockholders will substantially influence our Company for the foreseeable future, including the outcome of matters requiring shareholder approval, and such control may prevent you and other stockholders from influencing significant corporate decisions and may result in conflicts of interest that could cause our stock price to decline.

As of March 22, 2022, affiliates of York Capital Management, L.P., Valinor Capital Partners, L.P. Bardin Hill Investment Partners LP and Ninteenth Investment Company (collectively, the "Funds") beneficially own, in the aggregate, approximately 62% of the combined voting power of our outstanding shares of preferred stock and common stock. Additionally, three members of our Board of Directors are affiliated with certain of the Funds. As a result, the Funds have the ability to influence the election of our directors and the outcome of corporate actions requiring shareholder approval, such as: (i) a merger or a sale of our Company, (ii) a sale of all or substantially all of our assets, and (iii) amendments to our articles of incorporation and bylaws. This concentration of voting power and control could have a significant effect in delaying, deferring or preventing an action that might otherwise be beneficial to our other shareholders and be disadvantageous to our shareholders with interests different from those entities and individuals. The Funds also have significant control over our business, policies and affairs by their affiliates serving as directors of our Company. They may also exert influence in delaying or preventing a change in control of the Company, even if such change in control would benefit the other stockholders of the Company. In addition, the significant concentration of stock ownership may adversely affect the market value of the Company's common stock due to investors' perception that conflicts of interest may exist or arise.

The exercise of outstanding warrants may have a dilutive effect on our common stock.

As of December 31, 2021, outstanding IPO Warrants to purchase an aggregate of 12,081,895 shares of our common stock were exercisable in accordance with the terms of the warrant agreement governing such warrants. These warrants will expire at 5:00 p.m., New York time, on July 24, 2022 or earlier upon redemption or liquidation. The exercise price of these warrants is $11.50 per one full share of our common stock, subject to certain adjustments.

In addition, we issued warrants together with the issuances of our Convertible Preferred Stock (the "Common Stock Warrants"). As of December 31, 2021, the outstanding Common Stock Warrants represented the right to acquire in the aggregate a number of shares of our common stock equal to approximately 86 basis points (0.86%) of all outstanding shares of Company common stock, measured on a fully diluted basis, on the applicable exercise date with a strike price of $0.01 per share.

The Common Stock Warrants have a fixed three-year term that commenced on the closings of the issuances of the associated Convertible Preferred Stock. The Common Stock Warrants may only be exercised by holders of the Common Stock Warrants at the expiration of such three-year term, except that the Company can force the exercise of the Common Stock Warrants prior to expiration of such term if the volume weighted average trading price of shares of common stock for each trading day during any 60 of the prior 90 trading days is equal to or greater than 175% of the conversion price of the Series A Preferred Stock and Series B Preferred Stock and, with respect to the Series B Warrants and Series C Warrants, the Company simultaneously elects to force a mandatory exercise of all other warrants then outstanding and un-exercised and held by any holder of parity stock.

To the extent the IPO Warrants or Common Stock Warrants are exercised, additional shares of our common stock will be issued, which will result in dilution to the holders of our common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market or the fact that such warrants may be exercised could adversely affect the market price of our common stock.

Provisions of our charter documents or Delaware law could discourage, delay or prevent us from being acquired even if being acquired would be beneficial to our stockholders and could make it more difficult to change management.

Provisions of the Certificate of Incorporation and our Amended and Restated Bylaws (the "Bylaws") may discourage, delay or prevent a merger, acquisition or other change in control that stockholders might otherwise consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. In addition, these provisions may frustrate or prevent any attempt by our stockholders to replace or remove our current management by making it more difficult to replace or remove our Board of Directors. Among other things, these provisions include:

- elimination of our stockholders' ability to call special meetings of stockholders;
- elimination of our stockholders' ability to act by written consent;
- an advance notice requirement for stockholder proposals and nominations for members of our Board of Directors;
- a classified Board of Directors, the members of which serve staggered three-year terms;
- the express authority of our Board of Directors to make, alter or repeal the Bylaws;
- the authority of our Board of Directors to determine the number of director seats on our Board of Directors; and
- the authority of our Board of Directors to issue preferred stock with such terms as it may determine.

In addition, the Certificate of Incorporation provides, subject to limited exceptions, that the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for any claims, including (i) any derivative actions or proceedings brought on our behalf, (ii) any action asserting a claim of a breach of a fiduciary duty owed by, or any wrongdoing by, a director, officer or employee or (iii) any action asserting a claim pursuant to any provision of the Delaware General Corporation Law, the Certificate of Incorporation or the Bylaws, (iv) any action to interpret, apply, enforce or determine the validity of the Certificate of Incorporation or the Bylaws or (v) any action asserting a claim governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions described above. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision that is contained in the Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, operating results and financial condition.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

We currently lease approximately 25,600 square feet of office space for general and administrative purposes in Houston, Texas under a lease agreement that expires on December 31, 2022.

On March 6, 2019, Rio Grande entered into a lease agreement (the "Rio Grande Site Lease") with the Brownsville Navigation District of Cameron County, Texas ("BND") pursuant to which we have agreed to lease approximately 984 acres of land situated in Brownsville, Cameron County, Texas for the purposes of constructing, operating, and maintaining the Terminal and gas treatment and gas pipeline facilities. The initial term of the Rio Grande Site Lease is for 30 years (the "Primary Term"), which will commence on the date specified in a written notice by us to BND. We have the option to renew and extend the term of the Rio Grande Site Lease beyond the Primary Term for up to two consecutive renewal periods of ten years each provided that it has not caused an event of default under the Rio Grande Site Lease.

We do not own or lease any other real property that is materially important to our business. We believe that our current properties are adequate for our current needs and that additional office space will be available when and as needed.

Item 3. Legal Proceedings

The information required by this Item is included in Note 14 – *Commitments and Contingencies* in the Notes to Consolidated Financial Statements and is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information, Holders and Dividends

Our common stock trades on Nasdaq under the symbol "NEXT." The IPO Warrants trade on the OTC Pink Market under the symbol "NEXTW."

As of March 22, 2022, 123.4 million shares of Company common stock were outstanding held by approximately 71 record owners. All shares of Company common stock held in street name are recorded in our stock register as being held by one stockholder.

We currently intend to retain earnings to finance the growth and development of our business and do not anticipate paying any cash dividends on Company common stock in the foreseeable future. Any future change in our dividend policy will be made at the discretion of our Board of Directors in light of our financial condition, capital requirements, earnings, prospects and any restrictions under any financing agreements, as well as other factors it deems relevant.

Purchase of Equity Securities by the Issuer

The following table summarizes stock repurchases for the three months ended December 31, 2021:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as a Part of Publicly Announced Plans	Maximum Number of Units That May Yet Be Purchased Under the Plans
October 2021	1,593	$ 3.56	—	—
November 2021	—	$ —	—	—
December 2021	—	$ —	—	—

(1) Represents shares of Company common stock surrendered to us by participants in our 2017 Omnibus Incentive Plan (the "2017 Plan") to settle the participants' personal tax liabilities that resulted from the lapsing of restrictions on shares awarded to the participants under the 2017 Plan.

(2) The price paid per share of Company common stock was based on the closing trading price of Company common stock on the dates on which we repurchased shares of Company common stock from the participants under the 2017 Plan.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Introduction

The following discussion and analysis presents management's view of our business, financial condition and overall performance and should be read in conjunction with our Consolidated Financial Statements and the accompanying notes in "Financial Statements and Supplementary Data." This information is intended to provide investors with an understanding of our past performance, current financial condition and outlook for the future. Our discussion and analysis include the following subjects:

- Overview of Business
- Overview of Significant Events
- Liquidity and Capital Resources
- Contractual Obligations
- Results of Operations
- Summary of Critical Accounting Estimates
- Recent Accounting Standards

Overview of Business

NextDecade Corporation engages in development activities related to the liquefaction and sale of LNG and the capture and storage of CO_2 emissions. We have undertaken and continue to undertake various initiatives to evaluate, design and engineer the Terminal, including the Terminal CCS project, that we expect will result in demand for LNG supply at the Terminal, and other CCS projects that would be hosted at industrial source facilities.

Overview of Significant Events

COVID-19 Pandemic and its Effect on our Business

The business environment in which we operate has been impacted by the downturn in the energy market as well as the COVID-19 pandemic. The COVID-19 pandemic has caused us to modify our business practices to protect the safety and welfare of our employees. Furthermore, we have implemented and may continue to implement certain mitigation efforts to ensure business continuity. We will continue to actively monitor the situation and may take further actions altering our business operations that we determine are in the best interests of our employees, customers, partners, suppliers, and stakeholders, or as required by federal, state, or local authorities. It is not clear what the potential effects any such alterations or modifications may have on our business, including the effects on our customers, employees, and prospects, or on our financial results for fiscal year 2022 or beyond.

NEXT Carbon Solutions

On March 18, 2021, we announced the formation of NEXT Carbon Solutions. NEXT Carbon Solutions offers end-to-end CCS solutions for industrial facilities. Leveraging our team's years of engineering and project management experience, we have developed proprietary processes that lower the capital and operating costs of deploying CCS on industrial facilities. We expect to partner with customers to invest in the deployment of CCS to reduce and permanently store CO_2 emissions. We believe that integrating CCS with an industrial facility's operations has the potential to increase the value of the industrial facility. Through commercial agreements and by investment, NEXT Carbon Solutions looks to share in the value created from this integration.

Series C Convertible Preferred Stock Offering

In March, April and July 2021, we sold an aggregate of 39,500 shares of Series C Convertible Preferred Stock, par value $0.0001 per share (the "Series C Preferred Stock"), at $1,000 per share for an aggregate purchase price of $39.5 million and issued an additional 790 shares of Series C Preferred Stock in aggregate as origination fees. Warrants representing the right to acquire an aggregate number of shares of our common stock equal to approximately 56 basis points (0.56%) of all outstanding shares of Company common stock, measured on a fully diluted basis, on the applicable exercise date with a strike price of $0.01 per share were issued together with the issuances of the Series C Preferred Stock.

For further descriptions of the Series C Preferred Stock and associated warrants, see Note 9 - *Preferred Stock and Common Stock Warrants* in the Notes to Consolidated Financial Statements.

Heads of Agreement

In March 2022, we entered into a binding Heads of Agreement ("HOA") with Guangdong Energy Group Natural Gas Co., Ltd. ("Guangdong Energy") for the supply of up to 1.5 mtpa of LNG from the Terminal. The HOA contemplates that Guangdong Energy will purchase LNG indexed to Henry Hub starting from the commercial operation date of the first train of the Terminal. The HOA provides that we will complete the sale and purchase agreement with Guangdong Energy in the second quarter of 2022.

Liquidity and Capital Resources

Near Term Liquidity and Capital Resources

Our consolidated financial statements as of and for the year ended December 31, 2021 have been prepared on the basis that we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Based on our balance of cash and cash equivalents of $25.6 million at December 31, 2021, there is substantial doubt about our ability to continue as a going concern within one year after the date that our consolidated financial statements were issued. Our ability to continue as a going concern will depend on managing certain operating and overhead costs and our ability to generate positive cash flows through equity, equity-based or debt financings. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty, which could have a material adverse effect on our financial condition.

We expect to spend approximately $3 million per month on similar development activities during 2022 and until a positive FID is made on the Terminal or a FEED for a CCS project commences. Because our businesses and assets are in development, we have not historically generated cash flow from operations, nor do we expect to do so during 2022. We intend to fund the remaining portion of 2022 development activities through the sale of additional equity or equity-based securities in us or our subsidiaries. There can be no assurance that we will succeed in selling equity or equity-based securities or, if successful, that the capital we raise will not be expensive or dilutive to stockholders.

Our primary cash needs have historically been funding development activities in support of the Terminal and our CCS projects, which include payments of initial direct costs of our Rio Grande site lease and expenses in support of engineering and design activities, regulatory approvals and compliance, commercial and marketing activities and corporate overhead. We spent approximately $37 million on such development activities during 2021, which we funded through our cash on hand and proceeds from the issuances of equity and equity-based securities. Our capital raising activities since January 1, 2020 have included the following:

In March 2020, we sold our equity interests in Rio Bravo for initial proceeds of $15 million, with an additional $4.4 million due from the buyer promptly after the initial funding of post-FID financing for the Terminal.

In March, April and July 2021, we sold an aggregate of 39,500 shares of Series C Preferred Stock, at $1,000 per share for an aggregate purchase price of $39.5 million and issued an additional 790 shares of Series C Preferred Stock in aggregate as origination fees.

In September and November 2021, we sold an aggregate of 163,332 shares of Company common stock for proceeds, net of placement fees, of approximately $0.6 million pursuant to our at-the-market program.

In March 2022, we sold 10,500 shares of Series C Preferred Stock, at $1,000 per share for a purchase price of $10.5 million and issued an additional 210 shares of Series C Preferred Stock as origination fees.

Long Term Liquidity and Capital Resources

The Terminal will not begin to operate and generate significant cash flows unless and until the Terminal is operational, which is expected to be at least four years away, and the construction of the Terminal will require a significant amount of capital expenditure. CCS projects will similarly take an extended period of time to develop, construct and become operational and will require significant capital deployment. We currently expect that the long-term capital requirements for the Terminal and any CCS projects will be financed predominately through project financing and proceeds from future debt, equity-based, and equity offerings by us. Construction of the Terminal and CCS projects would not begin until such financing has been obtained. As a result, our business success will depend, to a significant extent, upon our ability to obtain the funding necessary to construct the Terminal and any CCS projects, to bring them into operation on a commercially viable basis and to finance our staffing, operating and expansion costs during that process. There can be no assurance that we will succeed in securing additional debt and/or equity financing in the future to complete the Terminal or any CCS projects or, if successful, that the capital we raise will not be expensive or dilutive to stockholders. Additionally, if these types of financing are not available, we will be required to seek alternative sources of financing, which may not be available on terms acceptable to us, if at all.

Sources and Uses of Cash

The following table summarizes the sources and uses of our cash for the periods presented (in thousands):

	Year Ended December 31,	
	2021	**2020**
Operating cash flows	$ (17,960)	$ (26,253)
Investing cash flows	(18,534)	18,521
Financing cash flows	39,438	14,604
Net increase in cash and cash equivalents	2,944	6,872
Cash and cash equivalents – beginning of period	22,608	15,736
Cash and cash equivalents – end of period	$ 25,552	$ 22,608

Operating Cash Flows

Operating cash outflows during the years ended December 31, 2021 and 2020 were $18.0 million and $26.3 million, respectively. The decrease in operating cash outflows in 2021 compared to 2020 was primarily related to a decrease in general and administrative and lease expenses.

Investing Cash Flows

Investing cash outflows during the year ended December 31, 2021 was $18.5 million and investing cash inflows during the year ended December 31, 2020 was $18.5 million. The investing cash outflows in 2021 were primarily the result cash used in the development of the Terminal of $12.1 million and cash used in the acquisition of other assets of $6.4 million. The investing cash inflows in 2020 were primarily the result of the sale of investment securities of $62.0 million partially offset by cash used in the development of the Terminal of $32.4 million and cash used in the acquisition of other assets of $10.9 million.

Financing Cash Flows

Financing cash inflows during the years ended December 31, 2021 and 2020 were $39.4 million and $14.6 million, respectively. Financing cash inflows in 2021 were primarily the result of proceeds from the sale of Series C Preferred Stock of $39.5 million. Financing cash inflows in 2020 were primarily the result of proceeds from the sale of Rio Bravo of $15.0 million.

Contractual Obligations

We are committed to make cash payments in the future pursuant to certain of our contracts. The following table summarizes certain contractual obligations (in thousands) in place as of December 31, 2021:

	Total	2022	2023-2024	2025-2026	Thereafter
Operating lease obligations	$ 3,467	$ 3,465	$ 2	$ —	$ —
Permitting costs	466	466	—	—	—
Other	51	51	—	—	—
Total	$ 3,984	$ 3,982	$ 2	$ —	$ —

Operating lease obligations primarily relate to our Rio Grande Site Lease, and amounts due thereunder until the lease term commences, and office space in Houston, Texas.

A discussion of these obligations can be found at Note 6 – *Leases* and Note 14 – *Commitments and Contingencies* of our Notes to Consolidated Financial Statements.

Results of Operations

The following table summarizes costs, expenses and other income for the years ended December 31, 2021 and 2020 (in thousands):

	Year Ended December 31,		
	2021	2020	Change
Revenues	$ —	$ —	$ —
General and administrative expenses	16,803	20,213	(3,410)
Development expense	1,615	—	1,615
Land option and lease expenses	905	1,603	(698)
Depreciation expense	184	196	(12)
Operating loss	(19,507)	(22,012)	2,505
Gain (loss) on Common Stock Warrant Liabilities	(2,533)	7,870	(10,403)
Loss on redemption of investment securities	—	(412)	412
Interest income, net	2	243	(241)
Other	(1)	(18)	17
Net loss attributable to NextDecade Corporation	(22,039)	(14,329)	(7,710)
Preferred stock dividends	(18,294)	(14,327)	(3,967)
Deemed dividends on Series A Convertible Preferred Stock	(63)	(128)	65
Net loss attributable to common stockholders	$ (40,396)	$ (28,784)	$ (11,612)

Our consolidated net loss was $22.0 million, or $0.34 per common share (basic and diluted), for the year ended December 31, 2021 compared to a net loss of $14.3 million, or $0.24 per common share (basic and diluted), for the year ended December 31, 2020. The $7.7 million increase in net loss was primarily a result of a loss on common stock warrant liabilities, partially offset by a decrease in general and administrative expenses and land option and lease expenses, discussed separately below.

General and administrative expenses during the year ended December 31, 2021 decreased $3.4 million compared to the year ended December 31, 2020, due primarily to decreases in professional fees, office expenses, IT and communications costs and share-based compensation expense of $5.3 million, partially offset by an increase in salaries and wages of $4.0 million. The decrease in share-based compensation expense is primarily a result of forfeitures of restricted stock during the year ended December 31, 2021. The increase in salaries and wages is primarily due to accrued bonuses.

Development expense during the year ended December 31, 2021 increased $1.6 million compared to the year ended December 31, 2020, due to NEXT Carbon Solutions' preliminary FEED assessments performed on third-party industrial facilities. Similar preliminary FEED assessments were not performed during the year ended December 31, 2020.

The loss on Common Stock Warrant Liabilities of approximately $2.5 million in 2021 was primarily due to an increase in the share price of Company common stock from December 31, 2020 to December 31, 2021 and an increase in the Common Stock Warrants outstanding associated with the issuance of Series C Preferred Stock.

Preferred stock dividends of $18.3 million in 2021 consisted of dividends paid-in-kind with the issuance of an additional 8,206 shares of Series A Preferred Stock, 7,821 additional shares of Series B Preferred Stock and 2,200 additional shares of Series C Preferred Stock.

Deemed dividends on the Series A Preferred Stock for the year ended December 31, 2021 and December 31, 2020 represents the accretion of the beneficial conversion feature associated with the Series A Preferred Stock issued in 2018.

Summary of Critical Accounting Estimates

The preparation of our Condensed Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make certain estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and the accompanying notes. Management evaluates its estimates and related assumptions regularly, including those related to the value of properties, plant, and equipment, share-based compensation, Common Stock Warrant liabilities, and income taxes. Changes in facts and circumstances or additional information may result in revised estimates, and actual results may differ from these estimates. Management considers the following to be its most critical accounting estimates that involve significant judgment.

Impairment of Long-Lived Assets

A long-lived asset, including an intangible asset, is evaluated for potential impairment whenever events or changes in circumstances indicate that its carrying value may not be recoverable. Recoverability generally is determined by comparing the carrying value of the asset to the expected undiscounted future cash flows of the asset. If the carrying value of the asset is not recoverable, the amount of impairment loss is measured as the excess, if any, of the carrying value of the asset over its estimated fair value. We use a variety of fair value measurement techniques when market information for the same or similar assets does not exist. Projections of future operating results and cash flows may vary significantly from results. Management reviews its estimates of cash flows on an ongoing basis using historical experience and other factors, including the current economic and commodity price environment.

Share-based Compensation

The assumptions used in calculating the fair value of share-based payment awards represent our best estimates, but these estimates involve inherent uncertainties and the application of management's judgment. As a result, if factors change and we use different assumptions, our share-based compensation expense could be materially different in the future.

For additional information regarding our share-based compensation, see Note 12 – *Share-based Compensation* of our Notes to Consolidated Financial Statements.

Valuation of Common Stock Warrant Liabilities

The fair value of Common Stock Warrant liabilities is determined using a Monte Carlo valuation model. Determining the appropriate fair value model and calculating the fair value of Common Stock Warrant requires considerable judgment. Any change in the estimates used may cause the value to be higher or lower than that reported. The estimated volatility of our common stock at the date of issuance, and at each subsequent reporting period, is based on our historical volatility. The risk-free interest rate is based on rates published by the government for bonds with maturity similar to the expected remaining life of the Common Stock Warrants at the valuation date. The expected life of the Common Stock Warrants is assumed to be equivalent to their remaining contractual term.

The Common Stock Warrants are not traded in an active market and the fair value is determined using valuation techniques. The estimates may be significantly different from those recorded in the consolidated financial statements because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market. All changes in the fair value are recorded in the consolidated statement of operations each reporting period.

For additional information regarding the valuation of Common Stock Warrant liabilities, see Note 9 – *Preferred Stock and Common Stock Warrants* of our Notes to Consolidated Financial Statements.

Income Taxes

Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the tax basis of assets and liabilities and their reported amounts in the Consolidated Financial Statements. Deferred tax assets and liabilities are included in the Consolidated Financial Statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the current period's provision for income taxes. We routinely assess our deferred tax assets and reduce such assets by a valuation allowance if we deem it is more likely than not that some portion or all of the deferred tax assets will not be realized. This assessment requires significant judgment and is based upon our assessment of our ability to generate future taxable income among other factors.

For additional information regarding the valuation of deferred tax assets, see Note 13 - *Income Taxes* of our Notes to Consolidated Financial Statements.

Recent Accounting Standards

For descriptions of recently issued accounting standards, see Note 15 – *Recent Accounting Pronouncements* of our Notes to Consolidated Financial Statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended, and are not required to provide the information under this item.

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Item 8. Financial Statements and Supplementary Data

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NextDecade Corporation and Subsidiaries

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
NextDecade Corporation

Opinion on the financial statements
We have audited the accompanying consolidated balance sheets of NextDecade Corporation (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, stockholders' equity and convertible preferred stock, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Going concern
The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has incurred operating losses since its inception and management expects operating losses and negative cash flows to continue for the foreseeable future. These conditions, along with other matters as set forth in Note 1, raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for opinion
These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter
The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Common Stock Warrant Liabilities

As described further in Note 9 to the consolidated financial statements, the Company had $4 million of common stock warrant liabilities as of December 31, 2021. At each balance sheet date, management determines the estimated fair value of common stock warrant liabilities using a Monte Carlo valuation method. The following qualitative information is used by management to determine the fair value measurement of the common stock warrant liabilities: stock price, exercise price, risk-free rate, volatility, and the warrants term in years. We identified the valuation of common stock warrant liabilities as a critical audit matter.

The principal considerations for our determination that the valuation of common stock warrant liabilities is a critical audit matter are that (i) there was significant judgment by management when determining the estimated volatility, risk-free interest rate, and the expected life of the common stock warrants, and (ii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing procedures and evaluating the audit evidence obtained from these procedures.

Our audit procedures related to the valuation of common stock warrant liabilities included the following, among others.

- We tested the design of controls over the valuation of common stock warrant liabilities and gained an understanding of the valuation credentials and industry expertise of the third-party valuation group and valuation methodologies used.

- We tested the schedule of fully dilutive shares used to value common stock warrants by confirming outstanding common stock with the third-party transfer agent and testing the conversion value of preferred stock and dividend issuances.

- With the assistance of Grant Thornton internal valuation specialists, we tested management's and the third-party's process for determining the fair value of common stock warrants, including evaluating significant assumptions used, testing supporting documents, and assessing reasonableness by comparing to historical trends and industry expectations. Certain key inputs/assumptions tested by us included the following:

    - Volatility

    - Risk-free interest rate

    - Warrant terms

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2018.

Houston, Texas
March 28, 2022

NextDecade Corporation and Subsidiaries
Consolidated Balance Sheets
(in thousands, except share data)

	December 31, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	$ 25,552	$ 22,608
Prepaid expenses and other current assets	835	670
Total current assets	26,387	23,278
Property, plant and equipment, net	173,816	161,662
Operating lease right-of-use assets, net	590	429
Other non current assets	21,312	16,299
Total assets	$ 222,105	$ 201,668
Liabilities, Convertible Preferred Stock and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 281	$ 207
Share-based compensation liability	182	182
Accrued liabilities and other current liabilities	5,791	1,032
Current Common Stock Warrant liabilities	1,376	3,290
Current operating lease liabilities	596	432
Total current liabilities	8,226	5,143
Non-current Common Stock Warrant liabilities	2,587	874
Other non-current liabilities	23,000	22,916
Total liabilities	33,813	28,933
Commitments and contingencies (Note 14)		
Series A Convertible Preferred Stock, $1,000 per share liquidation preference, Issued and outstanding: 73,713 shares and 65,507 shares at December 31, 2021 and 2020, respectively	63,791	55,522
Series B Convertible Preferred Stock, $1,000 per share liquidation preference, Issued and outstanding: 70,433 shares and 62,612 shares at December 31, 2021 and 2020, respectively	64,602	56,781
Series C Convertible Preferred Stock, $1,000 per share liquidation preference Issued and outstanding: 42,490 shares and no shares at December 31, 2021 and 2020, respectively	40,007	—
Stockholders' equity		
Common stock, $0.0001 par value Authorized: 480.0 million shares at December 31, 2021 and 2020, Issued and outstanding: 120.8 million shares and 117.8 million shares at December 31, 2021 and 2020, respectively	12	12
Treasury stock: 346,126 shares and 249,742 shares at December 31, 2021 and 2020, respectively, at cost	(1,315)	(1,031)
Preferred stock, $0.0001 par value Authorized: 0.5 million, after designation of the Convertible Preferred Stock, Issued and outstanding: none at December 31, 2021 and 2020	—	—
Additional paid-in-capital	191,264	209,481
Accumulated deficit	(170,069)	(148,030)
Total stockholders' equity	19,892	60,432
Total liabilities, Convertible Preferred Stock and stockholders' equity	$ 222,105	$ 201,668

The accompanying notes are an integral part of these Consolidated Financial Statements.

NextDecade Corporation and Subsidiaries
Consolidated Statements of Operations
(in thousands, except per share data)

	Year Ended December 31, 2021	Year Ended December 31, 2020
Revenues	$ —	$ —
Operating Expenses		
General and administrative expenses	16,803	20,213
Development expense	1,615	—
Land option and lease expenses	905	1,603
Depreciation expense	184	196
Total operating expenses	19,507	22,012
Total operating loss	(19,507)	(22,012)
Other income (expense)		
(Loss) gain on Common Stock Warrant liabilities	(2,533)	7,870
Loss on redemption of investment securities	—	(412)
Interest income, net	2	243
Other	(1)	(18)
Total other (expense) income	(2,532)	7,683
Net loss attributable to NextDecade Corporation	(22,039)	(14,329)
Preferred stock dividends	(18,294)	(14,327)
Deemed dividends on Series A Convertible Preferred Stock	(63)	(128)
Net loss attributable to common stockholders	$ (40,396)	$ (28,784)
Net loss per common share - basic and diluted	$ (0.34)	$ (0.24)
Weighted average shares outstanding - basic and diluted	119,201	117,524

The accompanying notes are an integral part of these Consolidated Financial Statements.

NextDecade Corporation and Subsidiaries
Consolidated Statements of Stockholders' Equity and Convertible Preferred Stock
(in thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity	Series A Convertible Preferred Stock	Series B Convertible Preferred Stock	Series C Convertible Preferred Stock
	Shares	Par Value Amount	Shares	Amount						
Balance at January 1, 2020	117,329	$ 12	137	$ (685)	$ 224,091	$ (133,701)	$ 89,717	$ 48,084	$ 49,814	$ -
Share-based compensation	—	—	—	—	(155)	—	(155)	—	—	—
Restricted stock vesting	612	—	—	—	—	—	—	—	—	—
Shares repurchased related to share-based compensation	(112)	—	112	(346)	—	—	(346)	—	—	—
Preferred stock dividends	—	—	—	—	(14,327)	—	(14,327)	7,310	6,967	—
Deemed dividends - accretion of beneficial conversion feature	—	—	—	—	(128)	—	(128)	128	—	—
Net Loss	—	—	—	—	—	(14,329)	(14,329)	—	—	—
Balance at December 31, 2020	117,829	$ 12	249	$ (1,031)	$ 209,481	$ (148,030)	$ 60,432	$ 55,522	$ 56,781	$ -
Share-based compensation	—	—	—	—	(4,541)	—	(4,541)	—	—	—
Restricted stock vesting	660	—	—	—	—	—	—	—	—	—
Shares repurchased related to share-based compensation	(97)	—	97	(284)	—	—	(284)	—	—	—
Issuance of common stock, net	163	—	—	—	316	—	316	—	—	—
Stock dividend	798	—	—	—	—	—	—	—	—	—
Exercise of common stock warrants	1,485	—	—	—	4,365	—	4,365	—	—	—
Issuance of Series C Convertible Preferred Stock	—	—	—	—	—	—	—	—	—	37,807
Preferred stock dividends	—	—	—	—	(18,294)	—	(18,294)	8,206	7,821	2,200
Deemed dividends - accretion of beneficial conversion feature	—	—	—	—	(63)	—	(63)	63	—	—
Net Loss	—	—	—	—	—	(22,039)	(22,039)	—	—	—
Balance at December 31, 2021	120,838	$ 12	346	$ (1,315)	$ 191,264	$ (170,069)	$ 19,892	$ 63,791	$ 64,602	$ 40,007

The accompanying notes are an integral part of these Consolidated Financial Statements.

NextDecade Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31, 2021	Year Ended December 31, 2020
Operating activities:		
Net loss attributable to NextDecade Corporation	$ (22,039)	$ (14,329)
Adjustment to reconcile net loss to net cash used in operating activities		
Depreciation	184	196
Share-based compensation expense (forfeiture)	(4,313)	(341)
Loss (gain) on Common Stock Warrant liabilities	2,533	(7,870)
Realized loss on investment securities	—	423
Amortization of right-of-use assets	551	1,230
Amortization of other non-current assets	1,416	1,360
Changes in operating assets and liabilities:		
Prepaid expenses	(186)	191
Accounts payable	(26)	(370)
Operating lease liabilities	(548)	(874)
Accrued expenses and other liabilities	4,468	(5,869)
Net cash used in operating activities	(17,960)	(26,253)
Investing activities:		
Acquisition of property, plant and equipment	(12,105)	(32,352)
Acquisition of other non-current assets	(6,429)	(10,911)
Proceeds from sale of investment securities	—	61,972
Purchase of investment securities	—	(188)
Net cash (used in) provided by investing activities	(18,534)	18,521
Financing activities:		
Proceeds from sale of Rio Bravo Pipeline Company, LLC	—	15,000
Proceeds from sale of Series C Convertible Preferred Stock	39,500	—
Proceeds from sale of common stock	557	—
Equity issuance costs	(268)	—
Preferred stock dividends	(67)	(50)
Shares repurchased related to share-based compensation	(284)	(346)
Net cash provided by financing activities	39,438	14,604
Net increase in cash and cash equivalents	2,944	6,872
Cash and cash equivalents – beginning of period	22,608	15,736
Cash and cash equivalents – end of period	$ 25,552	$ 22,608
Non-cash investing activities:		
Accounts payable for acquisition of property, plant and equipment	$ 117	$ 16
Accrued liabilities for acquisition of property, plant and equipment	926	650
Pipeline assets obtained in exchange for other non-current liabilities	84	7,916
Non-cash financing activities:		
Paid-in-kind dividends on Convertible Preferred Stock	18,227	14,277
Accretion of deemed dividends on Series A Convertible Preferred Stock	63	128
Accrued liabilities for equity issuance costs	35	—

The accompanying notes are an integral part of these Consolidated Financial Statements.

NextDecade Corporation and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 — Background and Basis of Presentation

NextDecade Corporation engages in development activities related to the liquefaction and sale of liquefied natural gas (“LNG”) and the capture and storage of CO_2 emissions. We have focused our development activities on the Rio Grande LNG terminal facility at the Port of Brownsville in southern Texas (the “Terminal”), a carbon capture and storage project at the Terminal (the “Terminal CCS project”) and other carbon capture and storage projects (“CCS projects”) with third-party industrial source facilities.

Our Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All intercompany accounts and transactions have been eliminated in consolidation.

The Company has incurred operating losses since its inception and management expects operating losses and negative cash flows to continue for the foreseeable future and, as a result, the Company will require additional capital to fund its operations and execute its business plan. As of December 31, 2021, the Company had $25.6 million in cash and cash equivalents, which are not sufficient to fund the Company's planned operations through one year after the date the consolidated financial statements are issued. Accordingly, there is substantial doubt about the Company's ability to continue as a going concern. The analysis used to determine the Company's ability to continue as a going concern does not include cash sources outside of the Company's direct control that management expects to be available within the next twelve months.

The Company plans to alleviate the going concern issue by obtaining sufficient funding through additional equity, equity-based or debt instruments or any other means and managing certain operating and overhead costs. The Company may not be able to obtain sufficient funding through additional equity or debt instruments or any other means, and if it is able to do so, they may not be on satisfactory terms. The Company's ability to raise additional capital in the equity and debt markets, should the Company choose to do so, is dependent on a number of factors, including, but not limited to, the market demand for the Company's equity or debt securities, which itself is subject to a number of business risks and uncertainties, as well as the uncertainty that the Company would be able to raise such additional capital at a price or on terms that are favorable to the Company. In the event the Company is unable to obtain sufficient additional funding, there can be no assurance that it will be able to continue as a going concern.

These consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary in the event the Company can no longer continue as a going concern.

Note 2 — Summary of Significant Accounting Policies

Use of Estimates

The preparation of Consolidated Financial Statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and the accompanying notes. Management evaluates its estimates and related assumptions regularly, including those related to the value of property, plant and equipment, income taxes including valuation allowances for net deferred tax assets, share-based compensation and fair value measurements. Changes in facts and circumstances or additional information may result in revised estimates, and actual results may differ from these estimates.

Concentrations of Credit Risk

Financial instruments that potentially subject us to a concentration of credit risk consist principally of cash and cash equivalents. We maintain cash and cash equivalent balances with a single financial institution, which may at times be in excess of federally insured levels. We have not incurred losses related to these cash and cash equivalent balances to date.

Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Property, Plant and Equipment

Generally, we begin to capitalize the costs of our development projects once construction of the individual project is probable. This assessment includes the following criteria:

- funding for design and permitting has been identified and is expected in the near-term;
- key vendors for development activities have been identified, and we expect to engage them at commercially reasonable terms;
- we have committed to commencing development activities;
- regulatory approval is probable;
- construction financing is expected to be available at the time of a final investment decision (“FID”);
- prospective customers have been identified and the FID is probable; and
- receipt of customary local tax incentives, as needed for project viability, is probable.

Prior to meeting the criteria above, costs associated with a project are expensed as incurred. Expenditures for normal repairs and maintenance are expensed as incurred.

When assets are retired or disposed, the cost and accumulated depreciation are eliminated from the accounts and any gain or loss is reflected in our Consolidated Statements of Operations.

Property, plant and equipment is carried at historical cost and depreciated using the straight-line method over their estimated useful lives.

Leasehold improvements are depreciated over the lesser of the economic life of the leasehold improvement or the term of the lease, without regard to extension or renewal rights.

Management tests property, plant and equipment for impairment whenever events or changes in circumstances have indicated that the carrying amount of property, plant and equipment might not be recoverable. Assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets for purposes of assessing recoverability. Recoverability generally is determined by comparing the carrying value of the asset to the expected undiscounted future cash flows of the asset. If the carrying value of the asset is not recoverable, the amount of impairment loss is measured as the excess, if any, of the carrying value of the asset over its estimated fair value.

Leases

The Company determines if a contractual arrangement represents or contains a lease at inception. Operating leases with lease terms greater than twelve months are included in Operating lease right-of-use assets and Operating lease liabilities in the Consolidated Balance Sheets.

Operating lease right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the future lease payments over the lease term. The Company utilizes its incremental borrowing rate in determining the present value of the future lease payments. The incremental borrowing rate is derived from information available at the lease commencement date and represents the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment. The right-of-use assets and lease liabilities may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company has lease arrangements that include both lease and non-lease components. The Company accounts for non-lease components separately from the lease component.

Warrants

The Company determines the accounting classification of warrants that are issued, as either liability or equity, by first assessing whether the warrants meet liability classification in accordance with Accounting Standards Codification ("ASC") 480 *Distinguishing Liabilities from Equity* ("ASC 480"), and then in accordance with ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock* ("ASC 815-40"). Under ASC 480, warrants are considered liability classified if the warrants are mandatorily redeemable, obligate the issuer to settle the warrants or the underlying shares by paying cash or other assets, or must or may require settlement by issuing a variable number of shares.

If warrants do not meet liability classification under ASC 480, the Company assesses the requirements under ASC 815-40, which states that contracts that require or may require the issuer to settle the contract for cash or a variable number of shares are liabilities recorded at fair value, irrespective of the likelihood of the transaction occurring that triggers the net cash settlement feature. If the warrants do not require liability classification under ASC 815-40, in order to conclude equity classification, the Company assesses whether the warrants are indexed to our common stock and whether the warrants are classified as equity under ASC 815-40 or other applicable GAAP. After all relevant assessments are made, the Company concludes whether the warrants are classified as liability or equity. Liability classified warrants are required to be accounted for at fair value both on the date of issuance and on subsequent accounting period ending dates, with all changes in fair value after the issuance date recorded in the statements of operations as a gain or loss. Equity classified warrants are accounted for at fair value on the issuance date with no changes in fair value recognized after the issuance date.

Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Hierarchy Levels 1, 2 and 3 are terms for the priority of inputs to valuation techniques used to measure fair value. Hierarchy Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Hierarchy Level 2 inputs are inputs other than quoted prices included within Level 1 that are directly or indirectly observable for the asset or liability. Hierarchy Level 3 inputs are inputs that are not observable in the market. In determining fair value, we use observable market data when available, or models that incorporate observable market data. In addition to market information, we incorporate transaction-specific details that, in management's judgment, market participants would take into account in measuring fair value. We maximize the use of observable inputs and minimize our use of unobservable inputs in arriving at fair value estimates. Recurring fair-value measurements are performed for Common Stock Warrant liabilities as disclosed in Note 9 – *Preferred Stock and Common Stock Warrants*. The carrying amount of cash and cash equivalents and accounts payable reported on the Consolidated Balance Sheets approximates fair value due to their short-term maturities.

Treasury Stock

Treasury stock is recorded at cost. Issuance of treasury stock is accounted for on a weighted average cost basis. Differences between the cost of treasury stock and the re-issuance proceeds are charged to additional paid-in capital.

Net Loss Per Share

Net loss per share ("EPS") is computed in accordance with GAAP. Basic EPS excludes dilution and is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted EPS reflects potential dilution and is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period increased by the number of additional common shares that would have been outstanding if the potential common shares had been issued and were dilutive. The dilutive effect of unvested stock and warrants is calculated using the treasury-stock method and the dilutive effect of convertible securities is calculated using the if-converted method. Basic and diluted EPS for all periods presented are the same since the effect of our potentially dilutive securities are anti-dilutive to our net loss per share, as disclosed in Note 11 – *Net Loss Per Share Attributable to Common Stockholders*.

Share-based Compensation

We recognize share-based compensation at fair value on the date of grant. The fair value is recognized as expense (net of any capitalization) over the requisite service period. For equity-classified share-based compensation awards, compensation cost is recognized based on the grant-date fair value using the quoted market price of our common stock and not subsequently remeasured. The fair value is recognized as expense, net of any capitalization, using the straight-line basis for awards that vest based on service conditions and using the graded-vesting attribution method for awards that vest based on performance conditions. We estimate the service periods for performance awards utilizing a probability assessment based on when we expect to achieve the performance conditions. For liability classified share-based compensation awards, compensation cost is initially recognized on the grant date using estimated payout levels. Compensation cost is subsequently adjusted quarterly to reflect the updated estimated payout levels based on the changes in our stock price. We account for forfeitures as they occur.

Income Taxes

Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the tax basis of assets and liabilities and their reported amounts in the Consolidated Financial Statements. Deferred tax assets and liabilities are included in the Consolidated Financial Statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the current period's provision for income taxes. A valuation allowance is recorded to reduce the carrying value of our net deferred tax assets when it is more likely than not that a portion or all of the deferred tax assets will expire before realization of the benefit or future deductibility is not probable. We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the tax position.

Segments

The Company's chief operating decision maker allocates resources and assesses financial performance on a consolidated basis. As such, for purposes of financial reporting under GAAP during the years ended December 31, 2021 and 2020, the Company operated as a single operating segment.

Smaller Reporting Company

Under Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company qualifies as a "smaller reporting company" because the value of its common stock held by non-affiliates as of the end of its most recently completed second fiscal quarter was less than $250 million. For as long as the Company remains a smaller reporting company, it may take advantage of certain exemptions from the SEC's reporting requirements that are otherwise applicable to public companies that are not smaller reporting companies.

Note 3 — Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	December 31, 2021	December 31, 2020
Prepaid subscriptions	$ 85	$ 29
Prepaid insurance	272	314
Prepaid marketing and sponsorships	60	60
Other	418	267
Total prepaid expenses and other current assets	$ 835	$ 670

Note 4 — Sale of Equity Interests in Rio Bravo Pipeline Company, LLC

On March 2, 2020, NextDecade LLC closed the transactions (the "Closing") contemplated by that certain Omnibus Agreement, dated February 13, 2020, with Spectra Energy Transmission II, LLC, a wholly owned subsidiary of Enbridge Inc. ("Buyer"), pursuant to which NextDecade LLC sold one hundred percent of the equity interests (the "Equity Interests") in Rio Bravo Pipeline Company, LLC ("Rio Bravo") to Buyer for consideration of approximately $19.4 million. Buyer paid $15.0 million of the purchase price to NextDecade LLC at the Closing and the remainder will be paid within five business days after the date that Rio Grande has received, after a positive FID, the initial funding of financing for the development, construction and operation of the Terminal. In connection with the Closing, Rio Grande LNG Gas Supply LLC, an indirect wholly-owned subsidiary of the Company ("Rio Grande Gas Supply"), entered into (i) a Precedent Agreement for Firm Natural Gas Transportation Service for the Rio Bravo Pipeline (the "RBPL Precedent Agreement") with Rio Bravo and (ii) a Precedent Agreement for Natural Gas Transportation Service (the "VCP Precedent Agreement") with Valley Crossing Pipeline, LLC ("VCP"). VCP and, as of the Closing, Rio Bravo are wholly owned subsidiaries of Enbridge Inc. The Valley Crossing Pipeline is owned and operated by VCP.

Pursuant to the RBPL Precedent Agreement, Rio Bravo agreed to provide Rio Grande Gas Supply with firm natural gas transportation services on the Pipeline in a quantity sufficient to match the full operational capacity of each proposed liquefaction train of the Terminal. Rio Bravo's obligation to construct, install, own, operate and maintain the Pipeline is conditioned on its receipt, no later than December 31, 2023, of notice that Rio Grande Gas Supply or its affiliate has issued a full notice to proceed to the engineering, procurement and construction contractor (the "EPC Contractor") for the construction of the Terminal. Under the RBPL Precedent Agreement, in consideration for the provision of such firm transportation services, Rio Bravo will be remunerated on a dollar-per-dekatherm, take-or-pay basis, subject to certain adjustments, over a term of at least twenty years, all in compliance with the federal and state authorizations associated with the Pipeline.

Pursuant to the VCP Precedent Agreement, VCP agreed to provide Rio Grande Gas Supply with natural gas transportation services on the Valley Crossing Pipeline in a quantity sufficient to match the commissioning requirements of each proposed liquefaction train of the Terminal. VCP's obligation to construct, install, own, operate and maintain the necessary interconnection to the Terminal and the Pipeline is conditioned on its receipt, no later than December 31, 2023, of notice that Rio Grande Gas Supply or its affiliate has issued a full notice to proceed to the EPC Contractor for the construction of the Terminal. VCP will be responsible, at its sole cost and expense, to construct, install, own, operate and maintain the tap, riser and valve facilities (the "VCP Transporter Facilities"), which shall connect to Rio Grande Gas Supply's custody transfer meter and such other facilities as necessary in order for the Terminal to receive gas from the VCP Transporter Facilities (the "Rio Grande Gas Supply Facilities"). Rio Grande Gas Supply will be responsible, at its sole cost and expense, to construct, install, own, operate and maintain the Rio Grande Gas Supply Facilities. Under the VCP Precedent Agreement, in consideration for the provision of the commissioning transportation services, VCP will be remunerated on the same dollar-per-dekatherm, take-or-pay basis as set forth in the RBPL Precedent Agreement for the duration of such commissioning services, all in compliance with the federal and state authorizations associated with the Valley Crossing Pipeline.

If Rio Grande or its affiliate fail to issue a full notice to proceed to the EPC Contractor on or prior to December 31, 2023, Buyer has the right to sell the Equity Interests back to NextDecade LLC and NextDecade LLC has the right to repurchase the Equity Interests from Buyer, in each case at a price not to exceed $23 million. Accordingly, the proceeds from the sale of the Equity Interests and additional costs incurred by Buyer are presented as a non-current liability and the assets of Rio Bravo have not been de-recognized in the consolidated balance sheet at December 31, 2021.

Note 5 — Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands):

	December 31, 2021	December 31, 2020
Fixed Assets		
Computers	$ 633	$ 487
Furniture, fixtures, and equipment	464	464
Leasehold improvements	101	101
Total fixed assets	1,198	1,052
Less: accumulated depreciation	(844)	(660)
Total fixed assets, net	354	392
Terminal and Pipeline Assets (not placed in service)		
Terminal	152,445	140,253
Pipeline	21,017	21,017
Total Terminal and Pipeline assets	173,462	161,270
Total property, plant and equipment, net	$ 173,816	$ 161,662

Depreciation expense for the years ended December 31, 2021 and 2020 was $184 thousand and $196 thousand, respectively.

Note 6 — Leases

We currently lease approximately 25,600 square feet of office space for general and administrative purposes in Houston, Texas under a lease agreement that expires on December 31, 2022.

On March 6, 2019, Rio Grande entered into a lease agreement (the “Rio Grande Site Lease”) with the Brownsville Navigation District of Cameron County, Texas (“BND”) pursuant to which it has agreed to lease approximately 984 acres of land situated in Brownsville, Cameron County, Texas for the purposes of constructing, operating, and maintaining the Terminal and gas treatment and gas pipeline facilities.

The initial term of the Rio Grande Site Lease is for 30 years (the “Primary Term”), which will commence on the date specified in a written notice by Rio Grande to BND (the “Effective Date Notice”), if given, confirming that Rio Grande or a Rio Grande affiliate has made a positive FID for the first phase of the Terminal. Under the Rio Grande Site Lease, the Effective Date Notice was to be delivered no later than November 6, 2019 (the “Outside Effective Date”) unless Rio Grande was unable to deliver the Effective Date Notice prior to the Outside Effective Date due to reasons unrelated to its own acts or omissions or its inability to secure one or more of the required permits for the Terminal. In such a case, the Outside Effective Date would be automatically extended on a month-to-month basis (the “Effective Date Notice Extension Period”). Rio Grande has the option to renew and extend the term of the Rio Grande Site Lease beyond the Primary Term for up to two consecutive renewal periods of ten years each provided that Rio Grande has not caused an event of default under the Rio Grande Site Lease.

On April 30, 2020, Rio Grande and the BND amended the Rio Grande Site Lease (the “Rio Grande Site Lease Amendment”) to extend the effective date for commencing the Rio Grande Site Lease to May 6, 2021 (the “Effective Date”). The Rio Grande Site Lease Amendment further provides that Rio Grande has the right, exercisable in its sole discretion, to extend the Effective Date to May 6, 2022 by providing the BND with written notice of its election no later than the close of business on the Effective Date. On April 28, 2021, Rio Grande delivered a notice to BND electing to extend the Effective Date of the Rio Grande Site Lease Amendment to May 6, 2022.

Operating lease right-of-use assets are as follows (in thousands):

	December 31, 2021	December 31, 2020
Office leases	$ 590	$ 429
Land leases	—	—
Total operating lease right-of-use assets, net	$ 590	$ 429

Operating lease liabilities are as follows (in thousands):

	December 31, 2021	December 31, 2020
Office leases	$ 596	$ 432
Land leases	—	—
Total current lease liabilities	596	432
Non-current office leases	—	—
Non-current land leases	—	—
Total lease liabilities	$ 596	$ 432

Operating lease expense is as follows (in thousands):

	December 31, 2021	December 31, 2020
Office leases	$ 627	$ 829
Land leases	—	446
Total operating lease expense	627	1,275
Short-term lease expense	278	319
Land option expense	—	9
Total land option and lease expense	$ 905	$ 1,603

Maturity of operating lease liabilities as of December 31, 2021 are as follows (in thousands):

2022	$ 633
2023	—
2024	—
2025	—
2026	—
Thereafter	—
Total undiscounted lease payments	633
Discount to present value	(37)
Present value of lease liabilities	$ 596

Other information related to our operating leases as of December 31, 2021 is as follows (in thousands):

	December 31, 2021	December 31, 2020
Cash paid for amounts included in the measurement of operating lease liabilities:		
Cash flows from operating activities	$ 624	$ 1,004
Noncash right-of-use assets recorded for operating lease liabilities:		
In exchange for new operating lease liabilities during the period	712	605

Note 7 — Other Non-Current Assets

Other non-current assets consisted of the following (in thousands):

	December 31, 2021	December 31, 2020
Permitting costs(1)	$ 7,609	$ 7,385
Enterprise resource planning system, net	389	1,805
Rio Grande Site Lease initial direct costs	13,314	7,109
Total other non-current assets, net	$ 21,312	$ 16,299

(1) Permitting costs primarily represent costs incurred in connection with our permit applications to the United States Army Corps of Engineers and the U.S. Fish and Wildlife Service for wetlands and habitat mitigation measures for potential impacts to wetlands and habitat that may be caused by the construction of the Terminal.

Note 8 — Accrued Liabilities and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	December 31, 2021	December 31, 2020
Employee compensation expense	$ 4,358	$ 14
Terminal asset costs	926	650
Accrued legal services	70	5
Other accrued liabilities	437	363
Total accrued liabilities and other current liabilities	$ 5,791	$ 1,032

Note 9 — Preferred Stock and Common Stock Warrants

Preferred Stock

As of December 31, 2019, the Company had outstanding 58,197 shares of Series A Convertible Preferred Stock, par value $0.0001 per share (the "Series A Preferred Stock") and 55,645 shares of Series B Convertible Preferred Stock, par value $0.0001 per share (the "Series B Preferred Stock").

In March 2021, the Company sold an aggregate of 24,500 shares of Series C Convertible Preferred Stock, par value $0.0001 per share (the "Series C Preferred Stock" and, together with the Series A Preferred Stock and the Series B Preferred Stock, the "Convertible Preferred Stock"), at $1,000 per share for an aggregate purchase price of $24.5 million and issued an additional 490 shares of Series C Preferred Stock in aggregate as origination fees to the purchasers of the Series C Preferred Stock.

In April 2021, the Company sold 10,000 shares of Series C Preferred Stock, at $1,000 per share for a purchase price of $10 million and issued an additional 200 shares of Series C Preferred Stock as an origination fee to the purchaser of the Series C Preferred Stock.

In July 2021, the Company sold 5,000 shares of Series C Preferred Stock, at $1,000 per share for a purchase price of $5 million and issued an additional 100 shares of Series C Preferred Stock as an origination fee to the purchaser of the Series C Preferred Stock.

Warrants, exercisable for Company common stock, were issued together with the shares of Series C Preferred Stock ("Series C Warrants").

Net proceeds from the sales of Series C Preferred Stock during 2021 were allocated on a fair value basis to the Series C Warrants and on a relative fair value basis to the Series C Preferred Stock. The allocation of net cash proceeds from the sales of Series C Preferred Stock during 2021 is as follows (in thousands):

		Year Ended December 31, 2021	
		Series C Warrants	Series C Preferred Stock
Gross proceeds	$ 39,500		
Equity issuance costs	(62)		
Net proceeds - Initial Fair Value Allocation	$ 39,438	$ 1,631	$ 37,807
Per balance sheet upon issuance		$ 1,631	$ 37,807

As of December 31, 2021, shares of Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock were convertible into shares of Company common stock at a weighted average conversion price of $6.53 per share, $6.57 per share and $3.28 per share, respectively (with respect to each series, the "Conversion Price").

The Company has the option to convert all, but not less than all, of the Convertible Preferred Stock into shares of Company common stock at the applicable Conversion Price on any date on which the volume weighted average trading price of shares of Company common stock for each trading day during any 60 of the prior 90 trading days is equal to or greater than 175% of the Series B Conversion Price, in each case subject to certain terms and conditions. Furthermore, the Company must convert all of the Convertible Preferred Stock into shares of Company common stock at the Conversion Price on the earlier of (i) ten (10) business days following a FID Event, as defined in the certificates of designations of the Convertible Preferred Stock, and (ii) the date that is the tenth (10th) anniversary of the closings of the issuances of the Convertible Preferred Stock, as applicable.

The shares of Convertible Preferred Stock bear dividends at a rate of 12% per annum, which are cumulative and accrue daily from the date of issuance on the $1,000 stated value. Such dividends are payable quarterly and may be paid in cash or in-kind. During the years ended December 31, 2021 and 2020 the Company paid-in-kind $18.2 million and $14.3 million of dividends, respectively, to holders of the Convertible Preferred Stock. On January 13, 2022, the Company declared dividends to holders of the Convertible Preferred Stock as of the close of business on December 15, 2021. On January 18, 2022, the Company paid-in-kind $5.7 million of dividends to holders of the Convertible Preferred Stock.

The holders of Convertible Preferred Stock vote on an "as-converted" basis with the holders of the Company common stock on all matters brought before the holders of Company common stock. In addition, the holders of Convertible Preferred Stock have separate class voting rights with respect to certain matters affecting their rights.

Shares of the Convertible Preferred Stock do not qualify as liability instruments under ASC 480 because they are not mandatorily redeemable. However, as SEC Regulation S-X, Rule 5-02-27 does not permit a probability assessment for a change of control provision, the Convertible Preferred Stock must be presented as mezzanine equity between liabilities and stockholders' equity in the Company's Consolidated Balance Sheets because a change of control event could force the Company to redeem the Convertible Preferred Stock for cash or assets of the Company. At each balance sheet date, the Company re-evaluates whether the Convertible Preferred Stock continue to qualify for equity classification.

Common Stock Warrants

Warrants, exercisable for Company common stock, were issued together with the shares of Convertible Preferred Stock (collectively, "Common Stock Warrants"). As of December 31, 2021 and 2020, the outstanding Common Stock Warrants represented the right to acquire in the aggregate a number of shares of Company common stock equal to approximately 86 basis points (0.86%) and 142 basis points (1.42%), respectively, of all outstanding shares of Company common stock, measured on a fully diluted basis, on the applicable exercise date with an exercise price of $0.01 per share.

The Common Stock Warrants have a fixed three-year term that commenced on the closings of the issuances of the associated Convertible Preferred Stock. The Common Stock Warrants may only be exercised by holders of the Common Stock Warrants at the expiration of such three-year term, except that the Company can force the exercise of the Common Stock Warrants prior to expiration of such term if the volume weighted average trading price of shares of Common Stock for each trading day during any 60 of the prior 90 trading days is equal to or greater than 175% of the of the applicable Convertible Preferred Stock conversion price and, with respect to the Series B Warrants, the Company simultaneously elects to force a mandatory exercise of all other warrants then outstanding and un-exercised and held by any holder of parity stock. Pursuant to ASC 815-40, the fair value of the Common Stock Warrants was recorded as a non-current liability on our Consolidated Balance Sheet on the issuance dates. The Company revalues the Common Stock Warrants at each balance sheet date and recognized a loss of $2.5 million and a gain of $7.9 million as of December 31, 2021 and 2020, respectively. The Common Stock Warrant liabilities are included in Level 3 of the fair value hierarchy.

The assumptions used in the Monte Carlo simulation to estimate the fair value of the Common Stock Warrants as of December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
Stock price	$ 2.85	$ 2.09
Exercise price	$ 0.01	$ 0.01
Risk-free rate	0.1%	0.1%
Volatility	62.6%	58.6%
Term (years)	1.6	0.8

Note 10 — Stockholders' Equity

Common Stock Purchase Agreement

On October 24, 2019, the Company entered into a Common Stock Purchase Agreement with Ninteenth Investment Company LLC, an affiliate of Mubadala Investment Company PJSC (the "Purchaser"). During the year ended December 31, 2021, the Company issued an additional 797,450 shares of Company common stock to the Purchaser pursuant to the terms of the Common Stock Purchase Agreement.

At-the-Market Program

In August 2021, the Company entered into an at-the-market sales agreement with Virtu Americas LLC ("Virtu") pursuant to which the Company may sell shares of Company common stock from time to time through Virtu acting as sales agent, for aggregate proceeds of up to $50 million. During the year ended December 31, 2021, the Company sold approximately 0.2 million shares for proceeds, net of placement fees, of approximately $0.6 million.

Common Stock Warrants

During the year ended December 31, 2021, Common Stock Warrants were exercised by certain holders of Series A Preferred Stock and Series B Preferred Stock. In connection with the exercises of Common Stock Warrants, the Company issued an aggregate of approximately 1.5 million shares of Company common stock.

Note 11 — Net Loss Per Share Attributable to Common Stockholders

The following table (in thousands, except for loss per share) reconciles basic and diluted weighted average common shares outstanding for the years ended December 31, 2021 and 2020:

	Year Ended December 31,	
	2021	**2020**
Weighted average common shares outstanding:		
Basic	119,201	117,524
Dilutive unvested stock, convertible preferred stock, Common Stock Warrants and IPO Warrants	—	—
Diluted	119,201	117,524
Basic and diluted net loss per share attributable to common stockholders	$ (0.34)	$ (0.24)

Potentially dilutive securities that were not included in the diluted net loss per share computations because their effect would have been anti-dilutive were as follows (in thousands):

	Year Ended December 31,	
	2021	**2020**
Unvested stock (1)	1,662	916
Convertible preferred stock	30,754	16,635
Common Stock Warrants	2,207	1,976
IPO Warrants(2)	12,082	12,082
Total potentially dilutive common shares	46,705	31,609

(1) Does not include 8.3 million shares and 2.1 million shares of unvested restricted stock and restricted stock units for the years ended December 31, 2021 and 2020 because the performance conditions had not yet been satisfied as of December 31, 2021 and 2020, respectively.

(2) The IPO Warrants were issued in connection with our initial public offering and are exercisable at a price of $11.50 per share and expire July 24, 2022. The Company may redeem the Warrants at a price of $0.01 per IPO Warrant upon 30 days' notice only if the last sale price of our common stock is at least $17.50 per share for any 20 trading days within a 30-trading day period. If the Company redeems the IPO Warrants in this manner, the Company will have the option to do so on a cashless basis with the issuance of an economically equivalent number of shares of Company common stock.

Note 12 — Share-based Compensation

We have granted shares of Company common stock, restricted Company common stock and restricted stock units to employees, consultants and non-employee directors under our 2017 Omnibus Incentive Plan.

Total share-based compensation consisted of the following (in thousands):

	Year Ended December 31, 2021	Year Ended December 31, 2020
Share-based compensation:		
Equity awards	$ (4,541)	$ (155)
Liability awards	—	—
Total share-based compensation	(4,541)	(155)
Capitalized share-based compensation	228	(186)
Total share-based compensation expense	$ (4,313)	$ (341)

Certain employee arrangements provided for cash bonuses upon a positive FID in the Terminal (the "FID Bonus"). In January 2018, the Compensation Committee of the Board of Directors approved, and certain employees party to such arrangements accepted, an amendment to such arrangements whereby the FID Bonuses would be settled in shares of Company common stock equal to 110% of the FID Bonus. The associated liability for FID Bonuses to be settled in shares of Company common stock of $0.2 million is included in share-based compensation liability in our Consolidated Balance Sheets at each of December 31, 2021 and 2020.

The total unrecognized compensation costs at December 31, 2021 relating to equity-classified awards were $25.1 million, which is expected to be recognized over a weighted average period of 3 years.

Restricted stock awards are awards of Company common stock that are subject to restrictions on transfer and to a risk of forfeiture if the recipient's employment with the Company is terminated prior to the lapse of the restrictions. Restricted stock awards vest based on service conditions and/or performance conditions. The amortization of the value of restricted stock grants is accounted for as a charge to compensation expense, or capitalized, depending on the nature of the services provided by the employee, with a corresponding increase to additional-paid-in-capital over the requisite service period.

Grants of restricted stock to employees, non-employees and non-employee directors that vest based on service and/or performance conditions are measured at the closing quoted market price of our common stock on the grant date.

The table below provides a summary of our restricted stock awards outstanding as of December 31, 2021 and changes during the year ended December 31, 2021 (in thousands, except for per share information):

	Shares	Weighted Average Grant Date Fair Value Per Share
Non-vested at January 1, 2021	3,511	$ 8.05
Granted	1,312	2.80
Vested	(660)	5.50
Forfeited	(1,125)	9.21
Non-vested at December 31, 2021	3,038	$ 5.88

The table below provides a summary of our restricted stock units outstanding as of December 31, 2021 and changes during the year ended December 31, 2021 (in thousands, except for per share information):

	Shares	Weighted Average Grant Date Fair Value Per Share
Non-vested at January 1, 2021	—	—
Granted	7,154	3.31
Vested	—	—
Forfeited	(50)	3.31
Non-vested at December 31, 2021	7,104	$ 3.31

Note 13 — Income Taxes

The reconciliation of the federal statutory income tax rate to our effective income tax rate is as follows:

	Year Ended December 31,	
	2021	2020
U.S. federal statutory rate, beginning of year	21%	21%
Officers' compensation	—	2
Other	(4)	(3)
Valuation allowance	(17)	(20)
Effective tax rate as reported	—%	—%

Significant components of our deferred tax assets and liabilities at December 31, 2021 and 2020 are as follows (in thousands):

	Year Ended December 31,	
	2021	2020
Deferred tax assets		
Net operating loss carryforwards and credits	$ 25,742	$ 20,698
Employee compensation	570	—
Share-based compensation expense	2,053	3,813
Property, plant and equipment	753	725
Common stock warrant liabilities	83	—
Operating lease liabilities	125	91
Other	55	54
Less: valuation allowance	(26,461)	(22,669)
Total deferred tax assets	2,920	2,712
Deferred tax liabilities		
Common stock warrant liabilities	—	(1,129)
Operating lease Right-of-use assets	(2,920)	(1,583)
Total deferred tax liabilities	(2,920)	(2,712)
Net deferred tax assets (liabilities)	$ —	$ —

The federal deferred tax assets presented above do not include the state tax benefits as our net deferred state tax assets are offset with a full valuation allowance.

At December 31, 2021, we had federal net operating loss ("NOL") carryforwards of approximately $122.6 million. Approximately $26.1 million of these NOL carryforwards will expire between 2034 and 2038.

Due to our history of NOLs, current year NOLs and significant risk factors related to our ability to generate taxable income, we have established a valuation allowance to offset our deferred tax assets as of December 31, 2021 and 2020. We will continue to evaluate our ability to release the valuation allowance in the future. Due to our full valuation allowance, we have not recorded a provision for federal or state income taxes during the years ended December 31, 2021 or 2020. Deferred tax assets and deferred tax liabilities are classified as non-current in our Consolidated Balance Sheets.

The Tax Reform Act of 1986 (as amended) contains provisions that limit the utilization of NOL and tax credit carryforwards if there has been a change in ownership as described in Section 382 of the Internal Revenue Code ("Section 382"). Substantial changes in the Company's ownership have occurred that may limit or reduce the amount of NOL carryforwards that the Company could utilize in the future to offset taxable income. The Company has not completed a detailed Section 382 study at this time to determine what impact, if any, that ownership changes may have had on its NOL carryforwards. In each period since its inception, the Company has recorded a valuation allowance for the full amount of its deferred tax assets, as the realization of the deferred tax asset is uncertain. As a result, the Company has not recognized any federal or state income tax benefit in its Consolidated Statement of Operations.

We remain subject to periodic audits and reviews by taxing authorities; however, we did not have any open income tax audits as of December 31, 2021. The federal tax returns for the years beginning 2016 remain open for examination.

In response to the global pandemic related to COVID-19, the President signed into law the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") on March 27, 2020 and the Consolidated Appropriations Act, 2021 (the "CAA") on December 27, 2020. The CARES Act and the CAA provide numerous relief provisions for corporate taxpayers, including modification of the utilization limitations on NOLs, favorable expansions of the deduction for business interest expense under Internal Revenue Code Section 163(j), and the ability to accelerate timing of refundable alternative minimum tax credits. For the year ended December 31, 2021, there were no material tax impacts to our consolidated financial statements from the CARES Act, the CAA or other COVID-19 measures. The Company continues to monitor additional guidance issued by the U.S. Treasury Department, the Internal Revenue Service and others.

Note 14 — Commitments and Contingencies

Obligation under LNG Sale and Purchase Agreement

In March 2019, we entered into a 20-year sale and purchase agreement (the "SPA") with Shell NA LNG LLC ("Shell") for the supply of approximately two million tonnes per annum of liquefied natural gas from the Terminal. Pursuant to the SPA, Shell will purchase LNG on a free-on-board ("FOB") basis starting from the date the first liquefaction train of the Terminal that is commercially operable, with approximately three-quarters of the purchased LNG volume indexed to Brent and the remaining volume indexed to domestic United States gas indices, including Henry Hub.

In the first quarter of 2020, pursuant to the terms of the SPA, the SPA became effective upon the conditions precedent in the SPA being satisfied or waived. The SPA obligates Rio Grande to deliver the contracted volumes of LNG to Shell at the FOB delivery point, subject to the first liquefaction train at the Terminal being commercially operable.

Other Commitments

On March 6, 2019, Rio Grande entered into a lease agreement (the "Rio Grande Site Lease") with the Brownsville Navigation District of Cameron County, Texas ("BND") for the lease by Rio Grande of approximately 984 acres of land situated in Brownsville, Cameron County, Texas for the purposes of constructing, operating, and maintaining (i) a liquefied natural gas facility and export terminal and (ii) gas treatment and gas pipeline facilities. On April 30, 2020, Rio Grande and the BND amended the Rio Grande Site Lease (the "Rio Grande Site Lease Amendment") to extend the effective date for commencing the Rio Grande Site Lease to May 6, 2021 (the "Effective Date"). The Rio Grande Site Lease Amendment further provides that Rio Grande has the right, exercisable in its sole discretion, to extend the Effective Date to May 6, 2022 by providing the BND with written notice of its election no later than the close of business on the Effective Date. On April 28, 2021, Rio Grande delivered a notice to BND electing to extend the Effective Date of the Rio Grande Site Lease Amendment to May 6, 2022.

In connection with the Rio Grande Site Lease Amendment, Rio Grande is committed to pay approximately $1.5 million per quarter to the BND through the earlier of the Effective Date and lease commencement.

In the fourth quarter of 2021, Rio Grande entered into an amended agreement for wetland mitigation measures. In connection with the amended agreement, Rio Grande is committed to spend approximately $0.5 million in 2022.

Legal Proceedings

From time to time the Company may be subject to various claims and legal actions that arise in the ordinary course of business. We regularly analyze current information and, as necessary, provide accruals for liabilities we deem probable and estimable.

As of December 31, 2021, management was not aware of any claims or legal actions that, separately or in the aggregate, are likely to have a material adverse effect on the Company's financial position, results of operations or cash flows, although the Company cannot guarantee that a material adverse event will not occur.

Note 15 — Recent Accounting Pronouncements

The following table provides a brief description of recent accounting standards that have not been adopted by the Company during the reporting period:

Standard	Description	Date of Adoption	Effect on our Consolidated Financial Statements or Other Significant Matters
ASU 2020-06, *Accounting for Convertible Instruments and Contracts in Entity's Own Equity (Subtopic 815-40)*	This standard requires entities to provide expanded disclosures about the terms and features of convertible instruments. For convertible instruments, the instruments primarily affected are those issued with beneficial conversion features or cash conversion features because the accounting models for those specific features are removed.	January 1, 2022	We adopted this standard using the modified retrospective approach, which did not have an effect on our Consolidated Financial Statements.

Note 16 — Subsequent Events

Series C Preferred Stock

On March 3, 2022, pursuant to the Series C Convertible Preferred Stock Agreement, dated as of February 28, 2022, by and between the Company and TEP Next Decade, LLC ("TEP Next Decade"), the Company issued to TEP Next Decade (i) 5,000 shares of Series C Preferred Stock at $1,000 per share for a purchase price of $5.0 million, (ii) an additional 100 shares of Series C Preferred Stock as an origination fee and (iii) warrants representing the right to acquire in the aggregate a number of shares of the Company's common stock equal to approximately 7.1 basis points (0.071%) of all outstanding shares of common stock, measured on a fully diluted basis, on the exercise date for an exercise price of $0.01 per share.

On March 14, 2022, pursuant to the Series C Convertible Preferred Stock Agreement, dated as of March 10, 2022, by and between the Company and Avenue Energy Opportunities Fund II, L.P. ("Avenue"), the Company issued to Avenue (i) 5,500 shares of Series C Preferred Stock at $1,000 per share for a purchase price of $5.5 million, (ii) an additional 110 shares of Series C Preferred Stock as an origination fee and (iii) warrants representing the right to acquire in the aggregate a number of shares of the Company's common stock equal to approximately 7.81 basis points (0.0781%) of all outstanding shares of common stock, measured on a fully diluted basis, on the exercise date for an exercise price of $0.01 per share.

We have evaluated subsequent events through March 28, 2022, the date the financial statements were issued. Any material subsequent events that occurred during this time have been properly recognized and/or disclosed in these consolidated financial statements.

Item 9. Changes in and Disagreements with Accountants

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of "our disclosure controls and procedures," as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the fiscal year ended December 31, 2021. Based on this evaluation, our principal executive officer and principal financial officer have concluded that, as of December 31, 2021, our disclosure controls and procedures were effective.

Management's Report on Internal Controls Over Financial Reporting

As management, we are responsible for establishing and maintaining adequate internal control over financial reporting for the Company. In order to evaluate the effectiveness of internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002, we have conducted an assessment, including testing using the criteria in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). The Company's system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements and, even when determined to be effective, can only provide reasonable assurance with respect to financial statement preparation and presentation.

Based on our assessment, we have concluded that the Company maintained effective internal control over financial reporting as of December 31, 2021, based on criteria in *Internal Control—Integrated Framework (2013)* issued by the COSO.

The Company is neither an accelerated filer nor a large accelerated filer, as defined in Rule 12b-2 under the Exchange Act and, therefore, this Annual Report on Form 10-K does not include an audit report on internal control over financial reporting by the Company's registered public accounting firm. Management's report on internal control over financial reporting for the year ended December 31, 2021 was not required to be attested by the Company's registered public accounting firm pursuant to Item 308(b) of Regulation S-K.

Changes in Internal Control over Financial Reporting

During the most recent fiscal quarter, there were no changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

At the Company's 2021 Annual Meeting of Stockholders, the Company's stockholders voted on, among other matters, a proposal regarding the frequency of holding advisory votes on executive compensation. As previously reported in the Company's Form 8-K filed on June 16, 2021, and consistent with the recommendation of the Company's Board of Directors, the stockholders approved, on an advisory basis, an annual advisory vote on compensation for the Company's named executive officers. In connection with the board recommendation and the stockholder vote results, the Company will hold an advisory vote on executive compensation on an annual basis until the next stockholder advisory vote on this matter.

Part III

ITEM 10. Directors, Executive Officers and Corporate Governance

Corporate Governance

Role of the Board

The Board oversees the Chief Executive Officer and other senior management in the management of the Company's business and affairs. The Company's key governance documents, including the Company's Second Amended and Restated Corporate Governance Guidelines (the "Corporate Governance Guidelines"), may be found on the "Corporate Governance" page under the "Investors" section of our corporate website. Our governance structure is designed to foster principled actions, effective decision-making, and appropriate monitoring of compliance and performance.

Board Leadership Structure

The Board does not have a policy requiring the combination or separation of leadership positions and the Company's governing documents do not mandate a particular structure. This provides the Board with the flexibility to select its leadership structure, from time to time, based on the criteria that it deems in the best interests of the Company and its stockholders. The Board recognizes that the leadership structure and the combination or separation of the Chief Executive Officer and the Chairman positions are driven by the Company's needs at any point in time.

Currently, the Chief Executive Officer and Chairman positions are held by Matthew Schatzman. The Company also has a Lead Independent Director, William Vrattos, who was appointed by the Board as Lead Independent Director in April 2020. The Lead Independent Director has broad responsibility and authority, including to:

- preside at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
- call meetings of independent directors;
- serve as the principal liaison between the Chairman and the independent directors;
- approve all information sent to the Board, including the quality, quantity, appropriateness and timeliness of such information;
- retain outside advisors and consultants who report directly to the Board on Board-wide issues;
- on an annual basis, review his responsibility and authority and recommend to the Board for approval any modifications or changes; and
- perform such other duties as the Board may delegate from time to time.

The Board has determined that its current structure, with combined Chief Executive Officer and Chairman roles and a Lead Independent Director, is in the best interests of the Company and its stockholders at this time. A number of factors support a combined Chief Executive Officer and Chairman role, counterbalanced by a Lead Independent Director, including, among others:

- the Chief Executive Officer has extensive knowledge of all aspects of the Company and its business and risks, its industry and its customers;
- the Chief Executive Officer is intimately involved in the day-to-day operations of the Company and is best positioned to elevate the most critical business issues for consideration by the Board;
- the Board believes the Chief Executive Officer serving in both capacities allows him to more effectively execute the Company's strategic initiatives and business plans and confront its challenges;
- a combined Chief Executive Officer and Chairman role provides the Company with decisive and effective leadership with clearer accountability to the Company's stockholders;
- the combined role is both counterbalanced and enhanced by the effective oversight and independence of the Board and the leadership provided by the Lead Independent Director and committee chairs;
- the Board believes that the appointment of a strong Lead Independent Director and the use of regular executive sessions of the non-management directors, along with all directors being independent except for the Chief Executive Officer, allow it to maintain effective oversight of management; and
- in the Board's view, splitting the Chief Executive Officer and Chairman roles could potentially make our management and governance processes less effective through undesirable duplication of work and possibly lead to a blurring of clear lines of accountability and responsibility.

The Board periodically reviews the leadership structure to determine whether it continues to best serve the Company and its stockholders.

Board Role in Risk Oversight

Risk is inherent in any business, and the Company's management is responsible for the day-to-day management of risks that the Company faces. The Board, on the other hand, has responsibility for the oversight of risk management. In its risk oversight role, the Board has the responsibility to evaluate the risk management process to ensure its adequacy and that it is implemented properly by management.

The Board believes that full and open communication between management and the Board is essential for effective risk management and oversight. The Board meets regularly with senior management, including the executive officers, to discuss strategy and risks facing the Company. Senior management attends the quarterly meetings of the Board, as well as certain committee meetings, in order to address any questions or concerns raised by directors on risk management and any other matters. Each quarter, or more frequently if the business requires, the Board receives presentations from senior management on business operations, financial results and strategic issues.

The Board is also assisted by committees in fulfilling its oversight responsibilities in certain areas of risk, as described further under the section below titled "Committees of the Board." All of the committees report back to the full Board as to the committees' activities and matters discussed and reviewed at the committees' meetings.

Identification of Directors

Currently, the board of directors (the "Board") of the Company consists of nine members. The Certificate of Incorporation and the Bylaws provide that the Board be classified into three classes. These classes are designated as Class A directors, Class B directors and Class C directors, with members of each class holding office for staggered three-year terms. Newly created directorships or vacancies on the Board resulting from death, resignation, disqualification, removal or other causes may be filled by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum of the Board is present, or by a sole remaining director. Each such director so chosen shall hold office until the Company's next annual meeting of stockholders or until such director's successor is duly elected and qualified or until such director's earlier death, resignation or removal in accordance with the Bylaws.

There are currently three Class A directors, three Class B directors and three Class C directors. Each of the Class A directors has a term that expires at the 2024 Annual Meeting of Stockholders or until such date that his successor is duly elected and qualified or until his earlier death, resignation or removal in accordance with the Bylaws. Each of the Class B directors has a term that expires at the 2022 Annual Meeting of Stockholders or until such date that his successor is duly elected and qualified or until his earlier death, resignation or removal in accordance with the Bylaws. Each of the Class C directors, has a term that expires at the 2023 Annual Meeting of Stockholders or until such date that his successor is duly elected and qualified or until his earlier death, resignation or removal in accordance with the Bylaws.

The name, age as of March 22, 2022, principal occupation, and other information highlighting the particular experience, qualifications, attributes and skills concerning of each director are set forth below.

Class A Directors

Matthew K. Schatzman, 56, is the Company's Chief Executive Officer and has served in such position since February 2018. Mr. Schatzman has served as a member of the Board since September 2017 and, in June 2019, Mr. Schatzman was appointed Chairman of the Board. From September 2017 until his appointment as Chairman of the Board, Mr. Schatzman served as the Company's President. Prior to joining the Company, Mr. Schatzman served as President at MKS Energy, LLC, an advisory and consulting firm focused on LNG, natural gas and crude oil markets, logistics and risk management from March 2017 until September 2017. He was previously Executive Vice President, Global Energy Marketing and Shipping at BG Group, plc ("BG Group"), a British multinational oil and gas company, from January 2012 until May 2014 and served as Senior Vice President, Energy Marketing from March 2007 until December 2011. Prior to that, he served in various roles at Dynegy Inc. ("Dynegy"), including President and Chief Executive Officer of Dynegy's wholesale business. Mr. Schatzman is a member of the National Petroleum Council. Mr. Schatzman holds a Bachelor of Arts in Political Science from Yale University.

The Board believes Mr. Schatzman's marketing, logistics, risk management and operational leadership experience of over 32 years with companies in the LNG, natural gas, oil and power generation industries, including BG Group and Dynegy, make him well-qualified to serve as the Company's Chairman and Chief Executive Officer.

Avinash Kripalani, 38, has served as a Company director since July 2017 and was originally appointed to the Board pursuant to the terms of the Harmony Merger Agreement. Mr. Kripalani served as a member of the board of managers of NextDecade LLC from April 2016 until July 2017. Mr. Kripalani is a Partner at Bardin Hill Investment Partners LP ("Bardin Hill"), where he has worked since April 2008. Prior to Bardin Hill, he was a Consultant at IBM. Mr. Kripalani earned a Bachelor of Science in Economics and a Bachelor of Science and a Master of Science in Systems and Information Engineering from the University of Virginia.

The Board believes Mr. Kripalani's experience as a private equity principal and in other senior executive leadership roles and relevant experience in private financing and strategic planning, as well as extensive industry knowledge, provides him with the qualifications and skills necessary to serve as a Company director.

William Vrattos, 52, has served as a Company director since July 2017, as Lead Independent Director since April 2020, and was originally appointed to the Board pursuant to the terms of the Harmony Merger Agreement. Mr. Vrattos served as a member of the board of managers of NextDecade from June 2015 until July 2017. Mr. Vrattos joined York Capital Management, L.P. ("York") in January 2002 and is the Co-Chief Investment Officer and a Managing Partner of York. Mr. Vrattos is a Co-Portfolio Manager of the York Credit Opportunities, York Distressed Asset, York Global Credit Income, York Insurance Dedicated, and York Tactical Energy funds and a member of York's executive committee. Prior to joining York, he worked at Georgica Advisors LLC as a Portfolio Manager specializing in media and communications equities and distressed securities and at Morgan Stanley & Co., Inc. as an investment banker. Mr. Vrattos is currently a member of the board of directors or advisory board, as applicable and in his capacity as a York employee, of (i) all entities related to Entropy Investments, (ii) all entities incorporated pursuant to York's partnerships with Costamare, Inc., and (iii) India 2021. In addition, Mr. Vrattos is the Chairman of the Board of Trustees of the Museum of the City of New York and a member of the Board of Trustees of Groton School, and the Investment Committee of the Dartmouth College Endowment. Mr. Vrattos received a Bachelor of Arts in English from Dartmouth College and a Master of Business Administration from Harvard Business School.

Class B Directors

Khalifa Abdulla Al Romaithi, 43, has served as a Company director since December 2019 and was originally appointed to the Board pursuant to the terms of that certain Purchaser Rights Agreement, dated as of October 28, 2019 (the "NIC Purchaser Rights Agreement"), by and between the Company and Ninteenth Investment Company LLC ("Ninteenth"). Since May 2017, Mr. Al Romaithi has served as the Executive Director, Midstream, in the Petroleum and Petrochemicals business at Mubadala Investment Company ("Mubadala") where he is responsible for pursuing attractive investment opportunities across the entire oil and gas infrastructure value chain with a primary focus on natural gas and crude gathering, treating, compression, processing and storage, pipeline, natural gas liquefaction and regasification. Prior to Mubadala, from June 2003 until August 2015, Mr. Al Romaithi held various senior managerial positions, including Director of Downstream Investments and Head of Portfolio Management, at the International Petroleum Investment Company. Mr. Al Romaithi serves on the board of directors of several companies including Borealis AG, Sumed, Gulf Energy Maritime PJSC, Arabtec Holding Co. PJSC, Depa United Group, and Abu Dhabi National Takaful Co. Mr. Al Romaithi received a Bachelor of Business Administration with a major in Finance from the University of Portland.

The Board believes Mr. Al Romaithi's extensive energy industry experience and experience overseeing investments in such industry provide him with the qualifications and skills to serve as a Company director.

Sir Frank Chapman, 68, has served as a Company director since November 2019. Since November 2011, Sir Frank has served on the board of directors of Rolls-Royce Holdings, plc. Sir Frank served as the Chairman of Golar LNG Ltd from September 2014 to September 2015. Sir Frank has spent over 40 years in the oil and gas industry, beginning his career with BP plc in 1974 before moving to Royal Dutch Shell plc in 1978 where he worked for 18 years. Sir Frank then moved to British Gas as Managing Director Exploration and Production in 1996. Sir Frank was appointed Chief Executive of BG Group in 2000 and was a member of its board of directors for over 16 years. Sir Frank retired from BG Group in June 2013. He was named in the 2011 Queen's Birthday Honours List and knighted for services to the oil and gas industry. Sir Frank graduated with first class honors in Mechanical Engineering from Queen Mary College, London University.

The Board believes Sir Frank's extensive leadership experience of over 40 years in the oil and gas industry make him well-qualified to serve as a Company director.

Seokwon Ha, 45, has served as a Company director since February 2022 and and was appointed to the Board pursuant to the terms of that certain Purchaser Rights Agreement, dated as of August 3, 2018 (the "2018 HGC Series A Purchaser Rights Agreement"), by and between the Company and HGC NEXT INV LLC ("HGC"). Mr. Ha is the President of Hanwha Impact Partners, a holding company managing investment portfolio in U.S. covering a wide range of sectors such as clean energy, data science, and life science and developing new business for sustainable growth. From April 2017 until December 2021, Mr. Ha served as a Senior Vice President leading New Business Development Team of Hanwha Impact in Seoul, Republic of Korea with an expertise related to cross border M&A. Hanwha Group is a business conglomerate with affiliates operating in various industries including chemicals, energy, petrochemicals, solar, aerospace, and defense as well as finance, asset management, and hotel and resorts. Prior to joining Hanwha, Mr. Ha held roles in several investment banks and financial advisory firms, including NH Investment & Securities and Ernst & Young. Mr. Ha received a Bachelor of Business Administration from Seoul National University and a Master of Business Administration from the Carnegie Mellon University Tepper School of Business.

The Board believes Mr. Ha's leadership capabilities, banking and financial advisory experience and general business acumen as well as his broad understanding of business globally provide Mr. Ha with the qualifications and skills to serve as a Company director.

Class C Directors

Brian Belke, 38, has served as a Company director since July 2017 and was originally appointed to the Board pursuant to the terms of that certain Agreement and Plan of Merger, dated as of April 17, 2017 (the "Harmony Merger Agreement"), by and among Harmony Merger Corp., Harmony Merger Sub, LLC, York Credit Opportunities Investments Master Fund, L.P., York Multi-Strategy Master Fund, L.P., York Select Master Fund, L.P., York Global Finance 43, LLC, Valinor Management, L.P., Valinor Capital Partners SPV XXI, LLC, Halcyon Capital Management LP, Halcyon Energy, Power, and Infrastructure Capital Fund Offshore LLC, Halcyon Energy, Power, and Infrastructure Capital Holdings Offshore LLC, Halcyon Energy, Power, and Infrastructure Capital Fund LP, and NextDecade LNG, LLC (formerly NextDecade, LLC ("NextDecade"). Mr. Belke served as member of the board of managers of NextDecade from June 2015 until July 2017. Since September 2020, Mr. Belke has served as a Managing Partner of Heights Point Management, LP. From June 2010 until June 2020, Mr. Belke was a Partner at Valinor Management L.P. ("Valinor"). Prior to Valinor, Mr. Belke was an Equity Research Associate at Fidelity Investments. He is a Chartered Financial Analyst and is a member of the CFA Institute and the New York Society of Securities Analysts. Mr. Belke earned a Bachelor of Science in Management with concentrations in Finance and Accounting, summa cum laude, from Boston College, and a Master of Business Administration from Harvard Business School, where he graduated with High Distinction as a Baker Scholar.

The Board believes Mr. Belke's experience as a partner of an investment firm and in other senior executive leadership roles as well as his extensive industry experience and experience overseeing investments in the LNG sector provide him with the qualifications and skills to serve as a Company director.

L. Spencer Wells, 51, has served as a Company director since July 2017 and was originally appointed to the Board pursuant to the terms of the Harmony Merger Agreement. Mr. Wells has over 20 years of experience as a portfolio manager and financial analyst. Mr. Wells co-founded Drivetrain Advisors, LLC, a firm providing fiduciary services to the alternate investment community ("Drivetrain"), in December 2013, where he currently serves as a Partner. Prior to co-founding Drivetrain, Mr. Wells was employed by TPG Special Situations Partners ("TPG") from 2010 to 2013, where he first served as Partner from September 2010 to January 2012, and then as a Senior Advisor from January 2012 to July 2013. Prior to TPG, Mr. Wells served as a Partner/Portfolio Manager for Silverpoint Capital, as a Director at the Union Bank of Switzerland and as a Vice President of Deutsche Bank AG.

Mr. Wells has served as a member of the boards of directors of (i) Advanced Emissions Solutions, Inc. since July 2014, (ii) Town Sports International Holdings, Inc. since March 2015, (iii) Vantage Drilling International since February 2016, (iv) Samson Resources II, LLC since February 2018, (v) Treehouse Real Estate Investment Trust, Inc. since January 2019, and (vi) Parker Drilling Company, Inc. since March 2019.

Mr. Wells served as a member of the boards of directors of (i) each of CertusHoldings, Inc. and CertusBank, N.A. from August 2014 to April 2016, (ii) Global Geophysical Services, LLC from February 2015 to October 2016, (iii) Syncora Holdings Ltd. from August 2015 to December 2016, (iv) Affinion Group, Inc. from November 2015 to July 2017, (v) Lily Robotics. Inc. from January 2017 to September 2017, (vi) Roust Corporation from February 2017 to December 2017, (vii) Jones Energy, Inc. from November 2018 until May 2019, and (viii) Vanguard Natural Resources from February 2019 to July 2019.

Mr. Wells received a Bachelor of Arts in Psychology from Wesleyan University and a Master of Business Administration, with honors, from Columbia Business School.

Edward Andrew Scoggins, *Jr.*, 42, has served as a Company director since April 2021. Mr. Scoggins is Founder and Managing Partner of Millennial Energy Partners ("Millennial"), an energy asset management firm, where he has worked since July 2012. Prior to founding Millennial, Mr. Scoggins led BG Group's commercial and operations teams on upstream, midstream and liquefied natural gas ("LNG") investments in the United States, Canada, Chile, Equatorial Guinea and Trinidad and Tobago from July 2008 to July 2012. Prior to joining BG Group, Mr. Scoggins was Strategic Planning Manager and Community and Public Relations Manager with Marathon Oil from August 2005 until July 2008. Mr. Scoggins began his oil and gas career in 2004 with Bechtel Corporation as Project Controls Engineer residing in Equatorial Guinea, West Africa.

Mr. Scoggins served as a member of the board of directors of Ultra Petroleum Corp. from October 2018 until August 2020. Mr. Scoggins also served as a member of the board of directors of Amplify Energy Corp., where he was Chairman of the Audit Committee, from April 2017 until its merger with Midstates Petroleum Company, Inc. in August 2019. Mr. Scoggins is a member of Vanderbilt University's College of Arts & Sciences Campaign Cabinet and an Advisory Board member of Georgetown University's Master of Science in Foreign Service program.

Mr. Scoggins received his Bachelor of Science in Economics and History from Vanderbilt University, where he graduated Phi Beta Kappa and magna cum laude. He earned his Master of Science in Foreign Service with a focus on international business and development from Georgetown University.

The Board believes Mr. Scoggins's significant financial and investment expertise as well as his operation and managerial experience in the upstream oil and gas exploration and production business provide him with the qualifications and skills to serve as a Company director.

The Board believes Mr. Wells's public company experience, financial expertise, extensive industry experience and experience overseeing investments in the LNG sector provides him with the qualifications and skills to serve as a Company director.

Identification of Executive Officers

The names, ages as of March 22, 2022, position and other information concerning our executive officers are set forth below.

Name	Age	Position
Matthew K. Schatzman	56	Chairman and Chief Executive Officer
Brent E. Wahl (1)	52	Chief Financial Officer
Ivan Van der Walt (2)	47	Chief Operating Officer
Vera de Gyarfas (3)	55	General Counsel and Corporate Secretary

(1) On January 18, 2021, the Board appointed Brent Wahl as the Chief Financial Officer of the Company, effective February 1, 2021. Benjamin Atkins served as the Chief Financial Officer of the Company until such date.

(2) On June 17, 2021, the Board appointed Ivan Van der Walt as Chief Operating Officer of the Company, effective July 1, 2021.

(3) On June 17, 2021, the Board appointed Vera de Gyarfas as General Counsel and Corporate Secretary of the Company, effective July 12, 2021. Krysta De Lima served as General Counsel and Corporate Secretary until such date.

Matthew K. Schatzman is the Company's Chief Executive Officer. Mr. Schatzman previously served as the Company's President from September 2017 until June 2019. Please refer to the section titled "Identification of Directors" for additional information with respect to Mr. Schatzman's background and experience.

Brent E. Wahl is the Company's Chief Financial Officer and was appointed to such office in February 2021. Mr. Wahl served as the Senior Vice President, Finance, of the Company from June 2019 until his appointment as Chief Financial Officer in February 2021. Prior to joining the Company, Mr. Wahl was a Senior Managing Director and Head of Midstream Investment Banking for North America at Macquarie Capital. Mr. Wahl has more than 20 years of experience in the banking and energy industries, having also worked at JPMorgan Chase & Co. and Bank of America. Mr. Wahl holds a Bachelor's Degree in Economics from the University of Western Ontario and a Master's Degree in Business Administration from the Richard Ivey School of Business at the University of Western Ontario.

Ivan Van der Walt is the Company's Chief Operating Officer and was appointed to such office in July 2021. Mr. Van der Walt served as the Senior Vice President, Engineering and Construction, of the Company from July 2018 until his appointment as Chief Operating Officer in July 2021. Prior to joining the Company, Mr. Van der Walt was a Deputy Project Director at Chicago Bridge & Iron Company (now McDermott International ("McDermott")) from May 2016 until May 2018. Mr. Van der Walt has nearly 30 years of experience in the oil and gas industry, including senior roles with McDermott and Chevron. He also previously served as chief executive of the Australasian division of the KNM Group. Mr. Van der Walt has management experience on multiple LNG projects including Darwin LNG, Woodside LNG Train 5, Pluto LNG, Gorgon LNG, and Cameron LNG. Mr. Van der Walt has provided dynamic and motivational leadership with a demonstrated ability to deliver results in diverse and challenging business environments and has successfully managed cross-country pipelines and compressor station projects in support of the LNG and power industries. Mr. Van der Walt holds a Bachelor of Science in Engineering Technology.

Vera de Gyarfas is the Company's General Counsel and Corporate Secretary and was appointed to such office in July 2021. Ms. de Gyarfas has nearly 30 years of legal experience in the global energy industry having responsibility for oversight of all legal, corporate governance, compliance, litigation, regulatory, and outside counsel management. Prior to joining NextDecade, she was previously a partner in Mayer Brown LLP's Houston office and a member of the firm's Oil & Gas industry group from December 2019 to July 2021 and a partner in the Global Transactions practice group at King & Spalding LLP from January 2011 to December 2019. Ms. de Gyarfas has extensive LNG industry experience, including having represented Anadarko Petroleum Corporation as operator of the Area 1 Block and developer of an LNG project in Mozambique, structuring, and negotiating investments agreements, commercial contracts, LNG Sale and Purchase Agreements, and other activities in support of LNG project developers, buyers, and investors. Ms. de Gyarfas is U.S. Regional Director for the Association of International Petroleum Negotiators and Vice Chair of the International Committee of the Institute for Energy Law.

Delinquent Section 16(a) Reports

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires Company directors, officers and persons owning more than ten percent (10%) of a registered class of Company equity securities to file reports of ownership and changes of ownership with the SEC. To our knowledge and based solely on the Company's review of the Forms 3 and 4 and any amendments thereto and certain written representations from certain reporting persons that no other reports were required, the Company believes that directors, officers and stockholders owning more than ten percent (10%) of a registered class of Company equity securities complied with their Section 16(a) filing requirements applicable to them on a timely basis during the fiscal year ended December 31, 2021, except for Brent Wahl, who filed a late Form 4 with respect to the payment of withholding tax obligations associated with the vesting of a time-based restricted stock award on June 17, 2021.

Stockholder Nominees for Director

There have been no material changes to the procedures by which stockholders may recommend nominees to the Board.

Committees of the Board

The Board has an Audit Committee, a Nominating and Corporate Governance Committee, a Compensation Committee, a Finance and Risk Committee (the "F&R Committee"), and an Operations Committee.

Audit Committee

The Board has established the Audit Committee to assist in fulfilling the oversight responsibilities with respect to the Company's accounting and financial reporting processes and its compliance with legal and financial regulatory requirements. The Audit Committee is currently comprised of Messrs. Kripalani, Scoggins, and Wells, with Mr. Wells serving as Chairman. The Audit Committee operates under a written charter adopted by the Board. The Board has determined that each director currently serving on the Audit Committee qualifies as an independent director under the rules and regulations of the SEC and Nasdaq with respect to audit committee membership. The Board has also determined that Mr. Wells qualifies as an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K of the Exchange Act and possesses the requisite accounting or related financial management expertise as required under the Nasdaq listing standards. The Audit Committee met four times in 2021.

Nominating and Corporate Governance Committee

The Board has established the NCG Committee to assist in fulfilling oversight responsibilities with respect to the management of the Board's organization, membership and structure, and corporate governance. The NCG Committee is currently comprised of Sir Frank and Messrs. Al Romaithi, Vrattos, and Wells. The NCG Committee operates under a written charter adopted by the Board.

The Board has determined each director currently serving on the NCG Committee qualifies as an independent director under the Nasdaq listing rules. The NCG Committee met twice in 2021.

Compensation Committee

The Board has established the Compensation Committee to assist in fulfilling the oversight responsibilities with respect to the Company's employee compensation policies and practices and reviewing and approving incentive compensation and equity compensation policies and programs. The Compensation Committee is currently comprised of Messrs. Belke, Al Romaithi, and Kripalani, with Mr. Belke serving as Chairman. The Compensation Committee operates under a written charter adopted by the Board.

The Board has determined each director currently serving on the Compensation Committee qualifies as an independent director under the Nasdaq listing rules. The Compensation Committee met ten times in 2021.

F&R Committee

The Board has established the F&R Committee to assist in fulfilling the oversight responsibilities with respect to the Company's financial planning, capital structure, liquidity, financings and other capital markets transactions, and risk management strategy, policies, procedures, measurement, and mitigation efforts, including insurance programs. The F&R Committee is currently comprised of Messrs. Belke, Al Romaithi, Kripalani, and Schatzman. The F&R Committee is charged, under its written charter, to assist the Board in fulfilling its responsibilities to oversee the Company's capital plan, capital structure and management, risks and insurance programs.

Operations Committee

The Board has established the Operations Committee to assist in fulfilling oversight responsibilities with respect to the strategy and execution of the Company's business plans. The Operations Committee is currently comprised of Sir Frank and Messrs. Belke, Kripalani, Schatzman, and Vrattos. Other Board members have standing invitations to attend all meetings of the Operations Committee. The Operations Committee is charged, under its written charter, to assist the Board and executive management in fulfilling its responsibilities to oversee the strategy and execution of the Company's business plans.

Availability of Certain Committee Charters and Other Information

The charters for the Audit Committee, the NCG Committee, Compensation Committee, the Operations Committee, and the F&R Committee, as well as the Corporate Governance Guidelines, Code of Conduct and Ethics (the "Code of Conduct"), and Whistleblower Policy can be found, free of charge, on the Corporate Governance page under the "Investors" section of the Company's website, *www.next-decade.com*. The Code of Conduct is applicable to all directors, officers and employees. The Company intends to disclose any changes to, or waivers from, the provisions of the Code of Conduct that would otherwise be required to be disclosed under Item 5.05 of a Form 8-K on the Company's website. The Company will also provide printed copies of these materials to any stockholder or other interested person upon request to NextDecade Corporation, Attention: Vera de Gyarfas, General Counsel and Corporate Secretary, 1000 Louisiana Street, Suite 3900, Houston, Texas 77002. The information on the Company's website is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into this Annual Report on Form 10-K.

Item 11. Executive Compensation

As a “smaller reporting company”, we have opted to comply with the executive compensation disclosure rules applicable to “smaller reporting companies.”

2021 Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiaries, in U.S. dollars, to the Company’s named executive officers.

Name	Year	Salary ($)	Bonus ($) (1)	Stock Awards ($)	Total ($)
Matthew K. Schatzman	2021	636,458	715,000	7,851,228(2)	9,202,686
Chairman and Chief Executive Officer	2020	581,479(3)	—	—	581,479
Brent E. Wahl	2021	375,000	360,000	2,386,442(4)	3,121,442
Chief Financial Officer					
Ivan Van der Walt	2021	396,667	387,000	2,697,578(5)	3,481,245
Chief Operating Officer					

(1) Annual bonuses are paid in the first quarter following the applicable year of service.

(2) The amount noted reflects the grant date fair value, based on the closing price of Company common stock on the date of grant, of (i) 123,500 shares that vest on the first anniversary of January 25, 2021, (ii) 225,800 RSUs (defined below) and (iii) 2,032,000 PSUs (defined below).

(3) The amount noted reflects a voluntary ten percent reduction in base salary effective June 1, 2020 through the end of 2020 in connection with the 2019 novel coronavirus pandemic and its impact on the Company’s business and operating results.

(4) The amount noted reflects the grant date fair value, based on the closing price of Company common stock on the date of grant, of (i) 32,000 shares that vest on the first anniversary of January 25, 2021, (ii) 50,000 shares that vest upon the FID Milestone, (iii) 65,600 RSUs (defined below) and (iv) 590,600 PSUs (defined below).

(5) The amount noted reflects the grant date fair value, based on the closing price of Company common stock on the date of grant, of (i) 45,000 shares that vest in equal installments on the first, second and third anniversaries of January 4, 2021, (ii) 45,000 shares that vest upon the FID Milestone, (iii) 52,500 shares that vest on the first anniversary of January 25, 2021, (iv) 70,900 RSUs (defined below) and (iv) 637,900 PSUs (defined below).

Narrative Disclosure

2021 Employee Retention Incentive Plan

During 2021, the Board, following its review of an analysis of the compensation arrangements of the Company’s executive officers and employees performed by the Company’s independent compensation consultant, Meridian Compensation Partners, LLC, on the recommendation of the Compensation Committee, adopted an employee retention incentive plan (the “2021 ERIP”) under the Company's 2017 Omnibus Incentive Plan, as amended (the “2017 Equity Plan”), designed to enhance the Company’s ability to retain key employees and align executive compensation with performance to the Company’s stockholders. Under the 2021 ERIP, the Company’s employees, including the named executive officers, received grants of two types of restricted stock units under the 2017 Equity Plan: time-based restricted stock units (“RSUs”) and performance-based restricted stock units (“PSUs”). Each restricted stock unit entitles the recipient to receive one share of the Company’s common stock upon satisfaction of the relevant conditions established pursuant to the applicable award. The RSUs vest ratably over a three-year period, with a third of the RSUs granted to an individual vesting on the successive anniversaries of the grant date. The PSUs become earned to the recipient, but remain unvested, upon the achievement of either of two performance criteria: achievement of a final investment decision by the Board with respect to the first two trains of RGLNG (the “FID Trigger”) or achievement of certain trading prices of the Company’s common stock (the “Trading Price Triggers”). PSUs that become earned to the recipient vest ratably over a three-year period, with a third of such PSUs vesting on the successive anniversaries of the FID Trigger or Trading Price Trigger, as applicable. The forms of award agreement of the RSUs and PSUs are filed as Exhibits 10.32 and 10.33 to this Annual Report on Form 10-K.

The Company issued an aggregate of 7,153,500 restricted stock units in connection with the 2021 ERIP, of which 775,900 were RSUs and 6,377,600 were PSUs. The Company expects to utilize restricted stock units of both types as a key, long-term component of executive compensation going forward, in amounts and subject to the conditions to be established by the Compensation Committee. The Company may also, from time to time, grant additional, similar time-based or performance-based awards to its employees, which may include its executive officers, with different vesting schedules or performance criteria, as appropriate, in any given year based on performance, retention needs or other factors that the Compensation Committee deems relevant.

Overview of Compensation for Matthew K. Schatzman, Chairman of the Board and Chief Executive Officer

Mr. Schatzman has served as Chief Executive Officer of the Company since February 2018. In June 2019, Mr. Schatzman was appointed Chairman of the Board. From September 2017 until his appointment as Chairman of the Board, Mr. Schatzman served as the Company's President. The Schatzman Employment Agreement provided for a term through June 30, 2022 and will be automatically extended for additional one-year periods unless and until the Company or Mr. Schatzman gives to the other written notice at least one-hundred and eighty (180) days prior to the applicable renewal date of a decision not to renew for an additional year. On September 27, 2021, the Nominating and Corporate Governance Committee approved an extension of the Schatzman Employment Agreement to June 30, 2023.

Effective January 1, 2019, the Schatzman Employment Agreement was amended to reflect (i) an increase in his annual base salary to $617,500 from $550,000 and (ii) an increase in his target annual bonus to 100% from 90% of his base salary based upon the achievement of performance targets established by the Board from time to time. Effective June 1, 2021, the Schatzman Employment Agreement was amended to reflect (i) an increase in his annual base salary to $650,000 and (ii) an increase in his target annual bonus to 110% of base salary based upon the achievement of performance targets established by the Board from time to time.

The Schatzman Employment Agreement entitled him to an incentive grant of restricted shares of Common Stock. Pursuant to a restricted stock award agreement dated January 8, 2018 (the "Schatzman Award Agreement"), the Company granted Mr. Schatzman: (i) 48,450 fully vested shares of Common Stock and (ii) 1,052,492 shares of Common Stock with vesting terms set forth in the Schatzman Award Agreement (the "Restricted Incentive Stock"). Pursuant to the Schatzman Employment Agreement, (i) an aggregate of 210,498 shares of the Restricted Incentive Stock vested in three equal annual installments beginning on September 18, 2019, (ii) 52,625 shares of Restricted Incentive Stock vested upon execution by the Company of a final agreement with an engineering, procurement and construction (EPC) contractor for an LNG facility, (iii) 210,498 shares of Restricted Incentive Stock will vest upon execution of one or more binding tolling or LNG sales and purchase agreements, with customary conditions precedent, providing for an aggregate of at least 3.825 million tons per annum, and (iv) 578,871 shares of Restricted Incentive Stock will vest upon a positive Final Investment Decision for an LNG project providing for an aggregate of at least 4 million tonnes per annum, in each case subject to continued service.

The Schatzman Employment Agreement also provides that if the Company at any time terminates Mr. Schatzman's employment without Cause (as defined in the Schatzman Employment Agreement), or if Mr. Schatzman voluntarily terminates the agreement with Good Reason (as defined in the Schatzman Employment Agreement), Mr. Schatzman will be entitled to (i) a lump sum cash payment equal to the sum of his then current base salary for a period of 12 months, (ii) a pro-rata portion of his annual bonus for the fiscal year in which the termination occurs (based on an amount equal to his then applicable annual bonus target percentage multiplied by his then applicable base salary) and (iii) the full vesting of unvested Restricted Incentive Stock.

If the Company elects not to renew the Schatzman Employment Agreement by providing notice of non-renewal at least 180 days before the end of the then current term, Mr. Schatzman will be entitled to a lump sum cash payment equal to the sum of his then current base salary for a period of 12 months and a pro-rata portion of his annual bonus for the fiscal year in which the termination occurs (based on an amount equal to his then applicable annual bonus target percentage multiplied by his then applicable base salary). Mr. Schatzman's prior grant of Restricted Incentive Stock, to the extent then vested, shall remain outstanding in accordance with their terms and any unvested Restricted Incentive Stock shall lapse and be forfeited.

Additionally, upon a Change in Control (as defined in the Schatzman Employment Agreement), any unvested portion of his Restricted Incentive Stock shall immediately vest.

The Schatzman Employment Agreement also provides that Mr. Schatzman is eligible for health insurance and disability insurance and other customary employee benefits. The Schatzman Employment Agreement also contains customary non-competition and non-solicitation covenants and covenants regarding the treatment of confidential information.

Mr. Schatzman was awarded 2,257,800 restricted stock units pursuant to the 2021 ERIP, 90% of which were PSUs.

Overview of Compensation for Brent E. Wahl, Chief Financial Officer

Mr. Wahl currently serves as Chief Financial Officer of the Company. There is no employment agreement with Mr. Wahl and his employment is "at will."

Mr. Wahl's annual base salary effective for the year ended December 31, 2021 was $400,000. Mr. Wahl is eligible for an annual bonus with a target of 90% of his annual base salary based upon the achievement of performance targets established by the Board from time to time. There is no minimum threshold for any such bonus.

Mr. Wahl is eligible for health insurance and disability insurance and other customary employee benefits.

Mr. Wahl was awarded 656,200 restricted stock units pursuant to the 2021 ERIP, 90% of which were PSUs.

Overview of Compensation for Ivan Van der Walt, Chief Operating Officer

Mr. Van der Walt currently serves as Chief Operating Officer of the Company. There is no employment agreement with Mr. Van der Walt and his employment is "at will."

Mr. Van der Walt's annual base salary effective for the year ended December 31, 2021 was $430,000. Mr. Van der Walt is eligible for an annual bonus with a target of 90% of his annual base salary based upon the achievement of performance targets established by the Board from time to time. There is no minimum threshold for any such bonus.

Mr. Van der Walt is eligible for health insurance and disability insurance and other customary employee benefits.

Mr. Van der Walt was awarded 708,800 restricted stock units pursuant to the 2021 ERIP, 90% of which were PSUs.

Termination and Change in Control

The Schatzman Employment Agreement provides for the payment of certain severance benefits upon termination. For additional information about the payment of certain severance benefits upon termination, including in connection with a change of control, please see the overview of compensation for the Company's named executive officers and the footnotes to the Outstanding Equity Awards Table.

Pension/Retirement Benefits

The Company does not provide a qualified defined benefit pension plan or any non-qualified supplemental executive retirement benefits to any of its executive officers or directors. However, eligible executive officers and directors participate in a defined contribution retirement plan (the "401(k) Plan") which allows them to contribute up to 100% of their compensation up to the maximum permitted by the Internal Revenue Code. The Company does not make matching contributions. The 401(k) Plan is sponsored and maintained by the Company.

Additional Benefit Programs

Certain officers and directors are entitled to the following benefits: parking, health insurance, life insurance and accidental death and dismemberment.

Outstanding Equity Awards at Fiscal 2021 Year-End

The following table provides information concerning outstanding equity awards as of December 31, 2021 granted to the Company's named executive officers.

Name	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested ($) (1)	Equity incentive plan awards: Number of unearned shares, units or other rights that have not vested (#)	Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested ($) (1)
Matthew K. Schatzman	349,300(2)	995,505	2,821,369(3)	8,040,902
Brent E. Wahl	147,600(4)	420,660	740,600(5)	2,110,710
Ivan Van der Walt	168,400(6)	479,940	730,900(7)	2,083,065

(1) The market value of the unvested stock awards is based on the closing price of Common Stock on December 31, 2021 ($2.85).

(2) Reflects the unvested portion of restricted stock or stock-based awards that vests as follows: (i) 123,500 shares vest on the first anniversary of January 25, 2021 and (ii) 225,800 RSUs that vest in three equal installments on the first, second and third anniversaries of August 2, 2021.

(3) Reflects the unvested portion of the Restricted Incentive Stock that vests as follows: (i) 210,498 shares vest upon execution of one or more binding tolling or LNG sales and purchase agreements, with customary conditions precedent, providing for an aggregate of at least 3.825 million tons of LNG per annum (the "LNG SPA Milestone") and (ii) 578,871 shares vest upon the affirmative vote of the Board to make a final investment decision on the Company's Rio Grande LNG project (the "FID Milestone"). Also reflects 2,032,000 PSUs that vest ratably over a three-year period beginning on the first anniversary of the occurrence of the FID Trigger or the Trading Price Triggers.

(4) Reflects the unvested portion of a restricted stock award that vests as follows: (i) 50,000 shares vest on the third anniversary of June 17, 2019, (ii) 32,000 shares vest on the first anniversary of January 25, 2021 and (iii) 65,600 RSUs that vest in three equal installments on the first, second and third anniversaries of August 2, 2021.

(5) Reflects the unvested portion of restricted stock awards that vests as follows: (i) 150,000 shares vest upon the FID Milestone and (ii) 590,600 PSUs that vest ratably over a three-year period beginning on the first anniversary of the occurrence of the FID Trigger or the Trading Price Triggers.

(6) Reflects the unvested portion of a restricted stock award that vests as follows: (i) 45,000 shares vest in three equal installments on the first, second and third anniversaries of January 4, 2021, (ii) 52,500 shares vest on the first anniversary of January 25, 2021 and (iii) 70,900 RSUs that vest in three equal installments on the first, second and third anniversaries of August 2, 2021.

(7) Reflects the unvested portion of the Restricted Incentive Stock that vests as follows: (i) 14,400 shares vest upon the LNG SPA Milestone, (ii) 78,600 shares vest upon the FID Milestone and (iii) 637,900 PSUs that vest ratably over a three-year period beginning on the first anniversary of the occurrence of the FID Trigger or the Trading Price Triggers.

2017 Equity Plan

On December 15, 2017, the Company's stockholders approved the 2017 Equity Plan and the 2017 Equity Plan became effective by its terms on such date. On June 15, 2020, the Company's stockholders approved an amendment to the 2017 Equity Plan to increase the amount of awards thereunder that can be granted to the Company's non-employee directors in any calendar year. On June 15, 2021, the Company's stockholders approved an amendment to the 2017 Equity Plan to increase the maximum number of shares available thereunder and remove certain individual limits on shares issuable under such plan during a calendar year. The purpose of the 2017 Equity Plan is to further align the interests of eligible participants with those of the Company's stockholders by providing long-term incentive compensation opportunities tied to the performance of the Company and its Common Stock. Persons eligible to receive awards under the 2017 Equity Plan include our employees, non-employee members of the Board, consultants, or other personal service providers of the Company or any of its subsidiaries. Currently, the 2017 Equity Plan authorizes the issuance of up to 15,262,461 shares of Common Stock, subject to certain adjustments under the 2017 Equity Plan. Awards covering 8,465,332 shares of Common Stock were granted under the 2017 Equity Plan during the fiscal year 2021.

Equity Compensation Plan Information

The following provides certain aggregate information with respect to the Company's equity compensation plans in effect as of December 31, 2021.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Equity Compensation Plans Approved by Security Holders	7,153,500	—	3,371,834(1)
Equity Compensation Plans Not Approved by Security Holders	—	—	—
Total	7,153,500	—	3,371,834

(1) Consists of shares of Common Stock issuable in respect of outstanding awards granted under the 2017 Equity Plan.

DIRECTOR COMPENSATION

The following table details the compensation received by each non-employee member of the Board who has not been appointed to the Board pursuant to any agreement or arrangement with the Company ("At-large Director") and who served during the fiscal year ended December 31, 2021.

Name	Fees Earned or paid in Cash ($)	Stock Awards ($)	Total ($)
Brian Belke	110,000(1)	120,002(2)	230,002
Sir Frank Chapman	95,000(3)	120,002(2)	215,002
Edward Andrew Scoggins, Jr.	56,000(4)	84,001(5)	140,001
L. Spencer Wells	115,000(6)	120,002(2)	235,002

(1) The amount noted consists of (i) $80,000 paid as annual retainer fees, (ii) $15,000 paid for his service as the Chairman of the Compensation Committee, and (iii) $15,000 paid for his service as Chairman of the F&R Committee, all of which were earned and paid pursuant to the Company's director compensation policy described below.

(2) The amount noted reflects the grant date fair value, based on the closing price of Common Stock on the date of grant of $2.33 per share, of 51,503 restricted shares of Common Stock granted on January 31, 2021, which vested in four installments on March 31, 2021, June 30, 2021, September 30, 2021 and December 31, 2021.

(3) The amount noted consists of (i) $80,000 paid as annual retainer fees and (ii) $15,000 paid for his service as the Chairman of the Nominating and Governance Committee, all of which were earned and paid pursuant to the Company's director compensation policy described below.

(4) The amount noted consists of annual retainer fees, pro-rated for partial service during 2021, of which were earned and paid pursuant to the Company's director compensation policy described below.

(5) The amount noted reflects the grant date fair value, based on the closing price of Common Stock on the date of grant of $2.03 per share, of 41,380 restricted shares of Common Stock granted on May 7, 2021, which vested in three installments on June 30, 2021, September 30, 2021 and December 31, 2021.

(6) The amount noted consists of (i) $80,000 paid as annual retainer fees, (ii) $15,000 paid as ad hoc committee fees, and (iii) $20,000 paid for his service as Chairman of the Audit Committee, all of which were earned and paid pursuant to the Company's director compensation policy described below.

Narrative Discussion

Effective October 2019, the Board, following its review of an analysis of a selected group of energy and general industry companies' director compensation programs performed by the Company's independent compensation consultant, Meridian Compensation Partners, LLC, on the recommendation of the Compensation Committee, adopted a director compensation policy (the "Director Compensation Policy") designed to provide a total compensation package that enables the Company to attract and retain, on a long-term basis, highly qualified At-large Directors. Under the Director Compensation Policy, which was amended in December 2019 to modify the form and timing of consideration paid thereunder, each At-large Director is paid an annual cash retainer of $80,000 (the "Annual Board Cash Retainer"), which At-large Directors may elect to receive in the form of shares of restricted stock in lieu of cash, and an annual cash retainer of $15,000 for each standing committee of the Board of which such director serves as the chairperson, except that the chairperson of the Audit Committee is entitled to receive an annual cash retainer of $20,000. The annual cash retainers are prorated for partial years of service. In addition, under the Director Compensation Policy, each At-large Director will be granted, in one or more installments, a number of shares of Common Stock equal to $120,000 divided by the closing price of the Common Stock on Nasdaq on the date of such grant or, if such grant date was not a trading day, then the last trading day occurring prior to such grant date. The awards of shares of restricted Common Stock to be issued will be prorated based on the actual days of service on the Board and the terms and conditions of such awards, including vesting terms and transferability, will be as set forth in the Company's standard award agreement, in the form adopted from time to time by the Board or the Compensation Committee, provided, that all such awards shall vest during the year in which they are granted. The shares of Common Stock issued under the Director Compensation Policy are issued under and subject to the 2017 Equity Plan or any successor plan. There are no per meeting attendance fees for At-large Directors for attending Board meetings. Each director of the Company, including Board observers, are entitled to receive reimbursement of all reasonable out-of-pocket expenses incurred in connection with attending meetings of the Board. Such reimbursement is in addition to the compensation provided for the Director Compensation Policy.

The Company adopted a stock ownership policy for At-large Directors in December 2019. Pursuant to such policy, At-large Directors are expected to own a number of shares of Common Stock equal to five times the Annual Board Cash Retainer divided by the closing price of the Common Stock on Nasdaq on the date of calculation. The number of shares of Common Stock to be held by At-large Directors will be calculated on the first trading day of each calendar year based on such shares' fair market value. Each At-large Director is expected to satisfy the stock ownership requirement within three years of the date such individual became subject to the policy or the date of any increase in the Annual Board Cash Retainer.

Item 12. Security Ownership Of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth certain information regarding the beneficial ownership of our voting securities as of March 22, 2022:

- each person who is known to us to be the beneficial owner of more than 5% of our voting securities;
- each of our directors; and
- each of our named executive officers and all executive officers and directors as a group.

Such table is based on information supplied by officers, directors, principal stockholders and the Company's transfer agent, and information contained in Schedules 13D and 13G filed with the SEC.

Unless otherwise indicated, each person named below has an address in care of our principal executive offices and has sole power to vote and dispose of the shares of voting securities beneficially owned by them, subject to community property laws where applicable. Amounts in the table below do not include restricted stock units that do not include the right to vote shares of common stock that may be delivered at settlement thereof.

Name	Shares of common stock beneficially owned(**)	Percentage of common stock beneficially owned(%)	Shares of Series A Convertible Preferred Stock beneficially owned(**)	Percentage of Series A Convertible Preferred Stock beneficially owned(%)	Shares of Series B Convertible Preferred Stock beneficially owned(**)	Percentage of Series B Convertible Preferred Stock beneficially owned(%)	Shares of Series C Convertible Preferred Stock beneficially owned(**)	Percentage of Series C Convertible Preferred Stock beneficially owned(%)
Executive Officers and Directors:								
Matthew K. Schatzman	1,189,779 [1]	1.0%	—	—%	—	—%	—	—%
Brent E. Wahl	284,891 [2]	*%	—	—%	—	—%	—	—%
Ivan Van der Walt	256,253 [3]	*%	—	—%	—	—%	—	—%
Avinash Kripalani	—	—%	—	—%	—	—%	—	—%
William Vrattos	—	—%	—	—%	—	—%	—	—%
Brian Belke	258,365	*%	—	—%	—	—%	—	—%
L. Spencer Wells	186,834	*%	—	—%	—	—%	—	—%
Seokwon Ha	—	—%	—	—%	—	—%	—	—%
Khalifa Abdulla Al Romaithi	—	—%	—	—%	—	—%	—	—%
Sir Frank Chapman	196,029	*%	—	—%	—	—%	—	—%
Edward Andrew Scoggins, Jr.	95,679	*%	—	—%	—	—%	—	—%
All directors and executive officers as a group (11 persons)	2,467,830	2.0%	—	—%	—	—%	—	—%
5% Stockholders:								
Ninteenth Investment Company	10,871,932 [4]	8.8%	—	—%	—	—%	—	—%
YCMGA Entities	54,337,479 [5]	44.0%	15,152 [6]	20.0%	6,933 [7]	9.6%	13,409 [8]	24.5%
Valinor Entities	14,737,363 [9]	11.9%	5,181 [10]	6.8%	6,932 [11]	9.6%	—	—%
Bardin Hill Entities	9,594,203 [12]	7.8%	2,486 [13]	3.2%	4,564 [14]	6.2%	2,793 [15]	5.1%
HGC NEXT INV LLC [16]	788,220	*%	53,119 [17]	70.0%	10,610 [17]	14.6%	—	—%
BlackRock, Inc. [18]	1,780,803	1.4%	—	—%	43,517	60.0%	—	—%
Avenue Energy Opportunities Fund II, L.P. [19]	—	—%	—	—%	—	—%	16,813 [17]	30.8%
OGCI Climate Investments Holding LLP [20]	—	—%	—	—%	—	—%	11,110 [17]	20.4%
TEP Next Decade, LLC [21]	—	—%	—	—%	—	—%	10,462 [17]	19.2%

* Indicates beneficial ownership of less than 1% of the total outstanding Common Stock.

** "Beneficial ownership" is a term broadly defined by the SEC in Rule 13d-3 under the Exchange Act and includes more than typical forms of stock ownership, that is, stock held in the person's name. The term also includes what is referred to as "indirect ownership," meaning ownership of shares as to which a person has or shares investment or voting power. For purposes of this table, shares of Common Stock not outstanding that are subject to options, warrants, rights or conversion privileges exercisable within 60 days of March 22, 2022 are deemed outstanding for the purpose of calculating the number and percentage owned by such person, but not deemed outstanding for the purpose of calculating the percentage owned by each other person listed. Since the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the warrants issued together with the Series B Preferred Stock (the "Series B Warrants"), and the Series C Warrants are not convertible into, or exercisable for, Common Stock within 60 days of March 22, 2022, shares of Common Stock issuable upon such conversion or exercise are not reflected as beneficially owned by the respective principal stockholders in the table above.

(1) Includes 789,369 shares of restricted stock subject to performance-based vesting requirements issued under the 2017 Equity Plan.

(2) Includes 50,000 shares of restricted stock subject to time-based vesting requirements and 150,000 shares of restricted stock subject to performance-based vesting requirements, in each case issued under the 2017 Equity Plan.

(3) Includes 30,000 shares of restricted stock subject to time-based vesting requirements and 93,000 shares of restricted stock subject to performance-based vesting requirements, in each case issued under the 2017 Equity Plan.

(4) Ninteenth is a limited liability company organized under the laws of the Emirate of Abu Dhabi. Mubadala Investment Company PJSC, a public joint stock company established under the laws of the Emirate of Abu Dhabi, is the sole owner of Mamoura Diversified Global Holding PJSC, a public joint stock company established under the laws of the Emirate of Abu Dhabi, which owns 99% of Ninteenth. Accordingly, Mubadala Investment Company PJSC and Mamoura Diversified Global Holding PJSC may be deemed to have shared voting and investment power over the shares held by Ninteenth. Ninteenth's address is Al Mamoura A, P.O. Box 45005, Abu Dhabi, United Arab Emirates.

(5) Consists of 12,628,348 shares of Common Stock held by York Credit Opportunities Investments Master Fund, L.P.; 2,522,723 shares of Common Stock held by York European Distressed Credit Fund II, L.P.; 13,567,803 shares of Common Stock held by York Multi-Strategy Master Fund, L.P.; 11,751,923 shares of Common Stock held by York Credit Opportunities Fund, L.P.; 5,705,260 shares of Common Stock held by York Capital Management, L.P.; and 8,161,422 shares of Common Stock held by York Select Strategy Master Fund L.P. (together with York Tactical Energy Fund, L.P. ("York Tactical") and York Tactical Energy Fund PIV-AN, L.P. ("York Tactical PIV"), the "YCMGA Entities"). York Capital Management Global Advisors, LLC ("YCMGA") is the senior managing member of the general partner of each of the YCMGA Entities. James G. Dinan is the chairman of, and controls, YCMGA. Each of YCMGA and James G. Dinan has voting and investment power with respect to the securities owned by each of the YCMGA Entities and may be deemed to be beneficial owners thereof. Each of YCMGA and James G. Dinan disclaims beneficial ownership of the reported securities except to the extent of their pecuniary interests therein. The business address of the YCMGA Entities is 767 Fifth Avenue, 17th Floor, New York, NY 10153.

(6) Consists of 3,850 shares of Series A Preferred Stock held by York Credit Opportunities Investments Master Fund, L.P.; 770 shares of Series A Preferred Stock held by York European Distressed Credit Fund II, L.P.; 4,137 shares of Series A Preferred Stock held by York Multi-Strategy Master Fund, L.P.; 3,580 shares of Series A Preferred Stock held by York Credit Opportunities Fund, L.P.; and 2,815 shares of Series A Preferred Stock held by York Capital Management, L.P. None of such shares are convertible into shares of Common Stock within 60 days of March 22, 2022.

(7) Consists of 2,309 shares of Series B Preferred Stock held by York Tactical and 4,624 shares of Series B Preferred Stock held by York Tactical PIV (together with York Tactical, the "York Tactical Energy Funds"). None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(8) Consists of 2,235 shares of Series C Preferred Stock held by York European Distressed Credit Fund II, L.P.; 963 shares of Series C Preferred Stock held by York Capital Management, L.P.; 1,563 shares of Series C Preferred Stock held by York Credit Opportunities Fund, L.P.; 1,787 shares of Series C Preferred Stock held by York Credit Opportunities Investment Master Fund, L.P.; 1,270 shares of Series C Preferred Stock held by York Multi-Strategy Master Fund, L.P.; 1,863 shares of Series C Preferred Stock held by York Tactical; and 3,728 shares of Series C Preferred Stock held by York Tactical PIV. None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(9) Consists of 10,904,733 shares of Common Stock held by Valinor Capital Partners Offshore Master Fund, L.P. ("Valinor Offshore Master") and 3,832,630 shares of Common Stock held by Valinor Capital Partners, L.P. ("Valinor Capital" and, together with Valinor Offshore Master, the "Valinor Entities"). Valinor serves as investment manager to each of the Valinor Entities. David Gallo is the Founder, Managing Partner, and Portfolio Manager of Valinor and is the managing member of Valinor Associates, LLC ("Valinor Associates"), which serves as general partner to Valinor Capital Partners, L.P. and Valinor Capital Partners Offshore Master Fund, L.P.. Each of Valinor Management, Valinor Associates and David Gallo may be deemed to beneficially own the securities held by such fund and each of Valinor Management, Valinor Associates and David Gallo disclaims beneficial ownership of the reported securities, except to the extent of its or his pecuniary interest. The business address of the Valinor Entities is 510 Madison Avenue, 25th Floor, New York, NY 10022.

(10) Consists of 3,836 shares of Series A Preferred Stock held by Valinor Capital Partners Offshore Master Fund, L.P. and 1,345 shares of Series A Preferred Stock held by Valinor Capital Partners, L.P. None of such shares are convertible into shares of Common Stock within 60 days of March 22, 2022.

(11) Consists of 5,134 shares of Series B Preferred Stock held by Valinor Capital Partners Offshore Master Fund, L.P. and 1,798 shares of Series B Preferred Stock held by Valinor Capital Partners, L.P. None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(12) Consists of 332,852 shares of Common Stock held by Bardin Hill Event-Driven Master Fund LP; 4,113,065 shares of Common Stock held by HCN L.P.; 658,259 shares of Common Stock held by First Series of HDML Fund I LLC ("First Series HDML" and, together with Bardin Hill Event-Driven and First Series HDM, the "Bardin Hill Series B Purchasers"); 2,641,178 shares of Common Stock held by Halcyon Mount Bonnell Fund LP ("Halcyon Mount Bonnell"); and 1,741,349 shares of Common Stock held by Halcyon Energy, Power, and Infrastructure Capital Holdings LLC (together with the Bardin Hill Series B Purchasers and Halcyon Mount Bonnell, the "Bardin Hill Entities"). Beneficial ownership includes 107,500 shares of Common Stock issuable upon exercise of warrants held by Bardin Hill Event-Driven Master Fund LP. Bardin Hill serves as the investment manager to each of the Bardin Hill Entities. Investment decisions of Bardin Hill are made by one or more of its portfolio managers, including Jason Dillow, Kevah Konner, John Greene and Pratik Desai, each of whom has individual decision-making authority. Jason Dillow is the Chief Executive Officer and Chief Investment Officer of Bardin Hill. Each of Bardin Hill, HCN GP LLC (in the case of HCN LP), Bardin Hill Fund GP LLC (in the case of Bardin Hill Event-Driven Master Fund LP, First Series of HDML Fund I LLC and Halcyon Mount Bonnell Fund LP), Jason Dillow, Kevah Konner, John Greene and Pratik Desai may be deemed to beneficially own the securities held by such Bardin Hill Entity and each of Bardin Hill, HCN GP LLC, Bardin Hill Fund GP LLC, Jason Dillow, Kevah Konner, John Greene and Pratik Desai disclaims beneficial ownership of the reported securities, except to the extent of its or his pecuniary interest. The business address of the Bardin Hill Entities is 299 Park Avenue, 24th Floor, New York, NY 10171.

(13) Consists of 710 shares of Series A Preferred Stock held by First Series of HDML Fund I LLC; 224 shares of Series A Preferred Stock held by Bardin Hill Event-Driven Master Fund LP; and 1,552 shares of Series A Preferred Stock held by HCN L.P. None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(14) Consists of 2,772 shares of Series B Preferred Stock held by First Series of HDML Fund I LLC; 244 shares of Series B Preferred Stock held by Bardin Hill Event-Driven Master Fund LP; and 1,548 shares of Series B Preferred Stock held by HCN L.P. None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(15) Consists of 255 shares of Series C Preferred Stock held by Bardin Hill Event-Driven Master Fund LP and 2,538 shares of Series C Preferred Stock held by HCN L.P. None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(16) HGC is a Delaware limited liability company. Haeyoung Lee is the sole Manager and the President of HGC and may be deemed to have voting and investment power over the shares held by HGC. HGC's address is 300 Frank W. Burr Blvd., Suite 52, Teaneck, New Jersey 07666.

(17) None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(18) The registered holders of the referenced shares are the following funds and accounts under management by investment adviser subsidiaries of BlackRock, Inc.: ABR PE Investments II, LP, BOPA1, L.P., Coastline Fund, L.P., Fair Lane Investment Partners, L.P., Multi-Alternative Opportunities Fund (A), L.P., Multi-Alternative Opportunities Fund (B), L.P., Investment Partners V (A), LLC and SUNROCK DISCRETIONARY CO-INVESTMENT FUND II, LLC. BlackRock, Inc. is the ultimate parent holding company of such investment adviser entities. On behalf of such investment adviser entities, the applicable portfolio managers, as managing directors (or in other capacities) of such entities, and/or the applicable investment committee members of such funds and accounts, have voting and investment power over the shares held by the funds and accounts which are the registered holders of the reported securities. Such portfolio managers and/or investment committee members expressly disclaim beneficial ownership of the reported securities held by such funds and accounts. The address of such funds and accounts, such investment adviser subsidiaries and such portfolio managers and/or investment committee members is 55 East 52nd Street, New York, New York 10055. Shares listed in the table as beneficially owned may not incorporate all shares deemed to be beneficially held by BlackRock, Inc. None of such shares are convertible into shares of Common Stock by the holder within 60 days of March 22, 2022.

(19) Avenue Capital Management II, L.P., in its capacity as investment manager, trading advisor, and/or general partner, may be deemed the beneficial owners of the shares held by Avenue Energy Opportunities Fund II, L.P. Avenue Capital Management II GenPar, LLC is the general partner of Avenue Capital Management II, L.P. Marc Lasry is the managing member of Avenue Capital Management II GenPar, LLC. Mr. Lasry may be deemed to be the indirect beneficial owner of the securities reported by the Avenue Energy Opportunities Fund II, L.P. by reason of his ability to direct the vote and/or disposition of such securities, and his pecuniary interest in such shares (within the meaning of Rule 16a-1(a)(2) under the Exchange Act) is a fractional interest in such amount. Mr. Lasry disclaims beneficial ownership of such shares. The address of Avenue Energy Opportunities Fund II, L.P. is 11 West 42nd Street, 9th Floor, New York, NY 10036.

(20) The registered holder of the referenced shares is OGCI. OGCI Climate Investments LLP, a limited liability partnership organized under the laws of England and Wales (“OGCI Parent”), controls OGCI by ownership of more than 99% of its equity and the ability to direct its management, including investment decisions. Pratima Rangarajan, in her capacity as CEO of OGCI and of OGCI Parent, exercises control over certain of their voting and investment decisions, including with respect to the referenced shares. Accordingly, OGCI Parent and Ms. Rangarajan may each be deemed to have shared voting and investment power over, and beneficial ownership (as defined by SEC Rule 13d–3 under the Exchange Act) of, the referenced shares held by OGCI. The address of each of OGCI, OGCI Parent and Ms. Rangarajan is 11-12 St. James’s Square, London SW1Y 4LB, United Kingdom.

(21) TEP Next Decade, LLC (“TEP Next Decade”) is a Delaware limited liability company. TEP Next Decade is an affiliate of Energy & Power Transition Partners, LLC (“EPTP”) and EPTP may be deemed to have voting and investment power over the shares held by TEP Next Decade. TEP Next Decade’s address is 321 N. Clark Street, Suite 2440, Chicago, IL 60654.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The Board undertook a review of the independence of our directors and considered whether any director has a material relationship with us that could compromise his ability to exercise independent judgment in carrying out his responsibilities. The Board considered the relationships that each director has with us and all other facts and circumstances the Board deemed relevant in determining his independence, including the beneficial ownership of Voting Shares owned by each director. Based upon information requested from and provided by each director concerning his background, employment, affiliations and stock ownership, the Board has determined that each of Sir Frank and Messrs. Al Romaithi, Belke, Jun, Kripalani, Scoggins, Vrattos, and Wells is independent under the Nasdaq listing rules. The Board also determined that Thanasi Skafidas, who resigned from the Board on April 16, 2021, was independent under the Nasdaq listing rules.

Mr. Schatzman is not an independent director under the Nasdaq listing rules because he currently serves as the Chief Executive Officer of the Company.

The Board adopted a written Related Person Transaction Policy in October 2017, which addresses the reporting, review and approval or ratification of transactions with related persons. Although related person transactions can involve potential or actual conflicts of interest, the Company recognizes that such transactions may occur in the normal course of business or provide an opportunity that is in the best interests of the Company. The Related Person Transaction Policy is not designed to prohibit related person transactions; rather, it is to provide for timely internal review of prospective transactions, approval or ratification of transactions and appropriate oversight and public disclosure of transactions.

Pursuant to the Related Person Transaction Policy, any transaction or arrangement or series of transactions or arrangements between the Company, any subsidiary of the Company or any other company controlled by the Company participates, whether or not the Company is a party, and a “related person” in which such person will have a material direct or indirect interest must be submitted to the disinterested members of the Board for review, approval or ratification. A “related person” means any director, director nominee or executive officer of the Company, any holder of more than 5% of the outstanding voting securities of the Company, or any immediate family member of the foregoing persons.

The disinterested members of the Board will consider all relevant factors when determining whether to approve or ratify a related person transaction, including whether such transaction is in, or not inconsistent with, the best interests of the Company, and whether such transaction is comparable to a transaction that could be available on an arms-length basis or is on terms that the Company offers generally to persons who are not related persons and whether such transaction. Specific types of transactions are excluded from the Related Person Transaction Policy, such as, for example, transactions in which the related person’s interest arises solely from his or her service as a director of, or direct or indirect ownership of less than a ten percent (10%) equity interest in, another entity that is a party to the transaction.

In addition to the Related Person Transaction Policy, the Code of Conduct requires that conflicts of interests involving persons other than directors, director nominees and executive officers must be approved by the Operations Committee.

The following is a discussion of transactions since January 1, 2020 between the Company and its executive officers, directors and stockholders owning 5% or more of the Common Stock:

Series C Preferred Stock Offerings

In March 2021, the Company entered into a Series C Preferred Stock Purchase Agreement with each of (i) the York Series C Purchasers and (ii) the Bardin Hill Series C Purchasers (together with the York Series C Purchasers, the “Series C Fund Purchasers”) pursuant to which the Company sold an aggregate of 14,500 shares of Series C Preferred Stock at $1,000.00 per share for an aggregate purchase price of $14.5 million, issued the Series C Warrants and issued an additional 290 shares of Series C Preferred Stock in aggregate as origination fees to the Series C Fund Purchasers.

The terms of the Series C Warrants are set forth in Warrant Agreements delivered to each of the Series C Fund Purchasers. Under such Warrant Agreements, the Series C Warrants issued to the Series C Fund Purchasers represent the right to acquire a number of shares of Common Stock equal to approximately 41 basis points (0.41%) in the aggregate of the fully diluted shares of all outstanding shares of Common Stock on the exercise date with a strike price of $0.01 per share. The Series C Warrants have a fixed three-year term commencing on the closing date of the Series C Preferred Stock Offering. The Series C Warrants may only be exercised by holders at the expiration of such three-year term; however, the Company can force exercise of the Series C Warrants prior to expiration of such term if the volume weighted average trading price of shares of Common Stock for each trading day during any 60 of the prior 90 trading days is equal to or greater than 175% of the then applicable conversion price of the Series A Preferred Stock and the Series B Preferred Stock and the Company simultaneously elects to force a mandatory exercise of all other warrants then-outstanding and unexercised and held by any holder of parity stock.

In connection with the closing of the Series C Preferred Stock Offering, the Company and the Series C Fund Purchasers entered into registration rights agreements (the “Series C Preferred Stock Registration Rights Agreements”). Pursuant to the Series C Preferred Stock Registration Rights Agreements, the Company agreed to, among other things, file with the SEC a shelf registration statement to permit the public resale of shares of Common Stock underlying (i) the Series C Preferred Stock (including any Common Stock underlying the Series C Preferred Stock issued as payment-in-kind dividends) issued pursuant to the Series C Preferred Stock Purchase Agreements and (ii) the Series C Warrants (the securities described in clauses (i) and (ii), the “Series C Registrable Securities”). Further, the Company agreed to keep such shelf registration statement effective until the earlier of (i) the date all such Series C Registrable Securities ceased to be Series C Registrable Securities and (ii) the date all such Series C Registrable Securities covered by such shelf registration statement can be sold publicly without restriction or limitation under Rule 144 of the Securities Act, and without the requirement to be in compliance with Rule 144(c)(1) under the Securities Act.

Independence of Directors

The Company adheres to the Nasdaq listing rules in determining whether a director is independent. The Board consults with its counsel to ensure that the Board’s determinations are consistent with such rules and all relevant securities and other laws and regulations regarding the independence of directors. The Nasdaq listing rules define an “independent director” as a person, other than an executive officer of a company or any other individual having a relationship which, in the opinion of the company’s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Item 14. Principal Accounting Fees and Services

Grant Thornton was the Company's independent registered public accounting firm for the years ended December 31, 2021 and 2020.

The following table presents fees for professional audit services rendered by Grant Thornton for the audit of the Company's annual financial statements for the year ended December 31, 2021 and 2020:

	Year Ended December 31,	
	2021	2020
Audit fees (1)	$ 375,000	$ 220,000
Audit-related fees	—	—
Tax fees	—	—
Other fees	—	—
Total	$ 375,000	$ 220,000

(1) Audit fees: Consist of fees billed for professional services rendered for audits of the Company's consolidated financial statements, for the review of the interim condensed consolidated financial statements included in quarterly reports, services that are normally provided in connection with statutory and regulatory filings or engagements and attest services, except those not required by statute or regulation.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditors

The Audit Committee is responsible for the appointment, retention, termination, compensation and oversight of the independent auditors. The Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by the independent auditors. Requests for approval are generally submitted at a meeting of the Audit Committee. The Audit Committee may delegate pre-approval authority to a committee member, provided that any decisions made by such member shall be presented to the full committee at its next scheduled meeting. The Audit Committee pre-approved all audit services provided by Grant Thornton during 2021 pursuant to this policy.

Part IV

Item 15. Exhibit and Financial Statement Schedules

(a) Financial Statements, Schedules and Exhibits

(1) Financial Statements – NextDecade Corporation and Subsidiaries:

(2) Financial Statement Schedules:

All schedules are omitted because they are not applicable or the required information is shown in the financial statements or the notes thereto.

(3) Exhibits:

Exhibit No.	Description
3.1(1)	Second Amended and Restated Certificate of Incorporation of NextDecade Corporation, dated July 24, 2017
3.2(2)	Amended and Restated Bylaws of NextDecade Corporation, dated July 24, 2017
3.3(3)	Certificate of Designations of Series A Convertible Preferred Stock, dated August 9, 2018
3.4(4)	Certificate of Designations of Series B Convertible Preferred Stock, dated September 28, 2018
3.5(5)	Certificate of Designations of Series C Convertible Preferred Stock dated March 17, 2021
3.6(6)	Certificate of Amendment to Certificate of Designations of Series A Convertible Preferred Stock, dated July 12, 2019
3.7(7)	Certificate of Amendment to Certificate of Designations of Series B Convertible Preferred Stock, dated July 12, 2019
3.8(8)	Certificate of Increase to Certificate of Designations of Series A Convertible Preferred Stock of NextDecade Corporation, dated July 15, 2019
3.9(9)	Certificate of Increase to Certificate of Designations of Series B Convertible Preferred Stock of NextDecade Corporation, dated July 15, 2019
3.10(10)	Amendment No. 1 to the Amended and Restated Bylaws of NextDecade Corporation, dated March 3, 2021
4.1(11)	Specimen Common Share Certificate
4.2(12)	Specimen IPO Warrant Certificate
4.3(13)	Form of Warrant Agreement between Harmony Merger Corp. and Continental Stock Transfer & Trust Company
4.4(14)	Form of Warrant Agreement for the Series A Warrants
4.5(15)	Form of Warrant Agreement for the Series B Warrants
4.6(16)	Form of Warrant Agreement for the Series C Warrants
4.7(17)	Description of Common Stock of NextDecade Corporation Registered Pursuant to Section 12 of the Securities Exchange Act of 1934

10.1(18)†	Employment Agreement, dated September 8, 2017, between NextDecade Corporation and Matthew K. Schatzman
10.2(19)†	NextDecade Corporation 2017 Omnibus Incentive Plan
10.3(20)†	Form of Restricted Stock Award Agreement
10.4(21)	Form of Registration Rights Agreement for purchasers of Series A Preferred Stock
10.5(22)	Purchaser Rights Agreement by and between NextDecade Corporation and HGC NEXT INV LLC
10.6(23)	Form of Registration Rights Agreement for purchasers of Series B Preferred Stock
10.7(24)	Form of Purchaser Rights Agreement for purchasers of Series B Preferred Stock
10.8(25)	Amendment No. 1 to Registration Rights Agreement, effective as of December 7, 2018, by and between NextDecade Corporation and York Capital Management Global Advisors, LLC, severally on behalf of certain funds or advised by it or its affiliates
10.9(26)	Amendment No. 1 to Registration Rights Agreement, effective as of December 7, 2018, by and between NextDecade Corporation and Valinor Management L.P., severally on behalf of certain funds or accounts for which it is investment manager
10.10(27)	Amendment No. 1 to Registration Rights Agreement, effective as of December 7, 2018, by and between NextDecade Corporation and Bardin Hill Investment Partners LP (formerly Halcyon Capital Management LP), on behalf of the accounts it manages
10.11(28)†	Amendment No. 1 to Employment Agreement, effective January 1, 2019, by and between NextDecade Corporation and Matthew K. Schatzman
10.12(29)+	Lease Agreement, made and entered into March 6, 2019, by and between Brownsville Navigation District of Cameron County, Texas and Rio Grande LNG, LLC
10.13(30)+	Fixed Price Turnkey Agreement for the Engineering, Procurement and Construction of Trains 1 and 2 of the Rio Grande Natural Gas Liquefaction Facility by and between Rio Grande LNG, LLC as Owner and Bechtel Oil, Gas and Chemicals, Inc. as Contractor, dated as of May 24, 2019
10.14(31)+	Fixed Price Turnkey Agreement for the Engineering, Procurement and Construction of Train 3 of the Rio Grande Natural Gas Liquefaction Facility by and between Rio Grande LNG, LLC as Owner and Bechtel Oil, Gas and Chemicals, Inc. as Contractor, dated as of May 24, 2019
10.15(32)†	Form of Non-Affiliate Director Restricted Stock Award Agreement
10.16(33)	Purchaser Rights Agreement, dated October 28, 2019, by and between NextDecade Corporation and Ninteenth Investment Company
10.17(34)	Registration Rights Agreement, dated October 28, 2019, by and between NextDecade Corporation and Ninteenth Investment Company
10.18(35)†	Director Compensation Policy
10.19(36)+	Omnibus Agreement, entered into as of February 13, 2020, between NextDecade LNG, LLC and Spectra Energy Transmission II, LLC.
10.20(37)+	Precedent Agreement for Firm Natural Gas Transportation Service, made and entered into as of March 2, 2020, by and between Rio Grande LNG Gas Supply LLC and Rio Bravo Pipeline Company, LLC.
10.21(38)+	Precedent Agreement for Natural Gas Transportation Service, made and entered into as of March 2, 2020, by and between Rio Grande LNG Gas Supply LLC and Valley Crossing Pipeline, LLC.
10.22(39)	First Amendment to Lease Agreement, made and entered into as of April 30, 2020, by and between Brownsville Navigation District of Cameron County, Texas and Rio Grande LNG, LLC.
10.23(40)+	First Amendment to the Fixed Priced Turnkey Agreement for the Engineering, Procurement and Construction of Trains 1 and 2 of the Rio Grande Natural Gas Liquefaction Facility, made and executed as of April 22, 2020, by and between Rio Grande LNG, LLC and Bechtel, Oil, Gas and Chemicals, Inc.
10.24(41)+	First Amendment to the Fixed Priced Turnkey Agreement for the Engineering, Procurement and Construction of Train 3 of the Rio Grande Natural Gas Liquefaction Facility, made and executed as of April 22, 2020, by and between Rio Grande LNG, LLC and Bechtel, Oil, Gas and Chemicals, Inc.
10.25(42)	Second Amendment to the Fixed Price Turnkey Agreement for the Engineering, Procurement and Construction of Trains 1and 2 of the Rio Grande Natural Gas Liquefaction Facility, made and executed as of October 5, 2020, by and between Rio Grande LNG, LLC and Bechtel, Oil, Gas and Chemicals, Inc.
10.26(43)	Second Amendment to the Fixed Priced Turnkey Agreement for the Engineering, Procurement and Construction of Train 3 of the Rio Grande Natural Gas Liquefaction Facility, made and executed as of October 5, 2020, by and between Rio Grande LNG, LLC and Bechtel, Oil, Gas and Chemicals, Inc.
10.27(44)†	Amendment No. 2 to Employment Agreement, dated June 2, 2021, by and between NextDecade Corporation and Matthew K. Schatzman
10.28(45)	Third Amendment to the Fixed Price Turnkey Agreement for the Engineering, Procurement and Construction of Trains 1and 2 of the Rio Grande Natural Gas Liquefaction Facility, made and executed as of March 5, 2021, by and between Rio Grande LNG, LLC and Bechtel, Oil, Gas and Chemicals, Inc.
10.29(46)	Third Amendment to the Fixed Price Turnkey Agreement for the Engineering, Procurement and Construction of Train 3 of the Rio Grande Natural Gas Liquefaction Facility, made and executed as of March 5, 2021, by and between Rio Grande LNG, LLC and Bechtel, Oil, Gas and Chemicals, Inc.
10.30(47)	Form of Series C Convertible Preferred Stock Purchase Agreement, dated as of March 17, 2021
10.31(48)	Form of Registration Rights Agreement for purchasers of Series C Preferred Stock
10.32*†	Form of time-based restricted stock unit agreement
10.33*†	Form of performance-based restricted stock unit agreement

21.1*	Subsidiaries of the Company
23.1*	Consent of Grant Thornton LLP
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document (the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

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(1) Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed July 28, 2017.
(2) Incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K, filed July 28, 2017.
(3) Incorporated by reference to Exhibit 4.3 of the Company's Registration Statement on Form S-3, filed December 20, 2018.
(4) Incorporated by reference to Exhibit 3.4 of the Company's Quarterly Report on Form 10-Q, filed November 9, 2018.
(5) Incorporated by reference to Exhibit 3.1 of the Company's Form 8-K, filed March 18, 2021.
(6) Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed July 15, 2019.
(7) Incorporated by reference to Exhibit 3.2 of the Company's Current Report on Form 8-K, filed July 15, 2019.
(8) Incorporated by reference to Exhibit 3.7 of the Company's Quarterly Report on Form 10-Q, filed August 6, 2019.
(9) Incorporated by reference to Exhibit 3.8 of the Company's Quarterly Report on Form 10-Q, filed August 6, 2019.
(10) Incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K, filed March 4, 2021.
(11) Incorporated by reference to Exhibit 4.1 of the Company's Form 10-K, filed March 3, 2020.
(12) Incorporated by reference to Exhibit 4.3 of the Amendment No. 7 to the Company's Registration Statement on Form S-1, filed March 13, 2015.
(13) Incorporated by reference to Exhibit 4.4 of the Amendment No. 7 to the Company's Registration Statement on Form S-1, filed March 13, 2015.
(14) Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed August 7, 2018.
(15) Incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K, filed August 24, 2018
(16) Incorporated by reference to Exhibit 4.1 of the Company's Form 8-K, filed March 18, 2021.
(17) Incorporated by reference to Exhibit 4.6 of the Company's Form 10-K, filed March 3, 2020.
(18) Incorporated by reference to Exhibit 10.1 of the Company’s Form 8-K, filed September 11, 2017.
(19) Incorporated by reference to Exhibit 10.1 of the Company’s Registration Statement on Form S-8, filed December 15, 2017.
(20) Incorporated by reference to Exhibit 10.2 of the Company’s Form 8-K, filed December 20, 2017.
(21) Incorporated by reference to Exhibit 10.5 of the Company’s Form 8-K, filed August 7, 2018.
(22) Incorporated by reference to Exhibit 10.6 of the Company’s Form 8-K, filed August 7, 2018.
(23) Incorporated by reference to Exhibit 10.2 of the Company’s Form 8-K, filed August 24, 2018.
(24) Incorporated by reference to Exhibit 10.3 of the Company’s Form 8-K, filed August 24, 2018.
(25) Incorporated by reference to Exhibit 10.28 of the Company’s Annual Report on Form 10-K, filed March 6, 2019.
(26) Incorporated by reference to Exhibit 10.29 of the Company’s Annual Report on Form 10-K, filed March 6, 2019.
(27) Incorporated by reference to Exhibit 10.30 of the Company’s Annual Report on Form 10-K, filed March 6, 2019.
(28) Incorporated by reference to Exhibit 10.31 of the Company’s Annual Report on Form 10-K, filed March 6, 2019.
(29) Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q, filed May 7, 2019.
(30) Incorporated by reference to Exhibit 10.7 of the Company's Quarterly Report on Form 10-Q, filed August 6, 2019.
(31) Incorporated by reference to Exhibit 10.8 of the Company's Quarterly Report on Form 10-Q, filed August 6, 2019.
(32) Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q, filed November 5, 2019.
(33) Incorporated by reference to Exhibit 10.23 of the Company's Annual Report on Form 10-K, filed March 3, 2020.
(34) Incorporated by reference to Exhibit 10.24 of the Company's Annual Report on Form 10-K, filed March 3, 2020.
(35) Incorporated by reference to Exhibit 10.26 of the Company's Annual Report on Form 10-K, filed March 3, 2020.
(36) Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q, filed May 18, 2020.
(37) Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q, filed May 18, 2020
(38) Incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q, filed May 18, 2020.
(39) Incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K, filed May 4, 2020.
(40) Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q, filed August 6, 2020.
(41) Incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q, filed August 6, 2020.
(42) Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q, filed November 4, 2020.
(43) Incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q, filed November 4, 2020.
(44) Incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q, filed August 2, 2021.
(45) Incorporated by reference to Exhibit 10.35 of the Company's Annual Report on Form 10-K filed March 25, 2021.
(46) Incorporated by reference to Exhibit 10.36 of the Company's Annual Report on Form 10-K filed March 25, 2021.
(47) Incorporated by reference to Exhibit 10.1 of the Company's Form 8-K, filed March 18, 2021.
(48) Incorporated by reference to Exhibit 10.2 of the Company's Form 8-K, filed March 18, 2021.
* Filed herewith.
** Furnished herewith.
† Indicates management contract or compensatory plan.
\+ Certain portions of this exhibit have been omitted.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NextDecade Corporation
(Registrant)

By: /s/ Matthew K. Schatzman
Matthew K. Schatzman
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Date: March 28, 2022

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Matthew K. Schatzman Matthew K. Schatzman	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 28, 2022
/s/ Brent E. Wahl Brent E. Wahl	Chief Financial Officer (Principal Financial Officer)	March 28, 2022
/s/ Eric Garcia Eric Garcia	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	March 28, 2022
/s/ Khalifa Abdulla Al Romaithi Khalifa Abdulla Al Romaithi	Director	March 28, 2022
/s/ Brian Belke Brian Belke	Director	March 28, 2022
/s/ Frank Chapman Frank Chapman	Director	March 28, 2022
/s/ Seokwon Ha Seokwon Ha	Director	March 28, 2022
/s/ Avinash Kripalani Avinash Kripalani	Director	March 28, 2022
/s/ Edward Andrew Scoggins, Jr. Edward Andrew Scoggins, Jr.	Director	March 28, 2022
/s/ William Vrattos William Vrattos	Director	March 28, 2022
/s/ Spencer Wells Spencer Wells	Director	March 28, 2022

NEXTDECADE CORPORATION
2017 Omnibus Incentive Plan

Time-Based Restricted Stock Unit Award Agreement

This Time-Based Restricted Stock Unit Award Agreement (this "*Agreement*") is made by and between NextDecade Corporation, a Delaware corporation (the "*Company*"), and [●] (the "*Participant*"), effective as of [●] (the "*Date of Grant*").

RECITALS

WHEREAS, the Company has adopted the NextDecade Corporation 2017 Omnibus Incentive Plan (as the same may be amended from time to time, the "*Plan*"), which Plan is incorporated herein by reference and made a part of this Agreement, and capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed to those terms in the Plan; and

WHEREAS, the Committee has authorized and approved the grant of an Award to the Participant of Restricted Stock Units ("*RSUs*"), subject to the terms and conditions set forth in the Plan and this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, the parties agree as follows:

1. Grant of Time-Based RSUs. The Company hereby grants to the Participant, effective as of the Date of Grant, a Restricted Stock Unit Award equal to [●] ([●]) RSUs, which RSUs shall be subject to time-based vesting (the "*Time-Based RSUs*"), on the terms and conditions set forth in the Plan and this Agreement. Each Time-Based RSU shall entitle the Participant to receive one share of Common Stock at such future date or dates and subject to such terms and conditions as set forth in this Agreement.

2. Vesting of the Time-Based RSUs. Subject to the terms and conditions set forth in the Plan and this Agreement, the Time-Based RSUs shall become earned and vested as follows, and be subject to the following conditions:

   (a) Time Award. Except as otherwise provided in this Section 2, and subject to the Participant's continued Service through each of the following dates, the Time-Based RSUs shall vest in the following installments on each of the following dates (each a "*Vesting Date*"):

   [●]

   If the number of Time-Based RSUs vesting is a fractional number, the number vesting will be rounded down to the nearest whole number.

   (b) Events in Connection with a Change of Control. If there is a Change of Control and either (i) the Participant's Service with the Company or its Subsidiaries is terminated without Cause following such Change of Control or (ii) the Time-Based RSUs are not assumed or replaced with an award of substantially equivalent value, the Time-Based RSUs shall fully vest (the date of vesting shall be a Vesting Date).

   (c) Termination of Service Other Than For Poor Performance, For Cause, death, Disability, or By Reason of Voluntary Resignation. The Time-Based RSUs shall fully vest upon the Participant's termination of Service with the Company or its Subsidiaries for any reason (the date of such termination shall be a Vesting Date) other than a termination of Service for Poor Performance (as defined below), for Cause (as defined below), death, Disability, or by reason of voluntary resignation.

   (d) Termination of Service for Poor Performance. In the event the Participant's Service with the Company or its Subsidiaries is terminated for Poor Performance, the Time-Based RSUs shall vest pro rata based on the number of days of Service in such 12-month vesting period prior to the Participant's termination of Service (the date of such termination shall be a Vesting Date). The number of such Time-Based RSUs so vested shall be the number of such Time-Based RSUs multiplied by a fraction, the numerator of which is the number of days of Service during such 12-month vesting period and the denominator of which is 365 (or 366 if such 12-month period includes February 29th). All rights of the Participant to the Time-Based RSUs that remain unvested (after giving effect to this Section 2(d)) as of the date of Participant's termination of Service with the Company or its Subsidiaries shall terminate and such Time-Based RSUs shall be forfeited in their entirety.

For purposes of this Agreement, the term "*Poor Performance*" shall mean the Participant has failed or refused to substantially perform the material duties related to the Participant's employment or other engagement with the Company or its Subsidiaries on a regular basis and such refusal or failure shall have continued for a period of twenty (20) days after written notice to the Participant by the Participant's line manager and/or Human Resources specifying such refusal or failure in reasonable detail.

   (e) Termination of Service for Cause or By Reason of Voluntary Resignation. In the event the Participant's Service with the Company or its Subsidiaries is terminated for Cause or by reason of voluntary resignation, all unvested Time-Based RSUs shall be forfeited.

For purposes of this Agreement, the term "*Cause*" shall mean (i) the Participant has committed a deliberate act against the interests of the Company including, without limitation: an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company, including, but not limited to, the offer, payment, solicitation or acceptance of any unlawful bribe or kickback with respect to the Company's business; or (ii) the commission by a Participant of, or the plea of nolo contendere by such Participant with respect to, a felony or a crime involving moral turpitude; or (iii) the Participant has been chronically absent from work (excluding vacations, illnesses, Disability or leaves of absence approved by the Board); or (iv) the Participant has refused, after explicit written notice, to obey any lawful resolution of or direction by the Board which is consistent with the duties incident to his employment or other engagement with the Company and such refusal continues for more than twenty (20) days after written notice is given to the Participant specifying such refusal in reasonable detail; or (v) the Participant has breached any of the material terms contained in any employment agreement, non-competition agreement, confidentiality agreement, restrictive covenants agreement or similar type of agreement to which such Participant is a party; or (vi) the Participant's misappropriation of the Company's or any of its Subsidiary's assets or business opportunities; or (vii) the Participant has engaged in (x) the unlawful use (including being under the influence) or possession of illegal drugs on the Company's premises or (y) habitual drunkenness on the Company's premises or while representing the Company to third parties.

Any voluntary termination of Service or other engagement by the Participant in anticipation of an involuntary termination of the Participant's Service for Cause shall be deemed to be a termination for "Cause."

(f) Death or Disability. In the event the Participant's Service with the Company or its Subsidiaries is terminated due to death or Disability, the Time-Based RSUs shall fully vest.

3. Restrictions.

(a) Time-Based RSUs constitute an unfunded and unsecured obligation of the Company. The Participant shall have no rights or privileges of a Company stockholder as to the Time-Based RSUs prior to settlement in accordance with Section 4 of this Agreement ("*Settlement*"), including no right to vote or receive dividends or other distributions with respect to the Time-Based RSUs. In addition, the following provisions shall apply:

(i) the Participant shall not be entitled to delivery of a certificate or certificates for shares of Common Stock in connection with the Time-Based RSUs until Settlement (if at all), and upon the satisfaction of all other applicable conditions;

(ii) none of the Time-Based RSUs may be sold, transferred (other than by will or the laws of descent and distribution), assigned, pledged or otherwise encumbered or disposed of prior to Settlement; and

(iii) Any attempt to dispose of the Time-Based RSUs or any interest in the Time-Based RSUs in a manner contrary to the restrictions set forth in this Agreement shall be void and of no effect.

4. Settlement. Delivery of shares of Common Stock under the Agreement in settlement of vested Time-Based RSUs shall be subject to the following:

(a) No later than the second Business Day following a Vesting Date, the Company shall deliver to the Participant one share of Common Stock for each Time-Based RSU that vested on such Vesting Date and has not otherwise been forfeited subject to paragraph (b) below.

(b) No later than 30 days following the date of Participant's death or Disability, the Company shall deliver to the Participant or the Participant's beneficiary or estate, as applicable, one share of Common Stock for each Time-Based RSU that vested pursuant to Section 2(f) above.

(c) To the extent permitted by applicable law and the applicable rules of any securities exchange or similar entity, the Company may elect to satisfy any requirement for the delivery of stock certificates by documenting the Participant's interest in the shares of Common Stock by registering the shares with the Company's transfer agent (or another custodian selected by the Company) in book-entry form in the Participant's name (i.e. "book-entry").

For purposes of this Agreement, "*Business Day*" means any day other than a Saturday, Sunday, any federal legal holiday or day on which banking institutions in the State of Texas are authorized or required by law or other governmental action to close.

5. Withholding Requirements. The Company shall have the power and the right to deduct or withhold automatically from any shares deliverable under this Agreement, or to require the Participant to remit to the Company, the amount of any required withholding taxes in respect of the settlement of Time-Based RSUs and to take all such other action as the Company deems necessary to satisfy all obligations for the payment of such withholding taxes. Notwithstanding any action the Company takes with respect to any or all income tax, social security insurance, payroll tax, or other tax-related withholding ("*Tax Items*"), the ultimate liability for all Tax Items is and remains the Participant's responsibility and the Company (i) makes no representation or undertakings regarding the treatment of any Tax Items in connection with any aspect of the Award, and (ii) does not commit to structure the Time-Based RSUs to reduce or eliminate the Participant's liability for Tax Items.

6. Adjustment. In the event of any change with respect to the outstanding shares of Common Stock contemplated by Section 4.5 of the Plan, the Time-Based RSUs may be adjusted in accordance with Section 4.5 of the Plan.

7. Restrictive Covenants; Additional Conditions.

(a) Non-Solicitation. During the period beginning on the Date of Grant and ending 24-months after Participant's termination of Service with the Company and its Subsidiaries (the "*Restricted Period*"), the Participant will not engage in or attempt to engage in any Solicitation; provided that Solicitation will not be considered to have occurred by the general advertising for or hiring of any employee by entities with which the Participant is associated, as long as he does not (a) directly or indirectly contact such employee prior to his departure from the Company or during the balance of the Restricted Period regarding such employee's employment with such entities, or (b) in the case of hiring such employee, control such entity or have any input in the decision to hire such employee. Responding to reference requests shall not be considered a Solicitation. For avoidance of doubt, for the purposes of this Section 7(a), (i) "employee" shall not include any employee of the Company that has not been employed by the Company for a period of at least thirty (30) days, and (ii) Solicitation will be not be considered to have occurred with respect to any agent of consultant to the Company merely because such agent or consultant is retained by such entity or entities. For purposes of this Agreement, "*Solicitation*" means, directly or indirectly, individually or as a consultant to, or as an employee, officer, director, stockholder, partner or other owner or participant of, any entity, (i) the solicitation of, inducement of, or attempt to induce, any employee, agent or consultant of the Company to leave the employ of, or stop providing services to, the Company; or (ii) the offering or aiding another to offer employment to, or interfering or attempting to interfere with the Company's relationship with, any employees or consultants of the Company.

(b) Non-Disparagement. Participant shall not, at any time, directly or indirectly, disparage or make any statement or publication that is intended to or has the effect of disparaging, impugning or injuring the reputation or business interests of the Company or its products, services, officers or employees, regardless of any perceived truth of such statement or publication

(c) Confidentiality and Trade Secrets. The Participant understands and agrees that Confidential Information will be considered the trade secrets of the Company and will be entitled to all protections given by law to trade secrets and that the provisions of this Agreement apply to every form in which Confidential Information exists, including, without limitation, written or printed information, films, tapes, computer disks or data, or any other form of memory device, media or method by which information is stored or maintained. The Participant acknowledges that in the course of employment with the Company, he has received and may receive Confidential Information of the Company. The Participant further acknowledges that Confidential Information is a valuable, unique and special asset belonging to the Company. For these reasons, and except as otherwise directed by the Company, the Participant agrees that he will not disclose or disseminate to anyone outside the Company, nor use for any purpose other than as required by his work for the Company, nor assist anyone else in any such disclosure or use of, any Confidential Information. For purposes of this Agreement, "*Confidential Information*" means all confidential or proprietary information that relates to the business, technology, manner of operation, suppliers, customers, finances, investors, prospective investors, technical data, engineering data, project specifications and studies, employees, or business plans, proposals or practices of the Company or its subsidiaries (if any), and includes, without limitation, the identities of the Company's suppliers, investors, prospective investors, customers and prospective customers, the Company's business plans and proposals, marketing plans and proposals, technical plans and proposals, research and development, budgets and projections, and nonpublic financial information. Excluded from the definition of Confidential Information is industry practices, standards and general operational procedures generally known to the public.

(d) Notwithstanding any other provision of this Agreement, if the Participant breaches any obligation under this Section 7, any Time-Based RSU that has not been settled shall be forfeited and the Company may require the Participant to repay to the Company any previously issued shares of Common Stock or any payment made to the Participant pursuant to this Agreement.

8. Miscellaneous Provisions.

(a) Securities Laws Requirements. No shares will be issued or transferred pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the shares may be listed, have been fully met. As a condition precedent to the issuance of shares pursuant to this Agreement, the Company may require the Participant to take any reasonable action to meet those requirements. The Committee may impose such conditions on any shares issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue sky or other securities laws applicable to those shares.

(b) Transfer Restrictions. The shares delivered hereunder will be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, any applicable federal or state laws and any agreement with, or policy of, the Company or the Committee to which the Participant is a party or subject, and the Committee may cause orders or designations to be placed upon the books and records of the Company's transfer agent to make appropriate reference to such restrictions.

(c) No Right to Continued Service. Nothing in this Agreement or the Plan confers upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

(d) Notification. Any notification required by the terms of this Agreement will be given by the Participant (i) in writing addressed to the Company at its principal executive office and will be deemed effective upon actual receipt when delivered by personal delivery or by registered or certified mail, with postage and fees prepaid, or (ii) by electronic transmission to the Company's e-mail address of the Company's General Counsel and will be deemed effective upon actual receipt. Any notification required by the terms of this Agreement will be given by the Company (x) in writing addressed to the address that the Participant most recently provided to the Company and will be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, or (y) by facsimile or electronic transmission to the Participant's primary work fax number or e-mail address (as applicable) and will be deemed effective upon confirmation of receipt by the sender of such transmission.

(e) Waiver. No waiver of any breach or condition of this Agreement will be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

(f) Successors and Assigns. The provisions of this Agreement will inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's executor, personal representative(s), distributees, administrator, permitted transferees, permitted assignees, beneficiaries, and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

(g) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.

(h) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both the Participant and the Company.

(i) Choice of Law; Arbitration; Jurisdiction. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted before a single arbitrator in Houston, Texas in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association then in effect. The decision of the arbitrator will be final and binding upon the parties hereto. The arbitration proceeding shall be confidential, except that judgment may be entered on the arbitrator's award in any court having jurisdiction. All claims, causes of action or proceedings that may be based upon, arise out of or relate to this Agreement will be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

PARTICIPANT ACKNOWLEDGES THAT, BY SIGNING THIS AGREEMENT, PARTICIPANT IS WAIVING ANY RIGHT THAT PARTICIPANT MAY HAVE TO A JURY TRIAL RELATED TO THIS AGREEMENT.

(j) Section 409A. It is intended that this Agreement and the Award will be exempt from (or in the alternative will comply with) Code Section 409A, and the Agreement shall be administered accordingly and interpreted and construed on a basis consistent with such intent. This Section 8(j) shall not be construed as a guarantee of any particular tax effect for the Participant's benefits under the Agreement and the Company does not guarantee that any such benefits will satisfy the provisions of Code Section 409A or any other provision of the Code.

(k) Further Assurances. The Participant agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of the Agreement and the Plan.

(l) Signature in Counterparts. This Agreement may be signed in counterparts, manually or electronically, each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

(m) Clawback. All awards, amounts, or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with the terms of any Company "clawback" policy or any applicable law related to such actions, as may be in effect from time to time. The Participant acknowledges and consents to the Company's application, implementation, and enforcement of any applicable Company "clawback" policy that may apply to the Participant, whether adopted before or after the Date of Grant, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(n) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to any Awards granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Such on-line or electronic system shall satisfy notification requirements discussed in Section 8(d).

(o) Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan, this Agreement and the Company's Insider Trading Policy, which is posted to the Company's website. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the Time-Based RSUs subject to all of the terms and conditions of the Plan and this Agreement. Participant agrees to comply with the Company's Insider Trading Policy and any related guidelines issued by the Company in the execution of any trades in Company stock. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable term and provision of the Plan will govern and prevail. The Participant acknowledges that there may be adverse tax consequences upon the grant or vesting of this Award or disposition of the underlying shares and that the Participant has been advised to consult a tax advisor.

[Signature page follows.]

IN WITNESS WHEREOF, the Company and the Participant have executed this Restricted Stock Unit Agreement as of the dates set forth below.

PARTICIPANT	**NEXTDECADE CORPORATION**
By:	By:
Date:	Date:

Exhibit 10.33

NEXTDECADE CORPORATION
2017 Omnibus Incentive Plan

Performance-Based Restricted Stock Unit Award Agreement

This Performance-Based Restricted Stock Unit Award Agreement (this "*Agreement*") is made by and between NextDecade Corporation, a Delaware corporation (the "*Company*"), and [●] (the "*Participant*"), effective as of [●] (the "*Date of Grant*").

RECITALS

WHEREAS, the Company has adopted the NextDecade Corporation 2017 Omnibus Incentive Plan (as the same may be amended from time to time, the "*Plan*"), which Plan is incorporated herein by reference and made a part of this Agreement, and capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed to those terms in the Plan; and

WHEREAS, the Committee has authorized and approved the grant of an Award to the Participant of Performance Stock Units ("*PSUs*"), subject to the terms and conditions set forth in the Plan and this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, the parties agree as follows:

1. Grant of PSUs. The Company hereby grants to the Participant, effective as of the Date of Grant, a Performance Stock Unit Award equal to [●] ([●]) PSUs, which PSUs shall be subject to performance-based and time-based vesting (the "*Performance-Based RSUs*"), on the terms and conditions set forth in the Plan and this Agreement. Each Performance-Based RSU shall entitle the Participant to receive one share of Common Stock at such future date or dates and subject to such terms and conditions as set forth in this Agreement.

2. Vesting of PSUs. Subject to the terms and conditions set forth in the Plan and this Agreement, the Performance-Based RSUs shall become earned and vested as follows, and be subject to the following conditions:

    (a) Performance-Vesting Conditions. The number of Performance-Based RSUs that become earned (if any) will be determined based on the performance measures set forth below.

    (i) [●]

    (b) [Time-Vesting Conditions. In addition to the performance-vesting conditions stated above, and except as expressly provided below, as applicable, or as otherwise provided pursuant to the terms of the Plan, once any number of Performance-Based RSUs have been earned in accordance with Section 2(a), the Participant must remain continuously employed with the Company or its Subsidiaries through the following date(s) (each a "*Vesting Date*") to become vested in such Performance-Based RSUs (after adjustment for performance):

    If the number of Performance-Based RSUs vesting is a fractional number, the number vesting will be rounded down to the nearest whole number.]

    (c) Events in Connection with a Change of Control. If there is a Change of Control and either (i) the Participant's Service with the Company or its Subsidiaries is terminated without Cause following such Change of Control or (ii) the Performance-Based RSUs are not assumed or replaced with an award of substantially equivalent value:

    (i) Any unearned Performance-Based RSUs shall vest at the Board's discretion and approval (a "*Vesting Date*").

    (ii) Any earned but unvested Performance-Based RSUs shall fully vest (a "*Vesting Date*").

    (d) Termination of Service Other Than For Poor Performance, For Cause, death, Disability, or By Reason of Voluntary Resignation. Upon the Participant's termination of Service with the Company or its Subsidiaries for any reason other than a termination of Service for Poor Performance (as defined below), for Cause (as defined below), death, Disability or by reason of voluntary resignation the Performance-Based RSUs shall vest as follows:

    (i) Any unearned Performance-Based RSUs shall be forfeited.

    (ii) Any earned but unvested Performance-Based RSUs shall fully vest (a "*Vesting Date*").

    (e) Termination of Service for Poor Performance. In the event the Participant's Service with the Company or its Subsidiaries is terminated for Poor Performance, the Performance-Based RSUs shall vest as follows:

    (i) Any unearned Performance-Based RSUs shall be forfeited.

    (ii) Any earned but unvested Performance-Based RSUs that would otherwise have become vested on the next anniversary of the date such Performance-Based RSUs were earned shall vest (a "*Vesting Date*") pro rata based on the number of days of Service in such 12-month vesting period prior to the Participant's termination of Service. The number of such Performance-Based RSUs so vested shall be the number of such Performance-Based RSUs multiplied by a fraction, the numerator of which is the number of days of Service during such 12-month vesting period and the denominator of which is 365 (or 366 if such 12-month period includes February 29th). All rights of the Participant to the Performance-Based RSUs that remain unvested (after giving effect to this Section 2(e)) as of the date of Participant's termination of Service with the Company or its Subsidiaries shall terminate and such Performance-Based RSUs shall be forfeited in their entirety.

For purposes of this Agreement, the term "*Poor Performance*" shall mean the Participant has failed or refused to substantially perform the material duties related to the Participant's employment or other engagement with the Company or its Subsidiaries on a regular basis and such refusal or failure shall have continued for a period of twenty (20) days after written notice to the Participant by the Participant's line manager and/or Human Resources specifying such refusal or failure in reasonable detail.

(f) Termination of Service for Cause or By Reason of Voluntary Resignation. In the event the Participant's Service with the Company or its Subsidiaries is terminated for Cause or by reason of voluntary resignation, all unvested Performance-Based RSUs shall be forfeited.

For purposes of this Agreement, the term "*Cause*" shall mean (i) the Participant has committed a deliberate act against the interests of the Company including, without limitation: an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company, including, but not limited to, the offer, payment, solicitation or acceptance of any unlawful bribe or kickback with respect to the Company's business; or (ii) the commission by a Participant of, or the plea of nolo contendere by such Participant with respect to, a felony or a crime involving moral turpitude; or (iii) the Participant has been chronically absent from work (excluding vacations, illnesses, Disability or leaves of absence approved by the Board); or (iv) the Participant has refused, after explicit written notice, to obey any lawful resolution of or direction by the Board which is consistent with the duties incident to his employment or other engagement with the Company and such refusal continues for more than twenty (20) days after written notice is given to the Participant specifying such refusal in reasonable detail; or (v) the Participant has breached any of the material terms contained in any employment agreement, non-competition agreement, confidentiality agreement, restrictive covenants agreement or similar type of agreement to which such Participant is a party; or (vi) the Participant's misappropriation of the Company's or any of its Subsidiary's assets or business opportunities; or (vii) the Participant has engaged in (x) the unlawful use (including being under the influence) or possession of illegal drugs on the Company's premises or (y) habitual drunkenness on the Company's premises or while representing the Company to third parties.

Any voluntary termination of Service or other engagement by the Participant in anticipation of an involuntary termination of the Participant's Service for Cause shall be deemed to be a termination for "Cause."

(g) Death or Disability. In the event the Participant's Service with the Company or its Subsidiaries is terminated due to death or Disability,

(i) Any unearned Performance-Based RSUs shall vest at the Board's discretion and approval.

(ii) Any earned but unvested Performance-Based RSUs shall fully vest.

3. Restrictions.

(a) Performance-Based RSUs constitute an unfunded and unsecured obligation of the Company. The Participant shall have no rights or privileges of a Company stockholder as to the Performance-Based RSUs prior to settlement in accordance with Section 4 of this Agreement ("*Settlement*"), including no right to vote or receive dividends or other distributions with respect to the Performance-Based RSUs. In addition, the following provisions shall apply:

(i) the Participant shall not be entitled to delivery of a certificate or certificates for shares of Common Stock in connection with the Performance-Based RSUs until Settlement (if at all), and upon the satisfaction of all other applicable conditions;

(ii) none of the Performance-Based RSUs may be sold, transferred (other than by will or the laws of descent and distribution), assigned, pledged or otherwise encumbered or disposed of prior to Settlement; and

(iii) Any attempt to dispose of the Performance-Based RSUs or any interest in the Performance-Based RSUs in a manner contrary to the restrictions set forth in this Agreement shall be void and of no effect.

4. Settlement. Delivery of shares of Common Stock under the Agreement in Settlement of vested Performance-Based RSUs shall be subject to the following:

(a) No later than the second Business Day following a Vesting Date, the Company shall deliver to the Participant one share of Common Stock for each Performance-Based RSU that has vested on such Vesting Date and has not otherwise been forfeited.

(b) No later than 30 days following the date of the Participant's death or Disability, the Company shall deliver to the Participant or the Participant's beneficiary or estate, as applicable, one share of Common Stock for each Performance-Based RSU that vested pursuant to Section 2(g) above.

(c) To the extent permitted by applicable law and the applicable rules of any securities exchange or similar entity, the Company may elect to satisfy any requirement for the delivery of stock certificates by documenting the Participant's interest in the shares of Common Stock by registering the shares with the Company's transfer agent (or another custodian selected by the Company) in book-entry form in the Participant's name (i.e. "book-entry").

For purposes of this Agreement, "*Business Day*" means any day other than a Saturday, Sunday, any federal legal holiday or day on which banking institutions in the State of Texas are authorized or required by law or other governmental action to close.

5. Withholding Requirements. The Company shall have the power and the right to deduct or withhold automatically from any shares deliverable under this Agreement, or to require the Participant to remit to the Company, the amount of any required withholding taxes in respect of the Settlement of Performance-Based RSUs and to take all such other action as the Company deems necessary to satisfy all obligations for the payment of such withholding taxes. Notwithstanding any action the Company takes with respect to any or all income tax, social security insurance, payroll tax, or other tax-related withholding ("*Tax Items*"), the ultimate liability for all Tax Items is and remains the Participant's responsibility and the Company (i) makes no representation or undertakings regarding the treatment of any Tax Items in connection with any aspect of the Award, and (ii) does not commit to structure the Performance-Based RSUs to reduce or eliminate the Participant's liability for Tax Items.

6. Adjustment. In the event of any change with respect to the outstanding shares of Common Stock contemplated by Section 4.5 of the Plan, the Performance-Based RSUs may be adjusted in accordance with Section 4.5 of the Plan.

7. Restrictive Covenants; Additional Conditions.

(a) Non-Solicitation. During the period beginning on the Date of Grant and ending 24-months after Participant's termination of Service with the Company and its Subsidiaries (the "*Restricted Period*"), the Participant will not engage in or attempt to engage in any Solicitation; provided that Solicitation will not be considered to have occurred by the general advertising for or hiring of any employee by entities with which the Participant is associated, as long as he does not (a) directly or indirectly contact such employee prior to his departure from the Company or during the balance of the Restricted Period regarding such employee's employment with such entities, or (b) in the case of hiring such employee, control such entity or have any input in the decision to hire such employee. Responding to reference requests shall not be considered a Solicitation. For avoidance of doubt, for the purposes of this Section 7(a), (i) "employee" shall not include any employee of the Company that has not been employed by the Company for a period of at least thirty (30) days, and (ii) Solicitation will be not be considered to have occurred with respect to any agent of consultant to the Company merely because such agent or consultant is retained by such entity or entities. For purposes of this Agreement, "*Solicitation*" means, directly or indirectly, individually or as a consultant to, or as an employee, officer, director, stockholder, partner or other owner or participant of, any entity, (i) the solicitation of, inducement of, or attempt to induce, any employee, agent or consultant of the Company to leave the employ of, or stop providing services to, the Company; or (ii) the offering or aiding another to offer employment to, or interfering or attempting to interfere with the Company's relationship with, any employees or consultants of the Company.

(b) Non-Disparagement. Participant shall not, at any time, directly or indirectly, disparage or make any statement or publication that is intended to or has the effect of disparaging, impugning or injuring the reputation or business interests of the Company or its products, services, officers or employees, regardless of any perceived truth of such statement or publication.

(c) Confidentiality and Trade Secrets. The Participant understands and agrees that Confidential Information will be considered the trade secrets of the Company and will be entitled to all protections given by law to trade secrets and that the provisions of this Agreement apply to every form in which Confidential Information exists, including, without limitation, written or printed information, films, tapes, computer disks or data, or any other form of memory device, media or method by which information is stored or maintained. The Participant acknowledges that in the course of employment with the Company, he has received and may receive Confidential Information of the Company. The Participant further acknowledges that Confidential Information is a valuable, unique and special asset belonging to the Company. For these reasons, and except as otherwise directed by the Company, the Participant agrees that he will not disclose or disseminate to anyone outside the Company, nor use for any purpose other than as required by his work for the Company, nor assist anyone else in any such disclosure or use of, any Confidential Information. For purposes of this Agreement, "*Confidential Information*" means all confidential or proprietary information that relates to the business, technology, manner of operation, suppliers, customers, finances, investors, prospective investors, technical data, engineering data, project specifications and studies, employees, or business plans, proposals or practices of the Company or its subsidiaries (if any), and includes, without limitation, the identities of the Company's suppliers, investors, prospective investors, customers and prospective customers, the Company's business plans and proposals, marketing plans and proposals, technical plans and proposals, research and development, budgets and projections, and nonpublic financial information. Excluded from the definition of Confidential Information is industry practices, standards and general operational procedures generally known to the public.

(d) Notwithstanding any other provision of this Agreement, if the Participant breaches any obligation under this Section 7, any PSU that has not been settled shall be forfeited and the Company may require the Participant to repay to the Company any previously issued shares of Common Stock to the Participant pursuant to this Agreement.

8. Miscellaneous Provisions.

(a) Securities Laws Requirements. No shares will be issued or transferred pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the shares may be listed, have been fully met. As a condition precedent to the issuance of shares pursuant to this Agreement, the Company may require the Participant to take any reasonable action to meet those requirements. The Committee may impose such conditions on any shares issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue sky or other securities laws applicable to those shares.

(b) Transfer Restrictions. The shares delivered hereunder will be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, any applicable federal or state laws and any agreement with, or policy of, the Company or the Committee to which the Participant is a party or subject, and the Committee may cause orders or designations to be placed upon the books and records of the Company's transfer agent to make appropriate reference to such restrictions.

(c) No Right to Continued Service. Nothing in this Agreement or the Plan confers upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Subsidiary retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

(d) Notification. Any notification required by the terms of this Agreement will be given by the Participant (i) in writing addressed to the Company at its principal executive office and will be deemed effective upon actual receipt when delivered by personal delivery or by registered or certified mail, with postage and fees prepaid, or (ii) by electronic transmission to the Company's e-mail address of the Company's General Counsel and will be deemed effective upon actual receipt. Any notification required by the terms of this Agreement will be given by the Company (x) in writing addressed to the address that the Participant most recently provided to the Company and will be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, or (y) by facsimile or electronic transmission to the Participant's primary work fax number or e-mail address (as applicable) and will be deemed effective upon confirmation of receipt by the sender of such transmission.

(e) Waiver. No waiver of any breach or condition of this Agreement will be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

(f) Successors and Assigns. The provisions of this Agreement will inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Participant, the Participant's executor, personal representative(s), distributees, administrator, permitted transferees, permitted assignees, beneficiaries, and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

(g) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.

(h) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both the Participant and the Company.

(i) Choice of Law; Arbitration; Jurisdiction. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted before a single arbitrator in Houston, Texas in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association then in effect. The decision of the arbitrator will be final and binding upon the parties hereto. The arbitration proceeding shall be confidential, except that judgment may be entered on the arbitrator's award in any court having jurisdiction. All claims, causes of action or proceedings that may be based upon, arise out of or relate to this Agreement will be governed by the internal laws of the State of Delaware, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

PARTICIPANT ACKNOWLEDGES THAT, BY SIGNING THIS AGREEMENT, PARTICIPANT IS WAIVING ANY RIGHT THAT PARTICIPANT MAY HAVE TO A JURY TRIAL RELATED TO THIS AGREEMENT.

(j) Section 409A. It is intended that this Agreement and the Award will be exempt from (or in the alternative will comply with) Code Section 409A, and the Agreement shall be administered accordingly and interpreted and construed on a basis consistent with such intent. This Section 8(j) shall not be construed as a guarantee of any particular tax effect for the Participant's benefits under the Agreement and the Company does not guarantee that any such benefits will satisfy the provisions of Code Section 409A or any other provision of the Code.

(k) Further Assurances. The Participant agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of the Agreement and the Plan.

(l) Signature in Counterparts. This Agreement may be signed in counterparts, manually or electronically, each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

(m) Clawback. All awards, amounts, or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with the terms of any Company "clawback" policy or any applicable law related to such actions, as may be in effect from time to time. The Participant acknowledges and consents to the Company's application, implementation, and enforcement of any applicable Company "clawback" policy that may apply to the Participant, whether adopted before or after the Date of Grant, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(n) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to any Awards granted under the Plan by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Such on-line or electronic system shall satisfy notification requirements discussed in Section 8(d).

(o) Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan, this Agreement and the Company's Insider Trading Policy, which is posted to the Company's website. The Participant has read and understands the terms and provisions of the Plan and this Agreement, and accepts the Performance-Based RSUs subject to all of the terms and conditions of the Plan and this Agreement. Participant agrees to comply with the Company's Insider Trading Policy and any related guidelines issued by the Company in the execution of any trades in Company stock. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable term and provision of the Plan will govern and prevail. The Participant acknowledges that there may be adverse tax consequences upon the grant or vesting of this Award or disposition of the underlying shares and that the Participant has been advised to consult a tax advisor.

[Signature page follows.]

IN WITNESS WHEREOF, the Company and the Participant have executed this Performance Stock Unit Agreement as of the dates set forth below.

PARTICIPANT	**NEXTDECADE CORPORATION**
By:	By:
Date:	Date:

Exhibit 21.1

Subsidiaries of NextDecade Corporation

Subsidiary Name	State of Incorporation
NextDecade LNG, LLC	Delaware
NEXT Carbon Solutions, LLC	Texas
Rio Grande LNG, LLC	Texas

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated March 28, 2022, with respect to the consolidated financial statements included in the Annual Report of NextDecade Corporation on Form 10-K for the year ended December 31, 2021. We consent to the incorporation by reference of said report in the Registration Statements of NextDecade Corporation on Forms S-3 (File No. 333-261021, File No. 333-257923, File No. 333-254781, File No. 333-235476, File No. 333-233282, File No. 333-228914, and File No. 333-220263) and Forms S-8 (File No. 333-257928, File No. 333-254761, File No. 333-234596 and File No. 333-222082).

/s/ GRANT THORNTON LLP
Houston, Texas
March 28, 2022

Exhibit 31.1

CERTIFICATIONS

I, Matthew K. Schatzman, certify that:

1. I have reviewed this Annual Report on Form 10-K of NextDecade Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2022

/s/ Matthew K. Schatzman
Matthew K. Schatzman
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Brent E. Wahl, certify that:

1. I have reviewed this Annual Report on Form 10-K of NextDecade Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2022

/s/ Brent E. Wahl
Brent E. Wahl
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew K. Schatzman, Chairman of the Board and Chief Executive Officer of NextDecade Corporation (the “Company”), hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2021 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 28, 2022

/s/ Matthew K. Schatzman
Matthew K. Schatzman
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brent E. Wahl, Chief Financial Officer of NextDecade Corporation (the "Company"), hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 28, 2022

/s/ Brent E. Wahl
Brent E. Wahl
Chief Financial Officer
(Principal Financial Officer)