

"Alaska LNG is now competitive against the US Gulf Coast LNG projects." – Wood Mackenzie, January 2022

ALASKA LNG

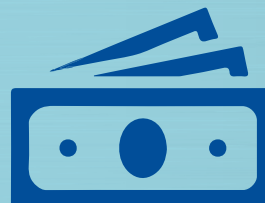
WOOD MACKENZIE – ALASKA LNG COMPETITIVE ANALYSIS

CREDIBLE



In a new report Wood Mackenzie, one of the world's most respected energy analysis and research firms, analyzed the cost competitiveness of the Alaska LNG Project.

COMPETITIVE



Wood Mackenzie concludes that, based on its ability to deliver price-competitive LNG, Alaska LNG now ranks ahead of U.S. Gulf Coast LNG projects also seeking to serve Asian markets.

DEMAND GROWTH



Wood Mackenzie projects that LNG demand growth will remain robust through 2050, open a supply gap in 2028, strengthen the need for new projects like Alaska LNG, and keep upward pressure on LNG prices to a range that is profitable for Alaska LNG.

REDUCED COST OF SUPPLY



Wood Mackenzie concludes that Alaska LNG project improvements over the last five years have enabled Alaska LNG to reduce the project's cost of supply by 43%. AGDC has reduced project construction and operating costs by 12% and revised the economic model to a tolling structure from an equity model. The expected natural gas purchase price has been reduced.

OPPORTUNITY



Wood Mackenzie identifies the federal loan guarantee in the recently signed infrastructure legislation and reforms that make Alaska's tax structure consistent with other U.S. LNG jurisdictions as opportunities to further strengthen Alaska LNG's competitive advantages.

ADVANTAGES



Alaska LNG is the closest U.S. LNG project to Asia, providing competitive shipping cost and emissions benefits.