President’s Report

March 19, 2026

ALASKA GASLINE DEVELOPMENT CORP.

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Winter Weather isn't Behind Us

With Daylight Savings behind us and longer days ahead, it's easy to believe that winter weather is no longer a factor. Anchorage historically receives a good portion of its snow in March, and road conditions can be deceiving with freeze thaw conditions nearly every day. Remember:

- Black ice forms overnight during freeze thaw periods and persists on bridges and shaded roads
- Melting snow during the day will typically be ice the next morning
- More sun means more glare; remember to keep sunglasses in your vehicle and easy to access
- Freeze thaw cycles can equal potholes; stay alert and avoid swerving into other lanes if you come upon a pothole suddenly
- Remember that icicles and snow will be falling off roofs and parking structures until it's completely melted. Be sure to look up when entering and exiting.

Key Topics

ALASKA GASLINE DEVELOPMENT CORP.

1. Financial Report
2. Legislature Update
3. Alaska LNG Project Development Update
4. 8 Star Governance Report
5. State Equity Options
6. Port Mackenzie Rail Extension Project Update
7. FY2026 AFE Revision 1

Financial Report

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FY 2026 Financial Report

ALASKA GASLINE DEVELOPMENT CORP.

AGDC Fiscal Year to Date Statement of Activities ($thousands) as of January 31, 2026 Unaudited	
Authorization for Expenditure (AFE) (Rev.0) Expenditures	1,260
AGDC General & Administrative (G&A)	1,182
Total	**2,442**

AFE Expenditures (Program & Commercial)		AGDC General & Administrative (G&A by Function)	
	YTD Costs		YTD Costs
Program Management	758	Personnel	703
Commercial Management	262	Travel	18
Other Direct Costs	60	Services	437
Permit Fees & Land Lease	179	Commodities	25
Total	**1,260**	**Total**	**1,182**

Legislature Update

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FY2027 AGDC Budget Request

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Operating Budget	
Personal Services	$1,170.5
Travel	$23.8
Services (contracts)	$1,002.3
Commodities	$40.0
Total GF Request	**$2,263.0**

FY2027 is a general fund increment request because FY2026 operating budget was funded as a one-time only request.

There was no capital budget request.

Legislative Hearings

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- House Commerce, Community and Economic Development Department Finance Subcommittee (February 17, 2026)
  - AGDC budget update by Frank Richards on teleconference and Mary Siroky present with the Subcommittee
- Senate Resources (February 23, 2026)
  - Overall AGDC update presentation by Frank Richards and Matt Kissinger
- Senate Resources (March 13, 2026)
  - First hearing on recently introduced SB 275

Senate Bill 275

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- Introduced by Senate Resources on March 5, 2026
  - Expands direct oversight and management of AGDC by the Legislature
  - Limits AGDC's confidentiality statutes
  - Requires Legislature to approve, by passing a bill, AGDC's transfer or sale assets and interests
  - Restricts AGDC partnerships with foreign entities
  - Requires AGDC to provide a public website listing ownership and financing detail of projects it develops or participates in
  - Requires AGDC disclosure of gas purchase agreements
  - Introduces new natural gas taxes and surcharges
  - Directs State valuation of natural gas
  - Alters Alaska's oil production tax structure

Alaska LNG Project Development Update

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Alaska LNG Development - Support

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AGDC supports Glenfarne as the Alaska LNG Developer by:

- Actively participating in the Development Consultation Committee (DCC)
  - AGDC represented by two members
- Providing technical project expertise
  - Institutional knowledge of project information
  - Technical input into 8 Star and Worley project activities
  - Major project contract review and input
- Providing commercial expertise
  - Bridging and building on AGDC's legacy commercial relationships
  - Coordinating relationships with key Alaskan stakeholders, such as Producers and Alaska Native Corporations
  - Aligning key State departments and corporations

Property Tax Work Group

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Work group formed at request of Governor to assess relief from oil and gas property taxes (AS 43.56) on the Alaska LNG project

- Alaska's oil and gas property tax rates are an outlier compared to other states and other countries and will penalize Alaskans with higher energy costs
- Work group consists of Mayors of the North Slope, Fairbanks North Star, Matanuska Susitna, Kenai Peninsula and Denali Boroughs
- Weekly meetings to discuss alternative approaches and assess the project's overall impacts and benefits
- 3rd party contractor engaged to facilitate and support work group
- Funding for contractors and AGDC provided by Governor's office

8 Star Governance Report

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State Equity Cash Obligations

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- AGDC's cash obligations to maintain equity in the Alaska LNG Project have varied over since the Heads of Agreement were signed in 2013
- AGDC's definitive agreements with Glenfarne eliminated cash obligations for the State to fully develop the project

Lead Party	Pre-FEED	FEED	Construction	Cost Risk
ExxonMobil (2014)	25%	25%	25%	25%
AGDC (2017)	25%	100%	100%	100%
Glenfarne (2025)	25%	0%	0%-25%*	0%-25%*

*AGDC option, not obligation, to invest in future subproject equity.

AGDC's Role as Minority Owner

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AGDC's role as 25% minority owner:

- Participate in the Board of Managers
  - AGDC represented by one Manager
  - Represent State of Alaska's interest in 8 Star and the Alaska LNG Project
- Focus areas
  - Equity governance
  - Technical and commercial support (through the DCC and Transition Agreement)
  - Ensure adherence to project development agreements, and milestones, and Alaska Advantage Principles
  - Optimization of developer economics through the life of the project
  - Optional State equity investment opportunities, including for Alaskans to invest

Alaska Advantage Principles

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- Establish and maintain a substantial operational presence in Alaska
- Accept interconnection requests from Alaska customers—as per design, a primary interconnection will serve Fairbanks
- In-State customers get the priority right for 500 MMscfd (more than double current demand)
- Capacity will be expanded to accommodate increased demand above the original 500 MMscfd allocation
- The project may utilize differential rates only where they both:
    1. Help maximize the flow of natural gas through the project, and
    2. Achieve the lowest possible cost of gas for Alaska utility customers

Diligent Development Scorecard

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- ✓ **Upstream Gas Supply**
  Developer has entered into Gas Sales Precedent Agreements for sufficient supply of Phase 1 Pipeline gas with Pantheon Resources, ExxonMobil, and Hilcorp
- ✓ **Downstream Gas Sales**
  Developer has entered-into Letters of Intent with Enstar and Donlin Gold
- ✓ **Pre-FID Activities**
  Developer has completed FEED for the Phase 1 Pipeline and is initiating Phase 2 FEED
- ✓ **Construction Management**
  Developer has entered-into an Engineering, Procurement, and Construction Management (EPCM) agreement with Worley
- ✓ **Pipeline Construction**
  Developer has announced conditional awards for EPCs to construct each spread of Phase 1
- ✓ **Line-Pipe Supply**
  Developer executed preliminary agreements for majority of the line pipe with Corinth Pipeworks S.A. and Europipe GmbH
- ✓ **Financing**
  Developer is advancing a debt finance structure

8 Star Ownership Benefits

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- Divesting 75% has resulted in private sector development, funding, and leadership of Alaska LNG where AGDC holds minority ownership of a substantial asset growing in value
- Not obligated to provide future funding to maintain ownership and receive return from developer economics
- Subproject development fees are paid to the Project Company (8 Star Alaska) and are capitalized into subproject cost structure
- Development fees are net of actual costs and are distributed to owners (AGDC and Glenfarne) pro rata
- AGDC shares in development value uplift as each subproject phase reaches FID
- AGDC has the option on behalf of the state, but not the obligation, to invest in up to 25% in the Alaska LNG subprojects (Gas Treatment Plant, Pipeline, LNG Facility) alongside other equity investors

8 Star Development Evolution

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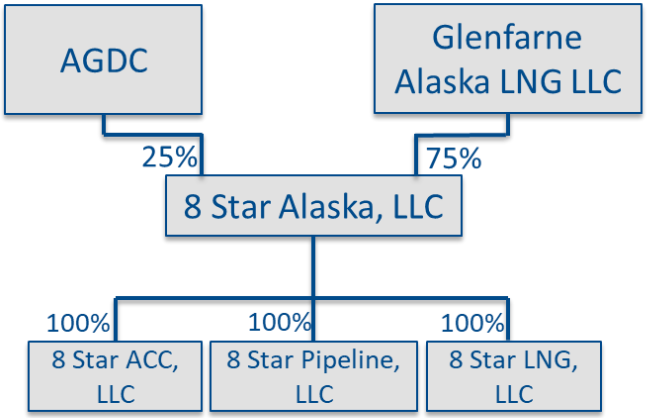
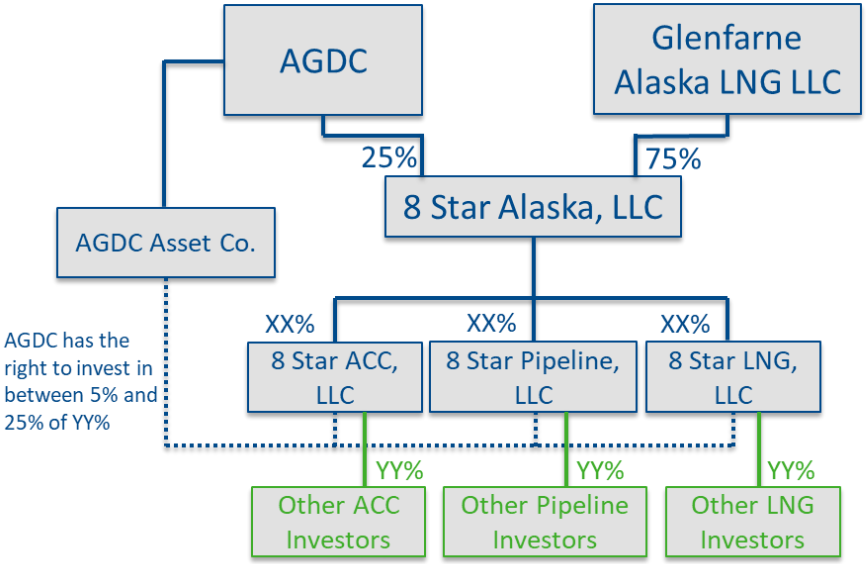
2025



- 75% of 8 Star Alaska was transferred to Glenfarne in exchange for taking the project to FID
- The three subsidiaries remain 100% owned by 8 Star Alaska

After FID



- Each subproject will be Project Financed (borrowing based on that subsidiary's credit support derived from long-term contracts)
- 8 Star Alaska will sell down equity in each subsidiary for remainder of funding
- At each capital raise, AGDC has the right to participate in between 5% and 25% of the respective capital raise

Future AGDC Returns

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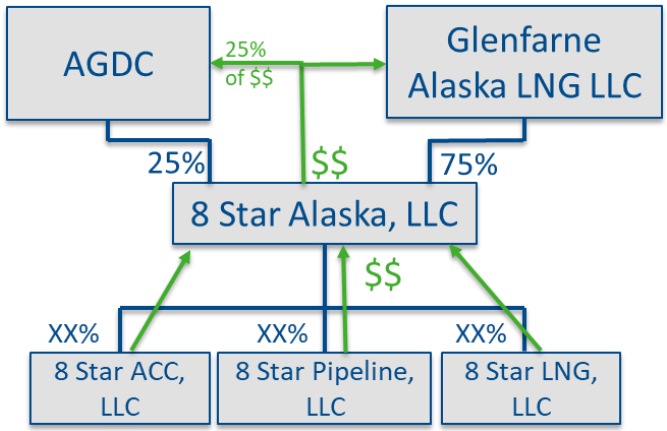
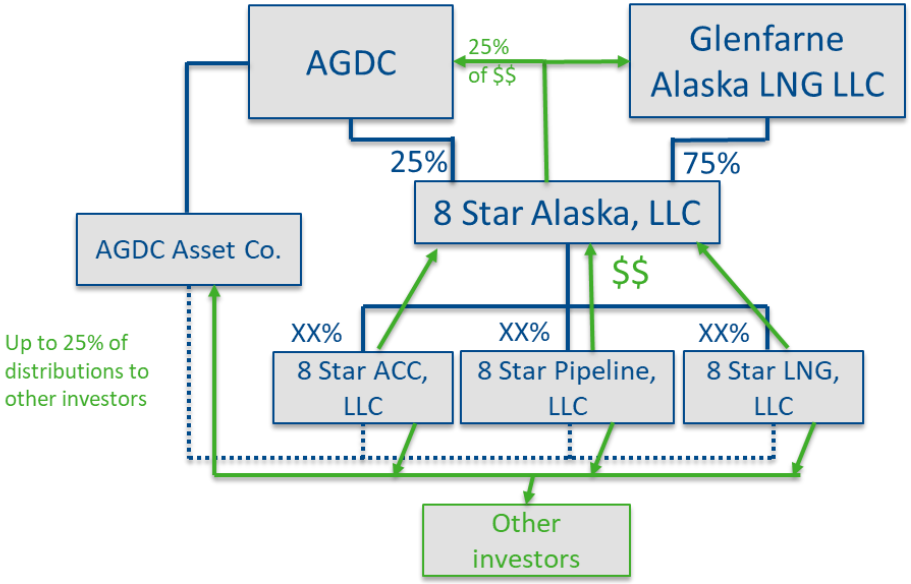
Without Further Investment



- AGDC has a fixed 25% ownership in 8 Star Alaska
- This ownership will receive distributions from the equity that 8 Star Alaska retains in each subproject

With Subproject Investment



- As 8 Star Alaska sells down equity in each subproject, AGDC has a right to invest in between 5% and 25% of such sell down (capital raise)
- In this case, AGDC will receive returns from the original 25% ownership of 8 Star as well as through the direct investments in each subproject

Key Points on 8 Star 25% Ownership

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1. AGDC's ownership in the parent company (8 Star Alaska, LLC) is perpetual and requires no further investment
2. The parent company currently own's 100% of the subprojects
3. AGDC's equity is fully aligned with Glenfarne's in their optimal development of subprojects to achieve developer economics
4. AGDC's equity is not exposed to project cost risk and cannot be diluted
5. Developer is motivated to divest as little subproject equity as necessary to achieve FID

State Equity Options

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Optional Equity Investment

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AGDC has reserved the right to invest **up to** 25% in individual subprojects if equity is raised:

1. Phase 1 Pipeline – investment decision in 2026
2. Gas Treatment Plant – investment decision in 2027
3. LNG Facility – investment decision in 2027

Investment is a contractual **option** on terms alongside other equity investors but **not an obligation**

- Alaska corporations, businesses, and Alaskans will have the opportunity to invest in the portion of the 25% the state chooses to not invest
- Investment decisions are made as each subproject reaches FID
- Options for State investment are being investigated

State of Alaska Investment Options

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Options for State investment in the Phase 1 Pipeline subproject:

1. No investment (does **not** alter 25% ownership of 8 Star Alaska)
   - Can be implemented with existing AGDC operational funding
2. General fund appropriation
   - Unlikely, but can be implemented with existing AGDC operational funding
3. Bonding
   - AGDC bonding authority does not trigger general obligation of the State
   - Would require AGDC program funding not currently available
4. State Corporation Investment (AIDEA, ARRC, APFC)
   - Viable and can likely be implemented with existing AGDC operational funding
   - Will be dependent on investment terms offered and investor due diligence
5. Comprehensive State Ownership Program (incl. individuals)
   - Viable, but would require AGDC program funding not currently available

- AGDC looking for ways that in-kind contributions can fund subproject equity investment (e.g. gravel)
- Decision for investment in Gas Treatment Plant and LNG Facility occurs as part of FID for each of those subprojects separately

Preemptive Rights

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Participation Delay Right Exercised

- Glenfarne extends AGDC's window to participate in any issuance or sale of equity associated with FID for Alaska LNG subprojects

AGDC Back-In Option (5%–25%)

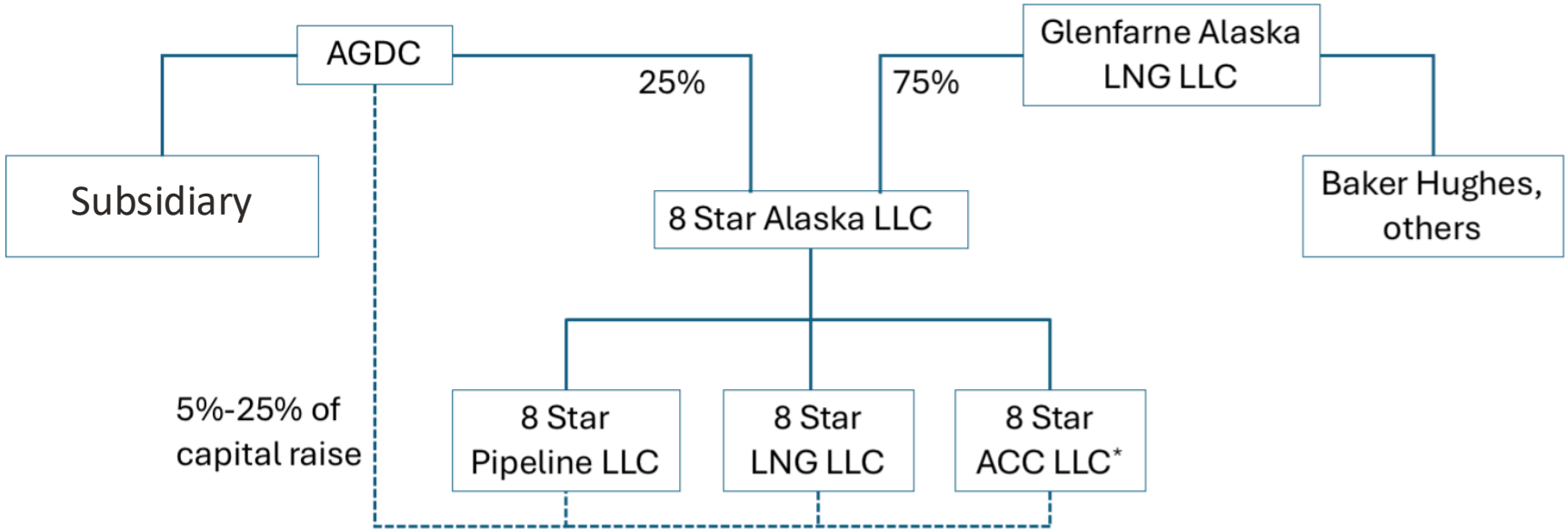
- After the closing of such third-party investment, AGDC may elect to back-in to acquire between 5% and 25% of the subproject equity issued, on the same economic terms

Extended Election Period

- AGDC receives a full 180 days after closing to elect and arrange funding

Alaska LNG moves forward either with or without this participation by the State

Structure



** 8 Star ACC (Arctic Carbon Capture) is the gas treatment plant on North Slope for preconditioning the produced gas into LNG specifications.*

Investment Opportunities

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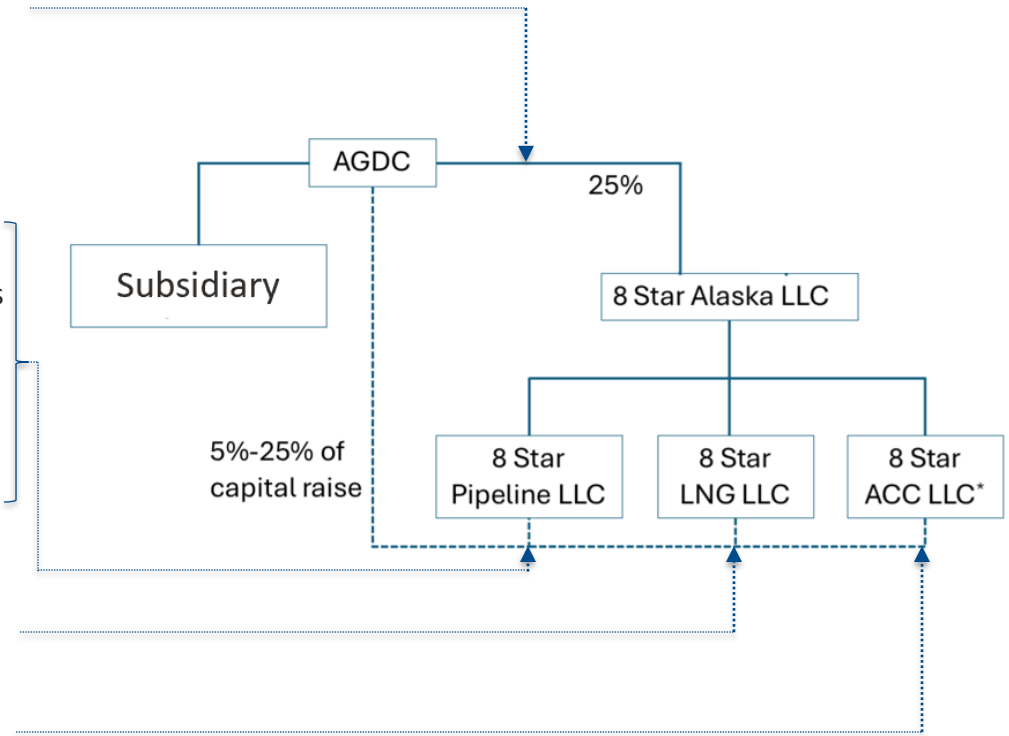
Investment Waterfall

Development-level Investment

1. **Current ownership in 8 Star – available now**
   Revenues to flow at Phase 1 COD and increase at Phase 2 COD from retained ownership in subsidiaries

Project-level Investment

2. **8 Star Pipeline LLC Phase 1 – available 3Q 2026**
   Revenues to flow at Phase 1 COD from in-state gas sales beginning in 2029
3. **8 Star Pipeline LLC Phase 2 – available 1Q 2027**
   Revenues to flow at Phase 2 COD in 2031 – Phase 2 will act as a second pipeline fundraise, not an independent investment vehicle
4. **8 Star LNG LLC – available 1Q 2027**
   Revenues to flow at Phase 2 COD in 2031 from LNG sales
5. **8 Star ACC LLC – available 1Q 2027**
   Revenues to flow at Phase 2 COD in 2031 from gas processing fees



Alaska Investment Offering

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- AGDC has conceptualized a project investment offer to Alaskans that does not expose investors to project risk
- AGDC's option to invest in a minimum 5% up to maximum 25% of the Phase 1 Pipeline will be accommodated through a special purpose subsidiary
  - Minimum overall ADGC option: $200 million (example)
  - Maximum overall AGDC option: $1 billion (example)
- Qualified investors will be offered tokens which represent a unit of Preferred Equity return
  - Offering Period: 90 days
  - Investment Period: Life of project
  - First Year of Distributions: 2029
  - Annual Preferred Return Distributions: TBD
  - Transfer Lockup Period: TBD

Alaska Investor Eligibility

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- This program is a new model for citizen-backed energy ownership, aligning with Alaska's values of independence, transparency, and shared prosperity
- AGDC has defined eligible investors under the program
  - AGDC (through legislative appropriation)
  - Alaska Public Corporations (AIDEA and APFC)
  - Alaska Native Corporations
  - Alaska Companies
  - Individual Alaskans
- Strict criteria for eligibility within each category will be provided in the investment offering
- MyAlaska integration could provide validation of Alaska Residents and potentially integrate with PFD investment

Why Tokenization?

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- Each token represents an economic stake in the Alaska LNG Project with a defined rate of return that does not expose the investor to project risk
- Fractional ownership through tokens enables small and large investors to participate in a traditionally inaccessible infrastructure project
- Allows Alaska geo-fencing based on AGDC criteria
- Creates an arms-length investment without burdensome direct shareholder administration
- Liquidity and transparency for token trading is on regulated exchanges, with full traceability and governance enabled via blockchain
- Smart contracts automate distributions, compliance, and ownership transfers without affecting project equity agreements

Program Work Streams

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- **Structuring & Governance**

  Standing up the necessary corporate entities and papering the required agreements
- **Legal & Regulatory**

  Compliance with State statutes, securities laws, and tax treatments
- **Financial Design**

  Cost of each token, return mechanics, AGDC flow-through, 8 Star investment structure
- **Platform & Operations**

  Onboarding, KYC, integration with MyAlaska and PFD, payment systems, audit and controls
- **Public Communications & Education**

  Generating demand for the token through awareness of the program
- **Stakeholder Engagement**

  Coordination with GoA, DOR, APFC, Native Corporations, Alaska investment funds, etc.
- **Risk Management & Safeguards**

  Independent oversight, transparency in flow of funds, dispute and claims process
- **Implementation & Launch**

  Timeline tied to Alaska LNG project milestones, pilot test limited group

Port MacKenzie Rail Extension Project Update

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Point Mackenzie Rail Extension

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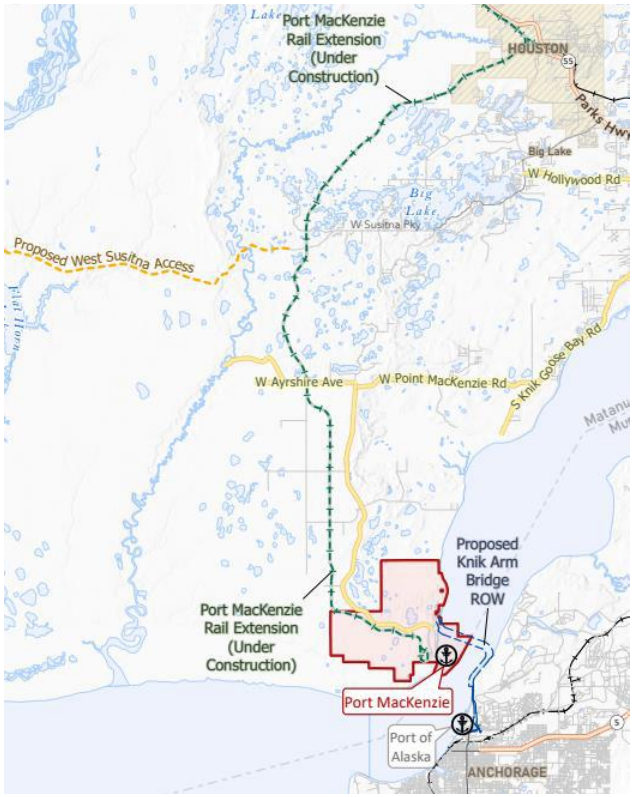
MACQUARIE

MARTINUS

- Macquarie and Martinus propose to finance, design, build, and maintain the Port MacKenzie Rail Extension (PMRE) and enabling infrastructure under a progressive Public Private Partnership (PPP)
- Contracting limitations prevent participating organizations from functioning as the counterparty to the PPP
  - Alaska Railroad Corporation (ARRC)
  - Alaska Department of Transportation& Public Facilities (DOT&PF)
  - Matanuska-Susitna Borough (MSB)
  - Added - Alaska Industrial Development Economic Authority (AIDEA)



Development & PPP Lifecycle

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	01 Development during PDA Phase	02 Design-Build during PA Phase	03 Maintenance during PA Phase
MACQUARIE MARTINUS "Developer"	• Developer will lead: – Finance all Development Costs – Negotiate and agree Project Agreement – Select EPC and Maintenance partners in line with agreed process – Negotiate and agree key construction and maintenance agreements – Obtain required funding (Debt/Equity) – Reach Financial Close	• Developer as Project equity sponsor will lead: – Day to day management of construction agreement – Ensure key construction milestones are met – Manage quality assurance, and environmental and safety compliance – Manage financing – Bear certain budget overrun risks and other financial losses	• Developer as Project equity sponsor will lead: – Day to day management of routine and major maintenance – Do ongoing quality reviews – Manage financing – Bear certain budget overrun risks and other financial losses
State	• State will be involved throughout the process and will be requested to: – Participate in working groups – Provide guidance and steer overall development process – Provide approval at key milestones	• State will be involved throughout the construction phase and will be required to: – Monitor performance of SPV and Construction Contractor – Conduct frequent quality reviews – Confirm satisfactory delivery of works	• State will be involved throughout the operational phase and will be required to: – Monitor performance of SPV and Maintenance Contractor – Conduct frequent quality reviews
Governing Document(s)	*Between State and DevCo:* ***Predevelopment Agreement (PDA)*** *Between DevCo & subcontractors:* ***Technical Services Agreements (TSAs)***	*Between State and ProjectCo:* ***Project Agreement (PA)*** *Between ProjectCo & subcontractors:* ***DB Agreement (DBA)***	*Between State and ProjectCo:* ***Project Agreement (PA)*** *Between ProjectCo & subcontractors:* ***Maintenance Agreement***

PDA Phase 1 Scope of Work

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Commercial / Legal

- Finalization of the PDA
- Negotiation of the Project Agreement and the DB and Maintenance drop-down agreements
- ROW, 3rd party, and Utility relocation agreements as necessary

Financial

- Financial modelling to determine cost impacts and desired length of maintenance period
- Competitive debt process and underwriting to determine optimum structuring solution
- Equity capital commitments process

Technical

- Documentation review - PDA technical team to review all available project documentation
- Site investigations - Undertake all necessary site investigations and independent verification of previously completed work to validate desktop assumptions
- Design development - Develop designs to enable production of a committed price. Where possible, finalise designs that are already at 90%. Note: this stage includes value engineering
- Cost and schedule finalisation - Develop a fully committed price and schedule, including all methodologies, logistics, sequencing, and all downstream procurement. This stage will include open book cost reviews, and associated refinement of costings

Stakeholder Engagement

- Coordinate outreach and engagement activities with the State

PMRE PDA Status

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- AGDC is the current counterparty to Macquarie/Martinus (AIP) in the Project Development Agreement (PDA)
- Memorandum of Understanding (MOU) with State Working Group has backstopped AGDC's obligations through Phase 1
- PDA Phase 1 Initial Proposal was delivered as scheduled on February 20, 2026
- Milestone decision on NTP to Phase 2
- Path Forward
  - Phase 2 requires backstopping
  - Potential funding options under evaluation

FY2026 AFE Revision 1

ALASKA GASLINE DEVELOPMENT CORP.

AFE 26-001 Revision 1

ALASKA GASLINE DEVELOPMENT CORP.

- Governor asked AGDC to assist with the Port Mackenzie Rail Extension (PMRE) and the Property Tax Work Group
  - AGDC executed PMRE Project Development Agreement (PDA) with Macquarie/Martinus in December 2025
  - AGDC executed contracts with Ryan LLC and Pioneer Law for consulting services for the Property Tax Work Group
- AGDC received RSAs from the ADOT&PF and Governor's Office for the funds
  - DOT&PF: $495,000
  - Governor's Office: $660,000
- Cash neutral - Include 10% AGDC overhead charge
- Revised total AFE 26-001 is increased from $1.594 million to $2.749 million
- Recommend approval of the AFE revision

Contact Us

ALASKA GASLINE DEVELOPMENT CORP.

AGDC

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ALASKA GASLINE DEVELOPMENT CORP.

Acronyms

ALASKA GASLINE DEVELOPMENT CORP.

ACC	Arctic Carbon Capture
AFN	Alaska Federation of Natives
AGDC	Alaska Gasline Development Corporation
ANCSA	Alaska Native Claims Settlement Act
ANVCA	Alaska Native Village Corporation Association
AOGCC	Alaska Oil and Gas Conservation Commission
AP-X	Air Products Liquefaction Technology
Bbl	Barrel
Bblsd	Barrels per Day
Bcf	Billion Cubic Feet
Bcfd	Billion Cubic Feet Per Day
BLM	Bureau of Land Management
Capex	Capital Expenditure
CB&I	Chicago Bridge & Iron Company
CCS	Carbon Capture and Sequestration
CIT	Corporate Income Tax
CO_2	Carbon Dioxide
CO_2E	CO_2 Equivalent
DES	Delivered Ex-Ship
DOE	Department of Energy
DOT&PF	(Alaska) Department of Transportation and Public Facilities
EA	Environmental Assessment
EIS	Environmental Impact Statement
EPC	Engineering, Procurement & Construction
FEED	Front End Engineering Design
FERC	Federal Energy Regulatory Commission
FID	Final Investment Decision
FOB	Free on Board
FTA	Free Trade Agreement
GHG	Greenhouse Gas
Gt	Gigatonne
GTP	Gas Treatment Plant
HH	Henry Hub
HOA	Heads of Agreement
IOC	International Oil Company
IPT	Integrated Project Team
IRR	Internal Rate of Return
JKM	Japan Korea Marker
Kbblsd	Thousand Barrels per Day
LNG	Liquefied Natural Gas
LOI	Letter of Intent
M3	Cubic Meters
MMBtu	Metric Million British Thermal Unit
MOU	Memorandum of Understanding
MT	Metric Tons
MTPA	Million Tonnes Per Annum
NETL	National Energy Technology Laboratory
NPRA	National Petroluem Reserve Alaska
O&M	Operations & Maintenance
OCS	Outer Continental Shelf
Opex	Operating Expenses
QRA	Quantitative Risk Analysis
ROW	Right-Of-Way
SPA	Sale and Purchase Agreement
TAPS	Trans-Alaska Pipeline System
Tbtu/yr	Trillion British Thermal Units per Year
Tcf	Trillion Cubic Feet
TPA	Tonne per Year
USGS	United States Geological Society
VDR	Virtual Data Room