

October 2, 2026

Alaska Department of Natural Resources
Office of the Commissioner
550 W. 7th. Avenue, Suite 1400
Anchorage, Alaska 99501

Re: Alaska LNG Lease Conversion – Financial Capability

Dear Commissioner Crowther:

On April 8, 2021, the Alaska Department of Natural Resources (ADNR) issued conditional right-of-way leases ADL 421297 (GTP-Mainline-LF) and ADL 421296 (PTTL) to the Alaska Gasline Development Corporation (AGDC) for the Alaska LNG Project (Project). The Project is being managed under 8 Star Alaska, LLC, with AGDC and Glenfarne Alaska LNG, LLC (Glenfarne) as owners and Glenfarne as the Project Developer. As required for the conversion of each of the conditional leases, Alaska LNG has provided the enclosed and separately attached materials to satisfy Condition 2(a)1 regarding financial capability.

The enclosed information addresses each of the Department's requests to the extent practicable at this stage of the Project, including matters related to financial structure, the relationships among the relevant project entities, evidence of financial capability, and the project's ability to indemnify the State of Alaska. Additional information supporting financial capability will be separately provided under confidentiality pursuant to AS 38.05.035(a)(8), AS 45.50.940(3), AS 40.25.120(a)(13), and 5 USC § 552(b)(4).

Please do not hesitate to contact me at adam.prestidge@glenfarnecompanies.com or our Environmental, Regulatory & Lands Manager, Lisa Haas, at lisa.haas@glenfarnecompanies.com with any questions concerning the lease conversion materials.

Sincerely,



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President
8 Star Alaska LLC
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Cc: Frank Richards, President, AGDC
Matt Kissinger, AGDC
Lisa Haas, Glenfarne

ALASKA LNG LEASE CONVERSION – FINANCIAL CAPABILITY

1. INTRODUCTION

The Alaska LNG Project (Project) will be financed using a typical non-recourse project financing structure that is standard for largescale, long-life energy infrastructure. The Project will continue to be owned by a dedicated, single-purpose project company, 8 Star Alaska, LLC (8 Star), whose sole business is the development, construction, ownership, and operation of the Project. All Project debt will be secured exclusively by the Project's assets, contracts, and cash flows.

The financing will support a total project company capitalization for 8 Star in excess of \$50 billion, creating a large, well-capitalized balance sheet that reflects the scale, strategic importance, and long-term nature of the asset.

Two Alaska Department of Natural Resources (ADNR) leases associated with the Project (ADL 421296 and ADL 421297) will continue to be held by the Alaska Gasline Development Corporation (AGDC) as a member of 8 Star 8 Star, as initially planned. AGDC conducted a global search for a development partner and performed a thorough evaluation in conjunction with the agencies and governmental departments of the State of Alaska. AGDC selected Glenfarne Alaska LNG, LLC (Glenfarne), a subsidiary of Glenfarne Group, for the investment opportunity due to its unique combination of expertise necessary for the Project's continued development. AGDC divested majority membership and management of 8 Star in 2025 to Glenfarne.

AGDC, Glenfarne, and 8 Star entered into a Contribution and Exchange Agreement, dated March 28, 2025, pursuant to which Glenfarne has made certain contributions and commitments to fund the entire development of the project to the Final Investment Decision (FID), among other things. Defined 8 Star commitments include:

- Glenfarne committed to making the capital commitment to fund the successful development of each Sub-Project, including the Gas Treatment Plant, Pipeline, and Liquefaction Facilities, to FID.
- Glenfarne will make, or arrange to have made, contributions and commitments to 8 Star sufficient to have the resources required to prepare for Front-End Engineering Design (FEED) for the Pipeline Sub-Project and the development of Train 1 of the liquefied natural gas (LNG) Facility Sub-Project.

In addition, non-recourse project financing will subject the Project to rigorous lender oversight. These requirements will further strengthen the project company's credit profile and reduce the likelihood of cost overruns, liquidity shortfalls, or performance disruptions during construction.

2. PRECEDENT PROJECT FINANCE TRANSACTIONS

Examples of other large infrastructure projects with similar financial structures are listed below.

Corpus Christi LNG (Texas) - Cheniere

Stage 1 (Trains 1-2)

- Project finance debt: ~US\$8.0bn
- Financial close: 2015

Stage 2 (Train 3)

- Project finance debt: ~US\$4.0bn
- Financial close: 2018

Rio Grande LNG Phase 1 (Texas) – NextDecade

Phase 1 Financing

- Project finance debt: US\$11.6bn
- Financial close: 2023

Rio Grande LNG (Train 4 and 5)

- Project finance debt: US\$13.4bn
- Financial close: October 2025

Calcasieu Pass LNG (Louisiana) - Venture Global

- Project finance debt: ~US\$9.3bn
- Financial close: 2019

Calcasieu Pass 2 (CP2 LNG) - Venture Global

Phase 1

- Project finance debt: US\$15.1bn
- Financial close: July 2025

Phase 2

- Additional PF Debt: US\$8.6bn
- Financial close: March 2026

3. PROJECT ECONOMICS

Alaska Department of Revenue Model

The State of Alaska, through the Department of Revenue (DOR), conducted a thorough analysis of Project economics.

The analysis is separately provided as Appendix 1 under confidential cover AS 38.05.035(a)(8), AS 45.50.940(3), AS 40.25.120(a)(13), and 5 USC § 552(b)(4).

4. LONG-TERM CONTRACTUAL AGREEMENTS

Project revenues will be supported by long-term contractual arrangements designed to provide stable, predictable cash flows over multiple decades. These contracts will be structured to meet institutional lender requirements, including minimum coverage ratios, tenor, and risk allocation.

To date, the Project has signed the following agreements for the purchase and sale of LNG / Natural Gas:

1. **CPC Corporation** - Letter of Intent (LOI), in March 2025, to offtake LNG from the Alaska LNG Project ([Press Release](#)).
2. **PTT Public Company** - Cooperation Agreement in June 2025, including for the procurement of 2 million tonnes per annum (MTPA) of LNG from Alaska LNG over a 20-year term ([Press Release](#)).
3. **Jera Co., Inc** - LOI in September 2025 to offtake 1 MTPA of LNG ([Press Release](#)).
4. **Tokyo Gas** - LOI in October 2025 to offtake 1 MTPA of LNG ([Press Release](#)).
5. **POSCO International Corporation** - Strategic Partnership in December 2025 to develop the Alaska LNG Project ([Press Release](#)).
6. **Donlin Gold** - LOI in January 2026 to offtake LNG ([Press Release](#)).
7. **Danaos** - Strategic Partnership in January 2026 ([Press Release](#)).
8. **TotalEnergies** - LOI in February 2026 to offtake 2 MTPA of LNG ([Press Release](#)).
9. **ExxonMobil** - Gas Sales Precedent Agreement for gas supply to the pipeline in January 2026 ([Press Release](#)).
10. **Hilcorp Alaska, LLC** - Gas Sales Precedent Agreement for gas supply to the pipeline in January 2026 ([Press Release](#)).
11. **ConocoPhillips** – Gas Sales President Agreement for gas supply. ([Press Release](#))

5. CONSTRUCTION EXECUTION PLAN

Below is a list of key construction execution items applicable to both leases. Construction execution plans for both leases will be updated as needed during detailed execution planning.

Construction Organization and Responsibilities:

The construction organization is currently anticipated to include the following key roles:

- Pipeline Construction Manager
- Construction Coordinators for each construction spread
- Field Engineers for each spread
- Construction Coordinators General Services
- Communications Coordinators
- Contract Administrators for each spread
- Project Controls Coordinator
- HSE Coordinator for each spread
- Quality Assurance Lead
- Logistics and Material Coordinators

Roles and responsibilities will be aligned to ensure clear accountability for safety, quality, schedule, compliance, and coordination with regulatory agencies.

Construction Schedule and Sequencing

Construction of the Mainline pipeline is currently planned over two winter seasons and two summer seasons for each spread. Civil early works, including access roads, camp pads, and pipe storage yards (PSYs), will precede pipeline construction by 6 to 18 months, where practicable.

Pipeline installation will be followed by hydrostatic testing, dewatering, and right-of-way (ROW) restoration activities in subsequent summer or fall periods. Schedule development will consider seasonal access, permafrost conditions, weather risk, and environmental constraints.

The general schedule philosophy is as follows:

- Civil contractors will mobilize in 2027 to begin performing the following early work tasks:
 - Develop first material sites.
 - Install new or upgrade old camp site pads.
 - Install new PSYs for initial pipe delivery.
- Civil Contractors are responsible for their own accommodation until the establishment of the Project pioneer camps. Upon completion of the camp site work, camps will be erected for the main civil and pipeline work including:
 - Develop additional material sites.
 - Build additional PSYs.
 - Build access roads to ROW.
 - Mine, process, and stockpile bedding and padding and rip-rap.
 - Build granular workpads on ROW and grade between fill sections, as required.
 - Build ice roads and ice work pads for winter sections.
 - Lay and install pipeline sections.

Plan Basis

The plan for construction is based on the design basis documents as provided in the applications for both of the leases and those submitted to the FERC docket. These design basis plans include sheet maps, standard industry construction methods, and inputs for labor, equipment, and materials.

Industry standard construction methods expected to be used include:

- ROW Preparation:
 - Clear ROW, as required.
 - Install temporary bridges on ROW during clearing or ROW preparation.
 - Graded ROW in thaw stable soils.
 - Graded drill and shoot ROW on side slopes in rock too hard to rip and in thaw stable permafrost.

- Ice work pads on Arctic Coastal Plain flat permafrost terrain where ample supplies of lake water and ice chips are available.
 - Winter work pads and frost packed ROW for winter construction on flat terrain, except in thaw-sensitive permafrost.
 - Granular workpads over permafrost terrain vary in thickness with soil type and season of construction.
- Pipe Welding:
 - Mechanized welding for Mainline production and poor-boy or mini-gang crews.
 - Manual welding for tie-in crews.
- Pipe Weld Non-Destructive Examination:
 - Automated Ultrasonic Testing of production welds.
 - Radiographic Testing for tie-in welds and temporary construction welds (test manifolds, etc.).
- Pipe Weld Joint Corrosion Coating:
 - Two-part epoxy coating of field welds.
- Pipe Corrosion Coating:
 - Three-Layer Polyethylene pipe coating (3LPE) is assumed for the Mainline.
- Ditching:
 - Ditch behind pipe lay in winter sections, except for drill and shoot ditch.
 - Ditch behind pipe lay in summer permafrost terrain, except for drill and shoot ditch.
 - Ditch ahead of pipe lay in summer thaw stable terrain and drill and shoot terrain.
 - Maximize use of chain trenchers in permafrost and weathered bedrock.
 - Excavator (backhoe) ditch in thawed and wet terrain.
 - Drill and shoot with backhoe excavation in areas where required.
- Lowering-in, Bedding and Padding, Cathodic Protection, and Backfill:
 - Maintain ditch free from snow in winter and water in summer.
 - Foam-in-place pillows on 20-foot spacing before lower-in.
 - Process padding from ditch spoil using padding machines where soils permit.
 - Process padding from granular work pad using trimmers or padding machines in permafrost terrain.
 - Import select bedding and padding material where suitable ditch spoil or work pad material is not available.
- Cathodic Protection (CP):
 - CP Test Stations.
 - CP anode ribbons in ditch north of Livengood with four ribbons.
 - Combination of impressed current and ribbon anodes for CP south of Livengood.
- Pipe Integrity:

- Cleaning with pigs and check for out of roundness with gauging plate pig run prior to hydrostatic test line fill.
 - Hydrostatic test up to 20-mile-long sections.
 - Caliper Pig run after dewatering.
 - Dehydration to -30°F following pressure test.
 - Mainline block valves will be pre-tested and cut into the line after the Mainline hydrostatic test.
 - If crack arrestors are required, they will be applied at the double joint yard, as needed prior to delivery to PSY.
- Inputs for benchmarked production rates, weather and terrain productivity factors, and manpower loading were developed from experience and contractor interviews.

6. GLENFARNE OVERVIEW

Glenfarne Group, LLC is a privately held global developer, owner, and operator of energy infrastructure assets. Through its subsidiaries, Glenfarne owns and operates 60 energy assets through three core businesses: Global LNG Solutions, Grid Stability, and Renewables. Glenfarne's permitted North American LNG portfolio totals 32.8 MTPA of capacity under development in Alaska, Louisiana, and Texas. For more information, please visit www.glenfarne.com.

Glenfarne Project Financing Experience

One of the reasons Glenfarne was selected to lead the Project was the company's extensive background and expertise in project financing. Examples of project financing experience are listed below.

- **Termoflores Acquisition – EnfraGen:** September 2019 ([Press Release](#)).
- **2020 Bank Debt Financing – EnfraGen:** \$1.01 bn, December 2020 ([Press Release](#)).
- **2020 Reg S 144A Bond Offering and Issuance– EnfraGen** ([Press Release](#)).
- **Termonorte Acquisition – Glenfarne Group:** September 2022 ([Press Release](#)).
- **2023 Refinancing and Central America Assets Acquisition - EnfraGen:** \$1.20 bn, November 2023 ([Press Release](#)).
- **Chile Battery Energy Storage System (“BESS”) and Solar Assets Acquisition and Financing – Glenfarne Group:** \$1.10 bn, December 2025 ([Press Release](#)).
- **2025 Reg S 144A Bond Offering and Issuance – EnfraGen:** \$400 mm, July 2025 ([Press Release](#)).
- **Texas LNG – Initial Bank Group:** Glenfarne's Texas LNG assembles initial bank group to lead the \$5.7 bn bank debt financing package ([Press Release](#)).

Business Units

- **EnfraGen:** Founded in 2014, EnfraGen is a developer, owner, and operator of grid stability and renewable energy infrastructure businesses across Latin America. EnfraGen's grid stability assets supply flexible capacity and energy to local and regional grids in support of renewable power plant intermittent energy production. EnfraGen's renewable plants are smaller scale, distributed solar photovoltaic, hydroelectric, and wind assets that take advantage of unique access points to electrical infrastructure or are located in optimized geographical locations. EnfraGen is jointly controlled by Glenfarne Group, LLC, and global private markets investment manager Partners Group, on behalf of its clients, and has operational and in-construction assets

across its subsidiaries totaling over 2.1 GW of installed capacity. The company, including its affiliates and subsidiaries, is supported by a team of nearly 500 professionals. EnfraGen maintains offices and assets in Chile, Panama, Colombia, and the United States.

- **Texas LNG:** Texas LNG is an LNG export facility to be constructed in the Port of Brownsville, Texas and a subsidiary of global energy and infrastructure leader Glenfarne Group, LLC. Texas LNG is led by an experienced team committed to creating one of the cleanest, lowest emitting LNG export facilities in the world through electric motor drives. Additional information about Texas LNG may be found on its website at www.texaslng.com.
- **Alaska LNG:** Alaska LNG consists of an 807-mile 42-inch pipeline to deliver natural gas from Alaska's North Slope to meet Alaska's domestic needs and produce 20 MTPA of LNG for export. Glenfarne is developing Alaska LNG in two financially independent phases to accelerate project execution. Phase One includes the domestic pipeline to deliver natural gas to Alaskans. Phase Two will add the infrastructure to export LNG. Glenfarne, through Glenfarne Alaska LNG, LLC, owns 75% of Alaska LNG and the State of Alaska, through the Alaska Gasline Development Corporation, owns 25%.
- **Magnolia LNG:** Magnolia LNG is an LNG export project strategically located on the Industrial Canal near Lake Charles in Southwest Louisiana. The 115-acre project site is permitted to produce 8.8 million tonnes per annum (mpta) and is supported by local governments, regulators and surrounding communities.
- **Termonorte:** Termonorte is a dual fuel engine power plant in Santa Marta, Colombia focused on providing grid stability and optimized energy. The plant has an installed capacity of 93 megawatts of thermal-powered electricity. Termonorte supplies year-round power for businesses and communities, ensuring continued access to electricity and enabling the integration of renewable power into Colombia's electricity grid.
- **Southern Cross Assets:** Glenfarne acquired four assets in Chile in 2025 with a combined 909 Megawatts ("MW"), comprised of 588 MW of operating solar and associated battery energy storage system ("BESS") facilities with a capacity of 1.61 Gigawatt-hours ("GWh") (321 MW equivalent).

7. ALASKA ADVANTAGE PROGRAM

The agreements between AGDC and Glenfarne include the Alaska Advantage Principles (Principles), which identify expectations for making natural gas available for Alaskans and allow for differential rates to achieve the lowest possible cost of gas for Alaska in-state utility customers. The Principles have been extracted from the agreements and are included separately in Appendix 2 under confidential cover AS 38.05.035(a)(8), AS 45.50.940(3), AS 40.25.120(a)(13), and 5 USC § 552(b)(4).