



NFE Announces Agreement with CFE to Expand Supply of Natural Gas to Baja, Build Offshore LNG Hub Near Altamira

NEW YORK--(BUSINESS WIRE)--Jul. 5, 2022-- New Fortress Energy Inc. (NASDAQ: NFE) ("NFE") today announced that it has entered into an agreement with Comisión Federal de Electricidad ("CFE") as part of a growing strategic alliance supported by His Excellency Andrés Manuel López Obrador, the President of Mexico, and by Manuel Bartlett, the CEO of CFE.

The agreement involves (i) expanding and extending NFE's supply of natural gas to multiple CFE power generation facilities in Baja California Sur, (ii) selling NFE's 135 MW La Paz power plant to CFE, and (iii) creating a new LNG hub off the coast of Altamira, Tamaulipas, with CFE supplying the requisite feedgas to two NFE FLNG units using CFE's existing pipeline capacity.

"We are pleased to expand our strategic alliance with CFE, which will enhance clean energy security for Mexico and enable the construction of a new LNG hub off the coast of Altamira," said Wes Edens, Chairman and CEO of NFE. "We appreciate the continued support of President López Obrador and value the opportunity to demonstrate our commitment to producing cleaner, cheaper energy for Mexico and the world."

Baja California Sur

In July 2021, NFE commenced commercial operations of an LNG regasification terminal in the port of Pichilingue, La Paz, Baja California Sur. The terminal, which features NFE's proprietary ISOFlex system, is optimally positioned to supply natural gas to CFE's generation facilities in the otherwise resource-stranded region, which include CTG La Paz and CTG Baja California Sur.

Pursuant to the agreement announced today, CFE and NFE will extend the term of NFE's gas supply agreement to CFE's power generation facilities in the region and increase the volume of delivered natural gas under mutually agreeable terms. Additionally, NFE has agreed to sell its own 135 MW power plant in La Paz to CFE. The addition of this power plant to CFE's generation fleet is expected to enhance system reliability, reduce power costs, and complement steps CFE is taking to expand the use of renewable energy resources and lower emissions in the region.

Altamira

NFE and CFE plan to collaborate on the creation of a new LNG hub off the coast of Altamira, Tamaulipas. Pursuant to the agreement announced today, NFE will deploy multiple FLNG units of 1.4 MTPA each that utilize CFE's existing firm pipeline transportation capacity to deliver feedgas volumes to NFE. As part of the agreement announced today, CFE would share in the production and marketing of a portion of the LNG volumes from the new Altamira offshore LNG hub.

The transactions described in this press release are subject to customary terms and conditions and finalization of related agreements.

Conference Call Details

Management will host a conference call today, Tuesday, July 5th, at 10:30 A.M. Eastern Time. Participants who wish to join the live teleconference by phone must register in advance of the call at <https://register.vevent.com/register/B108b7e94e034e4767bd350e2a1af06d96>.

A simultaneous webcast of the conference call will be available on a listen-only basis at <https://edge.media-server.com/mmc/p/vh8i9zsn> and will be available for replay within the Investors section of NFE's company website www.newfortressenergy.com.

Please allow time prior to the call to visit the relevant website, follow registration procedures and download any necessary software required to listen to the internet broadcast.

About New Fortress Energy

New Fortress Energy Inc. (NASDAQ: NFE) is a global energy infrastructure company founded to help address energy poverty and accelerate the world's transition to reliable, affordable, and clean energy. The company owns and operates natural gas and liquefied natural gas (LNG) infrastructure, ships and logistics assets to rapidly deliver turnkey energy solutions to global markets. Collectively, the company's assets and operations seek to support global energy security, enable economic growth, enhance environmental stewardship, and transform local industries and communities around the world.

Cautionary Language Regarding Forward-Looking Statements

This communication contains forward-looking statements. All statements contained in this communication other than historical information are forward-looking statements that involve known and unknown risks and relate to future events, our future financial performance or our projected business results. You can identify these forward-looking statements by the use of forward-looking words such as "expects," "may," "will," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of those words or other comparable words. Forward looking statements include: terms of the definitive agreements for the transactions and projects; the ability of the strategic alliance to enhance clean energy security for Mexico; expectations related to construction of a new LNG hub; supply of natural gas by the La Paz terminal to the region; the terms of the extension and modifications to the gas supply agreement with CFE; consummation of the sale of the La Paz power plant to CFE and benefits to be derived from such sale by the parties; development and operation of a new Altamira LNG hub and anticipated benefits; and expected dates for completion of the projects. It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the parties or the stock prices of such parties.

These forward-looking statements represent the Company's expectations or beliefs concerning future events, and it is possible that the results described in this press release will not be achieved. These forward-looking statements are necessarily estimates based upon current information and are subject to risks, uncertainties and other factors, many of which are outside of the Company's control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: the risk that the proposed transactions may not be completed in a timely manner or at all; risks related to the approval and execution of definitive documentation; risks related to the development, construction, completion or commissioning schedule for the facilities; the receipt of permits, approvals and authorizations from governmental and regulatory agencies on a timely basis or at all; we will be unable to operationalize our plans for the projects; unknown and unforeseen risks associated with the development of new technologies such as the "FLNG" technology, including failure to meet design and engineering specifications, incompatibility of systems, delays and schedule changes, high costs and expenses, regulatory and legal challenges, instability or clarity of application of laws, and rules and regulations to the technology, among others; risks related to liquefaction operations and production of natural gas and LNG; breach or failure by the parties to comply with the covenants and obligations under the related agreements; risks related to the implementation of our mission and business strategy; common risks related to the sale and purchase of businesses or assets, including the risk of valuation and successful implementation, and the risks that we may not be able to realize the benefits of any such transactions, among others; and that we will not be able to provide natural gas to customers as we currently expect. These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of NFE's forward-looking statements. Other known or unpredictable factors could also have material adverse effects on future results.

Any forward-looking statement speaks only as of the date on which it is made, and, except as required by law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for the Company to predict all such factors. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in our annual report, quarterly and other reports filed with the SEC, which could cause its actual results to differ materially from those contained in any forward-looking statement. We undertake no duty to update these forward-looking statements, even though our situation may change in the future.

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