



NFE Finalizes Agreements with CFE in Mexico, Including Plans for Offshore FLNG Hub Near Altamira

October 28, 2022

NEW YORK--(BUSINESS WIRE)--Oct. 28, 2022-- New Fortress Energy Inc. (NASDAQ: NFE) ("NFE" or the "Company") announced today that it has finalized its agreements 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 final agreements, which were originally announced on July 5 and are expected to be executed at a ceremony planned for November 3 in Mexico City, involve (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 FLNG hub off the coast of Altamira, Tamaulipas, with CFE supplying requisite feedgas to multiple NFE FLNG units using CFE's existing and underutilized pipeline capacity.

"We are pleased to complete these agreements and expand our strategic alliance with CFE, which we expect to result in the delivery of our first FLNG unit by mid-2023 and enable the construction of a new LNG hub off the coast of Altamira," said Wes Edens, Chairman and CEO of NFE. "I look forward to seeing President López Obrador next week, appreciate his continued support, and value the opportunity to demonstrate our commitment to producing cleaner, cheaper, and more reliable 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.

As part of the agreements, CFE and NFE will extend the term and increase the volume of NFE's gas supply agreement to CFE's power generation facilities in the region. Additionally, NFE will sell its own 135 MW Central Turbogás Amaunet power plant in La Paz to CFE, further enhancing NFE's ability to internally fund strategic growth initiatives that service our customers' needs amid a structurally short global LNG market.

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 by nearly half a million tons of CO₂ per year.

Altamira

NFE and CFE are collaborating on the creation of a new FLNG hub off the coast of Altamira, Tamaulipas.

Pursuant to the now finalized agreements, NFE will deploy multiple FLNG units of 1.4 MTPA each that utilize CFE's existing firm pipeline transportation capacity on TC Energy's Sur de Texas-Tuxpan Pipeline to deliver feedgas volumes to NFE.

NFE's first FLNG unit, which is under construction at the Kiewit Offshore Services shipyard near Corpus Christi, Texas, is currently expected to achieve mechanical completion in March 2023, and will be delivered to Altamira for commencement of operations soon thereafter.

As part of the agreements, CFE would share in the production and marketing of a portion of the LNG volumes from the new Altamira offshore FLNG hub.

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

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: execution of definitive agreements for, and the consummation, of each of the three transactions described in this press release; achieving mechanical completion of NFE's first FLNG unit in March 2023 and delivering the unit to the Altamira region for commencement of operations soon thereafter in mid-2023; the power plant assisting the CFE in achieving enhanced system reliability, reducing power costs and lowering CO₂ emissions; and expected terms of the definitive agreements for the transactions and 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; unknown and unforeseen risks associated with the development of new technologies; risks related to liquefaction operations and production of natural gas and LNG; and the breach or failure by the parties to comply with the covenants and obligations under the related agreements. 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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