

February 25, 2026

Representative Alyse Galvin
Chair, House Commerce, Community, & Economic Development Finance Subcommittee
State Capitol Room 502
Juneau, AK 99801
Email: Representative.Alyse.Galvin@akleg.gov

Dear Representative Galvin:

Please find below questions from committee members that required follow-up from AGDC's appearance at the House Finance Subcommittee meeting on February 17, 2026.

1. Representative Mears asked what contract roles Glenfarne has assumed.

AGDC initiated transition of 8 Star Alaska, LLC (8 Star) and the Alaska LNG Project to Glenfarne's control as Developer following the execution of the Definitive Agreements on March 28, 2025. The transition period was completed on June 30, 2025. Contractors who worked for AGDC on project support, management systems, Geographic Information Systems (GIS), content management, document control, and environmental, regulatory, and lands management were transitioned to Glenfarne.

AGDC reduced its costs following transition and retained contracted expertise in program management and commercial management. These senior staff have extensive industry experience and are adequate to perform all aspects of AGDC's governance and development support requirements for 8 Star and the Alaska LNG Project moving forward.

2. Representative Mears asked what the consequences would be to AGDC if the remainder of the Alaska LNG Fund (1235) were to be eliminated.

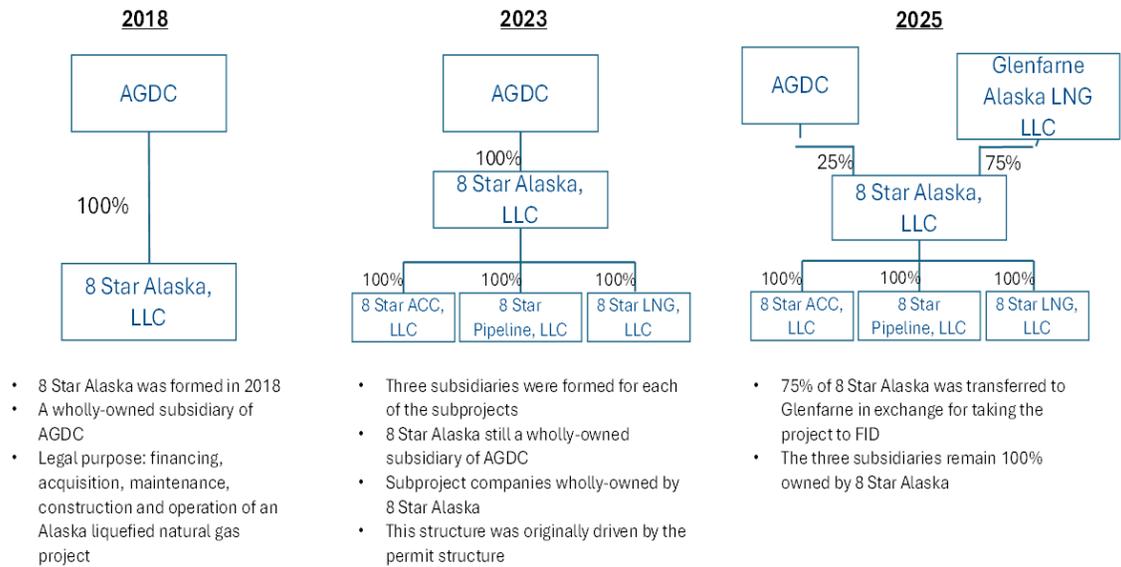
While AGDC works to be as efficient as possible, and the corporation has reduced its costs significantly, there are expenses that the remaining balance in the Alaska LNG Fund will be used to support the corporation's core activities. Removal of the funds will impact AGDC negatively and restrict the ability of the corporation to fulfill its mission.

3. Representative Kopp asked what it means to the state to be an equity investor in the Alaska LNG Project.

The state is a significant equity investor in the Alaska LNG Project by virtue of the definitive agreements signed with Glenfarne in 2025. The next three charts are provided to graphically portray the evolution of 8 Star from its creation in 2018 through divestment to Glenfarne in 2025.

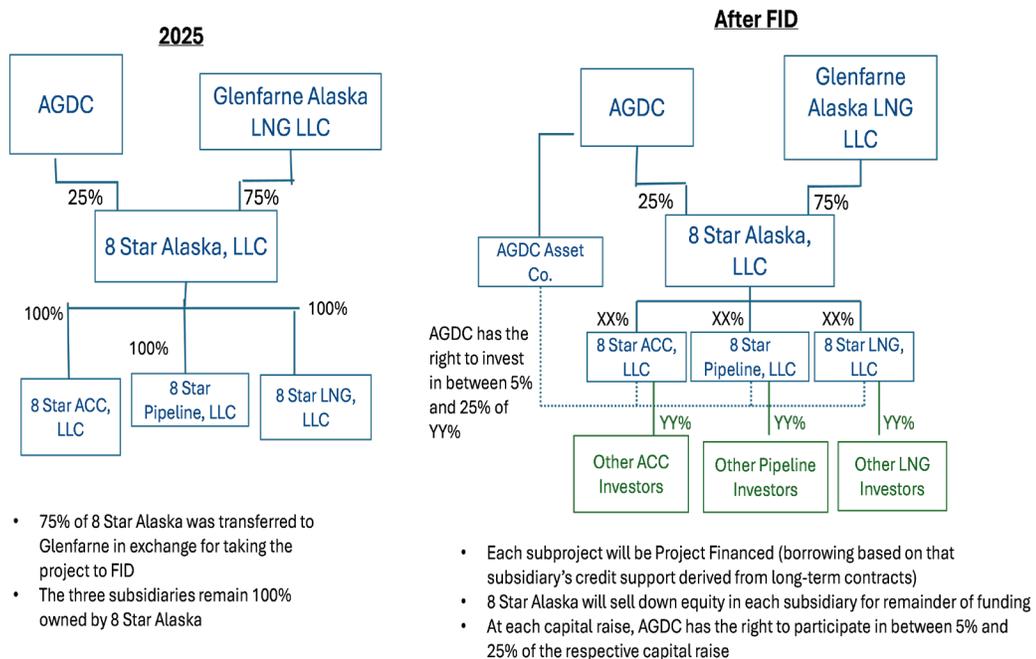
The first chart portrays the ownership of 8 Star from 2018 to 2025 when 75% of 8 Star Alaska is transferred to Glenfarne in exchange for taking the project to Final Investment Decision (FID).

8 Star Alaska evolution from 2018 to 2025



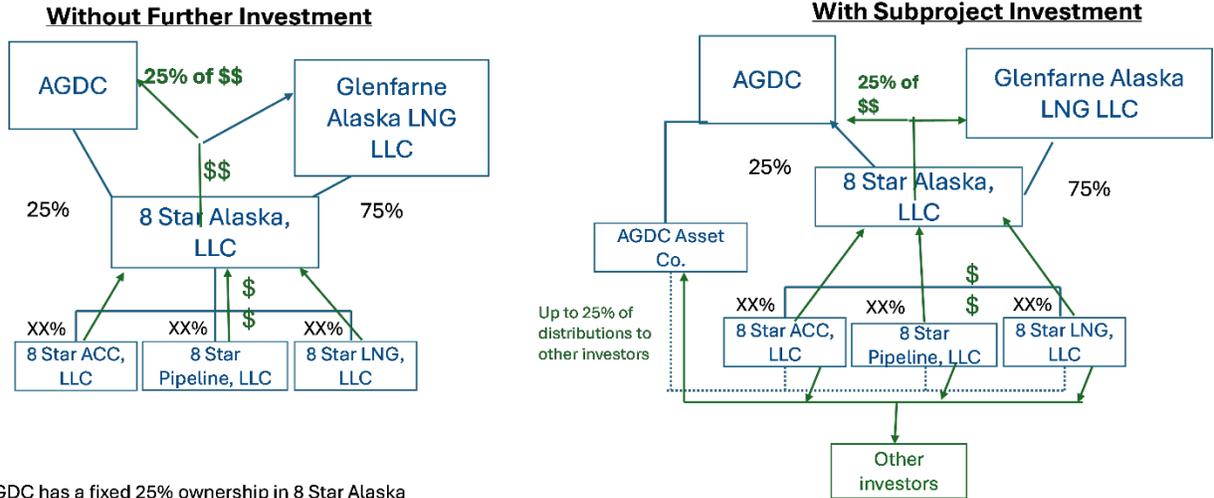
The second chart portrays how investors invest equity in each of the Alaska LNG subprojects through 8 Star subsidiaries as Glenfarne develops the project:

8 Star Alaska – evolution 2025 to after FID



The third chart shows that the state, through AGDC, will receive revenue as the minority owner of the parent 8 Star entity if no further equity investment is made at the subproject level:

Future Investment Returns from 8 Star



- 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

- 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

If the state chooses to make an equity investment in one or more of the three subprojects, the revenue generated from the subproject equity would flow to AGDC proportional to AGDC’s additional equity investment. This revenue flow would be in addition to revenue generated through the parent 8 Star entity, in which AGDC holds a 25 percent minority stake in perpetuity.

AGDC has reserved the option to invest a minimum of five percent up to 25 percent in individual subprojects in our agreement with Glenfarne. Investment is a contractual option on terms alongside other equity investors, but not an obligation. Alaska corporations, businesses, and Alaskans may have the opportunity to invest in the portion of the equity option if the state chooses to not invest in the full 25 percent maximum equity option. Investment options are available as each subproject reaches Final Investment Decision (FID) and upon formal written notice of terms by Glenfarne.

Anticipated dates for equity investment options are below.

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

Glenfarne has extended AGDC's window to participate in any issuance or sale of equity associated with FID for Alaska LNG subprojects by an additional six months past FID. This preemptive right occurs after the closing of third-party investment (FID) at which time AGDC may elect to back-in to acquire between a minimum of five percent and 25 percent of the subproject equity issued, on the same economic terms as the other investors. The specific subproject investment terms will be available at the time when Glenfarne gives AGDC Preemptive Rights Notice. Specifically, AGDC has 180 days after Preemptive Rights Notice to execute the option to make an equity investment. It is important to remember that the project will move forward with or without state participation and that AGDC will receive 25 percent of the parent 8 Star profits for the life of the project without any further state investment.

We appreciate the opportunity to provide more detail in AGDC's role and rights within 8 Star.

Sincerely,

A handwritten signature in blue ink, appearing to read "F. T. Richards".

Frank T. Richards

President