#### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

#### FORM 8-K

#### CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 21, 2023

#### RICE ACQUISITION CORP. II

(Exact name of registrant as specified in its charter)

Cayman Islands

(State or other jurisdiction

of incorporation)

001-40503 (Commission File Number) 98-1580612

(IRS Employer Identification No.)

102 East Main Street, Second Story

Carnegie, Pennsylvania 15106

(Address of principal executive offices)

15106

(Zip Code)

(713) 446-6259

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

□ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

□ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

□ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Units, each consisting of one Class A ordinary share,	RONI U	The New York Stock Exchange
\$0.0001 par value, and one-fourth of one redeemable		
warrant		
Class A ordinary shares, par value \$0.0001 per share	RONI	The New York Stock Exchange
Warrants, exercisable for one Class A ordinary share at	RONI WS	The New York Stock Exchange
an exercise price of \$11.50 per share		

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company  $\boxtimes$ 

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

#### Item 7.01 Regulation FD Disclosure.

As previously disclosed, on December 13, 2022, Rice Acquisition Corp. II, a Cayman Islands exempted company ("RONI"), Rice Acquisition Holdings II LLC, a Cayman Islands exempted company and majority-owned and controlled operating subsidiary of RONI ("RONI Opco"), Topo Buyer Co, LLC, a Delaware limited liability company and a direct, wholly owned subsidiary of RONI Opco ("RONI Buyer"), and Topo Merger Sub, LLC, a Delaware limited liability company and a direct, wholly owned subsidiary of RONI Buyer, entered into a Business Combination Agreement with NET Power, LLC, a Delaware limited liability company ("NET Power"). In connection with the transactions contemplated thereby, RONI and NET Power are hosting an analyst day on March 21, 2023 (the "Analyst Day"). A copy of the materials that RONI and NET Power will present at the Analyst Day is furnished hereto as Exhibit 99.1 to this Current Report on Form 8-K (this "Form 8-K") and will also be posted to RONI's website.

Important Information about the Business Combination and Where to Find It

This Form 8-K is being made in respect of the proposed business combination transaction involving RONI and NET Power. RONI has filed a registration statement on Form S-4 (as may be amended from time to time, the "registration statement") with the U.S. Securities and Exchange Commission (the "SEC") on December 23, 2022, which includes a preliminary proxy statement/prospectus, and RONI may file other documents with the SEC regarding the proposed transaction. The information in the preliminary proxy statement/prospectus is not complete and may be changed. After the registration statement is declared effective by the SEC, a definitive proxy statement/prospectus will be sent to the shareholders of RONI. Before making any voting or investment decision, investors and security holders of RONI are urged to carefully read the entire

registration statement and definitive proxy statement/prospectus, when they become available, and any other relevant documents filed with the SEC, as well as any amendments or supplements to these documents, because they will contain important information about the proposed transaction. The documents filed by RONI with the SEC may be obtained free of charge at the SEC's website at www.sec.gov. In addition, the documents filed by RONI may be obtained free of charge from RONI at www.ricespac.com/rac-ii.

#### Participants in Solicitation

RONI and NET Power and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of RONI, in favor of the approval of the proposed transaction. For information regarding RONI's directors and executive officers, please see RONI's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 2, 2023. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the registration statement and the proxy statement/prospectus, as they may be amended, and other relevant documents filed with the SEC when they become available. Free copies of these documents may be obtained as described in the preceding section.

#### No Offer or Solicitation

This Form 8-K shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the business combination transaction. This Form 8-K shall also not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any states or jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or an exemption therefrom.

#### Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit	
Number	Description
99.1	Analyst Day presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RICE ACQUISITION CORP. II

Date: March 21, 2023

#### By: /s/ James Wilmot Rogers

Name: James Wilmot Rogers Title: Chief Financial Officer and Chief Accounting Officer

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# Disclaimer (1/2)

This presentation is being delivered by Rice Acquisition Corp. II ("RONI") and NET Power, LLC ("NET Power") for informational purposes only. This presentation does not constitute (i) a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the business combination between RONI and NET Power or (ii) an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any securities of RONI, NET Power or any of their respective affiliates.

Cautionary Note Regarding Forward-Looking Statements and Projections. Certain statements in this presentation may constitute "forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1995, each as a mended. Forward-looking statements provide current expectations of future events and include any statement that does not directly "points," "poin

This presentation contains projected financial information with respect to the combined company, namely NET Power's projected EBITDA and enterprise value for future years. Such projected financial information constitutes forward-looking information and is for illustrative purposes only, and should not be relied upon as necessarily being indicative of future results. The assumptions and estimates underlying such projected financial information and information and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information Actual results of the that could cause actual results to differ materially from those contained in the prospective financial information contained in this presentation, and the inclusion of such information in this presentation should not be regarded as a representation by any person that the results reflected in such projected.



Non-GAAP Financial Measures. The independent auditors of NET Power have not audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, did not express an opinion or provide any other form of assurance with respect thereto for the purpose of the innancial information and data contained in this presentation. Such as EBITDA, have not Been prepared in accordance with United States generally accepted accounting principles (GAAP). EBITDA is defined as net earnings (loss) before interest express, income tax express (benefit), depreciation and amorization. NET Power believes these non-GAAP measures of the innancial and business trends teating to NET Power's financial condition and results of operations. NET Power believes that on use in evaluating projected operating projected operating projected operating projected operating projected operating projected operating results and trends. NET Power's method of determining these non-GAAP measures may be different from other companies' methods and the comparable to those used by other companies and NET Power believes that one-GAAP measures to assess its financial performance. Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures and vectore that are required by GAAP to be recorded in NET Power's financial ameasures is built with express and income that are required by GAAP to be recorded in NET Power's financial atements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which express and include is determining therem non-GAAP financial measures in contraction with GAAP results. NET Power is non-GAAP financial measures with expresse and income that are required by GAAP to be recorded in NET Power's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management prevaind are excluded or i

No Representations or Warranties. Neither RONI nor NET Power makes any representation or warranty, express or implied, as to the accuracy or completeness of this document or any other information (whether written or oral) that has been or will be provided to you. Nothing contained herein or in any other croal or written information provided to you is, nor shall be relied upon as, a promise or representation of any kind by RONI or NET Power. Without limitation of the foregoing, RONI and NET Power expressly disclaim any representation regarding any projections concerning future operating results or any other forward-looking statement contained herein or that otherwise has been or will be provided to you. Neither RONI nor NET Power shall be liable to you or any prospective investor or any other person for any information or that otherwise has been or will be provided to you.

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# Analyst Day Agenda

9:00am	Executive Summary Danny Rice – Incoming Chief Executive Officer
9:30am	Technology Brock Forrest – Chief Technology Officer
10:00am	Economics & Business Model Akash Patel – Chief Financial Officer
10:30am	Break
10:45am	<b>Commercialization</b> Brian Allen – President and Chief Operating Officer
11:15am	Valuation & Funding Kyle Derham – Chief Executive Officer, RONI and incoming Board Member, NPWR
11:25am	Q&A
11:55am	Closing Remarks

# Introduction



# Introduction to the Team





# **Executive Summary**

**Danny Rice** Incoming Chief Executive Officer



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**NETPOWER** 

# The Rice Team Has Consistently Created Value in Natural Gas

Through multiple cycles, as Founders, Operators and Investors, the Rice Team has generated top returns across four dominant public companies spanning the natural gas value chain



# An Innovative Technology to Decarbonize Natural Gas Power Generation

#### NET Power's power plant transforms natural gas into clean, emission-free power

#### **NET Power Overview**

- · Who we are: NET Power is a US-based clean energy technology company that has developed a gas-fired power plant that generates clean power with no emissions
- Innovative Design: NET Power's patented technology employs oxy-combustion and utilizes super-critical CO2 as the turbine's working fluid to efficiently produce clean, low-cost power and deliver a pure stream of  $CO_2$  for sequestration or utilization
- Proven technology: Demonstration plant in La Porte, TX (50 MWth) was commissioned in 2018 and has achieved over 1,500 operational hours and synchronized to the Texas grid in 2021
- Preparing for global deployment: Agreement with Baker Hughes to design and manufacture key plant equipment; expect first deliveries in 2026-2027; standardized 300MWe design enables cost economies of scale and rapid deployment
- Several projects in various stages of development, first 300MW plant expected online in 2026-2027
- Positioning for long-term success: In December 2022, NET Power announced transaction to go public; successful energy entrepreneur Danny Rice to become NET Power's CEO upon closing of transaction (expected Spring 2023)







(Power Expertise)

Constellation.



(NPWR Cycle Inventor)



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# Aging Baseload Power Plants Near CO<sub>2</sub> Storage = NET Power Opportunity

#### Approximately 500 GW of natural gas, coal and nuclear retirement candidates are within 40 miles of CO<sub>2</sub> storage

#### **U.S. Market Offers Favorable Characteristics**

#### U.S. Baseload Retirement Candidates Are Near CO<sub>2</sub> Storage <sup>(1)</sup>

- ~750 GW of natural gas, coal and nuclear power generation are retirement candidates
  - Equivalent to ~2,400 NET Power plants <sup>(2)</sup>
- ~65% of that capacity (~500 GW) is within 40 miles of CO2 storage 1 NET Power plant can produce >800,000 tpa of  $CO_2$ , which could support the build-out of a 40-mile  $CO_2$  pipeline
- Fleet deployments of NET Power can support the build-out of longer CO<sub>2</sub> pipelines (100 miles+), increasing the total addressable market beyond 500 GW

#### U.S. CO<sub>2</sub> Storage Expected to Expand Rapidly

- Active Storage: 65 mmtpa is currently injected into oil reservoirs for EOR (3)
  - Equates to output of ~80 NET Power plants <sup>(2)</sup>
  - Most CO<sub>2</sub> is sourced geologically (the EOR industry drills wells)
- Exploratory Storage: dozens of Class VI permits under review Significant industry interest in additional EOR applications
- Future Storage: substantial interest to open all candidate basins in US for CO<sub>2</sub> storage
- RCAU estimates. Power plant data from EIA Monthly Generator Inventory, Retirement condidates are defined as power plants over halfway through the useful Facility Life as defined by Lazard's LCOE VISD. NET Power plant equivalent estimates based on Gen 2 configuration. "Cardeon Disaide Enhanced Cuil Recovery. A Critical Domestic Energy, Economic, And Environmental Oppartunity." National Enhanced Cuil Recovery Initiative, February 2012. Power plants due from CAM Amothly Generator inventory, Economic, And Environmental Oppartunity." National Enhanced Cuil Recovery Initiative, February 2012.

#### CO<sub>2</sub> Storage and Baseload / Dispatchable Power Plants <sup>(4)</sup>



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# **NET Power Plants Dispatch at Far Lower Prices than NGCC**

#### Overview

- We expect NPWR plants to generate sufficient 45Q tax credits to offset nearly all natural gas fuel costs
  - \$3.50/MMBtu Nat Gas cost = \$22/MWh
  - \$85/tonne 450 Credit = \$20/MWh<sup>(1)</sup>
- This dynamic may allow NPWR plants to run at high-capacity factors (90%+) and will further drive down capacity factors of coal power plants and CCGTs
- We expect this dynamic will lead to utility and industrial customers choosing NPWR over CCGT
- NPWR's dispatchability enables it to complement renewables, and may lead to lower prices for consumers without sacrificing reliability

NPWR vs. CCGT LCOE (\$/MWh)<sup>(2)</sup> – Investment Decision



#### NPWR vs. CCGT Cost Structure (\$/MWh)<sup>(3)</sup> - Operating Decision



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\$85/tonne represents gross 45Q credit amount; \$22/HWh is net of transportation and sequestration costs.
 See side 23 for key ICCE assumptions.
 Assume Gore J AVMR plant Both NPNR and CCGT are variable costs shown using \$3.50/HMBtu natural gas price





# Technology **Brock Forrest** Chief Technology Officer

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## **NET Power Cycle Overview**

#### NET Power uses natural gas and oxygen, produces power and captures CO<sub>2</sub> (Video Link)

#### **NET Power Cycle Overview**

- NET Power's platform uses a semi-closed loop cycle that . inherently captures CO2 and produces power
- It does so by combining two processes: oxy-combustion, which produces CO2 and H2O, with a CO2 power cycle
- . The CO<sub>2</sub> from oxy-combustion is recirculated back to the combustor and a portion (~820k tonnes per year for Gen 2) is exported for utilization or sequestration

#### **NET Power Cycle Steps**

- Air Separation Unit separates oxygen from air
- 2 Natural gas and oxygen combine resulting in CO<sub>2</sub> and water vapor
- Intersection of the second state of the sec
- 4 The CO<sub>2</sub> mixture goes into the heat exchanger to cool
- Water is removed from the CO<sub>2</sub>
- 6 CO<sub>2</sub> is repressurized, captured CO<sub>2</sub> is exported for sequestration or commercial use

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Recirculated CO<sub>2</sub> is reheated to be used again in the process



"Gen 1" definition: Initial commercial utility-scale design, with risk optimized cycle parameters targeting 51.5% UHV efficiency. "Gen 2" definition: Already identified higher efficiency design targeting 60% + LHV efficiency.
 Assume 92:55 k capacity factor.

# **NET Power Cycle Efficiency**

#### NPWR plants yield competitive thermal efficiencies

#### NET Power Cycle Efficiency

- ٠ Thermal efficiency of a heat engine is the percentage of heat energy that is transformed into work
  - A natural gas plant with a higher thermal efficiency converts more natural gas fuel into electricity and produces less waste heat than a natural gas plant with lower thermal efficiency
- High energy density of sCO<sub>2</sub> yields a turboexpander efficiency of ~80% in NPWR plants ٠
- Gen 1 thermal efficiencies similar to Combined Cycle . Gas Turbine ("CCGT") + Post-Combustion Carbon Capture ("PCC")
  - High turboexpander gross efficiency compensates for parasitic load of Air Separation Unit (ASU), compressors and pumps
  - Expected rate of capture greater than CCGT + PCC
- Gen 2 plants are targeting efficiencies higher than ٠ CCGT + PCC
  - Higher process temperatures than Gen 1 but still within existing materials experience
  - Expected rate of capture greater than CCGT + PCC

Source: EIA, NET Power Management





NPWR<sup>(2)</sup> vs. CCGT + CCS

# NPWR's Oxy-Combustion Cycle is Key to Low-Cost Carbon Capture

The NPWR Cycle inherently captures CO<sub>2</sub> to deliver power generation 70% cleaner than post-combustion carbon capture from traditional natural gas power generation plants

#### Combined Cycle Gas Turbine ("CCGT") + Carbon Capture



See slide 23 for supporting LCOE assumptions
 Assumes Gen 2 NPWR plant.

# **NET Power's Supercritical CO<sub>2</sub> Test Facility Validates the Technology**

#### Three separate testing campaigns completed between 2018-2021 provide technology validation

#### **Key Highlights**

- Supercritical CO<sub>2</sub> turbine generated power while synchronized to the grid
- NET Power's first-of-its-kind controls architecture was optimized through years of demonstration to be the foundation for commercial plant operations
- Multiple 24-hour test campaigns including start/stop sequences, steady state and ramping operations
- Facility has exceeded 925°C design temperature expected of utility-class plant turbo expander through optimized combustion and recycle temperature controls
- Balance of plant ("BOP") has exceeded 300 bar pressure operation which is consistent with utility-scale plant specifications
- Heat exchanger performance has been robust, resilient, and tested at temperatures meeting and exceeding required benchmarks
- Plant exceeded a 97%+ CO<sub>2</sub> chemistry content under stable control
- Control system fine-tuned to repeatedly initiate start-up sequence and ramp turbine and BOP to supercritical operating pressures
- Lessons learned incorporated into utility scale plant design and control system, and prior OEM partnership challenges informed the BH partnership structure and development program to enable collaboration and success

Commissioned March 2018 50 MWth full industrial scale (1/11th utility scale) 5-acre footprint >1,500 hours runtime

#### **Facility Overview**



# **Built In Liquid-Oxygen "Battery" Provides Peaking Flexibility**

#### Liquid Oxygen Battery Concept

#### NET Power's fuel is a combination of natural gas and oxygen

- Oxygen (O<sub>2</sub>) is typically generated on-site by powering an Air Separator Unit ("ASU") with electricity generated from the NET Power plant (~70 MWe parasitic load)
- B ASU can create "excess" oxygen stored on-site in oxygen tank at a low incremental cost
- In periods of high market demand / prices, the ASU can be turned off, reducing the parasitic load with oxygen being drawn from the O<sub>2</sub> tank instead
- Allows NET Power to generate an extra ~70 MWe to the grid, 25% more than base utility-scale plant at 90% to 95% round trip efficiency for up to ~1,600 MWh

#### **NET Power Plant Configuration**



Liquid oxygen dispatch rate supports powering an additional 25,000 – 55,000 homes for up to 2 days





## Flexible Technology Provides Tailored Solutions for Multiple Designs & Use Cases

#### **NET Power Plants can Run...** NET Power Plants can be Configured as... NET Power Plants can Dispatch as... **On Multiple Fuel Types** Without Water A Utility-Scale Plant An Industrial-Scale Plant A Baseload Plant A Load-Peaking Plant · Can be designed to · Can be built to scale Default NET Power Potential fuel types Can be large-scale Can be a utility-scale include: run without water plant to meet growing for on-site industrial large plant to meet design incorporates with a small penalty to demand with power generation growing demand for 2 days of peaking needs (up to ~115 capability available Natural gas efficiency zero-emissions power zero-emissions power (~300 MWe Class) MWe) generation via oxygen tank Natural gas / Can be a net producer 0-100% load-following Available peaking Use cases: utility-scale hydrogen blend of water in dry cooling ٠ Use cases: zero-carbon LNG, DAC, hydrogen mode power, DAC hubs, large capabilities; able to capacity of ~1,600 MWh at industrial complexes seamlessly pair with production, metals Acid gas

- Associated gas

# **NET Power's Intellectual Property Underpins its Licensing Model**

#### **Intellectual Property Portfolio Details**

Growing portfolio of trade secrets and patents protects NPWR as it licenses the technology to developers, owners and other stakeholders

- Patent Regions: U.S. and 32 additional countries on six continents
  - Protections are intended to provide coverage for integrated permutations of the patented NET Power technology as it expands as a platform and not simply a power generation concept
  - Patent coverage includes key patents valid through mid-2030s, well beyond initial commercialization phase
  - No known competition for semi-closed loop sCO<sub>2</sub>
- NET Power's proprietary first mover trade secrets also substantially deepen the intellectual property moat
  - Continuous IP development as operations scale up and are optimized
  - 2,000+ I/O (input/output) data points from sensors throughout testing processes
- Each 300 MWe Class license (NPWR standard utility size plant) is expected to generate ~\$65mm of PV-10 in licensing fees





 As of end of Octaber 11, 2022. In-licensed from 8 Rivers under agreements giving NET Power exclusive and irrevocable licensing, sub-licensing, and commercialization rights for natural gas and certain other fuel sources.

#### **Intellectual Property Areas of Focus**

While patents and trade secrets already provide a substantial existing moat, NET Power will continue to deepen it to drive deep decarbonization

renewable dispatch

up to ~70 MWe

Complementary

technologies

**NRICE** 

to existing VRE

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**NETPOWER** 

#1 Utilize La Porte and early SN data to further enhance moat and improve the technology

manufacturer power and industrial gas

needs, government /

military installations,

petrochemical plants

- the technology
   Opportunity to exploit machine learning with the 2,000+ I/O
  - (input/output) data points

     Optimize sub-component design and performance
    - Improve NET Power cycle performance, controllability
  - (distributed control system) and stability



- Further develop strategic partnerships
- Strategic exclusive partnership already in place for turboexpander, compression and pumps
- Pre-qualifying EPCs, OEs and consultants that will respect and enhance NET Power's IP portfolio
- Additional relationships targeted for equipment (e.g., air separation units and heat exchangers)

Technology roadmap focuses on NET Power's integration with an industrial ecosystem, including:

- CO<sub>2</sub> utilization technologies
- Hydrogen
- Energy storage
- Solar / wind
- Waste heat recovery
- Industrial / chemical processes





# Economics & Business Model Akash Patel

Chief Financial Officer



# Nimble, Asset-Light and Capital-Light Business Model

#### Focus on innovation and IP with wide competitive moat and business model that facilitate profitable growth

#### Licensing Business Model



#### **NET Power's Competitive Advantages**

- Technology-driven IP moat, engineering and demonstration facility enable NET Power to license technology and expertise to project developers and owners
- Scalable asset-light model with ability to engage with multiple projects / developers simultaneously vs. build / own / operate model
- Leverage OEM and EPC network that provides performance guarantees
- Recurring, highly visible, growing cash flows from annual royalty
- NET Power license fee structure designed to facilitate deployments and enable attractive project returns

Licensor model enables wide adoption and facilitates global decarbonization



1. NET Power will not receive equipment royafties on BH supplied scope.

#### NET Power provides low-cost, reliable 24/7 CFE relative to other technologies, and best in class Levelized Cost of Energy ("LCOE") results in compelling project economics

LCOE with IRA Subsidies (\$/MWh) (1)



#### NET Power Gen 2 Project Economics (IRR %) (2)

		Ch	ange in Cap	ex
		+ 0%	+ 25%	+ 50%
	\$10.00	14%	11%	8%
Spark	\$20.00	21%	17%	13%
Spread	\$30.00	26%	22%	17%
\$/MWh	\$40.00	30%	26%	21%
	\$50.00	34%	29%	24%

After-Tax Levered IRR

#### Spark Spread Overview

- Spark spread (\$/MWh) = power price (\$/MWh) natural gas price (\$/MMBtu) \* heat rate (MMBtu/MWh)
- The spark spread is commonly used to estimate the profitability of natural gas-fired electric generators
- Spark spread ranges shown above are indicative of U.S. power markets

 NPWR Gen 1 law end estimate per NPWR management and reflects \$3.50/MMBu natural gas price and high end reflects \$5.50/MMBu natural gas price and standardization.
 New Ref Gen 1 law end estimate per NPWR management and reflects \$5.50/MMBu natural gas price and so the industrial pass price and industrial pass price and a standardization.
 Net Ref Gen 2 law end estimate per NPWR management to reflect a \$5.50/MMBu natural gas price and a 55.50/MMBu natural gas price and a standardization.
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# Gen 1 & Gen 2 Modeled Plant Assumptions

Criteria	NET Power Gen 1 Plant <sup>(1)</sup>	NET Power Gen 2 Plant <sup>(2)</sup>
Assumed CAPEX (\$mm)	EPC: \$600 - \$770 Owners Costs + Contingencies: \$120 - \$150 Upfront License Fee: \$30 Total Capex: \$750 - \$950	EPC: \$320 - \$490 Owners Costs + Contingencies: \$70 - \$100 Upfront License Fee: \$40 Total Capex: \$430 - \$630
Target LHV Efficiency (%)	~51.5%	60%+
Assumed Capacity Factor (%)	~92.5%	~92.5%
Assumed Inlet Natural Gas (MMscfd)	~50	~50
Assumed Sequestration and Transportation Fees (\$/MT CO <sub>2</sub> )	CCS: \$15.00 EOR (Transport Only): \$5.00	CCS: \$15.00 EOR (Transport Only): \$5.00
Assumed Fixed O&M (\$mm)	\$10.0	\$8.3
Assumed Variable O&M (\$/MWh)	\$3.20	\$2.70
Target Net Output (MW <sub>e</sub> )	284 MW <sub>e</sub>	318 MW <sub>e</sub>
Assumed Volumetric Flows (000s MT/yr) <sup>(3)</sup>	CO <sub>2</sub> (CCS): 934 CO <sub>2</sub> (EOR): 888 Oxygen: 116 Argon: 65 Nitrogen: 4,586	CO <sub>2</sub> (CCS): 886 CO <sub>2</sub> (EOR): 842 Oxygen: 110 Argon: 62 Nitrogen: 4,351

red subject to change based on future engineering studies and inflation adjustments. scentative of Serial Number T. e assumes no industrial gas sales.

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# **Capital-Light Business Model Can Drive Substantial EBITDA Generation**



## Replacing Baseload + Electrification = Massive Global TAM

#### TAM defined by replacing retiring baseload power generation and meeting new demand from electrification

Expected Baseload Retirement and Implied Electrification of Demand through 2050 (TWh)<sup>(1)</sup>



Source: EA, IEA, NET Power Management. Note: IEA Global Demand Increase based on IEA 2021-2050 Sustainable Development Scenario as provided in IEA's 2021 World Energy Outlook report. 1. Assumes al existing baseload generation will be retried by 2050 for illustrative purposes. 2. Potential NET Power plants calculated based on the implied Power Generation divided by 300 MW per plant and 92.5% capacity factor. 3. Board on coputing – B2RK tomesform of CO\_s missions per MYMP plant utilities, MVMR Gen 2 assumptions found on stide 14. 4. Potential value multiplies the Potential NET Power plants by the PV- 10% of a single-plant's cash flows (~\$65mm).



# Commercialization

**Brian Allen** President and Chief Operating Officer



# **Baker Hughes Partnership Catalyzes NET Power's Commercialization**

#### BH partnership brings capital, technology expertise and strong track record of new product launches

# Baker Hughes 📚 🕂 🕢 ПЕТРОWER

Baker Hughes ("BH") invested cash equity into NET Power and is partnering with NET Power to **develop and commercialize the technology** • World-renowned Turbomachinery and Process Solutions ("TPS") business focused on the design and manufacturing of decarbonization technologies

- Installed base of 5,000 gas turbines and 8,000 compressors globally (1)
- Track record of commercializing innovative turbomachinery like the LM9000 aeroderivative gas turbine that reduces CO<sub>2</sub>e emissions by 25% <sup>(2)</sup>

#### Technology Development

- . BH to develop a NET Power compatible turboexpander
- NET Power and BH formed Joint Design Committee to provide oversight & support for program schedule, equipment design and performance
- Allows for open sharing of best practices and lessons learned
- · NET Power will own the cycle and process IP developed in the program

Commercialization

- BH and NET Power will jointly market NET Power through the Joint Commercial Committee and leverage BH's global sales channels
- BH will have limited exclusivity for utility-scale turboexpanders and full exclusivity for the industrial-scale units (3)
- Baker Hughes can only sell the jointly developed turboexpanders to NET Power licensees, further deepening NET Power's competitive moat



# **Consortium Project Designed to Significantly De-Risk Serial Number 1 (SN1)**

#### Highly supportive shareholders with significant resources and capital

#### Potential Location and Anticipated Timeline

SN1 location near Odessa, Texas

Q1 2024

Limited Notice to Proceed

Anticipated Project Timeline

Q1 2024 DOE Fundir

Q1 2023

FEED Start

#### Project Highlights

- Site location in West Texas with ~300 MWe of capacity
- · Limited permitting needs given plan to leverage existing site and infrastructure
- Financing options include:
  - SPAC capital raise (PIPE in addition to proceeds in trust)
  - DOE grants (~\$2.5B total available)
  - DOE loan programs through Title XVII (~\$300B total loan authority available)
  - Existing shareholder base has expressed interest in providing additional financial support
- Shareholder group is focused on delivering a project that will catalyze future adoption for utility-scale customers

#### Shareholder Expertise Yields Meaningful Value Contributions

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# **Customer Pipeline Driven by Inbound Interest**

Q3 2024

n Construction

Beg

- Received unsolicited interest across industries including oil & gas, national oil companies, utilities, steel, chemicals and technology
- · Multiple utilities have included or are evaluating including NET Power in integrated resource plans (IRPs)
- NET Power taking "fleet approach" to customer targeting; expect vast majority of customers will seek to deploy multiple plants to decarbonize . their operations

#### Target Industries & Illustrative Target Customers



#### **Customer Considerations**

Near-term goals to reduce scope 1, 2, & 3 emissions; long-term goal of transitioning to fully decarbonized forms of energy,
<ul> <li>NPWR Value Prop: 24/7 CFE, CO<sub>2</sub> for EOR, high plant availability, fleet economics, modularization</li> </ul>
Seeking solutions to energy trilemma: low power prices for customers, grid reliability, and decarbonization
<ul> <li>NPWR Value Prop: 24/7/CFE, low LCOE, highly flexible to support renewables (ramp rate, turndown), inherent power storage capability, no NOx/SOx/particulate, low marginal cost for plant dispatch</li> </ul>
Behind the meter solutions, high availability, baseload
<ul> <li>NPWR Value Prop: 24/7 CFE, high plant availability, heat integration, industrial gas supply, no NOx supports siting in brownfield plants</li> </ul>
Economic CO <sub>2</sub> infra projects, electrify operations, reduce Scope 1-3
<ul> <li>NPWR Value Prop: 24/7 CFE, CO<sub>2</sub> reliability and purity, solutions for power offtake</li> </ul>
24/7 CFE power purchase agreements
<ul> <li>NPWR Value Prop: 24/7 CFE, high reliability, PPA's with NPWR baseload customers</li> </ul>
Unique carbon free energy integrations in other processes
<ul> <li>NPWR Value Prop: 24/7 CFE, Flexible plant design for integration</li> </ul>
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# **Origination Strategy Can Kickstart Development and Create Value**

- Project origination activities can de-risk projects and accelerate development leading to (1) license fees to NET Power (\$65mm PV-10 per project) and (2) retained ownership in projects and highly strategic CO<sub>2</sub> infrastructure
- · Limited capital outlay required to create a valuable de-risked project ready to market to customers
- Projects could be sold to power or oil & gas customers prior to Front-End Engineering Design ("FEED"), or after FEED
  and at Final Investment Decision ("FID")

Key Variables		STEP 1 Identify "Bright Spots"	STEP 2 De-risk Project Econs
Electricity Markets	⊘/₹	<ul> <li>High spark spread regions (power prices less natural gas prices)</li> <li>Regions with need for firm, clean power</li> </ul>	<ul> <li>Secure low methane intensity natural gas from high credit quality customers</li> <li>Identify electricity customer and secure favorable power purchase agreement</li> </ul>
CO <sub>2</sub> Markets		<ul> <li>Low-cost, ample pore space capacity</li> <li>Access to existing CO<sub>2</sub> infrastructure</li> </ul>	<ul> <li>Acquire or lease pore space</li> <li>File Class II/VI permits</li> <li>Secure CO<sub>2</sub> offtake (RoW, permits, contracts)</li> </ul>
Other Project Dynamics	20	<ul> <li>Favorable industrial gas markets (Ar, N<sub>2</sub>)</li> <li>Technology / customer integrations (heat, DAC, H<sub>2</sub>, NH<sub>3</sub>)</li> </ul>	<ul> <li>Secure industrial gas offtake contracts</li> <li>Form partnerships with industrial customers for NPWR integrations</li> <li>Execute FEED to confirm project cost</li> </ul>

# Supply Chain Strategy To Support Ramp-Up In Deployments



# NPWR's Standardized Plant Design Provides Multiple Benefits

#### NPWR's plant is built upon the principles of standardization, enabling scale, operational and environmental advantages

#### Standardization Highlights

NET Power Plant Configurations (1)

- Standardized design for lower costs, faster delivery times, proven performance
- Standardized design is expected to reduce costly and timely FEED studies, and reduce EPC schedule by nearly eliminating detailed design of power block
- Licensed supply chain allows visibility and planning to produce key plant components faster and in greater volume, enabling us to deliver plants at lower cost and shorter cycle times from FID to COD
- Standard design builds on SN1 commissioning and validation lessons learned, reducing risk and maximizing performance of follow-on units

#### Standardized modular design enables configurable multi-packs for scaled deployments

- Can configure multiple power blocks for larger plant configurations, driving down CAPEX per MW
- Multi-pack configuration enables optimal load-following capabilities for even the most VRE-heavy power markets
- · Ability to scale and replace even the most polluting coal plants on earth

1. Assumes Gen 2 NPWR plant.



# **Valuation & Funding**

# **Kyle Derham**

Chief Executive Officer, RONI and Incoming Board Member, NPWR



# **Illustrative Transaction Summary**

#### Expected Sources & Uses

SOURCES	\$mm
Cash in RONI Trust (1)	\$335
Rice Friends & Family Investment (2)	\$100
OXY Investment	\$100
Additional PIPE Investments	\$35
NET Power Equity Rollover	\$1,357
TOTAL SOURCES	\$1,927
USES	\$mm
NET Power Equity Rollover	\$1,357
Cash to Pro Forma Balance Sheet	\$535
Transaction Fees and Expenses	\$35
TOTAL USES	\$1,927

Net proceeds of \$200mm expected to fund corporate operations through the development of SN1. Proceeds above \$200mm expected to advance and support commercialization including funding of the SN1 project.

#### **Illustrative Pro Forma Valuation**

	\$mm
Share Price	\$10.00
(x) Pro Forma Shares Outstanding (3)	199
PRO FORMA EQUITY VALUE	\$1,994
Plus: Pro Forma Debt	\$0
Less: Pro Forma Cash	(\$535)
PRO FORMA ENTERPRISE VALUE	\$1,459

#### Illustrative Pro Forma Ownership

SHAREHOLDER	SHARES (mm)	%
NET Power Existing Shareholders & Employee Options	147	68%
Public Shareholders	36	17%
Rice Friends and Family (incl. sponsor shares) (4)	17	8%
TOTAL PRO FORMA SHARES OUTSTANDING (3)	199	93%
FULLY DILUTED PRO FORMA SHARES OUTSTANDING (5)	215	100%

Note: Amounts and percentages may not add up due to rounding.

1. Assumes no ROW shoreholders carciae redemption rights. Excludes the Rice family's \$10mm (PO investment. See footnote (2). Excludes interest earned an investments held in trust account.

2. Rice Friends & Family includes for any encode the rise's \$10mm (PO investment and an incremental \$90mm investment via PPE.

3. Pro Forma Shares Custanding (i) includes \$25,355 sponsor shares subject to farfeiture if total gross praceeds delivered are below \$300mm, investment via PPE.

3. Pro Forma Shares Custanding (i) includes \$25,355 sponsor shares subject to farfeiture if total gross praceeds delivered are below \$300mm, investment via PPE.

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# **Highly Attractive Valuation Relative to Prior Funding Rounds**

#### NET Power has raised ~\$237mm in cash since 2012 across four investments from industry-leading strategics

#### **NET Power Valuation**



#### Catalysts Since 2021 Private Round

- BH partnership progressed: De-risks turbomachinery development, solidifies strategy for NPWR commercialization and marketing, and establishes global presence
- SK \$100mm investment in 8Rivers: Strategic investment negotiated in 2021 and announced in 2022 validates technical merits of 8 Rivers projects involving NPWR and based on RONI estimates may imply a NPWR valuation that is comparable to the valuation at de-SPAC
- Inflation Reduction Act of 2022: \$85/tonne 45Q decreases NPWR LCOE by ~\$11/MWh vs. prior 45Q and establishes the economic framework required to spur growth of carbon management industry
- NPWR Consortium backing SN1: Supportive shareholders with significant resources validate technology and reduce project risk for initial deployment (unique for comparable technologies)
- · Danny Rice stepping in as CEO: Experienced public energy company operator with track record scaling multiple billiondollar natural gas value chain businesses will lead next phase of growth
- Incremental valuation support: Rice family and Oxy committing additional capital at de-SPAC valuation

surce: NET Power Management. De-SPAC valuation reflects implied enterprise value assuming no redemptions for illustrative purposes. Pre-Cory round, MCR and CEG each put in an additional 31 forms for a total of 5 atoms ratue. Backer Hughers round negatiatismo scorared in 2022 (back closed featuring 2028 Bit Capital I capital rate advacker \$70mm in committed in-kind services which results in total commitment of \$100mm.



# **Capital-Light Business Model Can Drive Substantial EBITDA Generation**

Illustrative EBITDA (\$mm)

#### **Key Assumptions**

- · Licensing Revenue (per plant): \$30mm over initial 3 years Expect to receive \$10mm at FID, \$10mm during construction
- and \$10mm at COD
- Actual amounts could be higher or lower depending on commercial circumstances
- · Royalty Fee (per plant): Recurring \$5mm per year through life of plant
- Costs: Gross margin of 90%
- SG&A: \$50mm per year
- · Capex: Project development costs and plant capex are borne by the project developer

#### **Illustrative Single Plant Unit Economics**

Based on 1 plant deployed per year)					
(\$ millions)	Year 1	Year 2	Year 3	Year 4	Year 5
Licensing Revenue	\$10	\$10	\$10	-	-
Royalty Fee			5	5	5
Revenue Per Plant	\$10	\$10	\$15	\$5	\$5
Plants Deployed in (Project Timeline)	Year 1	Year 2	Year 3	Year 4	Year 5
Year 1	\$10	\$10	\$15	\$5	\$5
Year 2		10	10	15	5
Year 3			10	10	15
Year 4				10	10
Year 5					10
Total Revenue	\$10	\$20	\$35	\$40	\$45
(-) COGS @ 90% Gross Margin	(1)	(2)	(4)	(4)	(5)
Gross Profit	\$9	\$18	\$32	\$36	\$41



re: "FID" reflects Final Investment Decision. "COD" reflects Commercial Operations Date. \$200mm of net proceeds from PIPE are expected to fund the company's Baker Hughes JDA and corporate overhead expenses through commercialization of SN1. Any cosh mised above that amount [44, Fan SPAC Trust] would be utilized to accelerate these illustrative deployment scanarios. Therefore, redemptions are not expected to impact the annual EBITDA figures, but a large range of potential scenarios is shown for illustrative purposes.

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# **SPAC Valuation Offers a Compelling Entry Point Relative to Comps**

#### **Comparable Public "Category-Defining" Companies**

		NUSCALE	
Market	24/7 CFE – Natural Gas	24/7 CFE – Advanced Nuclear	CCUS – Post-Combustion Carbon Capture
Ticker	NYSE: NPWR	NYSE: SMR	OSLO: ACC NO
Business model	Technology licensor business model	Product, services and delivery business model	Carbon capture as a service business model
Competing technical designs	0 competing high efficiency semi-closed loop sCO <sub>2</sub> designs	>70 competing designs (1)	>15 competing designs (2)
De-SPAC / IPO date	de-SPAC date: TBD	de-SPAC date: Dec. 14, 2021	IPO date: Aug. 26, 2020
Valuation at de-SPAC / IPO	<b>\$1.5bn</b> at de-SPAC	\$1.9bn at de-SPAC	\$250mm at IPO
Valuation as of 3/17/23	N/A	\$1.8bn	\$0.8bn
Target construction timeline	~ <b>3-year</b> construction timeline from order to COD	~8-year construction timeline from order to COD	N/A
Target date of first full-scale deployment	First full-scale deployment in <b>2026</b> (NPWR-led Consortium)	First full-scale deployment in <b>2029</b> (UAMPS)	Commercial
Select Comparabl	e Private Validated Clean-En	ergy Disruptors Have Rais	eed ~\$5bn to date

irce: Company filings, FoctSet as of 3/17/23, PitchBook.

rmps://www.uee.org/newscenter/news/what-are-small-modular-re
 "STATE OF THE ART: CCS TECHNOLOGIES 2022" Global CCS Institut

# **DeSolve Scenario Analyses Shows Significant Deployment in the U.S.**

#### **DeSolve Overview**

- DeSolve is a consulting firm led by Dr. Jesse Jenkins, who leads Princeton University's energy systems research lab
  - RONI engaged DeSolve to prepare a report <sup>(1)</sup> that replicates the methodology used by the REPEAT Project <sup>(2)</sup>, a report widely used to assess the impacts of the Inflation Reduction Act (IRA) on the future power sector and the impact on carbon emissions
- DeSolve developed 4 scenarios to determine the potential deployment of NET Power in the U.S. through 2050
  - Analysis incorporates IRA incentives and continued cost/efficiency improvements for all technologies, solving for the lowest cost electricity system with high reliability standards
  - 4 scenarios run assume baseline NET Power assumptions with downside sensitivities for higher capex and higher natural gas prices detailed in the table below
  - DeSolve introduced a "manufacturing" limit (as detailed in the full report) to limit NET Power deployments through 2035
- The DeSolve analysis incorporating NET Power management assumptions (Case "A") results in 578 GW of deployment, representing > 1,900 NET Power plants



#### **DeSolve Report – Key Assumptions**

Case	Capex (\$/kW)	Gas price (\$/MMBtu)	LHV Efficiency	Notes
A. Baseline	\$2,650 to \$1,160	~\$3.75	~52% to ~61% long-term	Baseline capex / efficiencies per NET Power
B. High capex	\$3,980 to \$2,041	~\$3.75	same as (A)	Capex increase of ~50% (FOAK) to 75% (NOAK) vs. baseline
C. High gas price	\$2,650 to \$1,160	\$5.00	same as (A)	Note: current 2024 Henry Hub strip pricing is ~\$3.50
D. High capex and gas price	\$3,980 to \$2,041	\$5.00	same as (A)	Cumulative downside case

"Preliminary Report: The Climate and Energy impacts of the inflation Reduction Act of 2022," REPEAT Project, Inflation and Inflation Reduction Act of 2022," REPEAT Project, Inflational and Inflation Reduction Act of 2022," REPEAT Project, Applicational and White House staff, journalists, and stakeholders to
understand pending and recently enoted policies. DeSolve LLC is a consultant for RONI and regulated the methodology used by REPEAT Project, Applications for RONI and regulated the methodology used by REPEAT Project, Applications for RONI and regulated the methodology used by the REPEAT Project, Applications for RONI and regulated the methodology used by the REPEAT Project, Applications and seven and other sensitivities.

# 24/7 CFE for 🗪 Direct Air Capture (DAC) = NET Power Fleet Opportunity

#### **DAC Integration with NPWR Overview**

- OXY is a leader in the development of Direct Air Capture through their partnership with Carton Engineering
- DAC technology extracts CO<sub>2</sub> directly from the atmosphere
  - OXY believes DAC can economically address ~5,000 MTPA of CO<sub>2</sub> emissions from hard-to-decarbonize industries <sup>(1)</sup>
- DAC requires affordable, reliable, clean electricity
  - · Affordable: NPWR is competitive with other emission free alternatives
  - · Reliable: DAC systems are not able to quickly ramp up and down
  - Clean: Large scale CO<sub>2</sub> reductions require clean electricity source
- We and OXY believe NPWR's technology satisfies all these requirements
  - As such, OXY has announced plans to potentially use NPWR as a preferred source of zero emission power for its DAC facilities
- OXY is currently constructing the largest DAC facility in the world in West Texas (COD 2025), and following the passage of the IRA increased their development scenario from 70 DACs online by 2035 to 100 DACs
  - Global policy support could increase this number to 135 DACs

#### OXY DAC Deployment Scenarios

Estimated # of Plants Online (2)





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Source: Oxy Low Carbon Ventures, March 2022. Oxy 2Q 2022 earnings presentation.
 Oxy 3Q 2022 earnings presentation.



# "Super-Critical" Thinking: Harnessing the Unique Powers of CO2

#### Supercritical CO<sub>2</sub> can be found in every step of the NPWR process, from generating power to enabling more pore space capacity



- and steam as working fluids SCO2 is a superior working fluid, combining the best
- properties of liquid and gas
- NET Power compensates for the incremental parasitic load of the ASU and compression

59% LHV Efficiency 18% Steam Cycle	51% LHV Efficiency	
41% Combustion Turbine	NFT Power	
	(Gen 1)	

1. CCGT efficiency per DOE and E/A. NPWR efficiency assumes Gen 1 configuration 2. RONI estimates.

 Density factor of SCO<sub>2</sub> enables ~7x storage capacity at greater depths / pressures

PSI	1,000	2,000	5,000	7,000
MM tons, 10k Acres	156	440	948	1,055
NPWR Plants	6	18	39	43
Factor vs 1000 psi	1.0x	2.8x	6.1x	6.7x

- Deep pore space + SCO<sub>2</sub> + NPWR = gigaton-scale grid decarbonization
- CO<sub>3</sub> Transport as compared to natural gas pipeline rated for 1200 psi, pipeline rated for 2400 psi can transport ~4x the volume (40 MMcf/d →160 MMcf/d)
- Enhanced oil recovery SCO2 is the most effective solvent to unlock trapped oil from producing oil reservoirs
- In SCO<sub>2</sub>, oil becomes miscible which decreases its viscosity, enabling it to flow back to surface
- Natural gas is commonly used as a solvent, but replacing natural gas with CO2 is better for the reservoir and better for the environment



## **Recently Passed Climate Bill (IRA) Expected to Accelerate NPWR Adoption**

- Macro systems modeling performed by the REPEAT project (1) highlights over 67 GW of NGCC with CCS could be constructed by 2035 incentivized by the Inflation Reduction Act
  - All 67 GWs are assumed to be from new-build NPWR installments rather than retrofits of existing CCGT facilities or CCGT + CCS newbuilds due to NPWR superior economics (2)
  - 67 GW = 224 NPWR Plants = \$15bn (PV-10) of potential future licensing value in the U.S. alone by 2035
- Notably, the model is constrained by manufacturing limitations and other supply chain constraints, not economic competitiveness
  - A similar level of deployment occurs in a scenario with higher NPWR capex (Gen 1 costs into perpetuity) and higher gas prices

Importantly, NPWR is deployed alongside a record build-out of wind and solar to deliver a low-cost, reliable power grid that is capable of a ~50% reduction in U.S. power sector GHG emissions by 2035



# NET Power's Advantaged Tech Could Catalyze CO<sub>2</sub> Transportation Sector

#### CO2 Capture, Transport and Storage Cost (\$/tonne) (1)



#### Annual CO<sub>2</sub> Captured (tonnes) <sup>(2)</sup>



"Transport Infrastructure for Carbon Capture and Storage 2020" Great Plains Institute.
 RONE management estimates.

#### **CCUS Cost Considerations**

- NET Power's oxy-combustion process captures CO<sub>2</sub>
  - at scale, resulting in low-cost CCUS technology
     We expect NPWR to anchor new CCUS infrastructure resulting in best-in-class tariff rates for transportation and storage
- Post-combustion flue gas at coal-fired and gas-fired power plants emit very high volumes of CO<sub>2</sub> albeit at low concentrations, resulting in very high CO<sub>2</sub> capture costs
- Ethanol plants, conversely, emit pure CO<sub>2</sub> and require minimal costs to capture the CO<sub>2</sub>, but ethanol plant volumes are small and located far from storage sites, resulting in very high CO<sub>2</sub> transportation costs

#### NET Power Unlocks CO<sub>2</sub> Transportation Sector

- NET Power's volume and cost-efficiency should unlock development of large-scale CO<sub>2</sub> transportation and storage projects across the U.S.
- For example, building a NET Power 10-pack (10 x 300 MWe = 3.0 GWe) in New England designed to capture 8 million tonnes per year of CO<sub>2</sub> could be enough to economically justify infrastructure investment to capture, transport and store CO<sub>2</sub> in Western Pennsylvania's CO<sub>2</sub>-friendly formations



## The History of NET Power

>\$230mm invested since 2010, with extensive diligence performed with each successive partnership validating the technology and strengthening path to commercialization

#### **Investors and Business Milestones**



Strategic engagement with industry partners helped to advance NET Power's technology from concept to reality in under 10 years

1. McDermott is no longer a current owner.

# **Governments Support NPWR Commercialization and Projects**

# NET Power projects benefit tremendously from the new \$85/tonne 45Q in the Inflation Reduction Act of 2022 (IRA) as well as various government funding programs and regulatory standards

Source	Category	Description	Impact to NPWR
IRA	Production Tax Credits (CO <sub>2</sub> ) (available today)	<ul> <li>45Q enhancements included in the IRA increase credit amount up to \$85/tonne of CO<sub>2</sub> for carbon sequestration (from \$50) and up to \$60/tonne of CO<sub>2</sub> for enhanced oil recovery (up from \$35). It further:</li> <li>Lowers the minimum threshold for CO<sub>2</sub> capture per year, improving economics for first projects and supporting utility AND industrial scale NPWR facilities</li> <li>Pushes out the latest commence construction date to EOY 2032, allowing more projects to qualify</li> <li>Provides option for direct pay for 5-years, reverting to a tax credit thereafter</li> <li>Introduces a "design" minimum capture rate for plants of 75%; which NET Power easily exceeds</li> </ul>	Substantial PV-10 per NPWR Project
DOE LPO	Loan (already appropriated)	The IRA appropriates \$40B in additional commitment authority through 2026 to the loan guarantee program, while providing \$3.6B to cover project credit subsidy costs due at loan closing     Introduces new "Energy Infrastructure Reinvestment" loan program with \$250B commitment authority     to recol, renowne concentrations of control technologies	NPWR Phase 1 LPO application submitted     Multiple pools of government capital help de- risk financing for early NPWR projects and according docs infeature three
DOE OCED	Grant Funding (already appropriated)	<ul> <li>\$2.5bn Carbon Capture Demonstration Projects Program FOA1 and FOA2 released, FOA2 due May 2023, FOA3 expected</li> <li>6 projects funded at EPC level (2 projects will target natural gas decarbonization)</li> <li>Additional \$5.8bn to support emissions reduction in energy intensive industries like iron, steel, steel-mill products, aluminum, cement, concrete, glass, pulp, paper, ceramics, chemicals, etc.</li> </ul>	<ul> <li>NPWR can apply to be a direct recipient of OCED grant funding</li> <li>Could potentially qualify for a NPWR project partnered with chemical or steel production</li> </ul>
Various EU / UK	Funding (already appropriated)	<ul> <li>25bn EUR E.U. Innovation Fund supports demonstration of innovative low-carbon technologies</li> <li>European Commission Just Transition Fund (17.5bn EUR), Connecting Facility programs (5.84bn EUR), Invest EU (38bn EUR), and Catalyst EU (1bn USD) programs all offer opportunities</li> <li>UK Department for Business, Energy &amp; Industrial Strategy (BEIS) Net Zero Innovation Portfolio (1bn GBP) and Industrial Strategy Challenge Fund (2.6bn GBP) also offer opportunities</li> </ul>	<ul> <li>Multiple pools of government capital help de-risk financing for early mover NPWR projects globally</li> </ul>
EPA	Regulatory Standards <i>(upside)</i>	<ul> <li>Best Available Control Technology ("BACT") is required on major new or modified emitting power plants under the EPA's New Source Review program</li> </ul>	<ul> <li>NPWR may set a new U.S. standard to reduce CO<sub>2</sub> and/or NO<sub>x</sub> emissions</li> </ul>

# **Responsibly Sourced Gas ("RSG") Decreases Methane Emissions**

#### **RSG Overview**

- Natural gas and petroleum systems are the second largest source of methane emissions in the U.S. behind agriculture
- From 1990 to 2020, total U.S. methane emissions decreased 17% while natural gas production increased 95%
  - Replacement of coal with natural gas followed by higher environmental standards for the modern shale era led to this decline
- The next leg down for methane emissions is coming from the adoption of RSG standards by the natural gas industry
  - RSG is an independent, third-party certification for natural gas molecules designed to measure and reduce methane intensity
  - Methane intensity is the total volume of methane emissions divided by total volume of marketed gas
  - RSG concretely reduces emissions by setting the limit for methane intensity at 0.20% <sup>(1)</sup> (vs. estimates of >2% or more for the status quo)
  - RSG volumes increased from 9% of total production in 2021 to 19% in 2022

We expect RSG to continue to drive down methane intensity, constitute an increasing share of U.S. production, and set a new global standard for reducing methane emissions

1. Project Canary. 2. Emissions from EPA. Natural gas production from EIA. RSG production from Envenus.

#### US Natural Gas Production vs. US Methane Emissions<sup>(2)</sup>



# CO<sub>2</sub> Storage Is Abundant, Proven and Safe

CCS storage is abundant, with ~13,000 gigatons of prospective storage globally<sup>(1)</sup>

- This is enough capacity to store the lifetime CO<sub>2</sub> produced over 30 years for approximately 500,000 NET Power Plants<sup>(2)</sup>
- The United States alone has substantial storage capacity across the entire country with ~8,000 gigatons of storage in 36 basins
- >25 large-scale CCS hubs that benefit from shared infrastructure are in operation or development globally

#### CCS is proven and safe, as CCS technology has been in use for more than 50 years

 Around 300 million tonnes of CO<sub>2</sub> have already been successfully captured and injected underground globally<sup>(1)</sup>

1. "Global Status of CCS 2021" GCCSI. USGS 2. ROM



Global Prospective CO<sub>2</sub> Storage & CCS Hubs <sup>(1)</sup>

#### NPWR Plant Equivalents (1)(2)

Country	Storage (Gigatons)	NPWR Plan Equivalent	
United States	8,062	310,924	
China	3,077	118,689	
Australia	502	19,377	
Canada	404	15,580	
South Korea	203	7,843	
Japan	152	5,873	
Malaysia	150	5,769	
Mexico	101	3,888	
Norway	94	3,611	
United Kingdom	78	2,996	
Other	137	5,285	
Total	12,960	499,834	



# **Risk Factors (1/3)**

#### ncial Position and Need for Additional Capital **Risks Related to Our Fin**

- We have incurred significant losses since inception and we anticipate that we will continue to incur losses in the future, and we may not be able to achieve or maintain profitability.
- We may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy
- We may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy.
   Our ability to utilize our net operating loss and tax credit carryforwards to offset future taxable income may be subject to certain limitations.
   There is doubt about our ability to continue as a going concern, and we may require additional future (including or discontinue as a going concern, and we may require additional future or discontinue as a going concern, and we may require additional future or discontinue as a going concern, and we may require additional future scale of our research or development programs or the commercialization of any product candidates or to otherwise reduce discontinue our operations. In general, we may be unable to expand our operations or otherwise capitalize on business opportunities, and defend against and prosecute lifipation necessary to commercialize our product candidates as a going concern, we may be analyte to expand our operations or otherwise capitalize on business opportunities, and defend against and prosecute lifipation necessary to commercialize our product candidates as desired, which cour materially affect our business, financial condition and results of operations. If we are ultimately unable to continue as a going concern, we may be addition of any product candidates as desired, which cour materially affect our business, financial condition and results of operations. If we are ultimately unable to continue as a going concern, we may be unable to addite additional future as a going concern, we may be unable to execute our operations or otherwise capitalize on business opportunities, and defend against and prosecute liftpation or context or product candidates as desired, which cour material affect our business, financial condition and results of operations. If we are ultimately unable to continue as a going concern, we may be actions such as selling assets, restructuring, or seeking banknupty protection,
- Our business plan of developing our Serial Number 1 power plant technology is capital-intensive, and we may not be able to raise additional capital on attractive terms, if at all, which could be dilutive to shareholders. If we require additional capital and cannot
  raise additional capital when needed or on attractive terms, our operations and prospects could be materially and adversely affected.

#### Risks Related to Our Business and Our Industry

- We face significant barriers in our attempts to deploy our technology and may not be able to successfully develop our technology. If we cannot successfully overcome those barriers, it could adversely impact our business and operations
- The technology we are developing will rely on complex machinery for its operations and deployment involves a significant degree of risk and uncertainty in terms of operational performance and costs. If there are any delays in the development and
  manufacturing of turboexpanders, heat exchangers and other implementing technology by our partners or third party suppliers it may adversely impact our business and financial condition.
- We, our licensees, or our partners may not be able to establish supply relationships for necessary components or may be required to pay costs for components that are higher than anticipated, which could delay the deployment of our technology and negatively impact our business.
- Our deployment plans rely on the development and supply of turbo machinery and process equipment by BH pursuant to a joint development arrangement. BH or ourselves may not be able to commercialize technology developed under their joint development relationship. If BH fails to commercialize such equipment, or such equipment fails to perform as expected, our ability to develop, market, and license our technology could be harmed. Our commercialization strategy relies heavily on our relationship with BH, OXY and other strategic investors and partners, who may have interests that diverge from ours and who may not be easily replaced if our relationships terminate, which could adversely impact our business and financial condition.
- Our partners have not yet completed development of and finalized schedules for delivery of key process equipment to customers, and any setbacks we may experience during our first commercial delivery planned for 2026 and other demonstration and
  commercial missions could have material adverse effects on our business, financial condition and results of operation, and could harm our reputation.
- Lack of availability or increased costs of component raw materials may affect manufacturing processes for plant equipment and increase our overall costs or those of our licensees.
   Our processes are reliant on certain supply, including natural gas, and the profitability of our processes will be dependent on the price of such supply. The increased cost of natural gas and other raw materials, in isolation or relative to other energy sources, may adversely affect the potential profitability and cost effectiveness.

- Manufacturing and transportation of key equipment may be dependent on open global supply chains. Supply chains sues could negatively impact deployment schedules.
   Suppliers of key equipment to our customers may not be able to scale to the production levels necessary to meet the anticipated growth in demand for our technology, which could negatively impact our business and financial plan.
   Falue to ensure cost competitiveness by effectively incorporating updates to the design, construction, and operations of the NET Power Process plants could reduce the marketability of the NET Power Process plant design and may negatively impact deployment schedules.
- Manufacturing and construction issues not identified prior to design finalization, long-lead procurement, and/or module fabrication could potentially be realized during production, fabrication, or construction and may impact plant deployment cost and schedule, which could adversely impact our business.
- Our La Porte, Texas facilities and operations could be damaged or adversely affected as a result of natural disasters and other catastrophic events, which would negatively impact our ability to develop key process equipment and technologies within our
  anticipated timeline and budget.
- Our test facility has not overcome all power loads so as to provide net positive power delivery to the commercial grid during its operation. If initial commercial plants using the NET Power Process are unable to efficiently provide a net power output to the
  commercial grid, it will negatively impact our business.
- We may encounter difficulty in attracting licensees prior to the deployment of an initial full scale commercial plant. If we cannot successfully overcome the barriers to deploying a first full-scale plant, our business will be negatively impacted and could fail
- We may encounter difficulty in attracting licensees prior to the deployment of an initial full scale commercial plant. If we cannot successfully overcome the barries to deploying a first full-scale plant, our business will be negatively impacted and could fail.
   We expect a consortium field by NET Power to undertake the first commercial plant deployment (referred to as "scaling linestiment from us and our partners. If we cannot successfully approxed and plant, our business will be negatively impacted and could fail.
   Our future growth and success depend on our ability to license to customers and their ability to secure suitable its: Ne have not yet entered into a binding contact with a customer to license the NET Power Process, and we may not be able to do so.
   We may not be able to accurately estimate the future demand for our technology, which could result in a vaniety of inefficiencies in our business and hinder our ability to license and other highly skilled personnel, and their ability to complete may be have not yet entered into a binding contact with a customer to license the NET Power Process, and we may not be able to do so.
   We may not be able to accurately estimate the future demand for our technology, which could result in a vaniety of inefficiencies in our business and hinder our ability to generate revenue. If we fill to accurately mediat macked emand, we could incur additional costs or experience delays, adversely impacting our business and other highly skilled personnel, and if we are not successful in attracting or retaining highly qualified personnel, we may not be able to successfully implement our business strategy and our ability to complete may be harmed.
   We are highly dependent on our serior management team, key employees and other highly skilled personnel, we time to may be involved in legal proceedings and commercial contractual or intellectual property disputes, which could have an adverse impact on our profitabi



# **Risk Factors (2/3)**

- Despite implementing and maintaining industry standard security measures and controls, the website, systems, and data we maintain may be subject to intentional disruption, other security incidents, or alleged violations of laws, regulations, or other obligations relating to data handling that could result in liability and adversely impact our reputation and future sales.
   Our insurance coverage may not be adequate to protect from all business risks, adversely impacting our business and financial condition.
- COVID-19 and any future widespread public health crisis could negatively affect various aspects of our business, make it more difficult for us to meet our obligations to our customers and result in reduced demand for our products and services.
- Any financial or economic crisis, opecaries of these of such a crisis, including a significant decrease in consumer confidence, may materially and adversely affect on the universe. The adverse of the control is and these of such a crisis, and crisis and crises and crisis and crisis and crisis and crisis and crisis a
- We, and our licensees and partners, may be unable to adequately control the costs associated with the development and deployment of our technology.

#### **Risks Related to NET Power's Market**

- The energy market continues to evolve, is highly competitive, and we may not be successful in competing in this industry or establishing and maintaining confidence in our long-term business prospects among current and future partners and customers. The development and adoption of competing technology could materially and adversely affect our ability to license our technology.
   The market for power plants implementing the NET Power Process is not yet established and there is linited infrastructure to efficiently transport and store CO<sub>2</sub>. If the market for power plants implementing the NET Power Process does not achieve the growth potential we expect or grows more slowly than expected, if could materially affect our business.
- The cost of electricity generated from NET Power Process may not be cost competitive with other electricity generation sources in some markets, which could materially and adversely affect our business.

#### **Risks Related to the Business Combination**

- To accurate to use balances communities of the market values of growth-oriented companies like NET Power. In recent months, inflationary pressures, increases in interest rates and other adverse economic and market forces have contributed to these drops in market value. Such downward pressures may result in high redemptions by SPAC shareholders. If there are substantial redemptions, there will be a lower float of our common stock outstanding after the business combination. Ad development our ability to secure financing following the closing of the business combination and development our ability to secure financing following the closing of the business combination.
- As with most SPAC initial public offerings in recent years, RONI issued shares for \$10.00 per share upon the closing of its initial public offering. As with other SPACs, the \$10.00 per share price reflected each share having a one-time right to redeem such share for a proximately \$10.00 per share in connection with the dosing of its initial public offering. As with other SPACs, the \$10.00 per share price reflected each share having a one-time right to redeem such share for a proximately \$10.00 per share in connection with the dosing of the business combination. Following dosing of the business combination, the shares aud standing with no longer have any such redemption right and will be solely dependent upon the fundamental value of the company, which, like securities of other companies formed through SPAC mergers in recent years, may be significantly less than \$10.00 per share.

#### **Risks Related to Government Regulation**

- Our business relies on the deployment of power plants that are subject to a wide variety of extensive and evolving government laws and regulations, including environmental laws and regulations. Changes in and/or failure to comply with such laws and regulations could have a material adverse effect on our business.
   Our customers must obtain regulatory approvals and permits before they construct power plants using our technology and approvals may be denied or delayed.
- Unfavorable changes in laws, regulations, and policies in countries in which we seek to license our technology, or our, or our partners or project developers', failures to secure timely government authorizations under laws and regulations, or our failure to comply
  with these laws and regulations could have a material adverse effect on our business, financial condition and results of operations.
- Changes in laws and regulations and electric market rules and protocols regarding the requirements for interconnection to the electric transmission grid and the commercial operation of our customers' power generation projects could affect the cost, timing and
  economic results of conducting our operations. • We, and our potential licenses, may encounter substantial delays in the design, manufacture, regulatory approval, and launch of power plants, which could prevent us and our licenses from commercializing and deploying our technology on a timely basis, if at
- Our customers are subject to environmental, health and safety laws and regulations to include, if applicable, remediation matters which could adversely affect our business, results of operation and reputation.
- \* We and our customers operate in a politically sensitive environment, and the public perception of fossil fuel derived energy can affect our customers and us. Our future growth and success are dependent upon consumers' willingness to develop natural gas-fueled power generation facilities. The demand for our business may be curtailed by government or prospective licensees failing to consider hydrocarbon-based power as "clean," even when paired with energy transition technology such as carbon capture, use, storage and sequestration, thereby
  reducing our expected growth.
- We are subject to increasing regulatory scrutiny and potential enforcement regarding the energy transition, to include deployment of low-emissions technology and claims we or our licensees may make regarding the same, which could adversely affect our business, reputation, and operations.
- The ability to license and deploy natural gas power plants may be limited due to conflict, war, or other political disagreements between gas producing nations and potential customers, which may adversely impact our business plant • The ability to license and deploy natural gas power plants may be limited due to comilic, way, or other pointical usagreements between gas producing nations and potential customers, which may adversely impose of the source of the source with such laws can subject us to administratic consequences, remedial measures and legal expenses, all of which could adversely affect our business, results of operations, financial condition and reputation.
  • Changes in tax laws, incentives, or regulations may increase tax uncertainty and adversely affect results of our operations and our effective tax rate.
  • Any potential changes or reductions in available government incentives promoting greenhouse gas emissions projects, such as the Inflation Reduction Act's financial assistance program funding installation of zero-emission technology, may adversely affect our ability to grow our business. ive, civil and criminal fines and penalties, collateral



### **Risk Factors (3/3)**

#### **Risks Related to Intellectual Property**

- We are developing NET Power-owned intellectual property, but we rely heavily on the intellectual property we have in-licensed which is core to the NET Power Process. The ability to protect these patents, patent applications and other proprietary rights may be challenged or may be faced with our inability or failure to obtain, maintain, protect, defend and enforce, exposing us to possible material adverse impacts on our business, competitive position and operating results.
- We may lose our rights to some or all of the core intellectual property that is in-licensed by way of either the licensor not paying renewal fees or maintenance fees, or third parties challenging the validity of the intellectual property, thereby resulting in competitors easily entering into the same market and decreasing the revenue that we receive from our customers, and may adversely affect our ability to develop, market and license our technology.
- We, and our partners, licensees, and critical equipment suppliers may need to defend ourselves against intellectual property infringement claims which may negatively impact market demand for our process licenses. Further, defending against intellectual property claims can be time-consuming, incur substantial financial costs, and divert our resources away from our business efforts, regardless of the outcome of these claims.
- · Third parties may successfully challenge or invalidate our rights or ability to use in-licensed intellectual property that is core to the NET Power Process
- The unauthorized infringement, misappropriation, dilution or other violation of our intellectual property rights could diminish the value of our services, brands or goodwill and cause a decline in our revenue.
- Our patent applications may not result in issued patents and our patent rights may be contested, circumvented, invalidated or limited in scope, any of which could have a material adverse effect on our ability to prevent others from interfering with commercialization of our technology.
- We maintain certain technology as trade secret and others could independently develop competing or similar technologies, allowing others to develop plants without our license if our other intellectual property rights are insufficient to prevent such unlicensed
  development and deployment of plants.
- A number of foreign countries do not protect intellectual property rights to the same extent as the United States. Therefore, our intellectual property rights may not be as strong or as easily enforced outside of the United States and efforts to protect against the infringement, misappropriation or unauthorized use of our intellectual property rights, technology and other proprietary rights may be difficult and costly outside of the United States. Furthermore, legal standards relating to the validity, and scope of protection of intellectual property rights may not be as uncertain and and ther intellectual property rights may be difficult and costly outside of the United States. Furthermore, legal standards relating and scope of protoction of intellectual property rights may not be as uncertain and and ther intellectual property rights may not be as the scope of protoction of unauthorized use of our uncertained and ther intellectual property rights may not be as the scope of protoction of unauthorized use of the United States. Furthermore, legal standards relating the validity and scope of protoction of unauthorized use of the United scope of protoction of unauthorized use of the United scope of protoction of unauthorized use of the United States. Furthermore, legal standards relating the uncertain and and ther intellectual property rights are score as an efficient and ther intellectual property rights are score as an efficient and ther intellectual property rights are score as an efficient and ther intellectual property rights are score as an efficient and ther intellectual property rights are score as a score a
- Despite conducting competitive analyses, we, or our partners or licensees, may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent, which may adversely affect our ability to develop, market
  and license our technology.
- We may be subject to claims of ownership and other rights to our patents and other intellectual property by third parties, which may adversely affect our ability to develop, market and license our technology.
- The information technology systems and data that we maintain may be subject to intentional or inadvertent disruption, other security incidents, or alleged violations of laws, regulations or other obligations relating to data handling that could result in regulatory
  investigations or actions, litigation, fines and penalties, disruptions of our business operations, reputational harm, loss of revenue or profits, loss of customers or sales and other adverse business consequences.



