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

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____
Commission file number 001-40503

NET Power Inc.

(Exact name of registrant as specified in its charter)

Delaware	**98-1580612**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

320 Roney St., Suite 200
Durham, North Carolina 27701
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(919) 287-4750**

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Class A Common Stock	NPWR	The New York Stock Exchange
Warrants, each exercisable for one share of Class A Common Stock at a price of $11.50	NPWR-WT	The New York Stock Exchange

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates of the registrant a s of June 30, 2024 was approximately $242 million (computed by reference to the last per share sale price of the Class A Common Stock on the New York Stock Exchange of $9.83 on such date).

The registrant had outstanding 77,062,770 shares of Class A Common Stock and 140,565,705 shares of Class B Common Stock as of March 6, 2025.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement for the registrant's 2024 Annual Meeting of Stockholders have been incorporated by reference into Part III of this Report.

TABLE OF CONTENTS

Certain Defined Terms

Unless otherwise expressly stated or, unless the context otherwise requires, references in this Annual Report on Form 10-K (this "Report") to:

- "8 Rivers" means 8 Rivers Capital, LLC, a Delaware limited liability company (a company controlled by SK Energy);
- "Amended and Restated JDA" means the Amended and Restated Joint Development Agreement, dated December 13, 2022, by and among Old NET Power, RONI, RONI OpCo, NPI, and NPT, as amended, supplemented or otherwise modified from time to time in accordance with its terms;
- "Baker Hughes" or "BH" means Baker Hughes Company, a Delaware corporation;
- "BHES" means Baker Hughes Energy Services LLC, a Delaware limited liability company and affiliate of Baker Hughes;
- "BHES JDA" means collectively, the Original JDA and the Amended and Restated JDA
- "Board" or "Board of Directors" means the board of directors of the Company;
- "Business Combination Agreement" means the Business Combination Agreement, dated as of December 13, 2022, by and among RONI, RONI OpCo, Buyer, Merger Sub and Old NET Power, as amended by the First Amendment to the Business Combination Agreement, dated as of April 23, 2023, by and between Buyer and Old NET Power;
- "Business Combination" means the Domestications, the Merger and other transactions contemplated by the Business Combination Agreement, collectively, including the PIPE Financing;
- "Buyer" means Topo Buyer Co, LLC, a Delaware limited liability company and a direct, wholly owned subsidiary of OpCo (following the Domestications) or of RONI OpCo (prior to the Domestications);
- "Class A Common Stock" means the Class A common stock, par value $0.0001 per share, of NET Power;
- "Class B Common Stock" means the Class B common stock, par value $0.0001 per share, of NET Power;
- "Clean," in relation to the energy generated through the Net Power Cycle, refers to the NET Power Cycle's capability to significantly reduce direct CO_2 emissions and emissions of other air pollutants in comparison to energy generated with conventional gas-fired technology;
- "Closing" means the consummation of the Business Combination contemplated by the Business Combination Agreement;
- "Closing Date" means June 8, 2023, the date on which the Closing occurred;
- "Common Stock" means the Class A Common Stock and Class B Common Stock;
- "Company," "our," "we" or "us" means, prior to the Business Combination, RONI or Old NET Power, as the context suggests, and, following the Business Combination, NET Power Inc., in each case, with its consolidated subsidiaries;
- "Constellation" means Constellation Energy Generation, LLC, a Pennsylvania limited liability company formerly known as Exelon Generation Company, LLC;
- "Demonstration Plant" means the facility located in La Porte, Texas used to demonstrate the viability of the NET Power Cycle;
- "DOE" means the United States Department of Energy;
- "Domestication" means the change of RONI's jurisdiction of registration by deregistering as a Cayman Islands exempted company and continuing and domesticating as a corporation registered under the laws of the State of Delaware, upon which RONI changed its name to NET Power Inc.;
- "Domestications" means the Domestication and the OpCo Domestication;

- "Exchange Act" means the Securities Exchange Act of 1934, as amended;
- "Gen1U" means the Company's first-generation utility-scale design;
- "IPO" means RONI's initial public offering, which was consummated on June 18, 2021;
- "Legacy NET Power Holders" means the holders of equity securities of Old NET Power prior to the consummation of the Merger;
- "LHV" means lower heating value.
- "Merger" means the merger of Merger Sub with and into Old NET Power pursuant to the Business Combination Agreement, in which Old NET Power survived and became a direct, wholly owned subsidiary of Buyer;
- "Merger Sub" means Topo Merger Sub, LLC, a Delaware limited liability company and a direct, wholly owned subsidiary of Buyer;
- "Net Power" means NET Power Inc., a Delaware corporation (f/k/a Rice Acquisition Corp. II), with its consolidated subsidiaries (unless the context otherwise indicates), upon and after the Domestication;
- "NPI" means Nuovo Pignone International, S.r.l., an Italian limited liability company and affiliate of Baker Hughes;
- "NPT" means Nuovo Pignone Tecnologie S.r.l., an Italian limited liability company and affiliate of Baker Hughes;
- "NYSE" means the New York Stock Exchange;
- "Old NET Power" means, prior to the consummation of the Merger, NET Power, LLC, a Delaware limited liability company;
- "OpCo" means NET Power Operations LLC, a Delaware limited liability company (f/k/a Rice Acquisition Holdings II LLC), upon and after the OpCo Domestication;
- "OpCo Domestication" means the change of RONI OpCo's jurisdiction of registration by deregistering as a Cayman Islands exempted company and continuing and domesticating as a limited liability company registered under the laws of the State of Delaware, upon which RONI OpCo changed its name to NET Power Operations LLC;
- "OpCo LLC Agreement" means, (1) prior to January 17, 2025, the Second Amended and Restated Limited Liability Company Agreement of OpCo, dated as of June 8, 2023, which was entered into in connection with the Closing, and (2) beginning on January 17, 2025, the Third Amended and Restated Limited Liability Company Agreement of OpCo, dated as of January 17, 2025;
- "OpCo Unitholder" means a holder of OpCo Units;
- "OpCo Units" means the units of OpCo;
- "Original JDA" means the Joint Development Agreement, dated February 3, 2022, by and among Old NET Power, NPI, and NPT, as amended by the First Amendment to Joint Development Agreement, dated effective June 30, 2022, by and among the same parties;
- "OXY" means OLCV NET Power, LLC, a Delaware limited liability company;
- "PIPE Financing" means the issuance and sale of 54,044,995 shares of Class A Common Stock for aggregate consideration of $540,449,950 in private placements pursuant to subscription agreements that RONI entered into with certain qualified institutional buyers and accredited investors, which was consummated immediately prior to the Merger;
- "PIPE Investors" means the investors who participated in the PIPE Financing;
- "Predecessor Period" means the period presented in the consolidated financial statements contained in this Report or the accompanying footnotes that relates to Predecessor, as defined and described in Note 1 to the consolidated financial statements contained in this Report;

- "Preferred Stock" means shares of NET Power preferred stock, par value $0.0001;
- "Principal Legacy NET Power Holders" means OXY, Constellation, and 8 Rivers (through NPEH);
- "Private Placement Warrants" means the 10,900,000 warrants to purchase shares of Class A Common Stock that were issued and sold to Sponsor in a private placement in connection with the IPO;
- "Public Warrants" means the warrants to purchase shares of Class A Common Stock that were issued and sold as part the units of RONI in the IPO;
- "RONI" means Rice Acquisition Corp. II, a Cayman Islands exempted company, prior to the Domestication;
- "RONI OpCo" means Rice Acquisition Holdings II LLC, a Cayman Islands limited liability company and direct subsidiary of RONI, prior to the Domestications;
- "SEC" means the U.S. Securities and Exchange Commission;
- "Securities Act" means the Securities Act of 1933, as amended;
- "Sponsor" means Rice Acquisition Sponsor II LLC, a Delaware limited liability company;
- "Successor Period" means the period presented in the consolidated financial statements contained in this Report or the accompany footnotes that relates to Successor, as defined and described in Note 1 to the consolidated financial statements contained in this Report;
- "Tax Receivable Agreement" or "TRA" means the Tax Receivable Agreement, dated June 8, 2023, entered into by NET Power and OpCo with OpCo Unitholders who received OpCo Units pursuant to the Business Combination Agreement as consideration for equity interests in Old NET Power and the Agent (as defined therein);
- "Up-C" means umbrella partnership, C corporation, which describes a corporate structure in which an ultimate c corporation parent consolidates a partnership or partnership structure treated as a pass-through entity for U.S. state and federal purposes tax;
- "Warrant Agreement" means the Warrant Agreement, dated as of June 15, 2021, by and among RONI, RONI OpCo, and Continental Stock Transfer & Trust Company as it may be amended and/or restated from time to time in accordance with its terms; and
- "Warrants" means, collectively, the Public Warrants and Private Placement Warrants.

In addition, the following is a glossary of key industry terms used herein:

- "CO_2" means carbon dioxide;
- "O_2e" means the number of metric tons of CO_2 emissions with the same global warming potential as on metric ton of another greenhouse gas;
- "MW" means megawatt;
- "MWth" means megawatt thermal and refers to the input energy required;
- "NO_X" means nitrogen oxides;
- "sCO_2" means supercritical carbon dioxide; and
- "SO_X" means sulfur oxides.

Cautionary Note Regarding Forward-Looking Statements

This Report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Statements that do not relate strictly to historical or current facts are forward-looking and usually identified by the use of words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "future," "intend," "may," "opportunity," "plan," "project," "seek," "should," "strategy," "will," "will likely result," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements may relate to the development of the Company's technology, the anticipated demand for the Company's technology and the markets in which the Company operates, the timing of the deployment of plant deliveries, and the Company's business strategies, capital requirements, potential growth opportunities and expectations for future performance (financial or otherwise). Forward-looking statements are based on current expectations, estimates, projections, targets, opinions and/or beliefs of the Company, and such statements involve known and unknown risks, uncertainties and other factors.

The risks and uncertainties that could cause those actual results to differ materially from those expressed or implied by these forward-looking statements include: (i) risks relating to the uncertainty of the projected financial information with respect to the Company and risks related to the Company's ability to meet its projections; (ii) the ability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, competition, the ability of the Company to grow and manage growth profitably, and the ability of the Company retain its management and key employees; (iii) the Company's ability to utilize its net operating loss and tax credit carryforwards effectively; (iv) the capital-intensive nature of the Company's business model, which will likely require the Company to raise additional capital in the future; (v) barriers the Company may face in its attempts to deploy and commercialize its technology; (vi) the complexity of the machinery the Company relies on for its operations and development; (vii) potential changes and/or delays in site selection and construction that result from regulatory, logistical, and financing challenges; (viii) the Company's ability to establish and maintain supply relationships; (ix) risks related to the Company's arrangements with third parties for the development, commercialization and deployment of technology associated with the Company's technology; (x) risks related to the Company's other strategic investors and partners; (xi) the Company's ability to successfully commercialize its operations; (xii) the availability and cost of raw materials; (xiii) the ability of the Company's supply base to scale to meet the Company's anticipated growth; (xiv) the Company's ability to expand internationally; (xv) the Company's ability to update the design, construction, and operations of its technology; (xvi) the impact of potential delays in discovering manufacturing and construction issues; (xvii) the possibility of damage to the Company's Texas facilities as a result of natural disasters; (xviii) the ability of commercial plants using the Company's technology to efficiently provide net power output; (xix) the Company's ability to obtain and retain licenses; (xx) the Company's ability to establish an initial commercial scale plant; (xxi) the Company's ability to license to large customers; (xxii) the Company's ability to accurately estimate future commercial demand; (xxiii) the Company's ability to adapt to the rapidly evolving and competitive natural and renewable power industry; (xxiv) the Company's ability to comply with all applicable laws and regulations; (xxv) the impact of public perception of fossil fuel-derived energy on the Company's business; (xxvi) any political or other disruptions in gas producing nations; (xxvii) the Company's ability to protect its intellectual property and the intellectual property it licenses; (xxviii) risks relating to data privacy and cybersecurity, including the potential for cyberattacks or security incidents that could disrupt our or our service providers' operations; (xxix) potential litigation that may be instituted against the Company; and (xxx) other risks and uncertainties indicated in Part I, Item 1A of this Annual Report and other documents subsequently filed with the SEC by the Company.

Should one or more of these risks or uncertainties materialize, or should any of the assumptions made by our management prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements contained in this Report. Accordingly, you should not place undue reliance on these forward-looking statements in deciding whether to invest in our securities.

Forward-looking statements speak only as of the date they are made. Except to the extent required by applicable law or regulation, we undertake no obligation to update the forward-looking statements contained herein to reflect events or circumstances after the date of this Report or to reflect the occurrence of unanticipated events. The Company gives no assurance that it will achieve its expectations.

Summary Risk Factors

Our business is subject to numerous risks and uncertainties, including those highlighted in Item 1A, "Risk Factors," that represent challenges that we face in connection with the successful implementation of our strategy and the growth of our business. In particular, the following risks, among others, may offset our competitive strengths or have a negative effect on our business strategy:

- 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.
- We face significant barriers in our attempts to deploy our technology and may not be able to successfully develop our technology.
- The technology we are developing will rely on complex machinery for its operation and deployment involves a significant degree of risk and uncertainty in terms of operational performance and costs.
- We, our licensees and our partners may be unable to adequately control or accurately predict the costs associated with constructing our first commercial-scale facility and the development and deployment of our technology.
- We expect a consortium led by Net Power to undertake the development of our first commercial project in order to prove the commerciality of our technology. Such a project will require significant capital expenditures for which financing will be necessary. Such financing might not be obtainable on terms or on timeline that are favorable to us.
- We, our partners, or our third-party suppliers may experience delays in the development and manufacturing of key equipment, including but not limited to turbo expanders, heat exchangers, and air separation units.
- Suppliers of key equipment to our future customers may not be able to scale to the production levels necessary to meet the anticipated growth in demand for our technology.
- We, our licensees, and 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.
- Our deployment plans rely on the development and supply of turbomachinery and process equipment by NPI pursuant to the Amended and Restated JDA.
- Our commercialization strategy relies heavily on our relationship with Baker Hughes, OXY, Constellation, 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.
- Our partners have not yet completed development of, and finalized schedules for, delivery of key process equipment, and any setbacks we may experience during our first commercial delivery and other demonstration and commercial missions could have material adverse effects on our business, financial condition, and results of operations and could harm our reputation.
- Manufacturing and transportation of key equipment may be dependent on global supply chains.
- 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.
- Our Demonstration Plant and future facilities and operations could be damaged or otherwise adversely affected as a result of natural disasters and other catastrophic events, and such adverse effects would negatively impact our ability to develop key process equipment and technologies within our anticipated timeline and budget.
- Our Demonstration Plant has not yet overcome all power loads to provide net positive power delivery to the commercial grid during its operation.

- We may encounter difficulty in attracting licensees prior to the deployment of an initial full-scale commercial plant.
- Our future growth and success depend on our ability to license to customers and their ability to secure suitable sites. We have not yet entered into a binding contract with a customer to license the Net Power Cycle, and we may not be able to do so.
- Conflicts of interest may arise because several directors on the Board are designated by certain of our largest stockholders.
- The energy market continues to evolve and is highly competitive. 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 Cycle is not yet established and there is limited infrastructure to efficiently transport and store carbon dioxide. The market may not achieve the growth potential we expect and may grow more slowly than we expect.
- The cost of electricity generated from the Net Power Cycle may not be cost competitive with other electricity generation sources in some markets.
- 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.
- We and our potential licensees may encounter substantial delays in the design, manufacture, regulatory approval, and launch of power plants. Regulatory approvals and permits may also be denied.
- Any potential changes or reductions in available government incentives promoting greenhouse gas emissions projects, such as the Inflation Reduction Act of 2022's financial assistance program funding installation of ultra-low emission technology, may adversely affect our ability to grow our business.
- 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 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, and such disagreements may adversely impact our business plan.
- We are developing Net Power-owned intellectual property, but we rely heavily on the intellectual property we have in-licensed and that is core to the Net Power Cycle. 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 those rights.
- 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.
- The information technology systems and data that we maintain may be subject to intentional or inadvertent disruption or other security incidents that could result in regulatory investigations or actions, litigation, fines and penalties, disruptions of our business operations, reputational harm, and other adverse business consequences.
- In certain cases, payments under the Tax Receivable Agreement may exceed the actual tax benefits Net Power Inc. realizes or may be accelerated.

Part I

Item 1. Business

Overview

Net Power is an energy technology company that has developed a novel power generation system (which we refer to as the "Net Power Cycle") designed to produce reliable and affordable electricity from natural gas while capturing virtually all atmospheric emissions. Net Power was founded in 2010 and methodically progressed the technology from a theoretical concept to reality with the construction and commissioning of the Company's demonstration facility in La Porte, Texas (the "Demonstration Plant"). The Net Power Cycle is designed to inherently capture CO_2 while producing virtually no air pollutants such as SO_X, NO_X, and other particulates. It is configurable to a wide range of local altitude, humidity, and ambient temperatures, all of which can facilitate project siting and operation in a variety of climates. It can operate as a traditional baseload power plant, providing reliable electricity to the grid at capacity factors targeted to be above 90%. It can also complement intermittent renewables, providing clean dispatchable electricity that can be dispatched on demand at the request of power grid operators and according to market needs, while delivering substantial improvements in operability, affordability, and environmental performance as compared to alternative technologies for power generation. It can leverage existing natural gas infrastructure and can avoid issues of generation capacity and grid transmission overbuild created by other technologies, helping to further reduce system-wide decarbonization costs.

The Net Power Cycle is designed to achieve clean, reliable, and affordable electricity generation through Net Power's patented highly recuperative oxy-combustion process. This process involves the combination of two technologies:

- Oxy-combustion, a clean heat generation process in which fuel is mixed with oxygen such that the resulting byproducts from combustion consist of only water and pure CO_2; and
- Supercritical CO_2 (sCO_2) power cycle, a closed or semi-closed loop process that replaces the air or steam used in most power cycles with recirculating CO_2 at high pressure, producing power by expanding sCO_2 continuously through a turbo expander.

In the Net Power Cycle, CO_2 produced in oxy-combustion is immediately captured in a sCO_2 cycle that produces electricity. As CO_2 is added through oxy-combustion and recirculated, excess captured CO_2 is siphoned from the cycle at high purity for export to permanent storage or utilization.

The Net Power Cycle was first demonstrated at our 50 MWth Demonstration Plant in La Porte, Texas, for which construction commenced in 2016 and testing began in 2018. We conducted three testing campaigns over three years and the facility was ultimately synchronized to the Texas grid in the fall of 2021. Through these tests, we achieved technology validation, reached critical operational milestones, and accumulated over 1,500 hours of total facility runtime. During 2024, we made significant upgrades to the Demonstration Plant in preparation for validation testing of commercial-scale turbo expander components. The first of four planned phases of this equipment validation program commenced in late 2024 and is expected to progress over the next three years.

Net Power's primary business model is to license its technology to customers to enable them to build, own, and operate facilities that utilize the Net Power Cycle. We plan to offer multiple plant designs, including a large utility-scale plant that can generate up to 300 MW net electric output capacity, as well as a smaller, industrial-scale plant that can generate 25-115 MW net electric output capacity. We are actively advancing the utility-scale program and intend to commence the industrial-scale program in the future. The technology is supported by a portfolio of 485 issued patents (as of December 31, 2024) in-licensed on an exclusive, irrevocable basis (in the applicable field) from 8 Rivers as well as significant know-how and trade secrets generated through experience at the Demonstration Plant and from engineering, design, and development of our first utility-scale plant. Net Power's first-generation utility-scale design (which we refer to as Gen1U) is expected to be a 550 MWth power plant, targeting a CO_2 capture rate of 97% or greater and net LHV efficiency of up to 50% for later Gen1U units. Given the nascent nature of this technology, early Gen1U deployments are focused on ensuring a safe, clean, and reliable system targeting a net LHV efficiency of approximately 45% after incorporating learnings from operations of our early plants. Net Power intends to incorporate learnings from early deployments to drive improvements in future plants, including increases in net efficiency and reductions in costs to build and operate the plants.

Over the next several years, Net Power plans to conduct additional research and equipment validation testing campaigns at its Demonstration Plant and work to develop its first utility-scale plant ("SN1"). Net Power began purchasing initial long-lead materials for SN1 in 2024 with the intention of locating SN1 in the Permian Basin of West Texas ("Project Permian"). However, after completing the front-end engineering and design ("FEED") process in December 2024, the initial cost estimates were higher than originally anticipated. In response, during the first quarter of 2025, Net Power commenced a post-FEED optimization and value engineering process. Further long lead equipment releases have been suspended but

value engineering and certain development work remain in progress. Provided we are successful in our value engineering process, the project would come online no earlier than 2029.

Net Power intends to deploy its technology in the United States ("U.S.") and around the world by leveraging experience gained from the Demonstration Plant, and SN1, as well as from the support and expertise of Net Power's current owners, including OXY, BHES, and Constellation.

Net Power's potential customers include electric utilities, oil and gas companies, midstream oil and gas companies, technology and data center companies, and industrial facilities, both in domestic and international markets. Net Power has engaged in active dialogue with potential customers in each of these industries. Net Power's end-markets can be broken down into three general categories: grid power, industrial applications, and data centers. The grid power end-market includes electric utilities and power generation companies that produce and sell power into local and regional power markets. Net Power is designed to generate power continuously (baseload) and as-needed (load-following) in order to complement intermittent renewable power. Potential industrial applications, such as direct air capture facilities, steel facilities, chemical plants, and hydrogen production facilities, include those that have significant 24-hour energy needs and desire to utilize low-emission power, which we believe Net Power's technology can provide. The technology and data center end-market is one of the fastest growing segments in many of our key target geographies. Historically, data centers have procured their power directly from the grid, but growing grid constraints across many markets plus growing demand, due in part to the proliferation of artificial intelligence applications, have led data center companies to evaluate co-location of data centers with dedicated power generation facilities, similar to the industrial market segment.

Key benefits for customers include the following:

- *Clean*—The Net Power Cycle is expected to result in a life cycle carbon intensity ("CI") of 40g to 75g CO_2e/kWh and capture CO_2 at > 97% rate, providing for approximately 85% CO_2 emissions reduction in comparison to conventional combined cycle gas turbine technology. CO_2 is inherently captured at pipeline pressure and ready for transportation. The Net Power Cycle results in de minimis NO_X, SO_X, and particulate emissions as compared to traditional coal or natural gas fossil fuel generation, which may allow for project siting near population centers. Net Power expects efforts to reduce upstream methane emissions will further reduce the Net Power Cycle CI.

- *Reliable*—The Net Power Cycle can provide 24/7 baseload power, with a targeted capacity factor above 90%, power ramp rates of 10% to 15% per minute and the ability to turn down the plant net electrical output from 100% to 0% while still operating and synchronized to the grid, allowing for maximum grid support. It can function as a utility-scale large plant or pair as a load-following asset to support variable renewable energy such as wind or solar.

- *Affordable*—Net Power targets a levelized cost of energy in the U.S. that is competitive with alternative low-carbon, dispatchable generation such as advanced nuclear, combined cycle gas turbines with post combustion capture and solar photovoltaic panels ("PVs") coupled with eight hours or more of battery storage.

- *Utilizes existing infrastructure*—The U.S. alone has approximately three million miles of natural gas pipeline infrastructure, with over 300,000 miles of transmission pipelines. Approximately 50 individual CO_2 pipelines with a combined length of over 4,500 miles exist in the U.S. today. According to the U.S. Energy Information Administration (the "EIA"), there are hundreds of thermal power generation facilities at or nearing their retirement or replacement period through 2050, many of which Net Power believes could serve as potential brownfield site locations for our technology.

- *Compact footprint*—Net Power's modular design and the inherent energy density of sCO_2 as a working fluid leads to a low surface footprint targeted to be less than 15 acres, equal to 1/100th of the solar PV of a similar electric output. This allows Net Power to serve as a re-powering option for retiring facilities or facilities that cannot secure additional space for capture equipment.

Net Power believes that the Net Power Cycle can serve as a key enabling solution for a low-carbon future, addressing shortfalls inherent to alternative options while contributing to an overall lower system-wide cost of decarbonization. Net Power believes that through its innovative process, it can provide a lower cost of electricity, a reduction of, and in some cases the elimination of, environmental impacts related to thermal power use (air pollution, water use, land use, and deforestation), improve reliability and dispatchability contributing to energy security, as well as an ability to achieve required carbon reduction targets. Net Power believes the build-out of the Net Power Cycle can provide the world with clean, reliable, and affordable energy.

Corporate Strategy

Net Power employs a three-pillar corporate strategy as the foundation to direct our capital allocation and align our decision-making with our long-term vision.

Pillar 1: Develop and prove Net Power's technology at the utility-scale

Our first priority is to progress our joint development program with Baker Hughes. Together with Baker Hughes, we began the first of four testing campaigns at our Demonstration Plant in 2024 and expect to continue testing over the next 3 years, which is expected to provide invaluable operational data ahead of deploying our first utility-scale plant.

Concurrently, we are evaluating the initial FEED package we received for Project Permian. As we continue the post-FEED optimization process, further long lead equipment releases for Project Permian have been suspended but value engineering and certain development work remain in progress. The ultimate goal for the first utility-scale deployment is to construct and operate with a focus on clean, reliable, and safe operations as we expect it to serve as the launch-point for all future deployments.

Pillar 2: Achieve full commercialization and competitiveness of the technology

In parallel to developing and proving Net Power's commercial scale technology, we will focus over the next few years on creating a backlog of projects for future deployment. This involves originating projects and developing a standardized multi-unit design to drive cost improvements and gain economies of scale. We believe one of the largest drivers to achieve full commercial adoption will be lowering the capital cost per plant. To reduce capital cost, Net Power plans to standardize the design, supply, and construction of plants into a multi-unit configuration of between two and four Net Power units. We expect standardization and scale efficiencies will be large drivers of future capital expenditure reductions.

Additionally, we intend to build a backlog of hub opportunities through our origination efforts. Origination includes identifying CO_2 sequestration sites, securing surface rights for plant sites, filing applications to connect to the regional grid systems, and forming strategic partnerships with a variety of stakeholders to set up projects for success. With this approach, we believe we can accelerate deployment of Net Power's technology in the most cost effective and responsible manner for the benefit of our customers, the communities where these plants will be located, and our investors. We expect that originated projects will ultimately be majority owned by customers upon reaching final investment decision ("FID") and each originated project will pay Net Power license fees and royalties similar to those paid by third-party customers. Our goal is to achieve broad commercial adoption via a robust backlog of multi-plant 'hub' deployments.

Pillar 3: Prepare for standard plant mass deployment

Developing a standardized multi-unit design is expected to allow our original equipment manufacturers and EPC partners to enter mass manufacturing mode. Similarly, we expect more work, primarily plant fabrication, will take place in a controlled factory environment, and less plant construction will take place in the field at remote locations. By taking this modularization approach, we expect to have more control over driving down the plant capital cost, reducing project risk, and reducing lead time to build future plants. We have already put strategic supply chain partnerships in place for certain equipment, including our turbomachinery and recuperative heat exchangers, and we expect to continue to do so with other key equipment, services, and technology. We expect to work with these partners to build out the manufacturing capacity needed to support our commercialization.

Government and Regulatory Environment

Grant and Loan Opportunities—The November 2021 Bipartisan Infrastructure Law ("BIL/IIJA") provided further support to the DOELoan Program Office ("LPO") Title XVII program to support early commercial facilities across the U.S. More recently, the Inflation Reduction Act (the "IRA"), which was adopted in August 2022, ushered in further support to LPO Title XVII (additional appropriations of $40 billion through 2026), $3.6 billion to cover credit subsidy costs of loans and introduced a new "Energy Infrastructure Reinvestment" fund with $250 billion of new commitment authority to "retool, repower, repurpose, or replace energy infrastructure" with emission control technologies. However, in January 2025, President Trump issued an executive order directing an immediate pause on the disbursement of funds appropriated through the BIL/IIJA and the IRA.

Global funding opportunities, such as the European Union ("EU") Innovation Fund, the European Commission's Just Transition Fund, and the United Kingdom ("UK") Department for Business, Energy & Industrial Strategy ("BEIS") Net

Zero Innovation Portfolio, offer opportunities in Europe. Other opportunities exist across the world, and we are evaluating these on a case-by-case basis to de-risk and support initial projects.

Tax Credit Opportunities—The IRA provides the 45Q tax credit up to $85 per metric ton of captured CO_2 permanently geologically sequestered, and $60/ton of CO_2 captured and then utilized for enhanced oil recovery ("EOR") or other uses. A Net Power plant is inherently designed to meet and exceed the CO_2 capture thresholds and minimum capture rate for electric generating units of 75%. To qualify for the 45Q tax credit, eligible facilities like Net Power plants must commence construction by January 1, 2033 and can claim the tax credit for the first 12 years in service.

We are monitoring the global market for other tax credit or carbon tax opportunities, with the belief that any value ascribed to carbon, whether a credit or tax, benefits our technology over other emitting alternatives.

Net Power Cycle Licenses and Support Services

Beyond our first utility-scale plant, our primary revenue stream is expected to be license and royalty fees paid by the customer for each plant. We expect a customer seeking to deploy a Net Power plant will purchase a license from us to construct, operate, and maintain the plant. We expect that the customer will pay a license deposit before the commencement of FEED, which would be credited toward the license fee, and the remaining license fee would be paid in installments at key milestones leading to a plant's commercial operations. We also expect that customers will pay an annual royalty fee for the life of the plant. We currently expect each utility-scale license to generate approximately $65 million of value, based on the expected cash flow of future licensing fees over the life of the license using a 10 percent discount rate.

In addition to licenses, we expect to provide customers with a list of pre-qualified EPC companies for the design and construction of the plant. We believe that our pre-qualification of these EPC companies can provide customers with reasonable confidence that the contractors they engage have the requisite skill and expertise to successfully deliver a Net Power plant. Furthermore, this process is designed to ensure that EPC companies comply with our IP protection requirements, licensing business model, and quality control expectations.

We expect to also provide customers with a preferred vendors list and a robust approved list for key equipment suppliers, further ensuring quality control and de-risking the supply chain. Customers developing a Net Power plant are expected to purchase equipment from one of our licensed suppliers.

We intend to provide support to customers throughout the development process. During scoping and early development of potential facility sites, we may conduct feasibility and pre-FEED studies for our customers. When customers are ready to begin FEED processes, we intend to provide a license package with the necessary specifications to pre-qualified EPC companies. We plan to support each customer's execution of FEED, with the appropriate scope of work being determined on a case-by-case basis. We expect that our support will continue to the commercial operations of each plant and will include support for start-up and commissioning as well as operator training.

Competition

Our competitors are other power generation technologies, including traditional baseload, unabated generation, gas generation with post combustion carbon capture, advanced nuclear, and renewables. We believe our competitive strengths differentiate us from our competition globally, in part because we expect our technology to achieve clean, reliable, and affordable power generation while we expect most of our competitors only achieve two of these three factors.

Traditional Unabated Emission Generation—According to the International Energy Agency (the "IEA"), approximately 70% of global electricity supply in 2023 was comprised of natural gas, coal, oil, and large-scale nuclear. These technologies are highly reliable, cost-effective, and dispatchable. However, with the exception of traditional large-scale nuclear, these resources are carbon-intensive, and we expect them to largely be replaced with lower carbon-intensity generation over time. Traditional natural gas power plants, while delivering lower carbon electricity than other fossil fuel feedstocks, are not viewed as a permanent solution by certain regulators and policymakers in light of concerns related to climate change. Instead, some view conventional natural gas as a bridge fuel until cleaner sources of energy are available. Our technology combines the reliability of natural gas with the decarbonizing capabilities of carbon capture.

Coal-fired and gas-fired generation with Post Combustion Carbon Capture—An alternative solution to reduce CO_2 emissions from coal-fired and natural gas-fired power generation is post-combustion carbon capture ("PCC"). PCC involves capturing CO_2 emissions from the exhaust gases of traditional coal-fired and natural gas-fired power plants after combustion has occurred. This approach is typically achieved using chemical absorption processes, such as amine-based systems, which separate CO_2 from the flue gas before it can be transported and stored. While this technology has the

potential to reduce greenhouse gas emissions from conventional coal-fired and natural gas-fired power plants, commercially successful PCC applications have been limited, primarily due to the high upfront cost to build PCC capture facilities and high operating costs to capture the emissions, including the impact of lower overall net electric output of the power plant due to the energy-intensive requirements of the PCC application. A number of companies are attempting to develop more efficient capture technologies that could potentially reduce capital costs, operating costs, and energy intensity of PCC applications. There are several other key differences between Net Power and PCC. First, we expect a Net Power plant will require less land than a traditional power plant equipped with PCC. Second, Net Power's oxy-combustion process inherently reduces potential NOx and SOx emissions whereas PCC applications are generally not designed to eliminate NOx or SOx emissions. NOx and SOx are designated as criteria air pollutants by the U.S. Environmental Protection Agenda ("EPA") and facilities that emit certain volumes of these criteria air pollutants may be subject to additional siting, permitting, and reporting requirements. Finally, PCC systems are chemical plant processes and are not amenable to rapid change in operating conditions, thus preventing the power plant into which they are integrated from rapidly ramping in output to support the grid.

Advanced Nuclear—There are several advanced nuclear reactor technologies that are in various stages of development. These technologies are designed to be clean, safe, and highly reliable. However, none of these technologies have yet been licensed for commercial use in the U.S., and many of the technologies have not been demonstrated and generally do not have requisite fuel supply infrastructure in place. Regulatory pathways for permitting and constructing advanced nuclear reactors also entail substantial uncertainties with respect to cost and timing.

Renewables—According to the EIA, approximately 21% of U.S. generation in 2023 was wind, solar, hydropower, and other sources of renewable power generation. Although these sources generate carbon-free power, wind, and solar can be intermittent and non-dispatchable, unless paired with long duration energy storage. Hydropower, while carbon-free, can be seasonal and subject to curtailment and has limited growth in the U.S., where most capable sources have already been developed. Additionally, because wind and solar are highly sensitive to weather, we believe they are too unreliable to support certain end-use cases, including certain applications that require extensive on-site, always-available power. Our technology allows for the reliability and low-cost nature of natural gas to remain intact while reducing carbon emissions arising from natural gas-fired generation of electricity.

Customers

Net Power's potential customers include electric utilities, oil and gas companies, midstream oil and gas companies, technology and data center companies, and industrial facilities, both in domestic and international markets. Net Power has engaged in active dialogue with potential customers in each of these industries. Net Power's end-markets can be broken down into three general categories: grid power, industrial applications, and data centers. The grid power end-market includes electric utilities and power generation companies that produce and sell power into local and regional power markets. Net Power is designed to generate power continuously (baseload) and as-needed (load-following) in order to complement intermittent renewable power. Potential industrial applications, such as direct air capture facilities, steel facilities, chemical plants, and hydrogen production facilities, include those that have significant 24-hour energy needs and desire to utilize low-emission power, which we believe Net Power's technology can provide. The technology and data center end-market is one of the fastest growing segments in many of our key target geographies. Historically, data centers have procured their power directly from the grid, but growing grid constraints across many markets plus growing demand, due in part to the proliferation of artificial intelligence applications, data center companies are evaluating co-location of data centers with dedicated power generation facilities, similar to the industrial market segment.

Partnerships

License Agreement with 8 Rivers

On August 7, 2014, we entered into a license agreement with 8 Rivers, pursuant to which 8 Rivers granted us perpetual, irrevocable, and worldwide rights under patents relating to the Net Power Cycle (which was invented by 8 Rivers), for the generation of electricity using CO_2 as the primary working fluid. The license is exclusive in the field of utilizing any carbonaceous gas fuel other than those derived from certain solid fuel sources. 8 Rivers remains an investor in us.

License Agreement and Joint Development Agreement with Baker Hughes

On February 3, 2022, we entered into the Original JDA, which was amended and restated on December 13, 2022. Pursuant to this agreement, NPI is developing sCO turbo expanders for use in facilities implementing the Net Power Cycle. These

turbo expanders are intended to be compatible with our existing technology and are highly specialized. We and NPI formed a Joint Design Committee to provide oversight and support for program schedule, equipment design and performance.

NPI will oversee the installation and commissioning of the first industrial scale combustor and turbo expander at the Demonstration Plant during the fourth phase of the testing campaign. A team of NPI specialists will be deployed at the site, offering technical advice and conducting testing and validation processes. We intend to work with NPI to ensure the implementation and integration process occurs according to plan and any required personnel are trained properly.

In connection with the Original JDA, on February 3, 2022, Net Power entered into the BH License Agreement with NPT (the "BH License Agreement"), pursuant to which NPT and its affiliates will have limited exclusivity for manufacturing utility-scale turbo expanders and full exclusivity for industrial-scale units. We will own intellectual property developed by NPI related to the Net Power Cycle, and NPI can only sell the jointly developed turbo expanders to our licensees. We and NPI will market the technology through a Joint Commercial Committee, leveraging Baker Hughes' global sales channels.

OLCV Net Power, LLC Investment

OXY invested in Net Power in 2019 and provides expertise in the CO_2 value chain and construction of large facilities, like our Demonstration Plant. OXY is expected to play a key role in the development and commercialization of Project Permian should we decide to continue the development of Project Permian as SN1. OXY is the lessor for the site for Project Permian near Midland, Texas.

Intellectual Property

As of December 31, 2024, our technology is supported by a portfolio of 485 issued patents (and 48 pending applications) that extends across more than 30 countries and six continents. These patent rights have been in-licensed from 8 Rivers pursuant to a 2014 license agreement which provides us with exclusive licensing, sublicensing, and commercialization rights for natural gas and certain other fuel sources. Such patents extend through the mid-2030s. Protections are intended to provide coverage for integrated permutations of the patented technology as it expands as a platform and not simply a power generation concept. We also have trade secrets that may provide for an additional scope of protected and licensable rights extending beyond patent lifetimes.

Our intellectual property encompasses rights under patents related to the Net Power Cycle and trade secret information derived from the Demonstration Plant. Our registered trademarks include the Net Power logo and company name. We also have explicit company policy to protect our proprietary data through various classification, handling, and control systems.

Pursuant to the BH License Agreement, NPT, and its affiliates will have limited exclusivity for manufacturing utility-scale turbo expanders and full exclusivity for industrial-scale units. We will own intellectual property developed by NPI related to the Net Power Cycle, and NPI can only sell the jointly developed turbo expanders to our licensees. The Amended and Restated JDA and the BH License Agreement include contractual obligations dictating the use of our intellectual property to preserve its integrity.

Our technology, including its use and incorporation in processes, plants, and components for use, is protected by certain intellectual property and contractual rights in the U.S. and various other countries of the world. We continually review our development efforts to assess the existence and patentability of our intellectual property. Our intellectual property continues to grow and expand, protecting iterative product design and development of our technology.

We rely upon a combination of patents, copyrights, trade secrets, and trademark laws, along with employee and third-party non-disclosure agreements and other contractual restrictions to establish and protect our proprietary rights. Patent protection was obtained shortly after the invention of our technology, providing protection for this one-of-a-kind natural gas cycle from its earliest stages.

Human Capital

As of December 31, 2024, we had 68 full-time employees and six contractors and on-site service employees. Our headquarters are located in Durham, North Carolina. In July 2024, we opened a second corporate office in Houston, Texas to accommodate our growing resource requirements. None of our employees are subject to a collective bargaining agreement. We consider our relationship with our employees to be positive.

Talent Acquisition and Retention

We support business growth by seeking to attract and retain best-in-class talent. We use internal and external resources to recruit highly skilled candidates for open positions. We provide employees with compensation packages that may include various components, such as base salary, annual incentive bonuses, and long-term equity incentive awards. We also offer comprehensive employee benefits, such as life, disability, and health insurance, vision and dental insurance, paid time off, and a 401(k) plan with an employer contribution. It is our intention to be an employer of choice in our industry by providing a market-competitive compensation and benefits package.

Training and Development

We believe in encouraging employees to become lifelong learners by providing ongoing learning and leadership training opportunities. While we strive to provide real-time recognition of employee performance, we have a formal annual review process designed to identify areas where training and development may be necessary or beneficial.

Diversity, Equity, Inclusion & Accessibility

We believe a diverse workforce is critical to our success. Our mission is to value differences in races, ethnicities, religions, nationalities, genders, ages, abilities, and sexual orientations as well as education, skill sets, and experience. We are focused on inclusive hiring practices, fair and equitable treatment, organizational flexibility and training and resources.

Government Regulations

Energy Regulatory Matters

Electric power sales and markets in the U.S. are subject to extensive regulation at both the federal and state levels. Accordingly, Net Power's Demonstration Plant, which is located within the Electric Reliability Council of Texas ("ERCOT"), and other Net Power plants that Net Power may own in the future located in ERCOT and other jurisdictions within the U.S., are subject to substantial energy regulation and may be adversely affected by legislative or regulatory changes, as well as liability under, or any future ability to comply with, existing or future energy regulations or requirements. Compliance with the requirements under these various regulatory regimes may cause the applicable company to incur significant costs, and failure to comply with such requirements could result in the shutdown of the non-complying facility or the imposition of liens, fines, or civil or criminal liability.

State regulators also regulate the rates that retail utilities can charge and the terms under which they serve retail (end-use) electric customers. Certain states also have authority to regulate mergers, acquisitions, financing, and securities issuances. State regulators may also review individual utilities' electricity supply requirements and have oversight over the ability of traditional regulated utilities to pass through to their ratepayers the costs associated with power purchases from independent generators. Federal regulatory filings and authorizations generally are required for generation projects in the U.S. that sell energy wholesale and are connected to the interstate transmission grid. Furthermore, even when a particular energy business entity is subject to federal energy regulation, state, and local approvals (such as siting and permitting approvals) are often required.

Federal Power Act

The Federal Power Act (the "FPA") provides the Federal Energy Regulatory Commission ("FERC") exclusive federal jurisdiction over the sale of electric energy at wholesale (that is, for resale) in interstate commerce and the transmission of electric energy in interstate commerce, including wholesale markets for electric energy, capacity, ancillary services, and transmission services. Section 205 of the FPA gives FERC jurisdiction and authority over, among other things, the rates, charges, and other terms for the sale of electric energy, capacity, and ancillary services at wholesale by public utilities (entities that own or operate projects subject to FERC jurisdiction) and for transmission services. These rates may be based on a cost-of-service approach or may be determined on a market basis through competitive bidding or negotiation. As a result, a public utility must obtain FERC approval of its rates and charges and must make the associated, required filings to maintain the granted authority. To obtain authority to make sales at market-based rates, the public utility must demonstrate to FERC that it does not possess market power, as defined by FERC. Net Power's Demonstration Plant, which is located within ERCOT, is not generally subject to FERC's rate-regulation authority under Section 205 of the FPA, but any future Net Power facilities located outside of ERCOT may be.

The FPA also provides FERC authority for the regulation of mergers, acquisitions, financings, and securities issuances involving entities subject to its jurisdiction. This jurisdiction may, for certain transactions, extend to entities and assets

within ERCOT. Consequently, in certain cases, FERC approval may be required prior to entering into a transaction involving a public utility or for certain holding company transactions involving specified assets.

ISOs and RTOs

Generation projects also may be located in regions in which the bulk power transmission system and associated wholesale markets for electric energy, capacity, and ancillary services are administered by Independent System Operators ("ISOs") and Regional Transmission Organizations ("RTOs") that are subject to FERC jurisdiction and operate under FERC jurisdictional tariffs, including open access transmission tariffs, or, in the case of ERCOT, generation, and transmission tariffs and protocols that are regulated by the Public Utility Commission of Texas ("PUCT"). These RTOs and ISOs prescribe rules and protocols for the terms of participation in the wholesale energy and ancillary services markets (and for certain RTOs and ISOs, capacity markets). Many of these entities can impose rules, restrictions, and terms of service that are regulatory in nature and may have a material adverse effect on business. For example, ISOs and RTOs have developed bid-based locational pricing rules for the electric energy markets that they administer. In addition, most ISOs and RTOs have also developed bidding, scheduling, and market behavior rules, both to curb the potential exercise of market power by electricity generating companies and to ensure certain market functions and system reliability. These rules, restrictions, and terms of service could change over time and could materially adversely affect a power plant's ability to sell, and the price received for, energy, capacity, and ancillary services.

Energy Policy Act of 2005

Net Power and its projects may also be subject to the mandatory reliability standards of the North American Electric Reliability Corporation (the "NERC"). In 2005, the U.S. federal government enacted the Energy Policy Act of 2005, which supplemented the FPA to vest FERC with authority to ensure the reliability of the bulk electric system. Such authority mandated that FERC assume both oversight and enforcement roles. Pursuant to this mandate, FERC certified the NERC as the nation's Electric Reliability Organization ("ERO") to develop and enforce mandatory reliability standards and requirements to address medium- and long-term reliability concerns. The NERC reliability standards are a series of requirements that relate to maintaining the reliability of the North American bulk electric system and cover a wide variety of topics, including physical security and cyber-security of critical assets, information protocols, frequency and voltage standards, testing, documentation, and outage management. If generation and transmission owners and operators that are part of the bulk electric system fail to comply with these standards, they could be subject to sanctions, including substantial monetary penalties. NERC and FERC also delegate these responsibilities to regional entities, such as Texas Reliability, Inc., which enforce both NERC and regional reliability standards.

Public Utility Holding Company Act of 2005

The Public Utility Holding Company Act of 2005 ("PUHCA") provides FERC and state regulatory commissions with access to the books and records of public utility holding companies and other companies in public utility holding company systems; it also provides for the review of certain costs. Companies like Net Power that are holding companies under PUHCA solely with respect to one or more Exempt Wholesale Generators ("EWGs") or Qualifying Facilities ("QFs") are generally exempt from requirements which give FERC access to books and records.

State Utility Regulation

While federal law provides the utility regulatory framework for our project subsidiaries' sales of electric energy, capacity, and ancillary services at wholesale in interstate commerce, there are also important areas in which traditional public utilities fall under state jurisdiction. For example, the regulated electric utility buyers of electricity from our projects are generally required to seek state public utility commission approval for the pass-through in retail rates of costs associated with power purchase agreements entered into with a wholesale seller or seek approval for the siting and construction of a new power plant. Certain states also regulate the acquisition, divestiture, and transfer of some wholesale power projects and financing activities by the owners of such projects. In addition, states and other local agencies require a variety of environmental and other permits.

Texas

The Demonstration Plant is located in ERCOT. ERCOT is a largely self-contained market on a standalone grid with only approximately 1,100 MW of transfer capability through direct-current, asynchronous ties with the Southwest Power Pool, and the Comision Federal de Electricidad in Mexico. Therefore, in ERCOT, the wholesale electricity market is, for most purposes, considered to be intrastate commerce, and so its rules, as well as the provision of transmission and distribution service in Texas, generally remain regulated by the PUCT.

The PUCT, with the help of ERCOT, regulates competitive market participants, including power generation companies (i.e., owners and operators of power plants that make sales into the wholesale electricity and ancillary services markets in ERCOT) and power marketers (i.e., entities that do not own power plants but make sales of electricity at wholesale). Such regulation includes oversight of operations (including imposing real-time telemetry and dispatch requirements, monitoring for market power abuses, and requiring emergency operations planning and weather preparedness), registration, reporting, and record-keeping requirements. The PUCT and ERCOT do not directly regulate wholesale or retail prices, except to monitor for potential market power abuses and anti-competitive behavior. The PUCT has authority to investigate and impose fines for violations of its enabling statute, the Public Utility Regulatory Act (Tex. Util. Code §§ 11.001-66.016), its rules (set out in Chapter 25 of Title 16 of the Texas Administrative Code), and of the ERCOT Protocols or other binding documents. Fines can be up to $25,000 per violation per day for most violations and up to $1,000,000 per violation per day for specific violations relating to weather-preparedness requirements.

Power generation companies also must seek pre-approval from the PUCT for proposed mergers, acquisitions, or other affiliations with other power generation companies in certain circumstances, pursuant to the Public Utilities Regulatory Act § 39.158.

The structure of the energy industry and its regulation in the U.S. is currently, and may continue to be, subject to change. We expect the laws and regulation applicable to our business and the energy industry generally to be in a state of transition for the foreseeable future. Changes in such laws and regulations could have a material adverse effect on our business, financial condition, and results of operations.

Environmental Matters

Power plant operations are required to comply with various environmental, health, and safety ("EHS") laws and regulations. For Net Power plants in which we have an ownership interest, these existing and future laws and regulations may affect existing and new projects, require us to obtain and maintain permits and approvals, undergo environmental review processes, and implement EHS programs and procedures to monitor and control risks associated with the siting, construction, operation, and decommissioning of regulated or permitted energy assets, all of which involve a significant investment of time and resources.

We also incur costs in the ordinary course of business to comply with these laws, regulations, and permit requirements. EHS laws and regulations frequently change, and may become more stringent or subject to more stringent interpretation or enforcement over time. Such changes in EHS laws and regulations, or the interpretation or enforcement thereof, could require us to incur materially higher costs, or cause a costly interruption of operations due to delays in obtaining new or amended permits.

The failure of our project operations to comply with EHS laws and regulations, as well as permit requirements, may result in administrative, civil, and criminal penalties, imposition of investigatory, cleanup, and site restoration costs and liens, denial or revocation of permits or other authorizations, and issuance of injunctions to limit, suspend, or cease operations.

In addition, claims by third parties for damages to persons or property, or for injunctive relief, have been brought in the past against owners and operators of projects similar to the projects we will own and operate, as a result of alleged EHS effects associated with such projects, and we expect such claims may be brought against us in the future.

Environmental Regulation

To construct and operate our projects, we are required to obtain from federal, state, and local governmental authorities a range of environmental permits and other approvals, including those described below. In addition to being subject to these regulatory requirements, we or similar projects have experienced and/or may experience significant opposition from third parties during the permit application process or in subsequent permit appeal proceedings.

- Clean Water Act. In some cases, our projects may be located near wetlands and we will be required to obtain permits under the federal Clean Water Act from the U.S. Army Corps of Engineers (the "Army Corps") for the discharge of dredged or fill material into waters of the U.S., including wetlands and streams. The Army Corps may also require us to mitigate any loss of wetland functions and values that accompanies our activities. In addition, we are required to obtain permits under the federal Clean Water Act for water discharges, such as storm water runoff associated with construction activities, and to follow a variety of best management practices to ensure that water quality is protected and effects are minimized.

- Bureau of Land Management ("BLM") Right-of-Way Grants. Our projects may be located, or partially located, on lands administered by the BLM. Therefore, we may be required to obtain and maintain BLM right-of-way grants for access to, or operations on, such lands. Obtaining and maintaining a grant requires that the project conduct environmental reviews (discussed below) and implement a plan of development and demonstrate compliance with the plan to protect the environment, including potentially expensive measures to protect biological, archaeological, and cultural resources encountered on the grant.

- Environmental Reviews. Our projects may be subject to federal, state, or local environmental reviews, including under the federal National Environmental Policy Act ("NEPA"), which requires federal agencies to evaluate the environmental effects of all major federal actions affecting the quality of the human environment. The granting of a land lease, a right-of-way grant, a federal permit, or similar authorization for a major pre-construction project, or the interconnection of a significant private project into a federal project, generally is considered a major federal action that requires review under NEPA. As part of the NEPA review, the federal agency considers a broad array of environmental effects, including effects on air quality, water quality, wildlife, historical and archaeological resources, geology, socioeconomics, aesthetics, and alternatives to the project. The NEPA review process, especially if it involves preparing a full Environmental Impact Statement, can be time-consuming and expensive. A federal agency may decide to deny a permit based on its environmental review under NEPA, though in most cases a project would be redesigned to reduce effects or we would agree to provide some form of mitigation to offset effects before a denial is issued. Such measures are often implemented to occur during the operational phase and may compromise or even require temporary cessation of operations under certain conditions such as seasonal migrations. As noted above and discussed more fully below, our projects may be subject to similar environmental review requirements at the state and local level in jurisdictions with NEPA equivalents.

- Threatened, Endangered and Protected Species. Federal agencies considering the permit applications for our projects are required to consult with the U.S. Fish and Wildlife Service (the "USFWS") to consider the effect on potentially affected endangered and threatened species and their habitats under the federal Endangered Species Act and related statutes, which prohibit and impose stringent penalties for harming endangered or threatened species and their habitats. We may also be required to obtain permits from the USFWS and state agencies authorizing the incidental take of certain protected species. There is also increasing interest in nature-related matters beyond protected species, such as general biodiversity, which may similarly require us or our customers to incur costs or take other measures that may adversely impact our business or operations.

- Historic Preservation. State and federal agencies may be required to consider a project's effect on historical or archaeological and cultural resources under the federal National Historic Preservation Act or similar state laws and may require us to conduct archaeological surveys or take other measures to protect such resources. Among other things, the National Historic Preservation Act requires federal agencies to evaluate the effect of all federally funded or permitted projects on historic properties (buildings, archaeological sites, etc.) through a process known as Section 106 review. Ongoing monitoring, mitigation activities, or financial compensation may be required as a condition of conducting project operations.

- Clean Air Act. Certain project operations may be subject to federal, state, or local permit requirements under the Clean Air Act, which regulates the emission of air pollutants, including greenhouse gases. Federal and state regulators have developed, and continue to develop, stringent regulations governing emissions of air pollutants at specified sources. New facilities may be required to obtain permits before work can begin, and modified and existing facilities may be required to obtain additional permits.

- Climate Change. Climate change continues to attract considerable public and scientific attention. As a result, numerous proposals have been made and may continue to be made at the international, national, regional, and state levels of government to monitor and limit emissions of greenhouse gases, with the reduction of greenhouse gases from the energy sector being a key focus. In November 2021, the $1 trillion legislative infrastructure package, or BIA/IIJA, was signed into law and included climate-focused spending initiatives targeted at climate resilience, enhanced response and preparation for extreme weather events, and clean energy and transportation investments. The IRA also provided significant funding and incentives for research and development of low-carbon energy production methods, carbon capture, and other programs directed at addressing climate change. However, in January 2025, President Trump issued an executive order directing an immediate pause on the disbursement of funds appropriated through the BIA/IIJA and the IRA. Further, under the Biden Administration, the U.S. rejoined the Paris Agreement treaty on climate change (the "Paris Agreement"), made a commitment under the Paris Agreement to cut U.S. greenhouse gas emissions by 50-52% from 2005 levels by 2030, and participated in the Global Methane Pledge, a pact that aims to reduce global methane emissions at least 30% below 2020 levels by 2030. At the 27th Conference of the Parties, the U.S. agreed, in conjunction with the

European Union and a number of other partner countries, to develop standards for monitoring and reporting methane emissions to help create a market for low methane-intensity natural gas. At the 28th Conference of the Parties, member countries agreed to the first "global stocktake," which calls on countries to contribute to global efforts, including a tripling of renewable energy capacity and doubling energy efficiency improvements by 2030, accelerating efforts towards the phase-down of unabated coal power, phasing out inefficient fossil fuel subsidies, and transitioning away from fossil fuels in energy systems. Most recently, at the 29th Conference of the Parties, 159 countries met and, among other things, agreed on rules to operationalize international carbon markets under Article 6 of the Paris Agreement. However, in January 2025, President Trump issued executive orders directing the immediate notice to the United Nations of the United States' withdrawal from the Paris Agreement and all other agreements made under the United Nations Framework Convention on Climate Change. At the same time, many state and local leaders have intensified or stated their intent to intensify efforts to support international climate commitments and treaties, in addition to considering or enacting laws requiring the disclosure of climate-related information and developing programs that are aimed at reducing greenhouse gas emissions by means of cap and trade programs, carbon taxes or encouraging the use of renewable energy or alternative low-carbon fuels. We are committed to a clean energy future and we believe our business is well-positioned to benefit from growing regulatory and policy support for decarbonization. However, the adoption and implementation of any international, federal, or state legislation, regulations or other regulatory initiatives that requires reporting of greenhouse gases or otherwise restricts emissions of greenhouse gases from our equipment and operations could require us to incur increased operating costs. In addition, increasing concentrations of greenhouse gases in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, floods, droughts, and other extreme climatic events. If any such effects were to occur, they could have an adverse effect on the construction and operation of our projects.

- Underground Injection and Carbon Sequestration. In certain cases, we may be responsible for the underground injection of CO_2 for long-term carbon sequestration. Such injection is regulated by the federal Safe Drinking Water Act and similar state laws, which ensure the quality of the nation's public drinking water through adoption of drinking water standards and the regulation of underground injection of fluids to protect drinking water sources. Such injection may require us to secure permits for the injection activity, which may be costly, time-consuming, and subject to opposition by third parties. Additionally, for long-term carbon sequestration, we will need to control the underground pore-space where carbon is to be stored, which will require legally securing the necessary real property rights for such storage. In some states and other jurisdictions, the legal requirements for pore-space ownership are unsettled and evolving, and there may be conflicts between mineral owners and landowners as to who has the right to use pore-space. If one of our projects is proposed in a jurisdiction with unsettled law, that could have an adverse effect on our ability to operate the project or to properly sequester carbon and may give rise to future liability regarding the sequestered carbon.

- Health and Safety. We are subject to the requirements of the federal Occupational Safety and Health Act ("OSHA") and comparable state statutes. These laws and the implementing regulations strictly govern the protection of the health and safety of employees in the workplace. The OSHA hazard communication standard, the EPA community right-to-know regulations under Title III of the Comprehensive Environmental Response, Compensation and Liability Act, and similar state statutes require that we organize and/or disclose information about hazardous materials used or produced in the construction, operation, and maintenance of our projects.

- Local Regulations. Our project operations are subject to local environmental and land use requirements, including county and municipal land use, zoning, building, water use, and transportation requirements. Permitting at the local municipal or county level often consists of obtaining a special use or conditional use permit under a land use ordinance or code, or, in some cases, rezoning in connection with the project. Obtaining or maintaining a permit often requires us to demonstrate that the project will conform to development standards specified under the ordinance so that the project is compatible with existing land uses and protects natural and human environments. Local or state regulatory agencies may require modeling, testing, and, where applicable, ongoing mitigation of sound levels, radar, and other microwave interference, or shadow flicker in connection with the permitting and approval process. Local or state agencies also may require decommissioning plans and the establishment of financial assurance mechanisms for carrying out the decommissioning plan.

- Other State and Local Programs. In addition to the federal requirements discussed above, our current projects, and any future projects, are subject to a variety of state environmental review and permitting requirements. Many states where our projects are or may be located have laws that require state agencies to evaluate a broad array of environmental effects before granting state permits. The state environmental review process often resembles the federal NEPA process and may be more stringent than the federal review. Our projects also often require state law-based permits in addition to federal permits. State agencies evaluate similar issues as federal agencies,

including a project's effect on wildlife, historic sites, aesthetics, wetlands and water resources, agricultural operations, and scenic areas. States may impose different or additional monitoring or mitigation requirements than federal agencies.

Additional approvals may also be required for specific aspects of a project, such as a stream or wetland crossing, effects to designated significant wildlife habitats, storm water management, and highway department authorizations for oversize loads and state road closings during construction. Permitting requirements related to transmission lines may be required in certain cases.

Finally, to the extent a project is located on Native American lands, such projects may be subject to a variety of environmental permitting and review requirements that are similar to, and potentially more stringent than, those arising under equivalent federal, state, and local laws, including those relating to the protection of cultural, historic, and religious resources.

Management, Disposal, and Remediation of Hazardous Substances

Real property that we own or lease for our projects may be subject to federal, state, and local requirements regarding the storage, use, transportation, and disposal of petroleum products and toxic or hazardous substances, including spill prevention, control, and counter-measure requirements. Project properties and materials stored or disposed thereon may be subject to the federal Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation, and Liability Act, and analogous state laws. If our owned or leased properties are contaminated, whether during or prior to our ownership or operation, we could be responsible for the costs of investigation and cleanup and for any related liabilities, including claims for damage to property, persons, or natural resources. That responsibility may arise even if we were not at fault and did not cause or were not aware of the contamination. In addition, the waste we generate is at times sent to third-party disposal facilities. If those facilities become contaminated, we and any other persons who arranged for the disposal or treatment of hazardous substances at those sites may be jointly and severally responsible for the costs of investigation and remediation as well as for any claims for damage to third parties, their property, or natural resources. We may incur significant costs in the future if we become responsible for the investigation or remediation of hazardous substances at our owned or leased properties or at third-party disposal facilities.

Government Incentives

U.S. federal, state, and local governments and utilities have established various incentives to support the development of emissions reductions technologies. Set forth below is a summary of various programs and incentives that we expect will apply to our business.

The global regulatory landscape surrounding carbon capture, utilization and sequestration ("CCUS") has considerably improved in recent years. In the U.S., the passage of the BIL/IIJA in November 2021 and the IRA in August 2022 introduced and bolstered government incentives for emissions reduction technologies such as the Net Power Cycle. However, in January 2025, President Trump issued an executive order directing an immediate pause on the disbursement of funds appropriated through the BIL/IIJA and the IRA. In addition, the IRA may be subject to amendment or repeal through Congressional budget reconciliation. The full impact of these actions and next steps remains uncertain at this time.

Tax Credits

45Q Tax Credit. The 45Q federal tax credit, first enacted in 2008 as a part of the Energy Improvement and Extension Act, provides an incentive to capture CO_2. This credit initially provided $20/metric ton for carbon sequestration and $10/metric ton for EOR. Following the passage of the IRA in August 2022, these tax credits increased for both permanent geological carbon sequestration and EOR to up to $85/metric ton and $60/metric ton, respectively. These tax credits can be monetized through a fully refundable direct payment or transferred to a third-party in exchange for cash payment. The deadline to commence construction is January 1, 2033 to qualify for the tax credit, and eligible facilities like Net Power plants can claim the tax credit for up to 12 years. In July 2024, the Internal Revenue Service (the "IRS") within the U.S. Department of Treasury issued additional guidance to further implement the 45Q tax credit.

Grants and Government Funding

U.S. Department of Energy. The DOE oversees U.S. national energy policy, funds large infrastructure projects, and administers research funding across the industry. In fiscal year 2024, the DOE had a total budget of approximately $50 billion, with $17 billion dedicated to energy programs. Within energy programs, the budget of Fossil Energy and Carbon Management was approximately $865 million, and includes specific allocations to carbon capture, utilization, and storage

and power systems. DOE's fiscal year 2025 budget is still pending final congressional action, but has been so far maintained at 2023 levels through continuing resolutions.

Other Government Funding. Multiple pools of government capital are potentially available to aid in de-risk financing for early movers using our technology. The EU Innovation Fund, European Commission Transition Fund, Invest EU fund, and Catalyst EU programs all offer incentivized opportunities. Additionally, the UK BEIS Net Zero Portfolio and the Industrial Strategy Challenge Fund also offer potential financial support.

Regulatory Standards

Air Pollution Control. Under the U.S. Clean Air Act, the EPA maintains standards for the regulation of criteria pollutants and greenhouse gas emissions from existing and planned power plants to protect air quality and address climate change, respectively. Criteria air pollutants include ground level ozone, particulate matter, carbon monoxide, lead, sulfur dioxide, and nitrogen dioxide.

In addition, Sections 111(b) and (d) of the Clean Air Act require the EPA to regulate the emission of greenhouse gases from industrial sectors, including the power generation sector, which entails establishing standards based on the "best system of emission reduction" for such facilities. In May 2024, the EPA published final rules for carbon emission limits and guidelines for existing coal-fired power plants and new, modified and coal- and natural gas-fired power plants. The rules purport to reflect the best system of emissions reduction and use of technology-based improvements, including carbon capture and sequestration and low-greenhouse gas hydrogen. A coalition of 25 states, energy companies, utilities and fossil fuel industry groups immediately challenged the rules in federal court. In October 2024, the U.S. Supreme Court denied a request to stay the rule for new gas-fired and existing coal-fired power plants while the litigation continues. In early January 2025, the EPA provided notice of final action denying or partially denying two petitions for reconsideration of the rule. On January 15, 2025, several utilities sent a letter to the new EPA Administrator, urging either an administrative stay of the rule or a limited rulemaking to ease compliance deadlines while the EPA develops a broader rulemaking to rescind the requirements. Additionally, in January 2025, President Trump issued an executive order directing the heads of all federal agencies to identify and begin the processes to suspend, revise or rescind all agency actions that are unduly burdensome on the identification, development or use of domestic energy resources. Consequently, future implementation and enforcement of this rule remains uncertain at this time.

Regarding requirements both for the control of criteria air pollutants and greenhouse gas emissions, we believe the Net Power Cycle offers customers a distinct advantage over competitors because of the low level of pollutants that result from the operation of the Net Power Cycle relative to conventional gas-fired electricity generation and the reuse and capture of carbon dioxide inherent to the design of the Net Power Cycle.

Available Information

Our website address is www.netpower.com. We use our website as a routine channel for distribution of information that may be material to investors, including news releases, financial information, presentations and corporate governance information. Information contained or connected to our website is not incorporated by reference in this Annual Report on Form 10-K unless expressly noted. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") are available on our website, free of charge, as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC. Additionally, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us, at www.sec.gov.

Item 1A. Risk Factors

The section below discusses the most significant risk factors that may materially adversely affect our business, results of operations and financial condition.

Risks Related to Our Business and Our Industry

We have incurred significant losses since inception, we anticipate that we will continue to incur losses in the future, and we may not be able to achieve or maintain profitability.

Net Power has historically incurred significant losses and experienced negative cash flows since inception, including net losses of $49.2 million for the year ended December 31, 2024, $43.1 million for the period from June 8, 2023 through

December 31, 2023 (Successor), and $34.2 million for the period from January 1, 2023 through June 7, 2023 (Predecessor). We have not generated any material revenue, but we have substantial overhead expenses. We do not expect to generate meaningful revenue unless and until we are able to complete our first commercial plant deployment and begin licensing the Net Power Cycle, and we may not be able to accomplish either of these milestones on our anticipated timetable, if at all. We have not yet commercialized the Net Power Cycle and may never do so successfully, and, as a result, it is difficult for us to predict our future operating results. Our losses may be larger than anticipated, and we may not achieve profitability according to our expected timeline or at all; even if we do, we may not be able to maintain or increase profitability.

We expect our operating expenses to continue to increase over the next several years as we begin to commercialize the Net Power Cycle, continue to refine and streamline our technology, make technical improvements, hire additional employees and continue research and development efforts relating to new products and technologies. These efforts may be more costly than we expect and may not result in increased revenue, profits or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our expenses could prevent us from achieving or maintaining profitability or positive cash flow. Furthermore, if our future growth and operating performance fail to meet investor or analyst expectations, or if we have future negative cash flows or losses resulting from our investment in acquiring customers or expanding our operations, this could have a material adverse effect on our business and financial condition.

We, our licensees and our partners may be unable to adequately control or accurately predict the costs associated with SN1 and the development and deployment of our technology.

We will require significant capital to develop and grow our business, and we expect to incur significant expenses, including those relating to SN1, the development and commercialization of the Net Power Cycle, research and development, production, sales, maintenance and service, and building the Net Power brand. Our largest costs prior to project deployment are expected to be equipment and construction costs. Our current estimates of the costs associated with development and commercialization could prove inaccurate, and that could impact the cost of our technology, our ability to obtain adequate funding at terms acceptable to us (or at all), and our business overall. If we are unable to efficiently design, develop, commercialize, license, market, and deploy our technology in a cost-effective manner, our margins, profitability and prospects would be materially and adversely affected.

We may be unable to manage our future growth effectively, and such inability could make it difficult to execute our business strategy.

If our operations grow as planned, we may need to expand our sales and marketing, research and development, and supply and manufacturing functions, and there is no guarantee that we will be able to scale the business and the sale of licenses as planned. We have relied heavily on key partnerships to date, and there is no guarantee that we will be able to maintain these relationships or find additional suitable partners in the future. As such, we may have difficulty commercializing our technology or broadening our internal capabilities.

Any failure to effectively incorporate updates to the design, construction and operations of power plants using the Net Power Cycle to ensure cost competitiveness could reduce the marketability of the Net Power Cycle and has the potential to impact deployment schedules. Updating the design, construction and operations of such power plants will be necessary to ensure their competitiveness and attractiveness in the market, particularly in the U.S., where the price of power is generally lower than in other countries. If we are not able to achieve and maintain cost competitiveness in the U.S. or elsewhere, our business could be materially and adversely affected.

Our continued growth could increase the strain on our resources, and we could experience operating difficulties, including difficulties in hiring, training and managing an increasing number of employees and delays in production and launches. These difficulties may result in the erosion of our brand image, divert the attention of management and key employees and impact financial and operational results. If we are unable to drive commensurate growth, these costs, which include lease commitments, headcount and capital assets, could result in decreased margins, which could have a material adverse effect on our business, financial condition and results of operations.

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 behind the Net Power Cycle is very complex, and, while we successfully achieved grid synchronization with our test facility, we have yet not fully validated our technology nor have we built any commercial facilities and we may face significant barriers in continuing to operate our test facility, developing and commercializing our first utility-scale plant, and developing and commercializing subsequent facilities. The Net Power Cycle has yet to be integrated with a combustion system and turbine operating coincidentally at target temperature and pressure. We are reliant on NPI to

successfully deliver a turbo expander that can meet these conditions to support commercial initiatives. Furthermore, project execution risks associated with deployment of a nascent technology include supply chain management, schedule compliance, general EPC competence, commissioning, and startup tuning. If we are unable to successfully develop our technology, this would materially adversely affect our business and we may be forced to cease operations.

The technology we are developing will rely on complex machinery for its operation, and deployment involves a significant degree of risk and uncertainty in terms of operational performance and costs.

The Net Power Cycle relies heavily on complex machinery and involves a significant degree of uncertainty and risk in terms of operational performance and costs. Our test facility consists of, and our future Net Power plants are expected to consist of, large-scale machinery combining many components. These manufacturing plant components are likely to suffer unexpected malfunctions from time to time and will depend on repairs and spare parts to resume operations, and such repairs and spare parts may not be available when needed. If there are delays in the development and manufacturing of our technology by our partners or third-party suppliers, it may adversely impact our business and financial condition.

Unexpected malfunctions of the plant components may significantly affect our intended operational efficiency. Operational performance and costs can be difficult to predict and are often influenced by factors outside of our control, such as, but not limited to, scarcity of natural resources, supply chain issues, environmental hazards and remediation, costs associated with decommissioning of machines, labor disputes and strikes, difficulty or delays in obtaining governmental permits, damages or defects in electronic systems, industrial accidents, pandemics, war, fire, seismic activity and natural disasters. Should operational risks materialize, it may result in the personal injury to or death of workers, the loss of production equipment, damage to manufacturing facilities, monetary losses, delays, and unanticipated fluctuations in production, environmental damage, administrative fines, increased insurance costs, and potential legal liabilities, all which could have a material and adverse effect on our business, results of operations, cash flows, financial condition, or prospects.

If we, our partners or our third-party suppliers experience any delays in the development and manufacturing of turbo expanders, heat exchangers, air separation units, and other key components, our business and financial condition may be adversely impacted.

We have previously experienced, and it is possible that we may experience in the future, delays and other complications from our partners and third-party suppliers in the development and manufacturing of turbo expanders, heat exchangers, air separation units and other implementing technology required for deploying the Net Power Cycle. We have in the past faced a number of delays relating to the Net Power Cycle; for example, we had to obtain a redesigned rotor following synchronization, our recuperative heat exchanger train underwent modifications to meet welding specifications necessary for improved strength associated with nickel material portions, and we changed sealing materials compatible with the plant process chemistry for the remaining balance of the plant associated with compressors and pumps. Any disruption or delay in the development or supply of such components and technology could result in the delay or other complication in the design, manufacture, production, and delivery of our technology that could prevent us from commercializing the Net Power Cycle according to our planned timeline and scale. If delays like this recur, if our remediation measures and process changes do not continue to be successful or if we experience issues with planned manufacturing activities, supply of components from third parties or design and safety, we could experience issues or delays in commencing or sustaining our commercial operations.

If we encounter difficulties in scaling our production and delivery capabilities, if we fail to develop and successfully commercialize our technologies, if we fail to develop such technologies before our competitors, or if such technologies fail to perform as expected, are inferior to those of our competitors or are perceived as less safe than those of our competitors, our business, reputation, and financial condition could be materially and adversely impacted.

We, our licensees, and 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, and such inability or increased costs could delay the deployment of our technology and negatively impact our business.

We, our licensees, and our partners rely on third-party suppliers for components and materials used to develop, and eventually commercialize, the Net Power Cycle. Any disruption or delay in the supply of components or materials by our key third-party suppliers or pricing volatility of such components or materials could temporarily disrupt production of our components or materials until an alternative supplier is able to supply the required material. In such circumstances, we may experience prolonged delays, which may materially and adversely affect our results of operations, financial condition, and prospects.

We may not be able to control fluctuation in the prices for these materials or negotiate agreements with suppliers on terms that are beneficial to us. Our business depends on the continued supply to us and to our licensees of certain proprietary materials. We are exposed to multiple risks relating to the availability and pricing of such materials and components. Substantial increases in the prices for our raw materials or components would increase our operating costs and the operating costs of our licensees, either of which could materially impact our financial condition.

Currency fluctuations, inflation, trade barriers, extreme weather (which may be influenced by climate change), war, tariffs, pandemics, or shortages and other general economic or political conditions may limit our ability or our licensees' ability to obtain key components or significantly increase freight charges, raw material costs and other expenses associated with our business and our licensees' business, and such increased costs could materially and adversely affect our results of operations, financial condition and prospects.

Our deployment plans rely on the development and supply of turbomachinery and process equipment by NPI pursuant to a joint development agreement. We and NPI may not be able to commercialize technology developed under our joint development relationship. If NPI 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.

NPI is developing sCO_2 turbo expanders for use in facilities implementing the Net Power Cycle pursuant to the Amended and Restated JDA. These turbo expanders are intended to be compatible with our existing technology, and as such, they are highly specialized and difficult to design. We expect these turbo expanders, as well as other critical technology such as our heat exchangers and air separation units, to be vital to the success of our first utility-scale plant, other future commercial-scale facilities and our licensing operations, and as such, any delay in their development or manufacture would likely adversely impact our business and financial condition.

There can be no assurance that we will be able to maintain or further our relationship with NPI and/or that NPI will be successful in developing a turbo expander that successfully integrates with our other technology. Our relationship with NPI is subject to various risks that could adversely affect the value of our investments and our results of operations. These risks include the following:

- our interests may diverge from those of NPI, or we may not be able to agree with them on ongoing development, manufacturing and operational activities, or on the amount, timing or nature of further investments in our joint development;
- our control over NPI's operations is limited;
- the terms of the Amended and Restated JDA may turn out to be unfavorable to us;
- provisions of the Amended and Restated JDA could give rise to disputes regarding the rights and obligations of the parties, potentially leading to termination of the agreement, delays in development or commercialization of the turbo expander, or litigation or arbitration; or
- changes in tax, legal or regulatory requirements may necessitate changes to our arrangement under the Amended and Restated JDA.

If our strategic relationship with NPI is ultimately unsuccessful or less successful than anticipated, our business, results of operations or financial condition may be materially adversely affected. Any such lack of success could also reduce our ability to secure collaboration agreements in the future or impair our relationships with other existing collaborators.

Our commercialization strategy relies heavily on our relationship with Baker Hughes, OXY, Constellation, 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, and any such divergent interests or inability to replace could adversely impact our business and financial condition.

We are, and for a period of time will be, substantially reliant on our relationship with Baker Hughes, OXY, Constellation, and other strategic investors and strategic partners to develop and commercialize the Net Power Cycle. We are also reliant on our license agreement with 8 Rivers for the in-license of the core technology of the Net Power Cycle. Our strategic partners may have interests that diverge from our interests, and that may hinder our ability to license our technology to customers. If we lose our agreements with strategic partners, we may need to find new contractors who may have less experience designing and building power plants and complex machinery. We may also need to locate alternative sources of intellectual property rights enabling us to carry out our operations and to avoid infringing previously licensed intellectual

property, and we may be unsuccessful in securing such new licenses or unsuccessful in finding suitable alternatives that would not infringe previously licensed intellectual property.

We have entered into the Amended and Restated JDA with NPI in connection with the joint development arrangement for the design and development of a turbo expander for use in the Net Power Cycle. Pursuant to the Amended and Restated JDA, NPI may terminate the arrangement, among other things, in the event of a change of control, and there is no guarantee that a change of control will not occur in the future.

The loss of any such relationships, if not adequately replaced, could substantially hinder or prevent our ability to commercialize our technology and adversely affect our business, financial condition and future prospects.

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 leading up to our first commercial delivery and other demonstration and commercial missions could have material adverse effects on our business, financial condition and results of operations and could harm our reputation.

The success of our business will depend on our ability to successfully license our technology to customers on-time and on-budget at guaranteed performance levels, and such success would tend to establish greater confidence in our subsequent customers. Our partners have not yet completed development of and finalized schedules for delivery to customers of key process equipment, including turbo expanders, sCO_2 combustors, primary recuperative heat exchangers, and air separation units. There is no guarantee that our planned commercialization efforts will be successful. There can be no assurance that we will not experience operational or process failures and other problems during our first commercial deployments. Any failures or setbacks, particularly on our first commercial ventures, could harm our reputation and have a material adverse effect on our business and financial condition.

Any actual or perceived safety or reliability issues may result in significant reputational harm to our business, in addition to tort liability and other costs that may arise. Such issues could result in delaying or canceling planned licenses, increased regulation or other systemic consequences. Our inability to meet our safety standards or adverse publicity affecting our reputation as a result of accidents or mechanical failures could have a material adverse effect on our business and financial condition.

We may pursue the development of Net Power plants through joint ventures, which may lead to disagreements with our joint venture partners and adversely affect our interest in the joint ventures.

We may seek to enter into joint ventures to fund the construction and development of Net Power plants and other endeavors related to Net Power plants. Joint venture arrangements may restrict our operational and financial flexibility. Moreover, joint venture arrangements involve various risks and uncertainties, such as committing us to fund operating and/or capital expenditures, the timing and amount of which we may have little or partial control over, and our joint venture partners may not satisfy their obligations to the joint venture.

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.

Recent global supply chain disruptions have increasingly affected both the availability and cost of raw materials, component manufacturing and deliveries. These disruptions have resulted in, and may continue to result in, delays in equipment deliveries and cost escalations that adversely impact our ability to develop and commercialize the Net Power Cycle.

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 of our processes.

We intend to license the Net Power Cycle for the generation of electrical power using natural gas. Accordingly, the prices we eventually receive for our licenses will likely be tied to the prevailing market prices of natural gas. Historically, the price of natural gas has been volatile, and this volatility may continue to increase in the future. Factors that may cause volatility in the prices of natural gas include, among others, (i) changes in supply and availability of natural gas; (ii) governmental regulations; (iii) inventory levels; (iv) consumer demand; (v) price and availability of alternatives; (vi) weather conditions; (vii) negative publicity about natural gas; (viii) production or transportation techniques and methods; (ix) macro-economic environmental and political conditions; (x) transportation costs; and (xi) the price of foreign imports, including volatility due to tariffs and other trade-related disputes. We expect that natural gas prices will remain volatile for

the near future because of these and other factors. High natural gas prices in isolation or relative to other energy sources are likely to adversely affect the demand for the Net Power Cycle and our potential profitability and cost effectiveness. The prices we receive for our licenses depend on numerous factors beyond our control, including, but not limited to, the following:

- changes in global supply of, and demand for, natural gas;
- worldwide and regional economic conditions impacting the global supply and demand for natural gas;
- social unrest, political instability or armed conflict in major natural gas producing regions outside the U.S., such as the conflict between Ukraine and Russia, and acts of terrorism or sabotage;
- the ability and willingness of the Organization of the Petroleum Exporting Countries and allied producers (known as OPEC+) to agree and maintain oil price and production controls;
- the price and quantity of imports of foreign natural gas;
- governmental, scientific, and public concern over the threat of climate change arising from greenhouse gas emissions;
- the level of global natural gas exploration and production;
- the level of global natural gas inventories;
- localized supply and demand fundamentals of regional, domestic and international transportation availability;
- weather conditions, natural disasters and seasonal trends;
- domestic and foreign governmental regulations, including embargoes, sanctions, tariffs and environmental regulations;
- speculation as to the future price of natural gas and the speculative trading of natural gas futures contracts;
- technological advances affecting energy consumption;
- increasing scrutiny of environmental, social and governance ("ESG") matters; and
- the price, availability and use of alternative fuels and energy sources.

Manufacturing and transportation of key equipment may be dependent on open global supply chains. Supply chain issues could negatively impact deployment schedules.

Our customers and the projects they develop will be reliant on equipment supplied by a core group of key global suppliers, generally including, but not limited to, air separation units, heat exchangers, control systems, piping, valves, fabricated modules and rotating turbomachinery. Global supply chain disruptions have affected, and may continue to affect, both the availability and cost of raw materials, component manufacturing and deliveries. These disruptions may result in delays in equipment deliveries and cost escalations that could adversely affect our business. While we expect to take steps to minimize the impact of these increased costs by working closely with our suppliers and customers, global supply chain disruption may deteriorate and such disruption compounded by increasing inflation could adversely affect our business, financial condition, results of operations and cash flows. Moreover, any material disruption in the supply chain could delay our commercialization efforts, potentially causing us to delay the launch of our first utility-scale plant and of subsequent commercial plants later than expected or to begin licensing our technology later than expected.

Suppliers of key equipment to our future customers may not be able to scale to the production levels necessary to meet the anticipated growth in demand for our technology, and such inability could negatively impact our business and financial plan.

We do not have manufacturing assets and our future licensees may not have manufacturing assets, and thus we rely, and our future licensees may rely, on third-party manufacturers to build licensed power plants and associated equipment. Moreover, we and our licensees are dependent on future supplier capability to meet production demands attendant to our forecasts. If suppliers of key equipment to our customers cannot meet the level of supply and schedule demands of such

customers after we achieve commercialization, our revenues could be materially impacted, which would impact our operations and profitability.

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, and such impact could adversely impact our business.

The Net Power Cycle design is actively managed through design reviews, prototyping, involvement of external partners and application of industry lessons, but we could still fail to identify latent manufacturing and construction issues early enough to avoid negative effects on production, fabrication, construction or ultimate performance of our technology, licenses or plants. Where these issues arise at such later stages of deployment, plant deployment could be subject to greater costs or be significantly delayed, and such delay could materially and adversely affect our business.

Our Demonstration Plant and future facilities and operations could be damaged or otherwise adversely affected as a result of natural disasters and other catastrophic events, and such adverse effects would negatively impact our ability to develop key process equipment and technologies within our anticipated timeline and budget.

Natural disasters or other catastrophic events may cause damage or disruption to our operations and the global economy and, thus, could have a strong negative effect on us. Our business operations are subject to interruption by natural disasters (including those associated with climate change, such as floods, droughts, and severe storms), fire, power shortages, civil unrest, war, pandemics, acts of terrorism, and other events beyond our control. While we maintain crisis management and disaster response plans, natural disasters, and other events could also make it difficult or impossible for us to continue operations and could decrease demand for our platform.

In addition, our test facility is located in La Porte, Texas, which is prone to natural disasters, such as severe weather, making our business particularly susceptible to natural disasters and other catastrophic events in those areas. Our test facility and future facilities could be harmed or rendered inoperable, or our other assets could be damaged or destroyed, by natural or man made disasters, including severe weather, flooding, power outages, earthquakes, and contamination, and such damage or destruction may render it difficult or impossible for us to operate our business for some period of time. The inability to operate our test facility — for even a short period of time — may harm our reputation and result in a delay in our commercialization schedule, and such reputational harm or delay would have a material adverse effect on our financial condition and operating results.

Our Demonstration Plant has not yet overcome all power loads to provide net positive power delivery to the commercial grid during its operation. If initial commercial plants using the Net Power Cycle are unable to efficiently provide a net power output to the commercial grid, it will negatively impact our business.

Our Demonstration Plant successfully generated electric power while synchronized to the grid, but it has not yet overcome all facility auxiliary power loads (pumps, compressors, etc.) to provide net positive power delivery to the commercial grid during its operation. If initial commercial power plants are unable to efficiently provide net power output to the commercial grid using the Net Power Cycle, this could harm our business, results of operation, and reputation.

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.

Until we have completed the deployment of our first utility-scale plant and, potentially, until we have completed deployment of one or more additional commercial plants, we may encounter difficulty attracting licensees. We expect revenues from licensing the Net Power Cycle to be vital to reaching and sustaining profitability, but until potential customers have seen a plant successfully implement the Net Power Cycle, they may decide to wait to purchase a license or forgo purchasing a license altogether. There is no guarantee that we will be able to attract any licensees in our desired price range, or at all prior to our initial deployment or that our initial deployment efforts will be timely or successful enough to attract licensees. If we cannot attract licensees and earn licensing revenue, we may experience delays in our commercial plant deployments and may otherwise suffer harm to our business, results of operations, and reputation.

We expect a consortium led by Net Power to undertake the development of our first commercial project in order to prove the commerciality of our technology. Such a deployment will require significant capital expenditures, and, depending on availability of capital, including government assistance in the form of loans or grants, could require substantial

capital investment from us and our partners. If we cannot secure sufficient finding to construct our first commercial-scale plant, our business could fail.

Our ability to find third parties willing to partner with us to launch our first utility-scale plant is vital to our future success. This deployment is expected to be very expensive, require significant capital, and be time consuming. If we cannot find suitable third parties to partner with us, we may not be able to launch our first utility-scale plant. We may seek DOE LPO Title XVII project funding. In furtherance of this possibility, we have submitted a Title XVII Part I LPO application in support of such funding, and we have been invited to submit a Part II application. However, the DOE advises that an invitation to submit a Part II application is not an assurance that DOE will invite the Company into the due diligence and term sheet negotiation process, that DOE will offer a term sheet to the Company or that the terms and conditions of a loan guarantee will be consistent with terms proposed by the Company. The foregoing matters are wholly dependent on the results of the DOE's review and evaluation of the Part II application, and determination whether to proceed. If we are unable to bring our first utility-scale plant to market, or launch other commercial plant deployments, our ability to create stockholder value will be limited, and our business could fail.

Our future growth and success depend on our ability to license to customers and their ability to secure suitable sites. We have not yet entered into a binding contract with a customer to license the Net Power Cycle, and we may not be able to do so.

The future growth of our business depends on our ability to license the Net Power Cycle and to expand our sales geographically. The Net Power Cycle has never been utilized on a full-scale commercial basis. All tests conducted to date with respect to the technology have been performed at our Demonstration Plant, and the same or similar results may not be obtainable at competitive costs on a large-scale commercial basis. It will be difficult to demonstrate the value in our technology to licensees until we have deployed a successful full-scale commercial plant, as discussed under "— *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 have not yet entered into a binding contract with a customer to license the Net Power Cycle, and we may not be able to do so on acceptable terms or at all. Even if we do enter into agreements with licensees, such licensees might be unable to find suitable sites for building their own power plants. If we are unable to successfully enter into agreements with a sufficient number of licensees, it may adversely impact our business and results of operations.

We may not be able to accurately estimate the future demand for our technology, and such inability could result in a variety of inefficiencies in our business and could hinder our ability to generate revenue. If we fail to accurately predict market demand, we could incur additional costs or experience delays, adversely impacting our business and financial condition.

Our business requires us to estimate future market demand for electricity and for licenses for our technology. We may be adversely affected to the extent that we overestimate or underestimate such demand.

Our future success hinges on how many licenses for our technology we are able to sell. We have already incurred and expect to continue to incur significant expenses in connection with developing our technology, and we do not expect the amount of expenses incurred to vary significantly as we increase or decrease the number of licenses sold. As such, our profitability with respect to our licenses will likely depend entirely on the demand for such licenses, and, if we cannot sell enough licenses, the expenses incurred in connection with such licenses will be sunk costs. Thus, it is imperative that we accurately estimate the demand for such licenses. However, there is no guarantee that our current estimates, or any future estimates, will prove accurate, especially if competitors develop similar technology and compete for our target licensees or if the general landscape of the natural gas industry shifts in an unfavorable direction. If we cannot accurately estimate future demand for our licenses, our business and financial condition could be materially adversely impacted.

Our ability to market our technology depends on numerous factors beyond our control, the effect of which cannot be accurately predicted or anticipated. Some of these factors include, without limitation, the availability of domestic and foreign natural gas production, the marketing of competitive fuels, the proximity and capacity of pipelines, fluctuations in supply and demand, the availability of a ready market, the effect of U.S. federal and state regulation of production, refining, transportation and sales and general national and worldwide economic conditions.

We are highly dependent on our senior management team, key employees 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 compete may be harmed.

Our success depends, in significant part, on continuing to attract and retain highly qualified talent, retaining the services of our senior management team and our ability to attract, motivate, develop and retain a sufficient number of other highly skilled personnel, including, but not limited to, engineers, manufacturing and quality assurance, finance, marketing, and sales personnel. Our senior management team has extensive experience in the energy and manufacturing industries, and we believe that their depth of experience is instrumental to our continued success. The loss of any one or more members of our senior management team for any reason, including resignation or retirement, could impair our ability to execute our business strategy and could have a material adverse effect on our business and financial condition if we are unable to successfully attract and retain qualified and highly skilled replacement personnel with experience necessary to fill the applicable senior management position or positions.

Conflicts of interest may arise because several directors on the Board were designated by the Principal Legacy Net Power Holders and Sponsor.

Representatives or affiliates of OXY, Constellation, 8 Rivers, and Sponsor designated director nominees for election to the Board pursuant to the Stockholders' Agreement. As a result of these designation rights and the resulting relationships between the Principal Legacy Net Power Holders and Sponsor and their respective director nominees on the Board, conflicts may arise in the future with the Principal Legacy Net Power Holders and Sponsor where their independent business interests are inconsistent with the Board's and our stockholders' interests.

Further, disagreements or disputes with the Principal Legacy Net Power Holders and Sponsor could result in litigation, resulting in an increase of expenses incurred and potentially limiting the time and effort our officers and directors are able to devote to the remaining aspects of our business, all of which could have a material adverse effect on our business, financial condition and results of operations.

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.

We and our service providers face threats from a variety of sources, including attacks on our networks and systems from numerous sources, including traditional "hackers," sophisticated nation-state and nation-state supported actors, other sources of malicious code (such as viruses and worms) and phishing attempts. We and our service providers could be a target of cyberattacks or other malfeasance designed to impede the performance of our software and services, penetrate our network security or the security of our cloud platform or our internal systems, misappropriate proprietary information and/or cause interruptions to our services. Our software, platforms and system, and those of our service providers, may also suffer security incidents as a result of non-technical issues, including intentional or inadvertent acts or omissions by our employees or service providers. With the increase in personnel working remotely, we and our service providers are at increased risk for security breaches. Due to the significant military action against Ukraine launched by Russia, the risk of such cyberattacks, malfeasance, security breaches, misappropriations and interruptions has increased. The conditions caused by the Russian invasion of Ukraine could also result in disruption or other security incidents for our service providers.

We have taken and are taking steps to monitor and enhance the security of our software and services, cloud platform and other relevant systems, information technology infrastructure, networks and data. Furthermore, our Board schedules periodic discussions with management regarding significant risk exposures, including risks related to data privacy and cybersecurity, and assists in taking steps to mitigate the risk of cyberattacks on us. However, these actions cannot be guaranteed to fully safeguard our software and services, our cloud platform or any systems, IT infrastructure networks or data upon which we rely. We may be targeted for cyberattacks and other security incidents. A breach in our data security or an attack against our service availability, or that of our third-party service providers, could impact our networks or networks secured by our software and services, creating system disruptions or slowdowns and exploiting security vulnerabilities of our software and services, and the information stored on our networks or those of our third-party service providers could be accessed, publicly disclosed, altered, lost or stolen, possibly subjecting us to liability and causing us financial harm. If an actual or perceived disruption in the availability of our software and services or a breach of our security measures or those of our service providers occurs, it could adversely affect the market perception of our software and services, result in a loss of competitive advantage, have a negative impact on our reputation, result in the loss of

customers, channel partners and sales and expose us to the loss or alteration of information, to litigation, to regulatory actions and investigations and to possible liability. Any such actual or perceived security breach, attack or disruption could also divert the efforts of our technical and management personnel. We also may incur significant costs and operational consequences of investigating, remediating, eliminating and putting in place additional tools and devices designed to prevent actual or perceived security incidents as well as the costs to comply with any notification obligations resulting from any security incidents. In addition, any such actual or perceived security breach could impair our ability to operate our business and to provide software and services to our customers. If this happens, our reputation could be harmed, our revenues could decline and our business could suffer.

An impairment in the carrying value of our goodwill or long-lived assets, principally other intangible assets and property, plant and equipment, could negatively impact our consolidated results of operations and financial condition.

As of December 31, 2024, we had $360 million of goodwill, $1.2 billion of other intangible assets, and $151 million of property, plant and equipment. We periodically assess these assets to determine if they are impaired. Goodwill represents the excess of amounts paid for acquired businesses over the fair value of the net assets acquired. Goodwill is not amortized but is tested for impairment annually on October 1st or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Other intangible assets consist of developed technology related to the Net Power Cycle and property, plant and equipment primarily consists of our Demonstration Plant and in-progress construction of our first utility-scale plant, SN1. Other intangible assets and property plant, and equipment are evaluated for impairment when events or circumstances indicate the carrying amount may not be recoverable. Such events or circumstances that could cause us to impair goodwill, other intangible assets, or property, plant and equipment include, but are not limited to, increases in the costs to commercialize our technology, including increases in costs to construct our commercial- or utility-scale facilities, significant negative industry or economic trends, including rising interest rates, changes in our business plans, or a significant decline in our stock price or market capitalization for a sustained period of time. If certain factors arise, we may be required to record a significant charge to earnings related to the impairment of goodwill, other intangible assets, or property, plant and equipment in our consolidated financial statements. Any such charge could have a material adverse impact on our results of operations and financial condition.

Increased scrutiny and changing stakeholder expectations with respect to ESG matters may impact our business and expose us to additional risks.

In recent years, companies across all industries have faced increased scrutiny from a variety of stakeholders, including investor advocacy groups, proxy advisory firms, certain institutional investors, and lenders, investment funds and other influential investors and rating agencies, related to their ESG and sustainability practices. If we do not adapt to or comply with investor or other stakeholder expectations and standards on ESG matters as they continue to evolve, or if we are perceived to have not responded appropriately or quickly enough to growing concern for ESG and sustainability issues, regardless of whether there is a regulatory or legal requirement to do so, we may suffer from reputational damage and our business, financial condition, and/or stock price could be materially and adversely affected.

Growing interest on the part of stakeholders regarding sustainability information and growing scrutiny of sustainability-related claims and disclosure has also increased the risk that companies could be perceived as, or accused of, making inaccurate or misleading statements, often referred to as “greenwashing.” Such perception or accusation could damage our reputation and result in litigation or regulatory actions. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings could lead to increased negative investor sentiment toward us and our industry and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and costs of capital.

Further, our operations and projects require us to have strong relationships with various key stakeholders, including our shareholders, employees, suppliers, customers, local communities, and others. If we do not successfully manage expectations across these varied stakeholder interests, it could erode stakeholder trust and thereby affect our brand and reputation. Such erosion of confidence could negatively impact our business through decreased demand, delays in projects, increased legal action and regulatory oversight, adverse press coverage and other adverse public statements, difficulty hiring and retaining top talent, difficulty obtaining necessary approvals and permits from governments and regulatory agencies on a timely basis and on acceptable terms, and difficulty securing investors and access to capital.

Risks Related to Our Market

The energy market continues to evolve and is highly competitive, so we may not be successful in competing in this industry or in establishing and maintaining confidence in our long-term business prospects among current partners,

future partners and customers. The development and adoption of competing technology could materially and adversely affect our ability to license our technology.

We operate in the highly competitive area of clean energy production with a substantial number of other companies, including combined cycle power plant assets with post-combustion capture, renewables with long-duration storage and SMRs. We face intense competition from independent, technology-driven companies in each of the following areas:

- acquiring desirable properties or leases for developing plants;
- marketing our licenses;
- integrating new technologies; and
- acquiring the equipment, personnel and expertise necessary to develop and operate our power plants.

Many of our competitors have financial, managerial, technological, and other resources that are substantially greater than ours. Many of our competitors may enjoy technological advantages and may be able to implement new technologies more rapidly than we can. Our ability to compete effectively in the future will depend upon our ability to successfully conduct operations, attract qualified employees, implement advanced technologies, evaluate and select suitable properties and consummate transactions in this highly competitive environment.

The market for power plants implementing the Net Power Cycle is not yet established, and there is limited infrastructure to efficiently transport and store carbon dioxide. If the market for power plants implementing the Net Power Cycle does not achieve the growth potential we expect or if it grows more slowly than expected, it could materially and adversely affect our business.

We expect the Net Power Cycle to be the first standalone natural gas on-demand ultra-low emissions energy solution, and, as such, the market for our technology has not yet been established. In addition, there is limited infrastructure to efficiently transport and store carbon dioxide, and such limited infrastructure may limit the deployment of the Net Power Cycle. Our estimates for the total addressable market are based on a number of internal and third-party estimates, including the number of potential customers that have expressed interest in licensing our technology, assumed prices and production costs for our plants, our ability to leverage our current logistical and operational processes and general market conditions. However, our assumptions and the data underlying our estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the annual total addressable market for our plants, as well as the expected growth rate for the total addressable market for our plants, may prove to be incorrect, which could materially and adversely affect our business.

The cost of electricity generated from the Net Power Cycle may not be cost competitive with other electricity generation sources in some markets, and such lack of competitiveness could materially and adversely affect our business.

While our modeling suggests that a fully decarbonized power grid, which is what our technology is designed to provide, is expected to result in lower electricity prices as compared to a grid solely based on variable renewable energy, like wind and solar, there can be no guarantee that such modeling is accurate or that our technology will actually result in lower prices of this magnitude or at all, and a fully renewable grid is not, in any event, currently cost-competitive with prevailing electric supply in many regions of the U.S. To that end, some electricity markets experience very low power prices due to a combination of subsidized renewables and low-cost fuel sources, and we may not be able to compete in these markets unless the benefits of the Net Power Cycle are sufficiently valued in the market. Given the relatively lower electricity prices in the U.S. when compared to many international markets, the risk may be greater with respect to business in the U.S. Moreover, historically very low or negative market prices are the result of surplus generation that cannot be curtailed and are transitory. These low prices do not reflect a price to beat for our technology.

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.

Regulatory risk factors associated with our business include:

- our ability to obtain applicable permits, approvals, licenses or certifications from regulatory agencies;
- our ability to obtain regulatory approval for a site boundary emergency planning zone defined in such a fashion as will benefit the majority of U.S.-based customers;
- regulatory delays, delays imposed as a result of regulatory inspections and changing regulatory requirements may cause a delay in our ability to fulfill our orders or may cause planned plants to not be completed at all, many of which may be out of our control, including changes in governmental regulations or in the status of our regulatory approvals or applications or other events that force us to cancel or reschedule plant construction, any of which could have an adverse impact on our business and financial condition;
- regulatory, availability and other challenges may delay our progress in establishing the number of plant sites we require for our targeted build rate, and such challenges could have an adverse effect on our ability to grow our business; and
- challenges as a result of regulatory processes or our inability to secure the necessary permissions to establish plant sites could delay our ability to achieve commercial operations and could adversely affect our business.

Any of these risk factors 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.

The lead time to build a natural gas power facility is long and requires site licensing and approvals from applicable regulatory agencies before a plant can be constructed. The regulatory framework to obtain approvals is complex and varies from market to market, and regulators' lack of familiarity with our technology may prolong this process, alongside any potential objections or adverse public reaction to the construction of a natural gas power plant. Any delays or inabilities to secure necessary permits experienced by our customers in siting a power plant using our products and services could materially and adversely affect our business.

Unfavorable changes in laws, regulations and policies in foreign countries in which we seek to license our technology, failures to secure timely government authorizations under laws and regulations or our failure to comply with such laws and regulations could have a material adverse effect on our business, financial condition, and results of operations.

Compliance with laws and regulations applicable to our international operations increases our cost of doing business in foreign jurisdictions. We may be unable to keep current with changes in foreign government requirements and laws as they change from time to time. Failure to comply with these laws and regulations could have adverse effects on our business. In many foreign countries, it is common for others to engage in business practices that are prohibited by our internal policies and procedures or by U.S. regulations applicable to us. Although we have implemented policies and procedures designed to ensure compliance with these laws and policies, there can be no assurance that all of our employees, contractors, partners and third-party service providers will comply with these laws and policies. Violations of laws or key control policies by our employees, contractors, partners or third-party service providers could result in delays in revenue recognition, financial reporting misstatements, fines, penalties or the prohibition of the importation or exportation of our products and services and could have an 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.

Our customers' operations will be subject to governmental and electric grid regulations in virtually all aspects of our operations, including the amount and timing of electricity generation, the performance of scheduled maintenance and compliance with power grid control and dispatch directives as well as environmental protection regulations. There can be no assurance that these regulations will not change in the future in a manner that could adversely affect our business.

We and our potential licensees may encounter substantial delays in the design, manufacture, regulatory approval and launch of power plants, and that could prevent us and our licensees from commercializing and deploying our technology on a timely basis, if at all.

Any delay in the design, manufacture, regulatory approval and launch of power plants or related technology could adversely affect our business because it could delay our ability to generate revenue and could adversely affect the development of customer relationships. Additionally, we may encounter delays in obtaining the necessary regulatory approvals or delays in commercializing our technology, including delays in entering into agreements for the supply of component parts and manufacturing tools and supplies. Delays in the launching of our technology would materially and adversely affect our business, prospects, financial condition, and operating results.

Our partners and customers are subject to environmental, health, and safety laws and to regulations including, if applicable, remediation matters that could adversely affect our business, results of operation and reputation.

The operations and properties of our anticipated partners and customers are subject to a variety of federal, state, local, and foreign environmental, health and safety laws, and regulations governing, among other things, air emissions, wastewater discharges, management and disposal of hazardous and non-hazardous materials and waste and remediation of releases of hazardous materials. Although our business model is primarily focused on licensing our technology, we must design the technology so that it complies with such laws and regulations. Compliance with environmental requirements could require our customers to incur significant expenditures or could result in significant restrictions on their operations. The failure to comply with such laws and regulations, including failing to obtain any necessary permits, could result in substantial fines or enforcement actions, including regulatory or judicial orders enjoining or curtailing operations or requiring our customers to conduct or to fund remedial or corrective measures, to install pollution control equipment or to perform other actions. More vigorous enforcement by regulatory agencies, future enactment of more stringent laws, regulations or permit requirements, including those relating to climate change, or other unanticipated events may arise in the future and may adversely impact the market for our products, and such unanticipated events could materially and adversely affect our business, financial condition and results of operations.

Transition risks related to climate change, including negative shifts in investor, regulator, and broader public sentiment with respect to fossil fuels, could have a material and adverse effects on us.

Increasing attention from governmental and regulatory bodies, investors, consumers, industry, and other stakeholders on combating climate change, together with changes in consumer and industrial/commercial behavior, societal expectations on companies to address climate change, investor and societal expectations regarding voluntary climate-related disclosures, preferences and attitudes with respect to the generation and consumption of energy, the use of hydrocarbons, and the use of products manufactured with, or powered by, hydrocarbons, may result in the enactment of climate change-related regulations, policies, and initiatives (at the government, regulator, corporate, and/or investor community levels), including alternative energy requirements, new fuel consumption standards, energy conservation and emissions reductions, measures and responsible energy development; technological advances with respect to the generation, transmission, storage, and consumption of energy (including advances in wind, solar, and hydrogen power, as well as battery technology); increased availability of, and increased demand from consumers and industry for, energy sources other hydrocarbons (including wind, solar, nuclear, and geothermal sources as well as electric vehicles); and development of, and increased demand from consumers and industry for, products that enable lower emissions (such as carbon capture technology). While we believe that natural gas, and particularly natural gas used to produce ultra-low emissions energy using our technology, is an integral part of the global energy transition, these developments may in the future adversely affect the business our customers and the demand for our product while supporting the development of competing technologies and energy sources. We may not be able to respond to competitive pressures or implement new technologies on a timely basis or at an acceptable cost. If one or more of the technologies we use now or in the future were to become obsolete, our business, financial condition, or results of operations could be materially and adversely affected. See also "*— We may be subject to new, stricter measures and/or regulatory requirements for the mitigation or reduction of greenhouse gas emissions that could require radical changes to development models*" for a discussion of how climate change-related regulations and policies may have adverse affects on our business.

Our future prospects are also dependent upon a certain level of public support for natural gas. There is still substantial opposition to natural gas due to its association with greenhouse gas emissions as well as other factors such as hydraulic fracturing ("fracking"), its non-renewability, and its reliance on high energy and water inputs. There is a significant coalition of people advocating against the use of natural gas for power generation and instead advocating for nuclear energy or renewable energy sources such as solar and wind energy. There is no guarantee that the existence or adoption of the Net Power Cycle will be able to positively influence public sentiment toward gas-fired electricity generation. Any

adverse public reaction to our business or the business of our customers or business partners, including any high-profile incident involving fracking, could directly affect our customers and could ultimately affect our business. Adverse public reaction could lead to fewer customers, damage to our reputation, and increased regulatory, legislative, and judicial scrutiny, which may in turn lead to increased regulation or outright prohibition of aspects of our operations, limitations on the activities of our customers or other constituents within our value chain, more onerous operating requirements or other conditions that could have a material adverse impact on our customers' and on our business.

More broadly, while we believe our business is well-positioned to benefit from the enactment of climate change-related policies and initiatives across the market at the corporate level and/or investor community level (e.g., clean or renewable energy consumption targets or net zero commitments), such developments may in the future also result in adverse effects on our business, the degree of which may in part depend on the nature of any adverse effects that such developments have on our customers.

Accordingly, the progress and challenges of the energy transition could have a significant adverse effect on us if we are unable to keep up with the pace of the global energy transition and allocate our resources effectively.

Restrictions on the ability to procure natural gas, including its production and delivery, and the ability to construct carbon sequestration facilities, could adversely impact our business.

Some states and certain municipalities have regulated or are considering regulating natural gas and carbon sequestration activities, and such regulations could impact certain of our operations. While we do not believe that these regulations and contemplated actions have impacted our activities to date, there can be no assurance that these actions, if taken on a wider scale, would not adversely impact our customers' ability to commercialize our plants in affected areas which, in turn, could impair our ability to generate revenue.

We may be subject to new, stricter measures and/or regulatory requirements for the mitigation or reduction of greenhouse gas emissions that could require radical changes to development models and adversely affect our business, reputation, and operations.

Global climate change creates new challenges for the energy industry and its regulators. The United Nations and several countries have adopted, or are evaluating the adoption of, new measures and/or regulatory requirements for the mitigation or reduction of greenhouse gas emissions in the atmosphere, such as taxes on carbon, raising efficiency standards or adopting cap and trade regimes. See "*Government Regulations"* in Part I, Item 1. Business for further discussion of the laws and regulations related to greenhouse gases and climate change. Certain mitigation actions could require radical changes to development models, such as the transition from the use of conventional energy sources to the use of renewable or low carbon energy sources that reduce environmental pollution, contribute to sustainable development and help avoid global warming. While we believe that electricity produced using natural gas through our Net Power Cycle will be an integral part of the global energy transition and help customers remain resilient to or excel under climate-related regulatory and policy pressures, we cannot rule out the possibility that the adoption of legislation or regulatory programs to reduce emissions of greenhouse gases (including carbon pricing schemes), or the adoption and implementation of regulations that require reporting of greenhouse gas emissions or other climate-related information, could adversely affect our business, including by requiring us or our customers to incur increased operating costs, inhibiting gas-fired electricity generation or otherwise restricting our ability to execute on our business strategy, reducing our access to financial markets, or creating greater potential for governmental investigations or litigation. Any such legislation or regulatory programs could also increase the cost of consuming electricity generated through gas combustion, and thereby ultimately adversely affect demand for our product. Consequently, legislation and regulatory programs to reduce emissions of greenhouse gas emissions could have an adverse effect on our business, financial condition, and results of operations. Moreover, incentives to conserve energy or use alternative energy sources as a means of addressing climate change could have an adverse impact on the demand for our products.

We cannot assure you that future regulations or measures adopted by the U.S. government or foreign governments will not have an adverse effect on our business and our results of operations.

We are exposed to price volatility risks related to incentives.

Transportation fuel carbon intensity reduction targets set by various regulators may have an impact on demand for our fuel and the price of related incentives. For example, changes in such targets in states with incentive programs may have a material negative impact on incentive supply and demand, and, therefore, pricing, which in turn could materially negatively impact our business. We may be unable to manage the risk of volatility in incentive pricing for all or a portion of our revenues, which would expose us to the volatility of commodity prices with respect to all or the portion of the incentives

that we are unable to sell through forward contracts, including risks resulting from changes in regulations, general economic conditions and changes in the level of renewable energy generation. A significant decline in the price of such incentives for a prolonged period could materially adversely affect our business, financial condition or results of 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, and such disagreements may adversely impact our business plan.

Conflict, war or other political disagreements between natural gas producing nations and potential customers could affect our operations in unpredictable ways, including disruptions of fuel supplies and markets and the possibility that infrastructure facilities, including pipelines, production facilities, refineries, electric generation, transmission and distribution facilities, offshore rigs and vessels and communications infrastructures, could be direct targets of, or indirect casualties of, a cyberattack or an act of piracy or terror. The continued threat of terrorism and the impact of military and other government action has led and may lead to further increased volatility in prices for natural gas and could affect the natural gas market or the financial markets that we use.

In late February 2022, Russian military forces commenced a military operation and invasion against Ukraine. The U.S., other countries and certain international organizations have imposed broad economic sanctions on Russia and certain Russian individuals, banking entities and corporations as a response and additional sanctions may be imposed in the future. The length, impact and outcome of the ongoing war between Russia and Ukraine is highly unpredictable, and such unpredictability has created uncertainty for financial and commodity markets. While Net Power does not currently have operations overseas, the conflict elevates the likelihood of supply chain disruptions, heightened volatility in energy prices and negative effects on our ability to raise additional capital when required and could have a material adverse impact on our business, financial condition or future results.

Conflicts of this sort, or the threat of conflicts of this sort, may also have an adverse effect on the broader economy. Instability in the financial markets as a result of war, sabotage, piracy, cyberattacks or terrorism could also affect our ability to raise capital and could also adversely affect the natural gas and power industries and could restrict their future growth. Any resulting economic downturn could adversely affect our results of operations, impair our ability to raise capital or otherwise adversely impact our ability to realize certain business strategies.

Any potential changes or reductions in available government incentives promoting projects that reduce greenhouse gas emissions, such as the Inflation Reduction Act of 2022's financial assistance program funding installation of zero-emission technology, may adversely affect our ability to grow our business.

In August 2022, President Biden signed the IRA into law. The provisions of the IRA are intended to, among other things, incentivize domestic clean energy investment, manufacturing and production. The economics for carbon sequestration will benefit from raising the carbon capture tax credit from $50 per metric ton to $85 per metric ton. The credit will be "direct pay," meaning it would be a refundable credit, for the first five years, starting with the year a "qualified facility" is placed in service, but not beyond December 31, 2032. In addition, the law lowers the threshold for eligibility as a "qualified facility" to include any CCUS facility placed on an electric generating facility that captures 18,750 tons of carbon annually and has a capture rate of at least 75%, as measured by an applicable electric generating unit's baseline carbon oxide production. We believe that a project utilizing the Net Power Cycle can meet the criteria for a "qualified facility" under this definition, and, as such, we intend to apply for tax credits under Section 45Q of the Code.

We view the enactment of the IRA as favorable for our development and commercialization efforts. However, we are continuing to evaluate the overall impact and applicability of the IRA to our development and commercialization efforts. It is unclear how this legislation will be implemented by the U.S. Department of Treasury and what, if any, impact it will have on our tax rate. Additionally, in January 2025, President Trump issued an executive order directing an immediate pause on the disbursement of funds appropriated through the IRA, and the IRA may be subject to amendment or repeal through Congressional budget reconciliation. If the IRA or any current or future similar legislation is amended or repealed, or if it is interpreted by courts or implemented by regulatory agencies differently than we expect, then this could adversely affect our anticipated timelines, projected financials and ability to grow our business.

We may not be able to utilize any future federal income tax credits.

Our first utility-scale project is currently in the development stage, and historically we have not generated revenue. Consequently, as of December 31, 2024, our deferred tax assets include federal income tax net operating losses. If we are unable to monetize federal income tax credits generated under Section 45Q or any successor provision, either by

transferring these credits or electing to receive a direct payment equal to their value, we would need to offset these credits against our taxable income. However, there is no guarantee that we will successfully transfer these tax credits, generate taxable income, or otherwise monetize the value of these federal income tax credits.

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 and that is core to the Net Power Cycle. The ability to protect these patents, patent applications, and other proprietary rights may be challenged by 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.

Our discovery and development technology platforms are built, in part, around intellectual property rights in-licensed from our partners, including our license from 8 Rivers that is core to the Net Power Cycle and the Amended and Restated JDA. Under our existing agreements, we are subject to various obligations, which may include diligence obligations with respect to development and commercialization activities, and payment obligations upon achievement of certain milestones. If there is any conflict, dispute, disagreement or issue of nonperformance between us and our counterparties regarding our rights or obligations under these agreements, we may be liable to pay damages and our counterparties may have a right to terminate the applicable license. The termination of any license agreement with one of our partners, including 8 Rivers, could adversely affect our ability to utilize the intellectual property that is subject to that license agreement in our discovery and development efforts, our ability to enter into future collaboration, licensing, and/or marketing agreements for one or more of our technologies and our ability to commercialize the affected technology. Furthermore, disagreements under any of these license agreements may arise, including those related to:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes may infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

These disagreements may harm our relationship with our partners, and such harm could have negative impacts on other aspects of our business.

Additionally, the intellectual property we have in-licensed from 8 Rivers could be susceptible to third-party challenges of 8 River's retained rights. Pursuant to our license agreement and a related excluded field agreement, we have exclusive rights to the Net Power Cycle for the generation of electricity using CO_2 as the primary working fluid utilizing any carbonaceous gas fuel other than those derived from certain solid fuel sources. 8 Rivers retains the rights of use to the Net Power Cycle for the generation of electricity using CO_2 as the primary working fluid utilizing any carbonaceous gas derived directly or indirectly from such solid fuel sources, and if any third party challenges such use, such challenges could tangentially impact our use of the in-licensed technology.

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 by way of 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 may receive from our customers, and this may adversely affect our ability to develop, market, and license our technology.

Because our technology requires the use of proprietary rights held by third parties, the growth of our business will likely depend in part on our ability to continue to in-license these proprietary rights. Licensing intellectual property involves complex legal, business and scientific issues. If we are not able to maintain such licenses, or if we fail to obtain any future necessary licenses on commercially reasonable terms or with sufficient breadth to cover the intended use of third-party intellectual property, our business could be materially harmed. Further, if our licensors lose their licenses, whether due to

not paying renewal or maintenance fees, third parties challenging the validity or otherwise, we would also lose rights to the covered intellectual property, and such loss could also materially harm our business.

If disputes over licensed intellectual property prevent or impair our ability to maintain the licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize our technology, or the dispute may have an adverse effect on our results of operation.

We, our partners, our licensees and our critical equipment suppliers may need to defend 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 and expensive, and such defense may divert our resources away from our business efforts, regardless of the outcome of these claims.

Third parties may hold or obtain patents, trademarks or other proprietary rights that would prevent, limit or interfere with our ability to manufacture, develop or sell our products, and that could make it more difficult for us to operate our business and generate revenue. From time to time, we may receive inquiries from holders of patents or trademarks inquiring whether we are infringing on their proprietary rights and/or seeking court declarations that they do not infringe upon our intellectual property rights. Companies holding patents or other intellectual property rights relating to our technology may bring suits alleging infringement of such rights or otherwise asserting their rights and seeking licenses. In addition, if we are determined to have infringed upon a third party's intellectual property rights, we may be required to do one or more of the following: cease licensing, selling, incorporating or using products that incorporate the challenged intellectual property; pay substantial damages; obtain a license from the holder of the infringed intellectual property right that may not be available on reasonable terms or at all; or redesign our plant technology. In the event of a successful claim of infringement against us and our failure or inability to obtain a license to the infringed technology, our business, prospects, operating results, and financial condition could be materially adversely affected. In addition, any litigation or claims, whether or not valid, could result in substantial costs and diversion of resources and management's attention.

Third parties may successfully challenge or invalidate our rights or ability to use in-licensed intellectual property that is core to the Net Power Cycle.

Competitors or other third parties may infringe, misappropriate or otherwise violate our in-licensed issued patents or other intellectual property that we may own. To counter such infringement, misappropriation or other unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming and can divert the time and attention of our management and scientific personnel. Any claims we assert against third parties could provoke these parties to assert counterclaims against us alleging that we infringe, misappropriate, or otherwise violate their patents, trademarks, copyrights or other intellectual property. In addition, our in-licensed patents may become involved in inventorship or priority disputes. Third parties may raise challenges to the validity of certain of our in-licensed patent claims and may in the future raise similar claims before administrative bodies in the U.S. or abroad, even outside the context of litigation. For example, we may be subject to a third-party pre-issuance submission of prior art to the U.S. Patent and Trademark Office, or we may become involved in derivation, revocation, reexamination, post-grant review, inter partes review and equivalent proceedings in foreign jurisdictions, such as opposition proceedings challenging any patents that we may own or in-license. Such submissions may also be made prior to a patent's issuance, precluding the granting of a patent based on one of our owned or licensed pending patent applications. A third party may also claim that our potential future owned patents or licensed patent rights are invalid or unenforceable in a litigation. The outcome following legal assertions of invalidity and unenforceability is unpredictable. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, invalidate or render unenforceable our potential future owned patents or licensed patent rights, allow third parties to commercialize the Net Power Cycle or related technologies and compete directly with us without payment to us, or such adverse determination could result in our inability to manufacture or commercialize products without infringing third-party patent rights. In a patent infringement proceeding, there is a risk that a court will decide that a patent we in-license is invalid or unenforceable, in whole or in part, and that we do not have the right to stop the other party from using the invention at issue. There is also a risk that, even if the validity of such patents is upheld, the court will construe the patent's claims narrowly or decide that we do not have the right to stop the other party from using the invention at issue on the grounds that our in-licensed patents do not cover the invention. An adverse outcome in a litigation or proceeding involving our in-licensed patents could limit our ability to assert our in-licensed patents against those parties or other competitors and may curtail or preclude our ability to exclude third parties from making and selling similar or competitive products. Similarly, in the future, we expect to rely on trademarks to distinguish the Net Power Cycle or related technologies, and if we assert trademark infringement claims, a court may determine that the marks we have asserted are

invalid or unenforceable or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this case, we could ultimately be forced to cease use of such trademarks.

In any infringement litigation, any award of monetary damages we receive may not be commercially valuable. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and, if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our securities. Moreover, there can be no assurance that we will have sufficient financial or other resources to adequately file and pursue such infringement claims, which typically last for years before they are concluded. Some of our competitors and other third parties may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Even if we ultimately prevail in such claims, the monetary cost of such litigation and the diversion of the attention of our management and scientific personnel could outweigh any benefit we receive as a result of the proceedings. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing, misappropriating or successfully challenging our intellectual property rights. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a negative impact on our ability to compete in the marketplace, and that could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Despite actively monitoring for potential third-party infringement, misappropriation, dilution or other violations of our intellectual property rights, there could be activities that could diminish the value of our services, brands, or goodwill and that cause a decline in our revenue.

If we fail to protect our intellectual property rights adequately, our competitors might gain access to our technology, and our business might be harmed. In addition, defending our intellectual property rights might entail significant expense. Any of our trademarks or other intellectual property rights may be challenged by others or invalidated through administrative process or litigation. While we plan to file new patents, we may be unable to obtain patent protection for the technology covered in our patent applications. In addition, any patents issued in the future may not provide us with competitive advantages or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain.

Effective patent, trademark, copyright and trade secret protection may not be available to us in every country in which our service is available. The laws of some foreign countries may not be as protective of intellectual property rights as those in the U.S., and mechanisms for enforcement of intellectual property rights may be inadequate. Legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain, and any changes in, or unexpected interpretations of, intellectual property laws may compromise our ability to enforce our trade secrets and intellectual property rights. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property.

We might be required to spend significant resources to monitor and protect our intellectual property rights. We may initiate claims or litigation against third parties for infringement of our proprietary rights or to establish the validity of our proprietary rights. Any litigation, whether or not it is resolved in our favor, could result in significant expense to us and divert the efforts of our technical and management personnel.

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.

Our patent applications may not result in issued patents, and not having such patents may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours. The status of patents involves complex legal and factual questions, and the breadth of claims allowed is uncertain. As a result, we cannot be certain that any patent applications we have or will file will result in patents being issued or that our patents and any patents that may be issued to us will afford protection against competitors with similar technology. Numerous patents and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. In addition to those who may have patents or patent applications directed to relevant technology with an effective filing date earlier than any of our existing patents or pending patent applications, any of our existing or pending patents may also be challenged by others on the basis that they are otherwise invalid or unenforceable. Furthermore, patent applications filed in foreign countries are subject to laws, rules and procedures that differ from those of the U.S., and, thus, we cannot be certain that foreign patent applications related to issued U.S. patents will be issued.

Even if our patent applications succeed and even if we are issued patents in accordance with them, it is still uncertain whether these patents will be contested, circumvented, invalidated or limited in scope in the future. The rights granted under any issued patents may not provide us with meaningful protection or competitive advantages, and some foreign countries provide significantly less effective patent enforcement than in the U.S. In addition, the claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar to ours or that achieve results similar to ours. The intellectual property rights of others could also bar us from licensing and exploiting any patents that issue from our pending applications. In addition, patents issued to us may be infringed upon or designed around by others, and others may obtain patents that we need to license or design around, either of which would increase costs and may adversely affect our business, prospects, financial condition and operating results.

We maintain certain technology as trade secrets 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.

We currently rely, and intend to rely in the future, on trade secrets, know-how, and technology that are not protected by patents to maintain our competitive position. We may not be able to protect our trade secrets, know-how, and other internally developed information adequately. Although we use reasonable efforts to protect this internally developed information and technology, our employees, consultants, and other parties (including independent contractors and companies with which we conduct business) may unintentionally or willfully disclose our information or technology to competitors. Moreover, third parties may independently develop similar or equivalent proprietary information or otherwise gain access to our trade secrets, know-how, and other internally developed information. Enforcing a claim that a third party illegally disclosed or obtained and is using any of our internally developed information or technology is difficult, expensive and time-consuming, and the outcome is unpredictable.

We rely, in part, on non-disclosure, confidentiality, and assignment-of-invention agreements with our employees, independent contractors, consultants, and companies with which we conduct business to protect our internally developed information. These agreements may not be self-executing or they may be breached, and we may not have adequate remedies for such breach. These agreements may be found by a court to be unenforceable or invalid. We may fail to enforce our agreements in court if we are compelled to present them as evidence but are unable to locate and provide copies. Moreover, when employees with knowledge of our trade secrets and confidential information leave us and join new employers, it may be difficult or impossible for us to detect or prove misappropriation of our confidential information and trade secrets by the former employee and/or the former employee's new employer. In addition, others may independently discover trade secrets and proprietary information, and, in such cases, we could not assert any trade secret rights against such party.

Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive position, business, financial condition and results of operations.

A number of foreign countries do not protect intellectual property rights to the same extent as the U.S., and, so, our intellectual property rights may not be as strong or as easily enforced outside of the U.S.

Patent, trademark and trade secret laws are geographical in scope and vary throughout the world. Some foreign countries do not protect intellectual property rights to the same extent as do the laws of the U.S. In addition, trade secrets and know-how can be difficult to protect and some courts inside and outside the U.S. are less willing or unwilling to protect trade secrets and know-how. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us, and our competitive position would be materially and adversely harmed. Further, even if we engaged local counsel in key foreign jurisdictions, policing the unauthorized use of its intellectual property in foreign jurisdictions may be difficult or impossible. Therefore, our intellectual property rights may not be as strong or as easily enforced outside of the U.S., 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 U.S. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain, and any changes in, or unexpected interpretations of, intellectual property laws may compromise our ability to enforce our patent rights, trade secrets and other intellectual property rights.

We, our partners or our licensees may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent, and such failure to identify or correctly interpret the patent may adversely affect our ability to develop, market, and license our technology.

We cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims, or the expiration of relevant patents, are complete or thorough nor can we be certain that we have identified each and every third-party patent and pending application in the U.S. and abroad that is relevant to or necessary for the commercialization of our technology in any jurisdiction.

The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent, and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, and such incorrect interpretation may negatively impact our ability to market our products. We may incorrectly determine that our products are not covered by a third-party patent or may incorrectly predict whether a third party's pending application will issue with claims of relevant scope. In addition, because patent applications can take many years to issue, there may be currently pending applications unknown to us that may later result in issued patents upon which our technology may infringe. Our determination of the expiration date of any patent in the U.S. or abroad that we consider relevant may be incorrect, and such incorrect determination may negatively impact our ability to develop and market our technology. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our products.

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.

We rely on information technology systems in order to conduct business, including communicating with employees and our facilities, ordering and managing materials from suppliers, and analyzing and reporting results of operations as well as for storing sensitive, personal, and other confidential information. While we have taken steps to ensure the security of our information technology systems, our security measures or those of our third-party vendors may not be effective and our or our third-party vendors' systems may nevertheless be vulnerable to computer viruses, security breaches, and other disruptions from unauthorized users. If our or our third-party vendors' information technology systems are damaged or cease to be available or function properly for an extended period of time, whether as a result of a significant cyber incident or otherwise, our ability to communicate internally as well as with our retail customers could be significantly impaired, and such impaired ability to communicate may adversely impact our business.

Additionally, the techniques used to obtain unauthorized, improper or illegal access to information technology systems are constantly evolving, may be difficult to detect quickly and often are not recognized until after they have been launched against a target. We may be unable to anticipate these techniques, react in a timely manner or implement adequate preventative or remedial measures. Any operational failure or breach of security from these increasingly sophisticated cyberthreats could lead to the loss or disclosure of both our and our retail customers' financial, product, and other confidential information, lead to the loss or disclosure of personally identifiable information about our employees or customers, result in negative publicity and expensive and time-consuming regulatory or other legal proceedings, damage our relationships with our customers and have a material adverse effect on our business and reputation. In addition, we may incur significant costs and operational consequences in connection with investigating, mitigating, remediating, eliminating, and putting in place additional tools and devices designed to prevent future actual or perceived security incidents and in connection with complying with any notification or other obligations resulting from any security incidents. Because we do not control our third-party vendors or the processing of data by our third-party vendors, our ability to monitor our third-party vendors' data security is limited and we cannot ensure the integrity or security of the measures they take to protect and prevent the loss of our or our consumers' data. As a result, we are subject to the risk that cyberattacks on, or other security incidents affecting, our third-party vendors may adversely affect our business, even if an attack or breach does not directly impact our systems.

Risks Relating to the Tax Receivable Agreement

Pursuant to the Tax Receivable Agreement, Net Power Inc. is required to pay to certain OpCo Unitholders 75% of the tax savings that Net Power Inc. realizes as a result of increases in tax basis in OpCo's assets resulting from the exchange of OpCo Units for shares of Class A Common Stock (or cash) pursuant to the OpCo LLC Agreement as well

as certain other tax benefits, including tax benefits attributable to payments under the Tax Receivable Agreement, and those payments may be substantial.

OpCo Unitholders may exchange their OpCo Units for shares of Class A Common Stock or, upon the election of Net Power Inc., cash pursuant to the OpCo LLC Agreement, subject to certain conditions and transfer restrictions as set forth therein. These exchanges are expected to result in increases in Net Power Inc.'s allocable share of the tax basis of the tangible and intangible assets of OpCo, and such share may increase (for income tax purposes) depreciation and amortization deductions to which Net Power Inc. is entitled.

In connection with the Business Combination, Net Power Inc. entered into the Tax Receivable Agreement, which generally provides for the payment by Net Power Inc. of 75% of certain tax benefits, if any, that Net Power Inc. realizes (or in certain cases is deemed to realize) as a result of these increases in tax basis and for the payment of certain other tax benefits, including tax benefits attributable to payments under the Tax Receivable Agreement. These payments are the obligation of Net Power Inc. and not of OpCo. The actual increase in Net Power Inc.'s allocable share of OpCo's tax basis in its assets, as well as the amount and timing of any payments under the Tax Receivable Agreement, will vary depending upon a number of factors, including the timing of exchanges, the market price of the Class A Common Stock at the time of the exchange, the extent to which such exchanges are taxable, and the amount and timing of the recognition of Net Power Inc.'s income. While many of the factors that will determine the amount of payments that Net Power Inc. will make under the Tax Receivable Agreement are outside of its control, Net Power Inc. expects that the payments it will make under the Tax Receivable Agreement may be substantial and could have a material adverse effect on Net Power Inc.'s financial condition and liquidity. To the extent that Net Power Inc. is unable to make timely payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid; however, nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and would therefore accelerate payments due under the Tax Receivable Agreement, as further described below. Furthermore, Net Power Inc.'s future obligation to make payments under the Tax Receivable Agreement could make it a less attractive target for an acquisition.

In certain cases, payments under the Tax Receivable Agreement may exceed the actual tax benefits Net Power Inc. realizes or may be accelerated.

Payments under the Tax Receivable Agreement are based on the tax reporting positions of Net Power Inc., and the IRS or another taxing authority may challenge, which a court may sustain, all or any part of the tax basis increases, as well as other tax positions that we take. In the event that any tax benefits that we initially claim are disallowed as a result of such a challenge, we would not be reimbursed for any excess payments that may previously have been made under the Tax Receivable Agreement. Rather, excess payments made to such holders will be netted against any future cash payments otherwise required to be made by us, if any, after the determination of such excess. A challenge to any tax benefits claimed by us may not arise for a number of years following the time payments are made in respect of such benefits or, even if challenged soon thereafter, such excess cash payment may be greater than the amount of future cash payments that we might otherwise be required to make under the terms of the Tax Receivable Agreement, possibly resulting in insufficient future cash payments against which to net such excess. As a result, in certain circumstances, we could make payments under the Tax Receivable Agreement in excess of our actual income or franchise tax savings, and such excess payment could materially impact our cash flows and financial condition.

Moreover, the Tax Receivable Agreement provides that, in the event that (i) we exercise our early termination rights under the Tax Receivable Agreement, (ii) certain changes of control of Net Power occur (as described in the Tax Receivable Agreement), (iii) we, in certain circumstances, fail to make a payment required to be made pursuant to the Tax Receivable Agreement by our final payment date, which non-payment continues until 30 days following receipt by us of written notice thereof, or (iv) the Tax Receivable Agreement is rejected in a case commenced under bankruptcy laws (in which case no written notice of acceleration is required), our obligations under the Tax Receivable Agreement will accelerate and we will be required to make a lump-sum cash payment to the applicable parties to the Tax Receivable Agreement equal to the present deemed value of all forecasted future payments that would have otherwise been made under the Tax Receivable Agreement, and such lump-sum payment would be based on certain assumptions that may materially overstate such present value, including those relating to our future taxable income. The lump-sum payment could be substantial and could materially exceed the actual tax benefits that we realize subsequent to such payment because such payment would be calculated assuming, among other things, that we would have certain tax benefits available to us and that we would be able to use the potential tax benefits in future years.

There may be a material negative effect on our liquidity if the payments under the Tax Receivable Agreement exceed the actual income or franchise tax savings that we realize.

Furthermore, our obligations to make payments under the Tax Receivable Agreement could also have the effect of delaying, deferring, or preventing certain mergers, asset sales, other forms of business combinations, or other changes of control.

Risks Relating to Our Organizational Structure

Net Power Inc. is a holding company and its only material asset is its interest in OpCo, and it is accordingly dependent upon distributions made by OpCo and its subsidiaries to pay taxes, make payments under the Tax Receivable Agreement and pay dividends (it being understood that we do not anticipate paying any cash dividends on the Class A Common Stock in the foreseeable future).

Net Power Inc. is a holding company with no material assets other than its ownership interest in OpCo. As a result, Net Power Inc. has no independent means of generating revenue or cash flow. Our ability to pay taxes, make payments under the Tax Receivable Agreement, and pay dividends (if any such dividend were to be paid) will depend on the financial results and cash flows of OpCo and its subsidiaries and on the distributions it receives from OpCo. Deterioration in the financial condition, earnings or cash flow of OpCo and its subsidiaries for any reason could limit or impair OpCo's ability to pay such distributions. Additionally, to the extent that Net Power Inc. needs funds and OpCo and/or any of its subsidiaries are restricted from making such distributions under applicable law or regulation or under the terms of any financing arrangements, or OpCo is otherwise unable to provide such funds, it could materially adversely affect Net Power Inc.'s liquidity and financial condition. OpCo is generally prohibited under Delaware law from making a distribution to a member to the extent that, at the time of the distribution, after giving effect to the distribution, liabilities of OpCo (with certain exceptions) exceed the fair value of its assets. OpCo's subsidiaries are generally subject to similar legal limitations on their ability to make distributions to OpCo.

OpCo is treated as a partnership for U.S. federal income tax purposes and, as such, generally is not subject to any entity-level U.S. federal income tax. Instead, taxable income is allocated to holders of OpCo Units. Accordingly, Net Power Inc. will be required to pay income taxes on its allocable share of any net taxable income of OpCo. Under the terms of the OpCo LLC Agreement, OpCo is obligated to make tax distributions to OpCo Unitholders (including Net Power Inc.), calculated at certain assumed tax rates. In addition to income taxes, Net Power Inc. also incurs expenses related to its operations, including payment obligations under the Tax Receivable Agreement, which could be significant, and some of which will be reimbursed by OpCo (excluding payment obligations under the Tax Receivable Agreement). Net Power Inc. intends to cause OpCo to make ordinary distributions on a pro rata basis and to make tax distributions to OpCo Unitholders in amounts sufficient to cover all applicable taxes, relevant operating expenses, payments under the Tax Receivable Agreement and dividends, if any, declared by Net Power Inc. However, OpCo's ability to make such distributions may be subject to various limitations and restrictions including, but not limited to, retention of amounts necessary to satisfy the obligations of OpCo and its subsidiaries and restrictions on distributions that would violate any applicable restrictions contained in OpCo's debt agreements or any applicable law or that would have the effect of rendering OpCo insolvent. To the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, such payments will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and may therefore accelerate payments under the Tax Receivable Agreement, which could be substantial.

Additionally, although OpCo generally will not be subject to any entity-level U.S. federal income tax, it may be liable under U.S. federal tax law for adjustments to its tax return, absent an election to the contrary. In the event OpCo's calculations of taxable income are incorrect, OpCo and/or its members, including Net Power Inc., in later years may be subject to material liabilities pursuant to this U.S. federal tax law and its related guidance.

We anticipate that the distributions Net Power Inc. will receive from OpCo may, in certain periods, exceed our actual tax liabilities and obligations to make payments under the Tax Receivable Agreement. The Board, in its sole discretion, may make any determination from time to time with respect to the use of any such excess cash so accumulated, which may, among other uses, be used to pay dividends on Class A Common Stock. We will have no obligation to distribute such cash (or other available cash other than any declared dividend) to stockholders.

The organizational structure of Net Power confers certain benefits upon the holders of shares of Class B Common Stock and OpCo Units (which includes the Legacy Net Power Holders) that will not benefit the holders of shares of Class A Common Stock to the same extent.

As noted in the immediately above risk factor, Net Power Inc. is a holding company with no material assets other than its ownership interest in OpCo. Subject to the obligation of OpCo to make tax distributions and to reimburse Net Power Inc. for corporate and other overhead expenses, Net Power Inc. has the right to determine whether to cause OpCo to make non-liquidating distributions, and the amount of any such distributions. If OpCo makes distributions, the holders of OpCo Units (who also hold Class B Common Stock) will be entitled to receive equivalent distributions from OpCo on a pro rata basis. However, because we must pay taxes, amounts that we may distribute as dividends to holders of Class A Common Stock are expected to be less on a per share basis than the amounts distributed by OpCo to the holders of OpCo Units on a per unit basis.

Risks Related to Governance

Concentration of ownership among the Principal Legacy Net Power Holders may prevent new investors from influencing significant corporate decisions.

Concentration of ownership among the Principal Legacy Net Power Holders may prevent new investors from influencing significant corporate decisions. The Principal Legacy Net Power Holders, if they were to act together, would be able to significantly influence all matters requiring stockholder approval, including the election and removal of directors, any merger, consolidation, sale of all or substantially all of our assets, or other significant corporate transactions. For further information, please see "*— Risks Related to our Business and Industry — Conflicts of interest may arise because several directors on the Board were designated by the Principal Legacy Net Power Holders and Sponsor."* Moreover, some of these entities may have interests different than other stockholders. For example, because many of these stockholders have held their shares for a long period, they may be more interested in selling our company to an acquirer than other investors, or they may want us to pursue strategies that deviate from the interests of other stockholders.

We are an "emerging growth company" and a "smaller reporting company" and, if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies or smaller reporting companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with certain other public companies.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act ("JOBS Act"), and we may take advantage of certain exemptions and relief from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." In particular, while we are an "emerging growth company," we will not be required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, we will be exempt from any rules that could be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotations or requiring a supplement to the auditor's report on financial statements, we will be subject to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and we will not be required to hold non-binding advisory votes on executive compensation or stockholder approval of any golden parachute payments not previously approved.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to "opt out" of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

We will remain an emerging growth company until the earlier of (i) the last day of the fiscal year (a) following the fifth anniversary of the IPO, which occurred on June 18, 2021, (b) in which we have total annual gross revenue of at least $1.235 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common equity that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, and (ii) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

The exact implications of the JOBS Act are subject to interpretation and guidance by the SEC and other regulatory agencies, and we cannot assure you that we will be able to take advantage of all of the benefits of the JOBS Act. In addition, investors may find the Class A Common Stock less attractive to the extent we rely on the exemptions and relief granted by the JOBS Act. If some investors find the Class A Common Stock less attractive as a result, there may be a less active trading market for the Class A Common Stock and our stock price may decline or become more volatile.

Additionally, we are a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (i) the market value of our common equity held by non-affiliates exceeds $250 million as of the last business day of the most recently completed second fiscal quarter or (ii) the market value of our common equity held by non-affiliates exceeds $700 million as of the last business day of the most recently completed second fiscal quarter and our annual revenue in the most recent fiscal year completed before the last business day of such second fiscal quarter exceeded $100 million. To the extent we take advantage of such reduced disclosure obligations, it may make comparison of our financial statements with other public companies difficult or impossible.

If we fail to maintain effective internal control over financial reporting and effective disclosure controls and procedures, we may not be able to accurately report our financial results in a timely manner or prevent fraud, and such inability may adversely affect investor confidence in our company.

Since the Closing, management has worked to implement controls and procedures required by the increased regulatory compliance and reporting requirements that are applicable to a public company, including the hiring of additional accounting and internal audit resources. When evaluating our internal control over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. If we identify any material weaknesses in our internal control over financial reporting, if we are unable to comply with the requirements of Section 404 in a timely manner or unable to assert that our internal control over financial reporting is effective or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting once we are no longer an emerging growth company, investors may lose confidence in the accuracy and completeness of our financial reports. As a result, the market price of the Class A Common Stock could be materially adversely affected.

Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for certain disputes between us and our stockholders, and such provision could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or with our directors, officers or employees.

Our Certificate of Incorporation specifies that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for most legal actions involving actions that may be brought against us by stockholders; provided that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or in the federal court sitting in the State of Delaware. Our Certificate of Incorporation also provides that the federal district courts of the U.S. are the exclusive forum for the resolution of any complaint asserting a cause of action against us or any of our directors, officers, employees or agents and arising under the Securities Act. We believe these provisions may benefit us by providing increased consistency in the application of Delaware law and federal securities laws by chancellors and judges, as applicable, particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. However, these provisions may have the effect of discouraging lawsuits against our directors and officers. The choice of forum provision requiring that the Court of Chancery of the State of Delaware be the exclusive forum for certain actions would not apply to suits brought to enforce any liability or duty created by the Exchange Act.

There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. If a court were to find these types of provisions to be inapplicable or unenforceable and if a court were to find the exclusive forum provision in our Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, and such costs could materially adversely affect our business.

The Warrant Agreement designates the courts of the State of New York or the U.S. District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated

by holders of our warrants, which could limit the ability of warrant holders to obtain a favorable judicial forum for disputes with our company.

The Warrant Agreement provides that, subject to applicable law, (i) any action, proceeding or claim against us arising out of or relating in any way to the Warrant Agreement will be brought and enforced in the courts of the State of New York or the U.S. District Court for the Southern District of New York and (ii) we irrevocably submit to such jurisdiction, which will be the exclusive forum for any such action, proceeding or claim. We will waive any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum.

Notwithstanding the foregoing, these provisions of the Warrant Agreement do not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the U.S. are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any of our warrants will be deemed to have notice of and to have consented to the forum provisions in the Warrant Agreement. Investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder.

If any action, the subject matter of which is within the scope of the forum provisions of the Warrant Agreement, is filed in a court other than a court of the State of New York or the U.S. District Court for the Southern District of New York (a "foreign action") in the name of any holder of our warrants, such holder will be deemed to have consented to: (x) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an "enforcement action") and (y) having service of process made upon such warrant holder in any such enforcement action by service upon such warrant holder's counsel in the foreign action as agent for such warrant holder.

This choice-of-forum provision may limit a warrant holder's ability to bring a claim in a judicial forum that it finds favorable for disputes with our company, and, therefore, the provision may discourage such lawsuits. Alternatively, if a court were to find this provision of the Warrant Agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, and such costs could materially and adversely affect our business, financial condition and results of operations and could result in a diversion of the time and resources of our management and Board.

Delaware law and our governing documents contain certain provisions, including anti-takeover provisions, that limit the ability of stockholders to take certain actions and that could delay or discourage takeover attempts that stockholders may consider favorable.

Delaware law and our governing documents contain provisions that could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by the Board and, therefore, could depress the trading price of the Class A Common Stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of the Board. Among other things, our governing documents include provisions regarding:

- the ability of the Board to issue shares of preferred stock, including "blank check" preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval because such ability could be used to significantly dilute the ownership of a hostile acquirer;
- the limitation of the liability of and the indemnification of our directors and officers;
- a prohibition on stockholder action by written consent, thereby forcing stockholder action to be taken at an annual or special meeting of stockholders after such date and possibly delaying the ability of stockholders to force consideration of a stockholder proposal or to take action, including the removal of directors;
- the requirement that a special meeting of stockholders may be called only by the Chief Executive Officer, the Chairman of the Board or the Board, possibly delaying the ability of stockholders to force consideration of a proposal or to take action, including the removal of directors;
- controlling the procedures for the conduct and scheduling of Board and stockholder meetings;
- the ability of the Board to amend our Bylaws, possibly allowing the Board to take additional actions to prevent an unsolicited takeover and to inhibit the ability of an acquirer to amend our Bylaws to facilitate an unsolicited takeover attempt; and

- advance notice procedures with which stockholders must comply to nominate candidates to the Board or to propose matters to be acted upon at a stockholders' meeting, possibly precluding stockholders from bringing matters before annual or special meetings of stockholders, delaying changes in the Board and discouraging or deterring a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or to otherwise attempt to obtain control of the Company.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in the Board or in its management.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We regularly assess cybersecurity risks to our systems, applications, and infrastructure; have established capabilities and corresponding processes to monitor our information systems for potential vulnerabilities and threats; and implement controls pursuant to our cybersecurity policies, processes, and practices. To protect our information systems from cybersecurity threats, we use various security tools and services that are designed to help identify, escalate, investigate, resolve, and recover from security incidents in a timely manner. In addition, we have a dedicated security operations center that performs 24x7 threat monitoring of our systems and environment. We have also developed a third-party cybersecurity risk management process to conduct due diligence on external entities, including those that perform cybersecurity services.

Cybersecurity threats, including those resulting from any previous cybersecurity incidents, have not materially affected our Company, including our business strategy, results of operations, or financial condition. However, we face certain ongoing risks from cybersecurity threats that, if realized, have the potential to materially affect our operations and, therefore, our results of operations and/or financial condition.

For more information about these risks, refer to the risk factor captioned "*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*." in Part I, Item 1A. "*Risk Factors.*".

Governance

Our Board oversees our risk management process, including as it pertains to cybersecurity risks, directly and through its committeesThe Audit Committee of the Board oversees our risk management program, which focuses on the most significant risks to our business. Audit Committee meetings include discussions of specific risk areas throughout the year, including, among others, those relating to cybersecurity threats. The Audit Committee reviews our cybersecurity risk profile with management on a periodic basis using key performance and/or risk indicators. These key performance indicators are metrics and measurements designed to assess the effectiveness of our cybersecurity program in the prevention, detection, mitigation, and remediation of cybersecurity incidents.

We take a risk-based approach to cybersecurity and have implemented cybersecurity policies throughout our operations that are designed to address cybersecurity threats and risks incidents. The Company's Chief Information Officer is responsible for the establishment and maintenance of our cybersecurity program, as well as the assessment and management of cybersecurity risks. The current Chief Information Officer and his team have over 40 years of experience in information security and possess the requisite education, skills, experience, and industry certifications expected of individuals assigned to these duties. The Chief Information Officer provides regular updates on our cybersecurity risk profile to the Audit Committee of our Board.

Item 2. Properties

Our corporate offices are in Durham, North Carolina, where we lease approximately 12,000 square feet under a lease that expires in December 2028, and in Houston, Texas, where we lease approximately 9,800 square foot under a lease that commenced in July 2024. The Houston office lease has an initial lease term of 68 months with an option to extend the term for an additional five years. Most of the facilities are used for our research and development and corporate operations.

Our Demonstration Plant is in La Porte, Texas, where we lease approximately 218,900 square feet of land from Air Liquide under a lease that expires on the earlier of (i) January 31, 2031 and (ii) the termination of our oxygen supply agreement with Air Liquide, pursuant to which Air Liquide supplies oxygen for our use at the Demonstration Plant. The term of the oxygen supply agreement is perpetual but may be terminated by us or by Air Liquide upon 30 days' written notice.

We believe these facilities are adequate to meet our current needs. However, in order to accommodate anticipated growth, we may need to seek additional facilities.

Item 3. Legal Proceedings

None.

Item 4. Mine Safety Disclosures

Not applicable.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Market Information for Common Stock

Our Class A Common Stock has been listed and is traded on the New York Stock Exchange ("NYSE") under the symbol "NPWR" since the closing of the Business Combination. Prior to the Business Combination, Class A shares of RONI traded on the NYSE under the symbol "RONI." There is no established public trading market for our Class B Common Stock.

Holders of Common Stock

At March 6, 2025 we had 50 stockholders of record of common stock. The actual number of holders of our Class A common stock is greater than the number of record holders, and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers or other nominees. The number of holders of record present here also do not include stockholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock, and we do not currently intend to pay any cash dividends for the foreseeable future. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our common stock will be made at the discretion of the Board and will depend upon, among other factors, our financial condition, operating results, current and anticipated cash needs, plans for expansion and other factors that the Board may deem relevant.

Unregistered Sales of Equity Securities and Issuer Purchases of Equity Securities

Unregistered Sales of Equity Securities

On November 20, 2024, we issued 1,030,154 shares of Class B Common stock and OpCo issued 1,030,154 Class A units to BHES as payment for costs incurred pursuant to the Amended and Restated JDA during the third quarter of 2024. See "*Partnerships — License Agreement and Joint Development Agreement with Baker Hughes"* in Part I, Item 1 "Business" for information regarding the Amended and Restated JDA. The issuances by the Company and OpCo were exempt from registration under the Securities Act by virtue of Section 4(a)(2) of the Securities Act. These transactions did not involve any public offering, any underwriters, any underwriting discounts or commissions, or any general solicitation or advertising.

Issuer Purchases of Equity Securities

There were no repurchases of equity securities during the year ended December 31, 2024.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following management's discussion and analysis ("MD&A") provides information that management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition and includes forward-looking statements that involve risks, uncertainties and assumptions. This section should be read in conjunction with Part I of this Annual Report on Form 10-K, the consolidated financial statements and related notes included in Part II Item 8 in this Annual Report on Form 10-K and the section titled "Cautionary Note Regarding Forward-Looking Statements" included in the forepart in this Annual Report on Form 10-K.

Unless the context otherwise requires, all references in this section to "Net Power," "we," "us," or "our" and the "Company" refer to the business of Net Power Inc. and its subsidiaries. Additional terms used herein are defined in the section entitled "Certain Defined Terms" and elsewhere in this Report.

Overview

We are a clean energy technology company that has developed a unique power generation system (the "Net Power Cycle") that can produce clean, reliable, and affordable electricity from natural gas while capturing virtually all atmospheric emissions. The Net Power Cycle is designed to inherently capture CO_2 and eliminate air pollutants such as SO_X, NO_X, and particulates.

The Business Combination

On December 13, 2022, Net Power, LLC entered into the Business Combination Agreement with RONI, RONI OpCo, Buyer, and Merger Sub. Pursuant to the Business Combination Agreement, Merger Sub merged with and into Net Power, LLC with Net Power, LLC surviving the merger as a wholly owned subsidiary of Buyer. Upon the consummation of the Business Combination on June 8, 2023, RONI was renamed Net Power Inc. Following the Closing, Net Power Inc. is considered an umbrella partnership, C corporation or "Up-C" structure, whereby all of the equity interests in Net Power, LLC are held by OpCo, and Net Power Inc.'s only assets are its equity interests in OpCo.

OpCo is considered a variable interest entity with Net Power Inc. serving as its primary beneficiary. Net Power Inc. was determined to be the primary beneficiary of Net Power, LLC because it is the sole managing member of OpCo with the power to control the most significant activities of Net Power, LLC, while also having an economic interest that provides it with the ability to participate significantly in Net Power, LLC's benefits and losses. As a result, Net Power, LLC was treated as the "acquired" company for financial reporting purposes. Accordingly, for accounting purposes, the Business Combination represents an acquisition of a business and Net Power, LLC's identifiable assets acquired, liabilities assumed, and any non-controlling interests were measured at their estimated fair value on the acquisition date.

As a result of the Business Combination, the Company's financial statement presentation distinguishes Net Power, LLC as the "Predecessor" through June 7, 2023 (the "Predecessor Period") and Net Power Inc. as the "Successor" for periods after the Closing Date (the "Successor Period"). Revenue and earnings after the date of the Business Combination are shown in the Successor Period on the consolidated statements of operations and comprehensive loss. As a result of the application of the acquisition method of accounting in the Successor Period, the consolidated financial statements for the Successor Period are presented on a full step-up basis; therefore, Successor Period consolidated financial statements are not comparable to the consolidated financial statements of the Predecessor Period, which are not presented on the same full step-up basis.

Key Factors Affecting Our Prospects and Future Results

We believe that our performance and future success depend on a number of factors that present significant opportunities for us but also pose risks and challenges, including, but not limited to, cost over-runs in the testing and operation of the Demonstration Plant and future utility-scale plants, technical problems with the Net Power Cycle, that could impact performance, potential supply chain issues, and development of competing clean-energy technology sooner or at a lesser cost than the Net Power Cycle. Supply chain issues related to the manufacturing and transportation of key equipment may lead to a delay in our commercialization efforts, which could impact our results of operations.

Commencing Commercial Operations

Over the next several years, Net Power plans to conduct additional research and equipment validation testing campaigns at its Demonstration Plant. Additionally, Net Power began purchasing initial long-lead materials for SN1 in 2024 with the intention of locating SN1 in the Permian Basin of West Texas ("Project Permian"). However, after completing the FEED process in December 2024, the initial cost estimates were higher than originally anticipated, In response, during the first quarter of 2025, Net Power commenced a post-FEED optimization and value engineering process. In March 2025, the

Company suspended further long lead equipment releases but value engineering and certain development work remains in progress. Provided we are successful in our value engineering process, the project would come online no earlier than 2029. We are focused on delivering a project that will catalyze future adoption for utility-scale customers.

Major remaining development activities relating to completing construction of our first utility-scale plant are similar to the activities we previously undertook to design, build, and commission the Demonstration Plant. These activities include: finalizing all permitting, supply and off-take contracts, and obtaining the financing required to achieve FID, initiating the EPC process, and constructing and commissioning the facility.

Key Components of Results of Operations

We are a development stage company and our historical results may not be indicative of our future results. Accordingly, the drivers of our future financial results, as well as the components of such results, may not be comparable to our historical or future results of operations

Results of Operations

Comparison of the Year Ended December 31, 2024 (Successor) to the Periods From January 1, 2023 Through June 7, 2023 (Predecessor) and June 8, 2023 Through December 31, 2023 (Successor)

The following table sets forth our condensed results of operations data for the periods presented:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Revenue	$ 250	$ —	$ 175
Cost of revenue	31	—	3
Gross profit	219	—	172
Operating expenses			
General and administrative	30,267	41,344	12,861
Sales and marketing	3,865	1,791	869
Research and development	63,853	25,722	14,311
Project development	1,932	625	479
Option settlement - related party	—	79,054	—
Depreciation, amortization, and accretion	81,623	44,974	5,802
Total operating expenses	181,540	193,510	34,322
Operating loss	(181,321)	(193,510)	(34,150)
Other income (expense)			
Interest income (expense)	31,389	19,473	(30)
Change in Earnout Shares liability and Warrant liability	(25,656)	26,515	—
Other income (expense)	364	(1)	4
Net other income	6,097	45,987	(26)
Net loss before income tax	(175,224)	(147,523)	(34,176)
Income tax benefit	10,580	5,707	—
Net loss after income tax	(164,644)	(141,816)	(34,176)
Net loss attributable to non-controlling interests	(115,453)	(98,760)	—
Net loss attributable to Net Power Inc.	$ (49,191)	$ (43,056)	$ (34,176)

Revenue

We have generated small amounts of revenue through various contracts with potential future license customers for access to testing results, other data and feasibility studies. We have also generated revenue for conducting syngas testing at our Demonstration Plant. Revenue increased by $75 thousand, or 43%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor).

General and administrative

General and administrative expenses decreased by $23.9 million, or 44%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). This decrease was primarily due to $16.6 million in costs related to the Business Combination along with additional one-time professional service fees as a result of becoming a public company as these costs did not recur in 2024. This decrease was partially offset by an increase in corporate headcount.

Sales and marketing

Sales and marketing expenses consist primarily of personnel-related costs, consultants and information technology costs directly associated with our sales and marketing activities, which include general publicity efforts for the Company. Sales and marketing expenses increased by $1.2 million, or 45%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). This increase was primarily attributable to increased headcount and engagement of external consultants to support increased marketing activities.

Research and development

Research and development ("R&D") expenses consist primarily of labor expenses and fees paid to third parties working on and testing specific aspects of our technology, including testing at our Demonstration Plant and development activities under the BHES JDA. R&D expenses increased by $23.8 million, or 60%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). This increase was primarily due to the timing of development activities under the BHES JDA and increased activity at the Demonstration Plant due to the commencement of testing campaign in the fourth quarter of 2024.

Project development

Project development expenses consist of labor expenses and fees paid to third parties developing commercial scale projects. Project development expenses increased by $0.8 million, or 75%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). This increase was due to increased headcount related to the development of a utility-scale facility and costs related to future projects.

Option settlement - related party

Option settlement expense of $79.1 million for the period from June 8, 2023 through December 31, 2023 (Successor) was related to a one-time cost for settlement of an option agreement in connection with the close of the Business Combination.

Depreciation, amortization, and accretion

Our depreciation, amortization, and accretion expenses consist primarily of depreciation on our Demonstration Plant and amortization of intangible assets. Depreciation, amortization, and accretion expense increased by $30.8 million, or 61%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). As a result of the Business Combination, we adjusted the value of acquired assets to fair value, which resulted in a significant increase in intangible assets for internally developed technology and the Demonstration Plant. These increases resulted in an increase in related amortization and depreciation expense in the Successor Period.

Interest income (expense)

Interest income (expense) increased by $11.9 million, or 61%, for the year ended December 31, 2024 (Successor), as compared to amounts for the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). Interest income increased due to a higher average cash balance in the Successor Period as a result of the Business Combination which was deployed into fixed income securities and interest-bearing short-term investments. The higher cash and investment balances were outstanding for a longer period during the year ended December 31, 2024 (Successor) as compared to prior periods.

Change in Earnout Shares liability and Warrant liability

The change in Earnout Shares liability and Warrant liability was $52.2 million, for the year ended December 31, 2024 (Successor), as compared to the period from June 8, 2023 through December 31, 2023 (Successor). This decrease is

primarily due to the change in the fair value of the Private Placement Warrants and Public Warrants, which was driven by changes in our stock price. Our stock price decreased from $13.12 per share at June 8, 2023 to $10.10 per share at December 31, 2023, and then increased to $10.59 per share at December 31, 2024. The valuations were also impacted by increasing volatility assumptions. These changes were partially offset by fewer Earnout Shares outstanding during 2024 as the first two tranches were earned in 2023.

Income tax benefit

Our income tax benefit increased by $4.9 million for the year ended December 31, 2024 (Successor), as compared to amounts for the period from June 8, 2023 through December 31, 2023 (Successor). The increase in the income tax benefit is due to a higher net loss, a higher research and development tax credit in 2024 and finalizing deferred taxes as of the Closing Date of the Business Combination during the year ended December 31, 2024 (Successor). There was no tax provision for the period from January 1, 2023 through June 7, 2023 (Predecessor) as the entity was considered a pass-through entity for tax purposes.

Liquidity and Capital Resources

Our principal sources of liquidity are cash and investments on hand, which are short-term in duration and highly liquid. Historically, our sources of liquidity have also included raising additional capital through the sale of ownership interests. We will need to raise additional capital to fund our first utility-scale project, which may include project-level debt and equity securities as well as corporate-level equity securities. We measure liquidity in terms of our ability to fund the cash requirements of our R&D activities and our near-term business operations, including our contractual obligations and other commitments. Our current liquidity needs primarily involve R&D activities for the ongoing development of our technology, general and administrative costs, and expenditures to purchase long-lead items related to our first commercial scale facility.

The following table summarizes our liquidity position as of the dates indicated:

	December 31,	
$ in thousands	**2024**	**2023**
Cash and cash equivalents	$ 329,230	$ 536,927
Available-for-sale investments[1]	100,972	—
Short-term investments	100,000	100,000
Total liquidity	$ 530,202	$ 636,927

(1) $22.6 million of these investments are classified as long-term on our consolidated balance sheet.

As of December 31, 2024, we had short-term investments totaling $100 million, which was comprised of a single three-month certificate of deposit custodied by a domestic banking institution. Additionally, our current liabilities were $17.9 million and $12.0 million at December 31, 2024 and December 31, 2023, respectively. The decrease in our liquidity position is primarily a result of cash used to prepare the Demonstration Facility for the testing campaign that commenced in the fourth quarter 2024, progress on our first commercial-scale facility as we continued FEED and released long-lead items, R&D expenses, and general corporate expenses.

We believe we have the ability to manage our operating costs, including R&D expenses, such that our existing cash, cash equivalents and short-term investments will be sufficient to fund our obligations for the next 12 months following the filing of this Annual Report on Form 10-K. We believe that our current sources of liquidity on hand should be sufficient to fund our general corporate operating expenses as we work to commercialize our technology, but certain costs are not reasonably estimable at this time and will likely require additional funding. More specifically, we will likely require additional funding in order to successfully construct our first utility-scale plant and to originate additional Net Power plant opportunities.

Cash Flow Summary

The following table shows our cash flows from operating activities, investing activities and financing activities for the presented periods:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Net cash used in operating activities	$ (31,649)	$ (38,379)	$ (10,623)
Net cash used in investing activities	$ (168,673)	$ (101,269)	$ (2,431)
Net cash (used in) provided by financing activities	$ (4,929)	$ 319,556	$ 15,836

Operating Activities

Cash used in operating activities decreased by $17.4 million for the year ended December 31, 2024 compared to the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). Our net cash used in operating activities to date have been primarily comprised of payroll, material and supplies, facilities expense, and professional services related to R&D and general and administrative activities. In 2023, we experienced an increase in costs associated with achieving and maintaining our public company status. Excluding the one-time costs associated with becoming a public company, our operating expenses have been increasing over time due to growing headcount and advancing our technology towards commercialization. As we continue to add employees and further advance our technology towards commercialization, we expect our cash used in operating and investing activities to continue to increase before we start to generate any material cash inflows from our operations.

Investing Activities

During the year ended December 31, 2024, net cash used in investing activities decreased by $65.0 million compared to the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). Our cash used in investing activities for the year ended December 31, 2024 primarily reflects the investment of a portion of the proceeds received from the PIPE financing in investment grade fixed income securities and capital expenditures related to our Demonstration Plant and long-lead items for our first utility scale plant.

Financing Activities

Our cash from financing activities decreased by $340 million for the year ended December 31, 2024 compared to the combined periods from January 1, 2023 through June 7, 2023 (Predecessor) and June 8, 2023 through December 31, 2023 (Successor). The decrease was driven by proceeds from the PIPE Financing, less transaction expenses and shareholder redemptions during 2023. In addition, during the fourth quarter of 2024, the Company made a tax-related partnership distribution of $4.8 million.

Commitments and Contractual Obligations

Asset Retirement Obligation

We hold a lease for the approximately 218,900 square feet of land under the Demonstration Plant from Air Liquide at a rate of one dollar per year. In addition, we have an oxygen supply agreement with the lessor to supply oxygen to the Demonstration Plant. The lease expires on the earlier of (i) January 1, 2031 and (ii) the termination of our oxygen supply agreement with the lessor. The term of the oxygen supply agreement expires on January 1, 2030 with automatic 12-month renewal terms. The oxygen supply agreement may be terminated by us or by the lessor upon 24 months' written notice prior to the expiration date of its current term. The underlying lease requires the removal of all equipment and the obligation to restore the land to post-clearing grade level, which has resulted in the recognition of an asset retirement obligation liability of $3.3 million and $2.1 million as of December 31, 2024 and 2023, respectively. During the year ended December 31, 2024, the Company made a $996 thousand revision to the estimate related to this asset retirement obligation.

Leases

The Company leases corporate office space in Durham, North Carolina, and Houston, Texas. The lease for the Company's corporate office space in Houston, Texas commenced July 11, 2024. The Company also executed a land lease agreement

with a subsidiary of Occidental Petroleum, a related party, on March 8, 2024 for land in West Texas. The land lease commenced on December 1, 2024.

On June 26, 2024, the Company entered into a lease agreement for two office trailers at the Demonstration Plant in La Porte, Texas, with an effective date of September 1, 2024. The lease has a term of 24 months and contains a purchase option whereby the Company may purchase the trailers at the end of the lease term; therefore, the Company classified the lease as a finance lease.

During August 2023, we agreed with our landlord to terminate our prior office space agreement in Durham, North Carolina ahead of its scheduled term and enter into a lease for a new office space, also located in Durham, North Carolina. The lessors of both office spaces have common ownership and are considered related parties to each other; therefore, the simultaneous termination of the old lease and execution of the new lease represent a single transaction accounted for as a modification of the original office lease, which resulted in the re-measurement of the original lease over its amended term. On October 6, 2023, the Company formally relocated to the office space governed by the new lease arrangement. As of December 31, 2024, future minimum lease payments attributable to our operating and finance lease arrangements are expected to equal $3.4 million and $331 thousand, respectively.

Joint Development Agreement

We have committed to funding a portion of the remaining development costs incurred under the BHES JDA through a combination of cash and equity. The BHES JDA's total value is $140 million. As of December 31, 2024, we recognized approximately $31.9 million of inception-to-date cash expenses and approximately $31.9 million of inception-to-date share-based expenses related to the BHES JDA. The share-based expense excludes$8.0 million of realized loss on share issuance.

Off-Balance Sheet Arrangements

As of December 31, 2024 and 2023, we have not engaged in any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Capital Commitments

As of December 31, 2024, we have gross purchase commitments of$134 million related to certain components of industrial machinery for use at our Demonstration Plant and at our first utility-scale plant. We recognize portions of these commitments on our balance sheet as portions become payable per contract milestones.

Critical Accounting Policies and Estimates

Our financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. ("US GAAP"). Preparation of the financial statements requires our management to make a number of judgments, estimates and assumptions relating to the reported amounts of expenses, assets, and liabilities and the disclosure of contingent assets and liabilities. We consider an accounting judgment, estimate or assumption to be critical when (1) the estimate or assumption is complex in nature or requires a high degree of judgment and (2) the use of different judgments, estimates, and assumptions could have a material impact on our financial statements. Our significant accounting policies are described in Note 2 — Significant Accounting Policies in our consolidated financial statements included in Part II, Item 8 of this Annual Report.

Business Combinations

We account for business acquisitions in accordance with Accounting Standards Codification ("ASC") Topic 805,*Business Combinations*. We measure the cost of an acquisition as the aggregate of the acquisition date fair values of the assets acquired and liabilities assumed and equity instruments issued. Transaction costs directly attributable to the acquisition are expensed as incurred. We record goodwill for the excess of (i) the total costs of acquisition, fair value of any non-controlling interests and acquisition date fair value of any previously held equity interest in the acquired business over (ii) the fair value of the identifiable net assets of the acquired business.

We believe accounting for business combinations is a critical accounting estimate because the acquisition method of accounting requires management to exercise significant judgment and make estimates and assumptions based on available information regarding the fair values of the elements of a business combination as of the date of acquisition, including the fair values of identifiable intangible assets. We refine these estimates over a one-year measurement period, to reflect any new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If we are required to retroactively adjust provisional

amounts that we have recorded for the fair value of assets and liabilities in connection with an acquisition, these adjustments could materially impact our results of operations and financial position in the period the amounts are finalized.

Estimates and assumptions that we made in estimating the fair value of acquired developed technology include future cash flows that we expect to generate from the acquired assets. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, we could record impairment charges. In addition, we have estimated the economic lives of certain acquired assets and these lives are used to calculate depreciation and amortization expense applicable to those assets. If our estimates of the economic lives change, depreciation or amortization expenses could be accelerated or decelerated, which could materially impact our results of operations. An estimate of the sensitivity to changes in our assumptions is not practicable given the numerous assumptions that can materially affect our estimates.

Goodwill

We recognize goodwill in accordance with ASC Topic 350, *Goodwill and Other Intangible Assets*. Goodwill represents the excess cost of an acquired entity over the fair value amounts assigned to assets acquired and liabilities assumed in a business combination. Goodwill is not amortized, but rather tested for impairment annually on October 1 or whenever events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable. Among the factors that could trigger an impairment review are current operating results that do not align with our annual plan or historical performance; changes in our strategic plans or the use of our assets; restructuring charges or other changes in our reporting units; competitive pressures and changes in the general economy or in the markets in which we operate; or a sustained significant decline in our stock price and market capitalization. An impairment charge for goodwill is recognized only when the estimated fair value of a reporting unit, including goodwill, is less than its carrying amount. As of December 31, 2024, no impairment charges for goodwill have been recognized.

We believe evaluating the recoverability of goodwill is a critical accounting estimate because it requires management to make judgments and assumptions regarding future trends and events. As a result, both the precision and reliability of our estimates are subject to uncertainty. Among the factors that we consider in our qualitative assessment are general economic conditions and the competition present within our business environment; actual and projected reporting unit financial performance; forward-looking business measurements; and external market assessments. An estimate of the sensitivity to changes in our assumptions is not practicable given the numerous assumptions that can materially affect our estimates.

Earnout Shares and Public Warrants

The fair values of the liabilities for the Earnout Shares and the Public Warrants were determined using Monte Carlo simulations that have various significant unobservable inputs. We believe these valuations are critical accounting estimates because management is required to make assumptions that could have a material impact on the valuation of these liabilities, which include our best estimate of expected volatility and expected holding periods. When estimating expected volatility, management incorporates volatility of comparable public companies and the Company's own volatility. Changes in the estimated fair values of these liabilities may have material impacts on our results of operations in any given period, as any increases in these liabilities have a corresponding negative impact on our results of operations in the period in which the changes occur and vice versa. An estimate of the sensitivity to changes in our assumptions is not practicable given the numerous assumptions that can materially affect our estimates.

Income Taxes

We believe income taxes are critical accounting estimates because significant judgment is required in assessing the recoverability of our deferred tax assets from future taxable income and the timing of reversing temporary differences. Additionally, accounting for uncertain tax positions requires management to make judgements regarding the likelihood the position will be sustained based on its technical merits.

As managing member of OpCo, Net Power Inc. consolidates the financial results of OpCo in its consolidated financial statements. OpCo represents a pass-through entity for income tax purposes. As a pass-through entity, OpCo is not subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by OpCo is passed through to its members, including Net Power Inc., which is taxed as a corporation that pays corporate federal, state and local taxes with respect to income allocated from OpCo. A change to future taxable income or tax planning strategies could impact our ability to utilize deferred tax assets, which would increase or decrease our income tax expense and taxes paid. An estimate of the sensitivity to changes in our assumptions is not practicable given the numerous assumptions that can materially affect our estimates.

Equity-Based Compensation and Fair Value of Shares

We believe that equity-based compensation is a critical accounting estimate because the assumptions underlying management's estimates involve inherent uncertainties and require the application of significant judgment.

We recognize the cost of equity-based awards granted to our employees and directors based on the estimated grant-date fair value of the awards. Cost is recognized on a straight-line basis over the service period, which is generally the vesting period of the award.

Predecessor Period

Prior to the Business Combination, we determined the fair value of equity awards using the Black-Scholes option pricing model, which was impacted by the following assumptions:

- Expected Term—We used the expected term to liquidity, which was generally the vesting period of the award.
- Expected Volatility—Volatility was based on a benchmark of comparable companies.
- Expected Dividend Yield—The dividend rate used was zero as we have never paid any cash dividends and did not anticipate doing so in the foreseeable future.
- Risk-Free Interest Rate—The interest rates used were based on the implied yield available on U.S. Treasury zero-coupon issues with an equivalent remaining term equal to the expected life of the award.

Prior to the Business Combination, there was no public market for our equity instruments and, as a result, the estimated fair value of our equity has historically been determined by the Net Power, LLC board of directors as of the grant date with input from management, considering our most recently available third-party valuations of equity and the Net Power, LLC board of directors' assessment of additional objective and subjective factors that the Net Power, LLC board believed were relevant and that may have changed from the date of the most recent valuation through the date of grant. We engaged an independent third-party valuation specialist to perform contemporaneous valuations of our equity. The valuations were performed in accordance with the guidance outlined in the American Institute of Certified Public Accountants ("AICPA"), *Practice Aid, Valuation of Privately-Held Company Equity Securities Issued as Compensation*. The independent third-party valuation specialist considered all objective and subjective factors that it believed to be relevant for each valuation conducted in accordance with AICPA's Practice Aid, including our best estimate of our business condition, prospects, and operating performance at each valuation date. Other significant factors included:

- Our results of operations and financial position;
- Our stage of development and business strategy and the material risks related to our business and industry;
- The lack of liquidity of our equity;
- The valuation of publicly traded peer companies; and
- The likelihood of achieving a liquidity event for the holders of our ownership shares and equity awards, given prevailing market conditions.

An estimate of the sensitivity to changes in our assumptions is not practicable given the numerous assumptions that can materially affect our estimates.

Successor Period

We measure share-based awards at their grant-date fair value and record compensation expense on a straight-line basis over the vesting periods of the awards. Share-based compensation expense is adjusted for actual forfeitures of unvested awards as they occur.

The estimated grant date fair value of our stock options and market-based awards are determined using the Monte Carlo Simulation. The assumptions used to calculate the fair value of these awards were:

- Expected Term—We used the expected term to liquidity, which was generally the vesting period of the award.
- Expected Volatility—Volatility was based on a benchmark of comparable companies.
- Risk-Free Interest Rate—The interest rates used were based on the implied yield available on U.S. Treasury zero-coupon issues with an equivalent remaining term equal to the expected life of the award.

An estimate of the sensitivity to changes in our assumptions is not practicable given the numerous assumptions that can materially affect our estimates.

Emerging Growth Company Accounting Election

Section 102(b)(1) of the JOBS Act exempts emerging growth companies ("EGCs") from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect not to take advantage of the extended transition period and comply with the requirements that apply to non-EGCs, and any such election to not take advantage of the extended transition period is irrevocable. We expect to be an EGC at least through the end of 2025 and will have the benefit of the extended transition period. We intend to take advantage of the benefits of this extended transition period.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

Item 8. Financial Statements and Supplementary Data

Our consolidated financial statements required by this Item are set forth in Item 15 of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements with Accounts on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that information is recorded, processed, summarized and reported accurately and on a timely basis. Under the guidance and involvement of the Company's Chief Executive Officer and Chief Financial Officer, management has assessed the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this assessment, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of December 31, 2024.

Management's Annual Report on Internal Control over Financial Reporting

The Company is responsible for establishing and maintaining effective internal control over financial reporting (as defined by Exchange Act Rules 13a-15(f)). The Company and has designed such internal control over financial reporting, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Further, because of changes in conditions, the effectiveness of internal control over financial reporting may vary over time.

Under management's supervision and participation, the Company evaluated the effectiveness of our disclosure controls and procedures based on the 2013 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based upon this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2024.

Changes in Internal Control Over Financial Reporting

During the quarter ended December 31, 2024, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

On November 29, 2024, Brian Allen, our President and Chief Operating Officer, adopted a "Rule 10b5-1 trading arrangement" (as such term is defined in Item 408(a) of Regulation S-K) (the "Allen 10b5-1 Plan") that provides for the sale of up to the total of (a) 50,000 shares of Class A Common Stock plus (b) the net number of shares of Class A common stock to be issued upon the vesting of 12,538 RSUs in April 2025. Sales under the Allen 10b5-1 Plan may be made during the period beginning April 7, 2025 through February 27, 2026.

During the three months ended December 31, 2024, none of our other directors or "officers" (as such term is defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408(a) of Regulation S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

Part III

Item 10. Directors, Executive Officers, and Corporate Governance

We have adopted a Code of Ethics that applies to all of our directors and employees, including our Chief Executive Officer and all senior financial officers, including our principal financial officer, and principal accounting officer. Current copies of our Code Ethics are posted on our website at https://ir.netpower.com/governance/leadership. In addition, waivers from, and amendments to, our Code of Ethics that apply to our directors and executive officers, including our principal executive officer, principal financial officer, principal accounting officer or persons performing similar functions, will be timely posted in the Investor Relations section of our website at www.netpower.com.

The information required by this item will be included in our 2025 Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year covered by this Annual Report and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this item will be included in our 2025 Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year covered by this Annual Report and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item will be included in our 2025 Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year covered by this Annual Report and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required by this item will be included in our 2025 Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year covered by this Annual Report and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this item will be included in our 2025 Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year covered by this Annual Report and is incorporated herein by reference.

Part IV

Item 15. Exhibit and Financial Statement Schedules

(a)(1) Financial Statements: The financial statements filed as part of this report are listed on the index to financial statements on page F-1.
(a)(2) Financial Statement Schedules: All schedules have been omitted because they are not required, not applicable, not present in amounts sufficient to require submission of the schedule, or the required information is otherwise included.
(a)(3) Exhibits: The exhibits listed on the Exhibit Index are included or incorporated by reference in this report.

Exhibit Number	Description
2.1+	Business Combination Agreement, dated as of December 13, 2022, by and among Rice Acquisition Corp. II, Rice Acquisition Holdings II LLC, Topo Buyer Co, LLC, Topo Merger Sub, LLC and NET Power, LLC (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on December 14, 2022).
2.2	First Amendment to the Business Combination Agreement, dated as of April 23, 2023, by and among Topo Buyer Co, LLC and NET Power, LLC (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on April 24, 2023).
3.1	Certificate of Incorporation of NET Power Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
3.2	Bylaws of NET Power Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
4.1	Warrant Agreement, dated as of June 15, 2021, by and among Rice Acquisition Corp. II, Rice Acquisition Holdings II LLC and Continental Stock Transfer & Trust Company, as warrant agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on June 21, 2021).
4.2	Description of Securities (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K filed with the SEC on March 11, 2024).
10.1*	NET Power Inc. Amended and Restated Executive Severance Plan (incorporated by reference to Exhibit 10.1 to the Company's Annual Report on Form 10-K filed with the SEC on March 11, 2024).
10.2*	Form of Executive Plan Participation Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on August 25, 2023)
10.3	Stockholders' Agreement, dated as of June 8, 2023, by and among Rice Acquisition Corp. II, Rice Acquisition Holdings II LLC, Rice Acquisition Sponsor II LLC and the NET Power Holders (as defined therein) (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
10.4	Second Amended and Restated Limited Liability Company Agreement of NET Power Operations LLC, dated as of June 8, 2023 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
10.5	Third Amended and Restated Limited Liability Company Agreement of NET Power Operations LLC, dated as of January 17, 2025.
10.6	Tax Receivable Agreement, dated as of June 8, 2023, by and among NET Power Inc., NET Power Operations LLC, certain equityholders of NET Power Operations LLC and the Agent (as defined therein) (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
10.7*	Form of Indemnification Agreement for directors and executive officers of NET Power Inc. (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
10.8	NET Power Inc. 2023 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the SEC on June 14, 2023).
10.9	Non-Employee Director Form RSU Grant Notice and Award Agreement (incorporated by reference to Exhibit to the Company's Annual Report on Form 10-K filed with the SEC on March 11, 2024).

10.10*	Executive Form RSU Grant Notice and Agreement (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on May 13, 2024).
10.11++	Amended and Restated License Agreement, dated as of August 7, 2014, by and between NET Power, LLC and 8 Rivers Capital, LLC (incorporated by reference to Exhibit 10.12 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.12++	License Agreement, dated as of February 3, 2022, by and between NET Power, LLC and Nuovo Pignone Tecnologie S.r.l., as amended to date (incorporated by reference to Exhibit 10.14 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.13++	Ground Lease, dated as of April 14, 2015, by and between Air Liquide Large Industries U.S. LP and NET Power, LLC and Amendments No. One, Two, Three and Four thereto (incorporated by reference to Exhibit 10.16 to the Company's Form S-4/A filed with the SEC on April 24, 2023).
10.14++	Product Supply and Sales Agreement, dated as of July 1, 2015, by and between Air Liquide Large Industries U.S. LP and NET Power, LLC and Amendments No. One, Two and Three thereto (incorporated by reference to Exhibit 10.17 to the Company's Form S-4/A filed with the SEC on April 24, 2023).
10.15*	Service Provider Agreement, dated as of October 4, 2021, by and between NET Power, LLC and Akash Patel (incorporated by reference to Exhibit 10.22 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.16*	Profits Interest Share Award Agreement, dated as of October 4, 2021, by and between NET Power, LLC and Akash Patel (incorporated by reference to Exhibit 10.23 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.17*	Amendment to the Service Provider Agreement and Profits Interest Share Agreement, dated as of April 27, 2022, by and between NET Power, LLC and Akash Patel (incorporated by reference to Exhibit 10.24 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.18*	Service Provider Agreement, dated as of March 31, 2022, by and between NET Power, LLC and Brian Allen (incorporated by reference to Exhibit 10.25 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.19*	Profits Interest Share Award Agreement, dated as of March 31, 2022, by and between NET Power, LLC and Brian Allen (incorporated by reference to Exhibit 10.26 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.20*	Amendment to the Service Provider Agreement and Profits Interest Share Agreement, dated as of May 2, 2022, by and between NET Power, LLC and Brian Allen (incorporated by reference to Exhibit 10.27 to the Company's Form S-4/A filed with the SEC on February 2, 2023).
10.21+	Variation Agreement No. 2 Regarding Letter of Limited Notice to Proceed for the Purchase of KPEP Long Lead Items between NET Power, LLC and Baker Hughes Energy Services LLC, dated September 30, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 12, 2024).
10.22*	Form of Performance Stock Unit Grant Notice and Award Agreement (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 12, 2024).
10.23*	Stock Option Grant Notice and Award Agreement of Daniel J. Rice IV (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 12, 2024).
19.1	Insider Trading Policy.
21.1	Subsidiaries of the Company.
23.1	Consent of Grant Thornton LLP.
31.1	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer (Principal Financial Officer) Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer (Principal Executive Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer (Principal Financial Officer) Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

97.1	Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed with the SEC on March 11, 2024).
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

+ Certain schedules or similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to provide a copy of any omitted schedule or similar attachment to the SEC upon request.

++ Certain provisions or terms of this exhibit have been omitted pursuant to Regulation S-K Item 601(b)(10)(iv). Redactions and omissions are designated with brackets containing asterisks. The Company agrees to provide on a supplement basis an unredacted copy of the exhibit and its materiality and privacy or confidentiality analyses to the SEC upon request.

* Management contract or compensatory arrangement.

Item 16. Form 10-K Summary

None.

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.

Dated: March 10, 2025 NET Power Inc.

By: /s/ Daniel J. Rice IV
Name: Daniel J. Rice IV
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities below on March 10, 2025.

Signature	Position
/s/ Daniel J. Rice IV	Chief Executive Officer and Director
Daniel J. Rice IV	*(Principal Executive Officer)*
/s/ Akash Patel	Chief Financial Officer
Akash Patel	*(Principal Financial Officer)*
/s/ Kelly M. Rosser	Chief Accounting Officer
Kelly M. Rosser	*(Principal Accounting Officer)*
/s/ Peter J. Bennett	Chair of the Board of Directors
Peter J. Bennett	
/s/ Ralph Alexander	Director
Ralph Alexander	
/s/ J. Kyle Derham	Director
J. Kyle Derham	
/s/ Frederick A. Forthuber	Director
Frederick A. Forthuber	
/s/ Joseph T. Kelliher	Director
Joseph T. Kelliher	
/s/ Carol Peterson	Director
Carol Peterson	
/s/ Brad Pollack	Director
Brad Pollack	
/s/ Eunkyung Sung	Director
Eunkyung Sung	
/s/ Alejandra Veltmann	Director
Alejandra Veltmann	

Audited Financial Statements of NET Power Inc.

Report of Independent Registered Public Accounting Firm

Board of Directors and Shareholders

NET Power Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of NET Power Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations and comprehensive loss, shareholders' equity and mezzanine shareholders' equity, and cash flows for the year ended December 31, 2024 ("Successor") and the period from June 8, 2023 through December 31, 2023 ("Successor"), the related consolidated statements of operations and comprehensive loss, members' equity, and cash flows for the period from January 1, 2023 through June 7, 2023 ("Predecessor"), and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the year ended December 31, 2024 ("Successor"), the period from June 8, 2023 through December 31, 2023 ("Successor"), and the period from January 1, 2023 through June 7, 2023 ("Predecessor"), in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2021.

Raleigh, North Carolina
March 10, 2025

NET Power Inc.
Consolidated Balance Sheets
In thousands, except share and per share data

	December 31,	
	2024	**2023**
ASSETS		
Current assets		
Cash and cash equivalents	$ 329,230	$ 536,927
Short-term investments	100,000	100,000
Investments in securities, available-for-sale	78,344	—
Accounts receivable, net	—	58
Interest receivable	3,682	1,942
Prepaid expenses and other current assets	1,774	1,870
Total current assets	513,030	640,797
Long-term assets		
Restricted cash	2,446	—
Investments in securities, available-for-sale	22,628	—
Intangible assets, net	1,241,343	1,307,265
Goodwill	359,847	423,920
Property, plant, and equipment, net	151,470	96,856
Operating lease right-of-use assets	2,699	2,212
Other long-term assets	652	—
Total assets	$ 2,294,115	$ 2,471,050
LIABILITIES, MEZZANINE, AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 3,092	$ 617
Accrued liabilities	13,619	10,915
Due to related parties	325	142
Operating lease liabilities, current portion	683	347
Finance lease liabilities, current portion	187	—
Total current liabilities	17,906	12,021
Earnout Shares liability	1,958	1,671
Warrant liability	81,283	55,920
Asset retirement obligation	3,265	2,060
Non-current operating lease liabilities	2,125	1,808
Non-current finance lease liabilities	110	—
Tax Receivable Agreement liability	20,974	8,937
Deferred taxes	4,306	57,719
Total liabilities	131,927	140,136
Commitments and contingencies (Note 16)		

The accompanying notes are an integral part of these consolidated financial statements.

NET Power Inc.
Consolidated Balance Sheets (continued)
In thousands, except share and per share data

	December 31,	
	2024	**2023**
Mezzanine shareholders' equity		
Redeemable non-controlling interests in subsidiary	1,506,584	1,545,905
Shareholders' equity		
Preferred Stock, $.0001 par value; 1,000,000 shares authorized; no shares issued or outstanding as of December 31, 2024 and December 31, 2023	—	—
Class A Common Stock, $.0001 par value; 520,000,000 shares authorized; 76,759,855 shares issued and outstanding as of December 31, 2024 and 71,277,906 shares issued and outstanding as of December 31, 2023	8	7
Class B Common Stock, $.0001 par value; 310,000,000 shares authorized; 139,690,598 shares issued and outstanding as of December 31, 2024 and 141,787,429 shares issued and outstanding as of December 31, 2023	14	14
Additional paid-in capital	771,594	851,841
Accumulated other comprehensive loss	32	—
Accumulated deficit	(116,044)	(66,853)
Total shareholders' equity	655,604	785,009
Total liabilities, mezzanine shareholders' equity and shareholders' equity	$ 2,294,115	$ 2,471,050

The accompanying notes are an integral part of these consolidated financial statements.

NET Power Inc.
Consolidated Statements of Operations and Comprehensive Loss
In thousands, except share, unit, per share and per unit data

	Successor		Predecessor
	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Revenue	$ 250	$ —	$ 175
Cost of revenue	31	—	3
Gross profit	219	—	172
Operating expenses			
General and administrative	30,267	41,344	12,861
Sales and marketing	3,865	1,791	869
Research and development	63,853	25,722	14,311
Project development	1,932	625	479
Option settlement – related party	—	79,054	—
Depreciation, amortization, and accretion	81,623	44,974	5,802
Total operating expenses	181,540	193,510	34,322
Operating loss	(181,321)	(193,510)	(34,150)
Other income (expense)			
Interest income (expense)	31,389	19,473	(30)
Change in Earnout Shares liability and Warrant liability	(25,656)	26,515	—
Other income (expense)	364	(1)	4
Net other income (expense)	6,097	45,987	(26)
Net loss before income tax	(175,224)	(147,523)	(34,176)
Income tax benefit	10,580	5,707	—
Net loss after income tax	(164,644)	(141,816)	(34,176)
Net loss attributable to non-controlling interests	(115,453)	(98,760)	—
Net loss attributable to NET Power Inc.	$ (49,191)	$ (43,056)	$ (34,176)
Other comprehensive income			
Unrealized gain on investments, net of taxes of $ 23 thousand	139	—	—
Total other comprehensive income	139	—	—
Comprehensive loss	(164,505)	(141,816)	(34,176)
Comprehensive loss attributable to non-controlling interests	(115,346)	(98,760)	—
Comprehensive loss attributable to NET Power Inc.	$ (49,159)	$ (43,056)	$ (34,176)
Loss per share of Class A Common Stock (Successor) or per membership interest (Predecessor), basic and diluted	$ (0.67)	$ (0.62)	$ (9.07)
Weighted average shares of Class A Common Stock or membership interests, basic and diluted	73,396,761	69,755,848	3,766,871

The accompanying notes are an integral part of these consolidated financial statements.

NET Power Inc.
Consolidated Statements of Shareholders' Equity and Mezzanine Shareholders' Equity
In thousands, except share data

	Class A Common Stock		Class B Common Stock		Class A Ordinary Shares		Class B Ordinary Shares		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity	Non-controlling Interests	RONI Class A Ordinary Shares		Total Mezzanine Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount						Shares	Amount	
Balance at June 8, 2023	—	$ —	—	$ —	2,500	$ —	8,625,000	$ 1	$ —	$ —	$ (98,966)	$ (98,965)	$ —	34,500,000	$ 356,318	$ 356,318
Sponsor forfeiture of RONI Class B ordinary shares and reservation of earnout shares	—	—	—	—	—	—	(1,986,775)	—	—	—	—	—	—	—	—	—
Redemption of Class A ordinary shares by RONI public shareholders	—	—	—	—	—	—	—	—	—	—	—	—	—	(21,195,224)	(218,983)	(218,983)
Redemption of Class A Common Stock	3,868,618	—	(3,868,618)	—	—	—	—	—	53,607	—	—	53,607	(53,607)	—	—	(53,607)
Conversion of RONI Class A and Class B ordinary shares into NET Power Inc. Class A and Class B Common Stock, respectively	13,307,276	1	6,638,225	1	(2,500)	—	(6,638,225)	(1)	60,045	—	—	60,046	87,094	(13,304,776)	(137,335)	(50,241)
Issuance of RONI Class A Common Stock to PIPE investors	54,044,995	6	—	—	—	—	—	—	540,445	—	—	540,451	—	—	—	—
Issuance of Class A Common Stock	54,278	—	—	—	—	—	—	—	27	—	—	27	—	—	—	—
Equity awards vested due to Business Combination	—	—	8,356,635	1	—	—	—	—	542	—	(542)	1	109,639	—	—	109,639
Issuance of RONI Class B Common Stock to former NET Power, LLC unit holders	—	—	129,822,703	12	—	—	—	—	(940)	—	75,711	74,783	1,677,546	—	—	1,677,546
Exercise of Warrants	2,739	—	—	—	—	—	—	—	47	—	—	47	—	—	—	—
Distributions to members	—	—	—	—	—	—	—	—	—	—	—	—	(181)	—	—	(181)
Establishment of Tax Receivable Agreement liability from qualifying exchanges, net of deferred taxes	—	—	—	—	—	—	—	—	(936)	—	—	(936)	—	—	—	—
Vesting of Earnout Shares	—	—	—	—	—	—	—	—	—	—	—	—	9,055	—	—	9,055
Amortization of share-based payments	—	—	838,484	—	—	—	—	—	765	—	—	765	13,358	—	—	13,358
Adjustment of redeemable non-controlling interest to carrying value, net of deferred taxes	—	—	—	—	—	—	—	—	198,239	—	—	198,239	(198,239)	—	—	(198,239)
Net loss	—	—	—	—	—	—	—	—	—	—	(43,056)	(43,056)	(98,760)	—	—	(98,760)
Balance at December 31, 2023	71,277,906	$ 7	141,787,429	$ 14	—	$ —	—	$ —	$ 851,841	$ —	$ (66,853)	$ 785,009	$ 1,545,905	—	$ —	$ 1,545,905
Redemption of Class B Common Stock	5,413,351	—	(5,413,351)	—	—	—	—	—	47,335	—	—	47,335	(46,689)	—	—	(46,689)
Issuance of Class A Common Stock	66,898	1	—	—	—	—	—	—	—	—	—	1	(647)	—	—	(647)
Exercise of Warrants	1,700	—	—	—	—	—	—	—	25	—	—	25	—	—	—	—
Distributions to members	—	—	—	—	—	—	—	—		—	—	—	(4,751)	—	—	(4,751)
Increase in Tax Receivable Agreement liability from qualifying exchanges, net of deferred taxes	—	—	—	—	—	—	—	—	(12,037)	—	—	(12,037)	—	—	—	—
Unrealized gain on investments	—	—	—	—	—	—	—	—	—	55	—	55	107	—	—	107
Amortization of share-based payments	—	—	3,316,520	—	—	—	—	—	4,212	—	—	4,212	29,520	—	—	29,520
Adjustment of redeemable non-controlling interest to redemption value	—	—	—	—	—	—	—	—	(98,592)	—	—	(98,592)	98,592	—	—	98,592
Tax impact of equity transactions	—	—	—	—	—	—	—	—	(21,190)	(23)	—	(21,213)	—	—	—	—
Net loss	—	—	—	—	—	—	—	—	—	—	(49,191)	(49,191)	(115,453)	—	—	(115,453)
Balance at December 31, 2024	76,759,855	$ 8	139,690,598	$ 14	$ —	$ —	$ —	$ —	$ 771,594	$ 32	$ (116,044)	$ 655,604	$ 1,506,584	—	$ —	$ 1,506,584

The accompanying notes are an integral part of these consolidated financial statements.

NET Power Inc.
Consolidated Statements of Members' Equity
In thousands, except unit data

	Membership Interests		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Members' Equity
	Units	Amount				
Balance at December 31, 2022 (Predecessor)	3,722,355	$ 262,622	$ 26,288	$ 17	$ (224,525)	$ 64,402
Issuance of shares to:						
Occidental Petroleum	37,152	11,859	—	—	—	11,859
Constellation	28,764	9,181	—	—	—	9,181
BHES (Bonus shares)	—	—	4,690	—	—	4,690
BHES (In-kind shares)	15,491	3,269	634	—	—	3,903
Vesting of profits interests	—	—	2,864	—	—	2,864
Comprehensive loss	—	—	—	—	(34,176)	(34,176)
Balance at June 7, 2023 (Predecessor)	3,803,762	$ 286,931	$ 34,476	$ 17	$ (258,701)	$ 62,723

The accompanying notes are an integral part of these consolidated financial statements.

NET Power Inc.
Consolidated Statements of Cash Flows
(In thousands)

	Successor		Predecessor
	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Cash flows from operating activities:			
Net loss after income tax	$ (164,644)	$ (141,816)	$ (34,176)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation, amortization, and accretion	81,623	44,974	5,802
Non-cash interest (income) expense	(2,742)	—	30
Non-cash lease expense	199	200	13
Loss on disposal of property, plant and equipment	—	7	—
Conversion of equity awards	—	86,585	—
Allowance for doubtful accounts	—	—	352
Deferred taxes	(10,580)	(5,707)	—
Change in fair value of Earnout Shares liability and Warrant liability	25,656	(27,648)	—
Vesting of profits interests	—	—	2,864
Vesting of Earnout Shares	—	1,118	—
Share-based compensation expense	33,666	14,122	8,593
Changes in operating assets and liabilities:			
Accounts receivable, net	58	(58)	—
Interest receivable	(989)	(1,942)	—
Prepaid expenses and other current assets	47	(1,102)	1,312
Other long-term assets	(625)	—	—
Accounts payable	2,475	(1,957)	1,768
Accrued liabilities	4,024	(5,297)	(384)
Due to related parties	183	142	3,203
Net cash used in operating activities	(31,649)	(38,379)	(10,623)
Cash flows from investing activities:			
Cash acquired as part of the Business Combination	—	7,948	—
Purchase of short-term investments	—	(100,000)	—
Purchases of available-for-sale securities	(169,894)	—	—
Maturities of available-for-sale securities	71,075	—	—
Capitalized software	(1,203)	—	—
Purchase of property, plant and equipment	(68,651)	(9,217)	(2,431)
Net cash used in investing activities	(168,673)	(101,269)	(2,431)

The accompanying notes are an integral part of these consolidated financial statements

NET Power Inc.
Consolidated Statements of Cash Flows (continued)
(In thousands)

	Successor		Predecessor
	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Cash flows from financing activities:			
Repurchase of redeemed Class A Ordinary Shares	$ —	$ (218,983)	$ —
Issuance of Class A Common Stock, including exercise of Warrants	19	74	—
Payment of income taxes on vested share-based payment awards	(130)	—	—
Distributions to members	—	(181)	—
Proceeds from PIPE financing, net of issuance costs	—	540,451	—
Issuance of equity under JDA as a result of the Business Combination	—	9,917	—
Payment of transaction expenses	—	(11,722)	—
Payments on finance lease obligations	(67)	—	—
Tax-related partnership distribution	(4,751)	—	—
Proceeds from share issuances	—	—	15,836
Net cash (used in) provided by financing activities	(4,929)	319,556	15,836
Net (decrease) increase in cash, cash equivalents, and restricted cash	(205,251)	179,908	2,782
Cash, cash equivalents, and restricted cash, beginning of period	536,927	357,019	5,164
Cash, cash equivalents, and restricted cash, end of period	$ 331,676	$ 536,927	$ 7,946
Supplemental non-cash investing and financing activities:			
Change in accruals for capital expenditures	$ (1,320)	$ 2,937	$ 668
Remeasurement of lease liabilities and right-of-use assets due to lease modification	—	1,472	—
Operating lease right-of use asset acquired	959	—	—
Finance lease right-of-use asset acquired	349	—	—
Revision of estimated asset retirement obligation	996	—	—
Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheet:			
Cash and cash equivalents	329,230	536,927	7,946
Restricted cash	2,446	—	—
Total cash, cash equivalents, and restricted cash	$ 331,676	$ 536,927	$ 7,946

The accompanying notes are an integral part of these consolidated financial statements

NET Power Inc.
Notes to Consolidated Financial Statements (Unaudited)

NOTE 1 — Nature of Business and Basis of Presentation

Nature of Business

NET Power Inc. ("Net Power" or the "Company") is a clean energy technology company that has developed a proprietary process for producing electricity using a predominantly carbon dioxide working fluid that involves the capture and reuse, sale and sequestration of carbon dioxide (the "Net Power Cycle"). The Net Power Cycle is the subject of U.S. and foreign patents, as well as additional applications and provisional applications on file with the United States Patent and Trademark Office and international patent authorities.

Business Combination

On December 13, 2022, NET Power, LLC entered into a Business Combination Agreement with Rice Acquisition Corp. II ("RONI"), Rice Acquisition Holdings II LLC ("RONI OpCo"), Topo Buyer Co, LLC ("Buyer") and Topo Merger Sub, LLC ("Merger Sub"). On June 8, 2023 (the "Closing Date"), Merger Sub merged with and into NET Power, LLC, with NET Power, LLC continuing as the surviving entity, resulting in it becoming a majority-owned, direct subsidiary of Buyer. RONI OpCo, a subsidiary of RONI, renamed itself NET Power Operations LLC ("OpCo") and RONI renamed itself Net Power Inc. upon completion of the merger (the "Business Combination"). The Business Combination resulted in an umbrella partnership, C corporation or "Up-C" structure.

OpCo is a variable interest entity ("VIE") in accordance with the guidance in Accounting Standards Codification ("ASC") Topic 810,*Consolidation* ("ASC 810"); therefore, RONI represented the accounting acquirer within the Business Combination structure. The Company elected push-down accounting for the Business Combination. ASC 810 requires that a reporting entity that possesses a controlling financial interest in a VIE consolidate that VIE. A controlling financial interest will have both of the following characteristics: (a) the power to direct the activities that most significantly impact the VIE's economic performance; and (b) the obligation to absorb the VIE's losses and the right to receive benefits that are significant to the VIE. The Company determined that OpCo continued to meet the definition of a VIE after the Business Combination and that the Company became the primary beneficiary of OpCo beginning on the Closing Date of the Business Combination; therefore, the Company has consolidated OpCo from the date of the Business Combination.

As a result of the Business Combination, the Company's financial statement presentation distinguishes NET Power, LLC as the "Predecessor" through June 7, 2023 (the "Predecessor Period") and Net Power as the "Successor" for periods beginning on or after the Closing Date (the "Successor Period"). Activity after the date of the Business Combination is shown in the Successor Period on the consolidated statements of operations and comprehensive loss. As a result of the application of the acquisition method of accounting in the Successor Period, the consolidated financial statements for the Successor Period are presented on a full step-up basis; therefore, the Successor Period consolidated financial statements are not comparable to the consolidated financial statements of the Predecessor Period, which are not presented on the same full step-up basis.

The consolidated financial statements include the accounts of subsidiaries that Net Power consolidates in accordance with the guidance in ASC 810. The Company consolidates all wholly-owned subsidiaries and subsidiaries in which it owns a 50% or greater ownership interest and all VIE's to which it is deemed to represent the primary beneficiary, as described above. These condensed consolidated financial statements include the accounts of all wholly-owned subsidiaries and consolidated VIE's. Intercompany balances and transactions have been eliminated in consolidation.

Risks and Uncertainties

The Company is subject to a number of risks similar to those of other companies at a similar stage in the industry and life cycle, including, but not limited to, the successful commercialization of its technology, the need for additional capital or financing to construct its first utility-scale facility, competition from substitute products and services, permitting and construction delays, supply chain constraints and protection of proprietary technology.

As of December 31, 2024, the Company has capitalized $48.4 million in costs associated with the construction of its first utility-scale facility, $360 million of goodwill and $1.2 billion of intangible assets associated with developed technology. Changes in the Company's business plans, the regulatory environment, energy industry, economic factors, or a combination thereof, could result in impairment of these assets.

Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Reclassification of Prior Period Amounts

Certain prior period financial information has been reclassified to conform to current period presentation.

NOTE 2 — Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make certain estimates, judgments, and assumptions. The estimates, judgments, and assumptions made by the Company when accounting for items and matters such as, but not limited to, depreciation, amortization, asset valuations, and share-based compensation were based on information available at the time they were made. These estimates, judgments, and assumptions can affect the reported amounts of assets and liabilities as of the date of the consolidated financial statements, as well as amounts reported on the consolidated statements of operations and comprehensive loss during the periods presented. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash consists of liquid deposits at banking institutions. The Company considers highly liquid investments with original maturities of three months or less as cash equivalents. The Company has exposure to credit risk to the extent cash balances exceed amounts covered by the Federal Deposit Insurance Corporation ("FDIC"). FDIC guidelines guarantee $250 thousand per depositor, per insured bank. As of December 31, 2024 and December 31, 2023, the Company held cash in excess of FDIC limits equal to$328 million and $536 million, respectively.

The carrying value of cash and cash equivalents equals its fair value.

Investments

The Company's investments are classified as available-for-sale ("AFS") and are recorded in the Company's consolidated balance sheets. AFS are investments available to be sold in the future as needed and are recorded at fair value, with unrealized gains and losses recognized in Other comprehensive income on the Company's consolidated statements of operations and comprehensive loss and consolidated statement of shareholders' equity and mezzanine shareholders' equity.

Investments with maturities greater than three months but less than one year are classified as short-term investments and investments with maturities greater than one year are classified as long-term investments. Interest income generated from investments is recorded as Interest income (expense) on the Company's consolidated statements of operations and comprehensive loss. Interest accrued on investments is recorded as interest receivable on the consolidated balance sheets.

Revenue Recognition, Trade Receivables and Allowance for Doubtful Accounts

The Company follows the guidance within ASC Topic 606, *Revenue from Contracts with Customers,* to determine how and when it recognizes revenues. The Company recognizes revenue when its performance obligations with its customers have been satisfied. To determine revenue recognition for contracts within the scope of ASC 606, the Company (i) identifies the contract(s) with a customer; (ii) identifies the performance obligations in the contract; (iii) determines the transaction price; (iv) allocates the transaction price to the performance obligations; and (v) recognizes revenue when (or as) the entity satisfies the performance obligation.

The Company accounts for a customer contract when both parties have approved the contract and are committed to perform their respective contractual obligations, each party's rights can be identified, payment terms can be identified, the contract has commercial substance and it is probable that the Company will collect the consideration to which it is entitled.

Collectability is assessed based on a number of factors including collection history and customer creditworthiness. If collectability of substantially all consideration to which the Company is entitled under the contract is determined to be not probable, revenue is not recorded until collectability becomes probable. Revenue is recorded based on the transaction price

excluding amounts collected on behalf of third parties, such as sales taxes collected and remitted to governmental authorities.

Trade receivables are recorded at the invoiced amount and do not bear interest. The Company calculates an allowance for doubtful accounts based on a risk assessment performed when trade receivables are recognized. The allowance is calculated in accordance with ASC Topic 326, *Current Expected Credit Losses*. Write-offs are recorded at the time when trade receivables are deemed uncollectible.

Restricted Cash

Restricted cash includes cash held to secure a letter of credit. As of December 31, 2024, the Company had restricted cash of $2.4 million included in the consolidated balance sheets. As of December 31, 2023, the Company had no restricted cash.

Fair Value

Certain assets and liabilities are carried at fair value in accordance with ASC Topic 820, *Fair Value Measurement*. Fair value is defined as the price that would be received for an asset or paid to transfer a liability (i.e., the exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The guidance establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2—Significant other observable inputs other than Level 1 prices, such as quoted prices for similar, but not identical, assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data; and
- Level 3—Significant unobservable inputs in which there is little or no market data available and requires the Company to develop its own assumptions that market participants would use in pricing an asset or liability.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of any input that is significant to the fair value measurement. The Company's estimates of fair values are based upon assumptions believed to be reasonable, but which are uncertain and involve significant managerial judgments made by considering factors specific to the asset or liability. The determination of fair value requires more judgment to the extent the valuation is based on models or inputs that are less observable or unobservable in the market. Accordingly, the degree of judgment exercised by the Company in determining the fair value is greatest for instruments categorized as Level 3.

The Company's recurring fair value measurements include the Private Placement Warrants, the Public Warrants, the Earnout Shares (as defined in Note 6), and investments in securities (Note 5 and Note 6).

Warrants

The Company issued Public Warrants (the "Public Warrants") and Private Placement Warrants (the "Private Placement Warrants," and collectively with the Public Warrants, the "Warrants") (as defined in Note 3) prior to the consummation of the Business Combination. The Company accounts for Warrants as liability-classified instruments based on an assessment of the Warrants' specific terms and applicable authoritative guidance outlined in ASC Topic 480, *Distinguishing Liabilities from Equity* ("ASC 480"), ASC Topic 815, *Derivatives and Hedging* ("ASC 815") and relevant SEC reporting rules. When making this assessment, the Company determined the Warrants are not considered to be indexed to the Company's stock price; therefore, in accordance with ASC 815, the Company accounts for the outstanding Warrants as a liability at fair value on the consolidated balance sheets. The Warrants are subject to remeasurement at each reporting date with any change in the fair value recognized in Change in Earnout Shares liability and Warrant liability on the Company's consolidated statements of operations and comprehensive loss.

Earnout Shares and Restricted Shares

Unvested Earnout Shares (as defined in Note 11) are reported as liabilities on the Company's consolidated balance sheets. The liability classification reflects the interpretation that the Earnout Share settlement provision contingent on a change in control event does not represent an input into a fixed-for-fixed option pricing model. The usage of a model other than a fixed-for-fixed option model results in liability classification pursuant to the guidance in ASC Topic 815, *Derivatives and Hedging*.

The Price-Based Lockup Shares and the Time-Based Lockup Shares (as defined in Note 11) are included as equity within the Company's consolidated balance sheets.

Intangible Assets

The Company accounts for definite-lived intangible assets, in accordance with ASC Topic 350, *Goodwill and Other Intangible Assets* ("ASC 350"). Intangible assets are comprised of developed technology and software. Developed technology is related to the Net Power Cycle and is amortized over a 20-year useful life. Software is amortized over a 5-year useful life.

Goodwill

The Company recognizes goodwill in accordance with ASC 350. Goodwill represents the excess costs of an acquired entity over the amounts assigned to assets acquired and liabilities assumed in a business combination. The Company's goodwill is not tax deductible. Goodwill is not amortized but is tested annually on October 1st for impairment. The Company assesses its goodwill value for impairment annually as of October 1. Impairment exists when the carrying amount of the reporting unit exceeds its fair value.

Impairment of Long-Lived Assets

In accordance with ASC Topic 360, *Property, Plant and Equipment*, tangible and intangible assets with finite useful lives are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets placed in service is measured by comparing the carrying amount of an asset or asset group to the future undiscounted cash flows expected to be generated by the asset or asset group. If such assets are considered to be impaired, the impairment equals the amount by which the carrying amount of the assets exceeds the fair value of the assets. There were no impairment charges recorded during the year ended December 31, 2024 (Successor), the period from June 8, 2023 through December 31, 2023 (Successor), and the period from January 1, 2023 through June 7, 2023 (Predecessor).

Property, Plant, and Equipment

Property, plant, and equipment is generally recorded at the historical cost to acquire the assets. The costs bases of property, plant and equipment to which the Company held title prior to the Business Combination were recognized at their respective fair values on June 8, 2023 in accordance with the closing of the Business Combination.

Depreciation is recognized using the straight-line method over the estimated useful lives of the respective assets. Amounts capitalized to construction in progress are not depreciated until the underlying asset is ready for its intended use. The following table summarizes the estimated useful lives used to depreciate property, plant, and equipment and assets:

Asset Classification	Useful Life
Furniture and Equipment	4 – 7
Demonstration Plant	7
Office Trailers	6

Property, plant, and equipment is presented at cost less accumulated depreciation on the consolidated balance sheets.

Asset Retirement Obligation

The Company recognizes liabilities for future obligations associated with the retirement of assets. The fair values of legal obligations to retire and remove long-lived assets are recorded in the period in which the obligation is incurred. When an asset retirement obligation arises, the liabilities and corresponding assets are recorded at their present values using a discounted cash flow approach and the liabilities are accreted using the interest method. The asset retirement obligations that have been recorded to-date relate to the Company's obligation to restore the property underneath the Demonstration Plant at the end of the Demonstration Plant's estimated useful life as required by the lease terms. The accretion expense generated by the Company's asset retirement obligation liability is recognized over the Demonstration Plant's expected seven-year useful life.

Leases

Lease agreements may fall within two categories according to ASC Topic 842,*Leases* ("ASC 842"), operating leases or financing leases. Both operating and finance leases result in the recognition of lease liabilities and associated right-of-use assets that are valued at the net present value of the lease payments and recognized. The Company has elected the short-term lease exception and therefore only recognizes right-of-use assets and lease liabilities for leases with a term greater than one year. The lease term includes the committed lease term identified in the contract, taking into account renewal and termination options that management is reasonably certain to exercise. The Company also elected to not separate lease components and non-lease components when allocating contract consideration to leases of commercial office space. The discount rate used in the measurement of a right-of-use asset and lease liability is the rate implicit in the lease whenever that rate is readily determinable. If the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate as a proxy for the discount rate based on the term of the lease.

Research and Development Costs

The Company expenses costs related to operations and testing at the Demonstration Plant, as well as engineering and design costs related to development of the Net Power Cycle as incurred. These costs are included in Research and development expense on the consolidated statements of operations and comprehensive loss.

Non-Controlling Interest

Non-controlling interests ("NCI") represents Class A OpCo Units (Note 11) held by parties other than NET Power Inc., including sponsors, certain strategic partners, and legacy owners of NET Power, LLC. After evaluating Class A OpCo Unit redemption rights under ASC 480, the Company determined that Class A OpCo Units are subject to potential cash redemption that rests outside the Company's control. The Company has classified NCI as a component of mezzanine equity in consideration of this cash redemption feature and in accordance with the guidance in ASC 810. The Company measures redeemable NCI each reporting period at the higher of its book value or its redemption value, which equals the closing price of the Company's Class A Common Stock on the measurement date. The change in measurement is shown as the carrying value adjustment of redeemable non-controlling interest in the Company's consolidated statement of shareholders' equity and mezzanine shareholders' equity.

The Company's net loss before income tax and the non-tax components of comprehensive loss in the Successor Period are reduced by the portion of net loss before income tax and the non-tax components of comprehensive loss, respectively, attributable to non-controlling interests.

Share-Based Compensation

The Company applies ASC Topic 718, *Share-Based Payments* ("ASC 718") to account for its equity awards. In accordance with ASC 718, the Company recognizes expense related to equity awards for which vesting is considered probable. Forfeitures are recognized as they occur. For service-based awards issued to employees, compensation cost is measured at fair value on the grant date and expensed ratably over the vesting term. For grants issued to employees that contain a performance-based vesting condition, the fair value is measured on the grant date and recognized as compensation expense over the vesting period when the Company determines it is probable the vesting conditions will be met.

For awards that include a market-based vesting condition, the Company uses the Monte Carlo Simulation to determine the grant date fair value, which is expensed ratably over the service period. For all other awards, the Company uses the publicly quoted price on the grant date to estimate the fair value of the award. Compensation expense from share-based awards is recorded in the same line item as the related employee's other compensation in the consolidated statements of operations and comprehensive loss, and is subject to capitalization.

Prior to the Business Combination, equity awards granted to employees included unvested membership units in NET Power, LLC. The estimated fair value of NET Power, LLC membership units was determined by an independent, external valuation service provider at each equity grant date until the Closing Date, upon which the Company became publicly traded. On the Closing Date, the Company fair valued the OpCo Units used to satisfy outstanding share-based awards at the fair value of the Company's Class A Common Stock.

Net Loss per Share (Successor)

During the Successor Period, the Company computed basic net loss attributable to shareholders per share by dividing net loss attributable to Net Power Inc. by the weighted average number of shares of Class A Common Stock outstanding.

Diluted net loss attributable to shareholders per share is computed based on the weighted average number of common shares outstanding, increased by the number of any additional shares that would have been outstanding had any potentially dilutive common shares been issued. Such additional shares are excluded if their effect is anti-dilutive.

Net Loss per Unit (Predecessor)

During the Predecessor Period, the Company computed diluted net loss per unit by dividing the net loss applicable to membership interest holders by the sum of the weighted-average number of membership interests outstanding during the period and the potentially dilutive effects of distribution units, profits interests and options to purchase membership interests. Such items were excluded if their effect was anti-dilutive.

Income Taxes

The Company applies the guidance set forth in ASC Topic 740, *Income Taxes* ("ASC 740") to evaluate its tax positions. The Company evaluates the realizability of deferred tax assets on a quarterly basis and establishes a valuation allowance when it is more-likely-than-not that all or a portion of a deferred tax asset may not be realized. In making such a determination, the Company considers all positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and recent results of operations.

Net Power Inc. consolidates the financial results of OpCo in its consolidated financial statements. OpCo represents a pass-through entity for U.S. federal and most applicable state and local income tax purposes. As a pass-through entity for tax purposes, OpCo is not subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by OpCo is passed through to its members, including Net Power Inc., which is taxed as a corporation that pays corporate federal, state and local taxes with respect to income allocated from OpCo based on its economic interest in OpCo. During the Predecessor Period, NET Power, LLC was considered a pass-through entity for state and federal income taxes.

The Company evaluates the tax positions taken on income tax returns that remain open and positions expected to be taken on the current year tax returns to identify uncertain tax positions. Unrecognized tax benefits on uncertain tax positions are recorded on the basis of a two-step process in which (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more likely-than-not recognition threshold, the largest amount of tax benefit that is more than 50% likely to be realized is recognized. The Company recognizes interest and penalties related to income taxes within income tax benefit in the accompanying consolidated statements of operations and comprehensive loss. Accrued interest and penalties are included on the related tax liability line in the consolidated balance sheet.

Tax Receivable Agreement Liability

As part of the Business Combinations, the Company entered into the Tax Receivable Agreement ("TRA") with certain OpCo unitholders. Pursuant to the TRA, the Company is required to pay approximately 75% of the calculated tax savings based on the portion of basis adjustments on exchanges of OpCo units and other carryforward attributes that are anticipated to be able to be utilized in future years. Such tax attributes include the existing tax basis of certain assets of OpCo and its consolidated subsidiaries; tax basis adjustments resulting from taxable exchanges of Class A OpCo Units; certain tax benefits realized by Net Power Inc. as a result of the Business Combination and tax deductions in respect of portions of certain TRA payments. All such payments made under the terms of the TRA are the obligations of Net Power Inc. and not of OpCo.

Segment Reporting

In accordance with ASC Topic 280, *Segment Reporting* ("ASC 280"), the Company has determined that it has one operating segment and one reportable segment, which includes all of the Company's consolidated accounts. The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The CODM focuses on consolidated Operating income (loss), with a focus on research and development and general and administrative expenses, along with interest income to assess the Company's performance and allocate resources. Refer to the consolidated financial statements for significant segment expenses and assets regularly provided to the CODM.

During November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, *Improvements to Reportable Segment Disclosures*, which amends ASC 280 primarily through enhanced disclosures about significant segment expenses. The amendments are effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU

2023-07 on December 31, 2023, and it did not have a material impact on the Company's consolidated statements of operations, balance sheets, or cash flows in itsconsolidated financial statements.

Accounting Standards Not Yet Adopted

During December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740)—Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09 requires companies to provide annually a tabular reconciliation of the reported income tax expense (or benefit) from continuing operations to the product of the income (or loss) from continuing operations before income taxes and the applicable statutory federal income tax rate using specified categories and to disclose separately reconciling items within certain categories with absolute values equal to or greater than five percent of the product of the income (or loss) from continuing operations before tax and the applicable statutory tax rate. Additionally, ASU 2023-09 requires a public business entity to disclose the year-to-date amount of income taxes paid, net of refunds received, to federal, state, and foreign jurisdictions. If a payment to a single federal, state or foreign jurisdiction equals or exceeds five percent of total income taxes paid, ASU 2023-09 requires separate disclosure of that payment. Finally, ASU 2023-09 requires a public business entity to disclose income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign jurisdictions and to disclose income tax expense (or benefit) from continuing operations disaggregated between federal, state, and foreign jurisdictions. ASU 2023-09 removes the requirement to disclose the nature and estimate of the range of reasonably possible increases or decreases in the unrecognized tax benefits balance in the next 12 months, or to make a statement that an estimate of the range cannot be made. ASU 2023-09 is effective for the Company for calendar years beginning after December 15, 2025. Early adoption is permitted. The Company is evaluating the impact to its income tax disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires new tabular disclosures in the notes to consolidated financial statements, disaggregating certain cost and expense categories within relevant captions on the consolidated statements of operations. The prescribed cost and expense categories requiring disaggregated disclosures include purchases of inventory, employee compensation, depreciation, and intangible asset amortization, along with certain other expense disclosures already required by U.S. GAAP that would need to be integrated within the new tabular disaggregated expense disclosures. Additionally, the amendments also require the disclosure of total selling expenses and an entity's definition of those expenses. The amendments in ASU 2024-03 are effective for annual periods beginning after December 15, 2026 and for subsequent interim periods. Early adoption is permitted and the amendments should be applied on a prospective basis. Retrospective application is permitted. The Company is currently evaluating the impact the new accounting standard will have on its expense disclosures in the notes to the consolidated financial statements.

NOTE 3 — Business Combination

The Company consummated the Business Combination with RONI on June 8, 2023. Refer to Note 1 for additional information. In connection with the consummation of the Business Combination:

- The Company recognized $122 million of expenses, including $16.0 million of acquirer expenses recorded "on-the-line" because they would not have been incurred had the Business Combination not closed.
- The Company modified certain outstanding profits interests awards, a portion of which vested during the pre-combination period. The Company included $325 thousand of previously vested, modified profits interests issued to the award recipient as consideration transferred to the sellers.
- Certain outstanding profits interests, which were not modified in contemplation of the Business Combination, that vested during the pre-combination period and that were issued to recipients as part of the Business Combination were included in consideration transferred to sellers. The total fair value of previously vested, unmodified profits interests included in consideration transferred to sellers equaled $651 thousand.
- All outstanding NET Power, LLC member interests converted into 136,073,365 vested Class A OpCo Units and a corresponding number of vested shares of Class B Common Stock, 1,119,198 unvested Class A OpCo Units and 1,119,198 unvested shares of Class B Common Stock upon completion of the Business Combination.
- The Company registered and issued 67,352,271 shares of Class A Common Stock on the New York Stock Exchange ("NYSE").
- The Company issued 8,624,974 Public Warrants exercisable into 8,624,974 shares of Class A Common Stock at a price of $11.50 per share (the "Public Warrants") and 10,900,000 Private Placement Warrants, which are exercisable for 10,900,000 shares of Class A Common Stock at a price of $11.50 per share (the "Private Placement Warrants," and collectively with the Public Warrants, the "Warrants"). Refer to Note 6 for additional information.

- The Company received $662 million of cash net of certain expenses paid on the Closing Date.

The Business Combination was accounted for using the acquisition method of accounting.The following table summarizes the total fair value of the consideration transferred in the Business Combination (in thousands):

Consideration Transferred		Total
Pre-combination vesting of modified profits interests	$	325
Pre-combination vesting of unmodified profits interests		651
Consideration transferred to sellers		976
Class A OpCo Units - non-controlling interests		1,785,283
Fair value of total consideration transferred	$	1,786,259

The following table sets forth the fair value of the assets acquired and liabilities assumed in connection with the Business Combination, after consideration of all purchase price adjustments:

($ in thousands)		Fair Value
Assets acquired		
Current assets		
Cash	$	7,946
Prepaid expenses		637
Other current assets		30
Total current assets		8,613
Long-term assets		
Intangible assets, net		1,345,000
Property, plant, and equipment		91,855
Right-of-use assets		940
Total long-term assets		1,437,795
Total assets acquired	$	1,446,408
Liabilities assumed		
Current liabilities		
Accounts payable	$	2,574
Accrued liabilities		7,370
Current lease liability		137
Other current liabilities		1
Total current liabilities		10,082
Long-term liabilities		
Deferred tax liability		7,353
Asset retirement obligation		1,967
Long-term lease liability		594
Total long-term liabilities		9,914
Total liabilities assumed		19,996
Total identifiable net assets		1,426,412
Goodwill		359,847
Net assets acquired	$	1,786,259

The following methodologies were used to estimate the fair value of the acquired assets and liabilities:

- Cash, prepaid expenses, accounts payable, and accrued liabilities were recorded at their historical book values as that approximates fair value.
- Developed technology was valued using a multi-period excess earnings method income approach. Leases were valued using the yield capitalization method income approach. The income approach is a general way of developing a value indication for an asset using one or more methods that convert anticipated economic benefits into a present single amount.
- Personal property was valued using the indirect cost method. The cost approach is a general way of estimating the value of an asset by determining the amount of money required to replace the asset with another asset having equivalent utility.

The purchase price allocation was finalized during the second quarter of 2024. Refer toNote 7 — Goodwill and Intangible Assets for additional information.

Unaudited Pro-Forma Information

The following table presents unaudited pro forma information as if the Business Combination occurred as of January 1, 2022 (Predecessor). The unaudited pro forma information reflects adjustments for additional amortization resulting from the fair value re-measurement of assets acquired and liabilities assumed, for alignment of accounting policies, and transaction expenses as if the Business Combination occurred on January 1, 2022 (Predecessor). The unaudited pro forma results do not include any anticipated cost synergies or other effects of the combined company. Accordingly, pro forma amounts are not necessarily indicative of the results that actually would have occurred had the Business Combination been completed on the date indicated, nor are they indicative of the Company's future operating results.

		Year Ended December 31, 2023
Pro forma revenue	$	175
Pro forma net loss	$	(205,387)
Pro forma net loss attributable to non-redeemable controlling interest	$	(70,366)
Pro forma net loss attributable to non-redeemable non-controlling interests	$	(135,021)

NOTE 4 — Revenue and Accounts Receivable

Revenue

The following table disaggregates the revenue included in the consolidated statements of operations and comprehensive loss into its major components:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Feasibility studies	$ 250	$ —	$ 175
Total revenue	$ 250	$ —	$ 175

Performance Obligations

Revenue recognized under contracts with customers exclusively includes the performance obligations satisfied in the applicable reporting period.

Allowance for Doubtful Accounts

During the year ended December 31, 2024 (Successor) and the period from June 8, 2023 through December 31, 2023 (Successor), the Company dd not record any provision for credit losses within General and administrative expense on the consolidated statements of operations and comprehensive loss associated with its accounts receivable. During the period

from January 1, 2023 through June 7, 2023 (Predecessor), the Company recorded an allowance for doubtful accounts equal to $52 thousand within General and administrative expense on the consolidated statements of operations and comprehensive loss associated with its accounts receivable.

NOTE 5 — Investments

The Company has two types of investments, a certificate of deposit, which is classified as a short-term investment, and investments in securities, which are classified as available-for-sale.

The entire balance of $100 million of the certificate of deposit is shown within short-term investments on the consolidated balance sheets as of December 31, 2024 and December 31, 2023. The interest receivable on the certificate of deposit was $2.9 million and $1.9 million at December 31, 2024 and December 31, 2023, respectively, and is included in Interest receivable on the consolidated balance sheets.

The following table presents the Company's available-for-sale investments included in the consolidated balance sheets:

$ in thousands	December 31, 2024		
Current assets	**Amortized Cost**	**Unrealized Gain**	**Fair Value**
Corporate bonds	$ 11,006	$ 15	$ 11,021
Commercial paper	8,629	—	8,629
U.S. treasuries	58,637	57	58,694
Total	$ 78,272	$ 72	$ 78,344

Long-term assets	**Amortized Cost**	**Unrealized Gain**	**Fair Value**
U.S. treasuries	$ 22,538	$ 90	$ 22,628
Total	$ 22,538	$ 90	$ 22,628

The cost of securities sold is based on the specific-identification method. During the year ended December 31, 2024 (Successor), there were no securities sold. There were no credit losses recognized during the year ended December 31, 2024 (Successor). The Company established no allowances for credit losses as of December 31, 2024. The Company did not have any available-for-sale investments as of December 31, 2023. The Company's long-term available-for-sale investments mature through February 2026.

NOTE 6 — Fair Value Measurements

The following table presents the assets and liabilities that the Company measures at fair value on a recurring basis included in the consolidated balance sheets and indicates the level of the valuation inputs the Company utilized to determine the fair value:

		December 31,	
$ in thousands	**Level**	**2024**	**2023**
Assets			
Available-for-sale investments [1]	1	$ 100,972	$ —
Short-term investments	2	100,000	100,000
Total assets		$ 200,972	$ 100,000
Liabilities			
Public Warrants	1	$ 31,034	$ 18,969
Private Placement Warrants	3	50,249	36,951
Earnout Shares	3	1,958	1,671
Total liabilities		$ 83,241	$ 57,591

(1) $22.6 million of these investments are classified as long-term on our consolidated balance sheet.

The following table contains a reconciliation of the beginning and ending balances of recurring Level 3 fair value measurements included in the consolidated statements of operations and comprehensive loss:

	Successor		Predecessor
$ in thousands	**Year Ended December 31, 2024**	**Period From June 8, 2023 through December 31, 2023**	**Period From January 1, 2023 through June 7, 2023**
Balance of recurring Level 3 liabilities at beginning of period	$ 38,622	$ 63,851	$ 5,174
Change in Earnout Shares liability and Warrant liability	13,585	(16,174)	—
Issuances	—	(9,055)	—
Payments	—	—	(5,174)
Balance of recurring Level 3 liabilities at end of period	$ 52,207	$ 38,622	$ —

Earnout Shares

The fair value of the Earnout Shares is estimated using a Monte Carlo simulation. The Monte Carlo simulation considers daily simulated stock prices as a proxy for the Company's daily volume-weighted average share price. The key inputs into the valuation of the Earnout Shares are an expected remaining term of 1.43 years, a risk-free rate of 4.1% and estimated equity volatility of 59.7%. The volatility assumption is based on a blended average of equity volatility of publicly traded companies within the Company's peer group, the Company's own historical volatility, and the implied volatility of the Public Warrants.

Warrants

In connection with the Business Combination, the Company recorded 8,624,974 Public Warrants exercisable into 8,624,974 shares of Class A Common Stock at a price of $11.50 per share. The Company may redeem the Public Warrants for $0.01 if the last reported trading price of the Company's Class A Common Stock price equals or exceeds $18.00 per share for any 20 trading days within a 30-trading day period. Additionally, the Public Warrants may be redeemed if the last reported trading price of the Company's Class A Common Stock equals or exceeds $ 10.00 and is below $18.00 by paying a make-whole premium. The Public Warrants expire five years after the Closing Date. The Public Warrants are valued using

their quoted and publicly available market prices. Since their fair value is predicated on quoted prices in an active market for identical instruments, the fair value of the Public Warrants is considered a Level 1 fair value measurement.

In connection with the Business Combination, the Company recorded 10,900,000 Private Placement Warrants, which are exercisable for 10,900,000 shares of Class A Common Stock at a price of $11.50 per share. The Private Placement Warrants expire five years after the Closing Date. The Private Placement Warrants are exercisable on a cashless basis and are non-redeemable as long as they are held by the initial purchasers or their permitted transferees. The Private Placement Warrants and Class A Common Stock issuable upon exercise of the Private Placement Warrants are entitled to registration rights.

The Company uses a Black-Scholes Merton Model to value the Private Placenent Warrants. Key inputs into the Black-Scholes Merton Model include the last Class A Common Stock closing price of $10.59 as of December 31, 2024, a risk-free rate of 4.2%, volatility of 59.3%, a term of 3.44 years, and a strike price of $11.50 per share. The volatility assumption is based on a blended average of equity volatility of publicly traded companies within the Company's peer group, the Company's own historical volatility, and the implied volatility of the Public Warrants. The fair value of the Private Placement Warrants is considered a Level 3 fair value measurement.

Short-term Investments

Short-term investments are valued at cost, which approximates fair value. The fair value of the short-term investments is considered a Level 2 fair value measurement because cost basis is not observable in a public market.

Marketable Securities

The fair value of the available-for-sale investments is classified as a Level 1 fair value measurement, because the investments are valued using the most recent quoted prices for identical assets in active markets.

Option Liability

The Company's option liability was issued in conjunction with member loans on October 15, 2021. The loans were fully repaid on February 3, 2022; however, the members had one year to exercise their options subsequent to the repayment of the loans. The interest expense related to these loan options was $0 thousand during the period from January 1, 2023 through June 7, 2023 (Predecessor). These measurements were reported in Interest income (expense) on the consolidated statements of operations and comprehensive loss. In early 2023, two option holders exercised their options to purchase an aggregate of 34,588 membership units in NET Power, LLC for total proceeds of $5.8 million. There were no loan options outstanding at the time of the Business Combination.

NOTE 7 — Goodwill and Intangible Assets

Goodwill

Goodwill represents the future economic benefits derived from the Company's unique market position, the growth attributable to the Net Power Cycle and the Company's assembled workforce, none of which are individually and separately recognized as intangible assets. Goodwill is allocated to the Company's sole reportable segment and reporting unit.

The following table presents the changes to goodwill included in the consolidated balance sheets (in thousands):

Goodwill at December 31, 2023	$	423,920
Measurement adjustments		(64,073)
Goodwill at December 31, 2024	$	359,847

During the second quarter of 2024, the Company completed its estimate of deferred taxes as of the Closing Date and finalized its purchase price allocation, which resulted in a measurement adjustment to goodwill.

On September 30, 2024 and October 1, 2024, the Company performed a quantitative goodwill impairment assessment due to a sustained decrease in the Company's market capitalization. The Company applied the income approach to estimate the fair value of this reporting unit using a discounted cash flow model. Key assumptions used in this model included revenue and operating expense projections, a terminal cash flow growth rate of 7.5%, a discount rate of 26%, and a tax rate of 25%. The Company determined the fair value of the reporting unit exceeds its carrying value and no impairment was indicated.

Definite-Lived Intangible Assets

The following tables summarize the Company's definite-lived intangible assets included in the consolidated balance sheets:

	December 31,					
	2024			2023		
$ in thousands	Gross Amount	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount
Developed technology	$ 1,345,000	$ (104,985)	$ 1,240,015	$ 1,345,000	$ (37,735)	$ 1,307,265
Software	814	(79)	735	—	—	—
Software work-in-progress	593	—	593	—	—	—
Total definite-lived intangible assets	$ 1,346,407	$ (105,064)	$ 1,241,343	$ 1,345,000	$ (37,735)	$ 1,307,265

The following table presents the Company's amortization expense for the following periods:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Amortization expense	$ 67,329	$ 37,735	$ —

The Company does not own or control any intangible assets with indefinite useful lives. The following table presents estimated amortization expense for the next five years and thereafter (in thousands):

2025	$ 67,540
2026	67,540
2027	67,540
2028	67,540
2029	67,417
2030 and thereafter	903,766
Total	$ 1,241,343

NOTE 8 — Property, Plant, and Equipment

The following table summarizes the key classifications of property, plant, and equipment included in the consolidated balance sheets:

	December 31,	
$ in thousands	2024	2023
Demonstration Plant	$ 122,845	$ 89,239
Furniture and equipment	1,069	320
Assets acquired under finance lease	349	—
Construction-in-progress	48,438	14,443
Total property, plant, and equipment, gross	172,701	104,002
Accumulated depreciation and amortization [1]	(21,231)	(7,146)
Total property, plant, and equipment, net	$ 151,470	$ 96,856

(1) $18 thousand of accumulated depreciation and amortization is related to amortization of the finance lease right-of-use assets.

The following table presents the Company's depreciation expense for the following periods:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Depreciation expense	$ 14,085	$ 7,146	$ 5,700

NOTE 9 — Accrued Liabilities

Accrued liabilities in the consolidated balance sheets consist of the following:

	December 31,	
$ in thousands	2024	2023
Incentive compensation	$ 2,916	$ 2,016
Cash-based expense of BHES JDA	6,212	3,669
Capital expenditures	2,285	3,605
Professional fees	1,143	682
Other accrued liabilities	1,063	943
Total accrued liabilities	$ 13,619	$ 10,915

NOTE 10 — Leases

The following is a summary of leases on the consolidated balance sheets:

		December 31,	
$ in thousands	Line item	2024	2023
Assets			
Operating leases	Operating lease right-of-use assets	$ 2,699	$ 2,212
Financing leases	Property, plant, and equipment, net	331	—
Total assets		$ 3,030	$ 2,212
Liabilities			
Current			
Operating leases	Operating lease liabilities, current portion	$ 683	$ 347
Financing leases	Finance lease liabilities, current portion	187	—
Non-current			
Operating leases	Non-current operating lease liabilities	2,125	1,808
Financing leases	Non-current finance lease liabilities	110	—
Total liabilities		$ 3,105	$ 2,155

The following table presents the Company's lease costs by period presented and the classification on the consolidated statements of operations and comprehensive loss:

		Successor		Predecessor
$ in thousands	**Line item**	**Year Ended December 31, 2024**	**Period From June 8, 2023 through December 31, 2023**	**Period From January 1, 2023 through June 7, 2023**
Operating lease costs	General and administrative	$ 624	$ 260	$ 85
Financing lease costs:				
Amortization of right-of-use assets	Depreciation, amortization, and accretion	$ 18	$ —	$ —
Interest on lease liabilities	Interest income (expense)	15	—	—
Total finance lease costs		$ 33	$ —	$ —

The following is a summary of the weighted-average lease term and discount rate:

	December 31,	
	2024	**2023**
Weighted-average remaining lease term - operating leases	4.3 years	4.9 years
Weighted-average remaining lease term - finance leases	1.7 years	—
Weighted-average discount rate - operating leases	9.1%	8.0%
Weighted-average discount rate - finance leases	14.0%	—

The following table presents the future minimum lease payments that the Company expects to make under its operating and finance leases as of December 31, 2024:

$ in thousands	**Operating leases**	**Finance leases**
2025	$ 730	$ 199
2026	782	132
2027	803	—
2028	790	—
2029	277	—
2030 and thereafter	43	—
Total lease payments	$ 3,425	$ 331
Less: imputed interest	(617)	(34)
Present value of lease liabilities	$ 2,808	$ 297

Office Leases

On June 6, 2022, the Company entered into an office space lease agreement for commercial office space in Durham, North Carolina (the "Measurement Building Lease"), which became effective on November 1, 2022 and had an original lease term of 60 months from the signing date. On August 11, 2023, the Company agreed to terminate the Measurement Building Lease effective October 6, 2023 and entered into a new office lease agreement (the "Roney St. Lease"). The Roney St. Lease commenced on October 6, 2023 and has an original lease term of 62 months from the commencement date. The lessors of the Measurement Building Lease and the Roney St. Lease have common ownership and are considered related parties to each other; therefore, the simultaneous termination of the Measurement Building Lease and execution of the Roney St. Lease represent a single transaction accounted for as a modification of the Measurement Building Lease. As such, the Company remeasured the lease liabilities and right-of-use asset associated with the Measurement Building Lease and recognized those balances over the amended, remaining lease term. In addition, the Roney St. Lease includes an early termination option that enables the Company to end the lease on or after its 50th month.

On February 28, 2024, the Company entered into an office space lease agreement for commercial office space in Houston, Texas (the "Atlas Tower Lease"), which became effective in July 2024. The Atlas Tower Lease has an original lease term of 68 months from the commencement date and includes an early termination option that enables the Company to end the lease at the end of its 44th month. The Company measured the lease liabilities and right-of-use asset associated with the Atlas Tower Lease upon commencement of the lease and recognized those balances over the lease term. As of December 31, 2024, the Company determined that it is unlikely to exercise the termination option associated with the Atlas Tower Lease; therefore, the above minimum lease payments do not consider the effects of the termination option on the lease term.

Land Leases

On March 8, 2024, the Company entered into a land lease with a subsidiary of Occidental Petroleum, a related party, which became effective on December 1, 2024. The lease has an initial term of 60 months from the commencement date and may be extended for up tothree consecutive periods of ten years. Additionally, the lease contains an option to purchase the land during the lease term. As of December 31, 2024, the Company has determined it is not probable that the purchase option or the lease extensions will be exercised and, therefore, these cash flows were excluded from the initial measurement of the lease obligation.

The Company leases the land under the Demonstration Plant in La Porte, Texas. During the second quarter of 2024, the Company entered into a lease amendment extending the lease term. The amended lease expires on the earlier of (i) January 1, 2031 or (ii) the termination of the Company's oxygen supply agreement with the lessor. Lease payments for the land equal one dollar per year.

Refer to Note 16 — Commitments and Contingencies for discussion on the Company's asset retirement obligations related to the Demonstration Plant.

Office Trailer Leases

On June 26, 2024, the Company entered into a lease agreement fortwo office trailers at the Demonstration Plant in La Porte, Texas, with an effective date of September 1, 2024. The lease has a term of 24 months and contains a purchase option where the Company may purchase the trailers at the end of the lease term; therefore, the Company classified the lease as a finance lease and recorded the right-of lease asset within Property, plant, and equipment, net in the consolidated balance sheets.

NOTE 11 — Shareholders' Equity

Class A Common Stock

Class A Common Stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders and do not have cumulative voting rights. Class A Common Stock is entitled to receive dividends (payable in cash, stock or otherwise), if any, as may be declared from time to time by the Company's Board of Directors (the "Board"). In the event of liquidation, dissolution, distribution of assets or other winding up, Class A Common Stock is entitled to receive ratably the assets available for distribution to the stockholders after payment of liabilities and the liquidation preference of any outstanding shares of Preferred Stock.

Class B Common Stock

Class B Common Stock is not transferable except in connection with a permitted transfer of a corresponding number of OpCo Units. Class B Common Stock is entitled toone vote per share on all matters to be voted upon by the holders of Common Stock. Holders of shares of Class A Common Stock and Class B Common Stock vote together as a single class on all matters presented to stockholders subject to certain exceptions. Class B Common Stock does not have the right to receive dividends, unless the dividend consists of shares of Class B Common Stock or of rights, options, warrants or other securities convertible or exercisable into or redeemable for shares of Class B Common Stock paid proportionally with respect to each outstanding share of Class B Common Stock and a dividend consisting of shares of Class A Common Stock or of rights, options, warrants or other securities convertible or exercisable into or redeemable for shares of Class A

Common Stock on the same terms is simultaneously paid to the holders of Class A Common Stock. Class B Common Stock does not have any right to receive a distribution upon a liquidation or winding up of the Company.

In the event that a holder of Class B Common Stock elects to redeem Class B Common Stock and the corresponding Class A OpCo Units, the Company can exchange such Class B Common Stock for Class A Common Stock or cash at the sole discretion of the Company.

Earnout Shares and Restricted Shares

As part of the Business Combination, 128,908,518 Class A OpCo Units and a corresponding number of shares of Class B Common Stock, 7,624,999 Class B OpCo Units and a corresponding number of shares of Class B Common Stock and 54,047,495 shares of Class A Common Stock owned by the Sponsor, the Sponsor's affiliates and private investors were subjected to certain vesting and transfer restrictions. Upon conversion of Class B OpCo Units to Class A OpCo Units, the 6,072,463 Class B OpCo Units subject to vesting and transfer restrictions became Class A OpCo Units.

Of the total shares subject to vesting and transfer restrictions, 986,775 Class A OpCo Units, all of which were formerly Class B OpCo Units, and a corresponding number of shares of Class B Common Stock vest in three equal tranches if the closing share price of the Class A Common Stock on the NYSE is greater than or equal to $12.00, $14.00, and $16.00 for any 20 trading days within a consecutive 30-trading-day period beginning on or after June 23, 2023 and ending on the three-year anniversary of the Closing Date or the occurrence of a change in control event (the "Earnout Shares").

Of the OpCo Units subject to transfer restrictions, 44,544,551 Class A OpCo Units (the "Price-Based Lock-up Shares") may not be transferred until after the three-year anniversary of the Closing Date; provided, however, that if the last sale price of the Class A Common Stock on the NYSE, for any 20 trading days within any 30 consecutive trading-day period commencing on or after June 23, 2023 exceeds (or, in the case of the 1,575,045 Class A OpCo Units that were formerly Class B OpCo Units, equals) (i) $12.00 per share, then one-third of the Price-Based Lock-up Shares will no longer be subject to such lock-up restrictions, (ii) $14.00 per share, then an additional one-third of the Price-Based Lock-up Shares will no longer be subject to such lock-up restrictions, and (iii) $16.00 per share, then all of the Price-Based Lock-up Shares will no longer be subject to such lock-up restrictions.

On August 16, 2023, pursuant to the OpCo limited liability company agreement, all Class B OpCo Units converted into Class A OpCo Units on a one-for-one basis due to the exercise on such date by an OpCo Unitholder of its Class B OpCo Unit conversion right, which allowed the holder to convert its own Class B OpCo Units into Class A OpCo Units on a one-for-one basis.

During the period from June 8, 2023 through December 31, 2023 (Successor), the Company's Class A Common Stock achieved the $12.00 per share and $14.00 per share prices necessary to cause two-thirds of the Earnout Shares to vest and to remove the lock-up provision from two-thirds of the Price-Based Lock-Up Shares. As of December 31, 2024, 328,925 Class A OpCo units and a corresponding number of shares of Class B Common Stock included in the Earnout Shares remain unvested. As of December 31, 2024, 14,848,184 Price-Based Lockup Shares remain restricted.

Redeemable Non-controlling Interest

The following table presents the Company and the non-controlling interest ("NCI") ownership percentage of the membership interests in OpCo as of the following periods:

	December 31,	
	2024	**2023**
Non-controlling interest holders	64.4 %	66.4 %
NET Power Inc.	35.6 %	33.6 %

The Company measures redeemable NCI each quarter at the higher of its book value or its redemption value. As o December 31, 2024, the Company measured redeemable NCI at redemption value. As of December 31, 2023, the Company measured redeemable NCI at book value. The adjustment to redeemable NCI is recorded through Additional paid-in capital on the consolidated statement of shareholders' equity and mezzanine shareholders' equity.

The table below sets forth the calculation of net loss before income tax attributable to redeemable NCI holders for the following periods:

	Successor	
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023
Net loss before income tax	$ (175,224)	$ (147,523)
Redeemable non-controlling interest percentage	64.4 %	66.4 %
Net loss before income tax attributable to non-controlling interests	$ (115,453)	$ (98,760)

Tax-related Partnership Distribution

Under the Second Amended and Restated Limited Liability Company Agreement of OpCo, OpCo is required, when certain conditions are met, to make tax-related distributions to the Class A OpCo Unit holders. These conditions were met in 2024 and, as a result, during the fourth quarter of 2024, the Company made a tax-related partnership distribution of $4.8 million. The partnership distributions are recorded as a reduction of Redeemable non-controlling interest in subsidiary on the consolidated balance sheets. The Third Amended and Restated Limited Liability Company Agreement of OpCo was effective January 17, 2025. Under the amended agreement, future partnership distributions will not be required unless OpCo is in a taxable income position.

NOTE 12 — Share-Based Payments

Aggregate share-based compensation expense, net of forfeitures, was $33.7 million, $14.1 million, and $8.6 million for the year ended December 31, 2024 (Successor), the period from June 8, 2023 through December 31, 2023 (Successor), and the period from January 1, 2023 through June 7, 2023 (Predecessor), respectively.

OpCo Unit Awards (Predecessor and Successor)

As of December 31, 2024, there was $376 thousand of unrecognized share-based compensation expense related to unvested Class A OpCo Units granted under previous programs, which the Company expects to recognize over a weighted average period of three years.

The following table summarizes the activity of employee equity awards comprised of Class A OpCo Units and the corresponding quantity of shares of Class B Common Stock for the periods presented:

	Quantity			Calculated Value		
	Successor		Predecessor	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Unvested, beginning of period	848,415	1,895,122	226,494	$ 5.21	$ 4.95	$ 63.25
Granted	—	—	—	$ —	$ —	$ —
Forfeited	—	(324,568)	—	$ —	$ 5.66	$ —
Vested	(606,745)	(30,069)	(107,418)	$ 5.03	$ 4.32	$ 63.18
Accelerated	—	(692,070)	—	$ —	$ 4.32	$ —
Unvested, end of period	241,670	848,415	119,076	$ 5.66	$ 5.21	$ 63.32

Restricted Stock Units (Successor)

During the year ended December 31, 2024 (Successor), there were 534,668 restricted stock units ("RSU") awarded under the terms of the Net Power Inc. 2023 Omnibus Incentive Plan. As of December 31, 2024, there was $6.8 million of unrecognized share-based compensation expense related to unvested RSUs, which the Company expects to recognize over a weighted average period of three years. Generally, RSUs granted to employees and the majority of executives either cliff-

vest on the three-year anniversary of the date of grant or vest ratably on each anniversary of the date of grant over a three-year period. Annual awards granted to independent directors cliff-vest on the first anniversary of each award's grant date.

Additionally, there were 1,257,467 RSUs awarded to certain legacy employees as permitted by the Business Combination agreement (the "Make-Whole Awards"). These RSUs vest upon occurrence of the following events, which are considered performance conditions: (i) commercial operations achieved by the Company's first utility-scale power plant, and (ii) a fully-executed license agreement and final investment decision achieved for another utility-scale power plant. The Make-Whole Awards expire ten years from the grant date. The Company will record compensation expense related to the Make-Whole Awards from the date the performance conditions are considered probable through the expected vesting dates. As of December 31, 2024, the performance conditions are not considered probable, therefore, no compensation cost has been recognized related to the Make-Whole Awards.

The following table presents a summary of RSU activity during the year ended December 31, 2024 (Successor):

	Quantity	Grant Date Fair Value Per Share
Unvested, beginning of period	443,221	$ 13.13
Granted	1,792,135	11.14
Forfeited	(34,723)	11.73
Vested	(68,846)	13.48
Unvested, end of period	2,131,787	$ 11.54

Performance Stock Units (Successor)

On April 2, 2024, there were 127,710 performance stock units ("PSUs") awarded to certain executives for which the vesting occurs upon the achievement of specific market-based conditions related to the Company's financial performance over a three-year period, modified based on the Company's Relative Total Shareholder Return ("TSR") and subject to final vesting based on the participant's continued employment through the end of the requisite service period. The amount of awards that will ultimately vest for the PSU can range from 0% to 200% based on the TSR calculated over a three-year period. The fair value of the PSUs was determined using the Monte Carlo Simulation model and is being expensed over the three-year vesting period. The assumptions used to calculate the fair value of these awards were:

Weighted average expected life	3 years
Risk-free interest rates	4.4 %
Expected volatility	68.0 %

The following table presents a summary of PSU activity as of December 31, 2024 and the changes during the year ended December 31, 2024 (Successor):

	Quantity	Grant Date Fair Value Per Share
Unvested, beginning of period	—	$ —
Granted	127,710	16.24
Forfeited	—	—
Vested	—	—
Unvested, end of period	127,710	$ 16.24

As of December 31, 2024, there was $1.6 million of unrecognized share-based compensation expense related to unvested PSUs.

Stock Options (Successor)

On April 2, 2024, the Company granted stock options to its Chief Executive Officer to purchase 2,459,893 shares of common stock of the Company with an exercise price of $11.30 per share and an expiration date of April 2, 2034. The stock options vest and become exercisable upon satisfaction of the following performance and market conditions: (i) commercial operations achieved by the Company's first utility-scale power plant, (ii) a fully-executed license agreement and final investment decision achieved for another utility-scale power plant, and (iii) a closing share price above $30 per share for 60 consecutive trading days (or the equivalent when adjusted for any stock splits, reverse stock splits, and cumulative dividends paid per share until the vesting date). The Company will recognize compensation expense from the date the performance conditions become probable through the expected vesting date. As of December 31, 2024, the performance conditions are not considered probable; therefore, no expense has been recognized related to these stock options.

The grant date fair value of stock options granted was $21.0 million and was estimated using the Monte Carlo Simulation model. The fair value of the Company's stock option grants was estimated utilizing the following assumptions:

Weighted average expected life	3.35 years
Risk-free interest rates	4.27 %
Expected volatility	80 %

BHES JDA (Predecessor and Successor)

The following table presents the quantity and value of equity issued to BHES as payment for costs incurred pursuant to the BHES JDA (Note 15). The portion of BHES JDA costs that the Company pays with Class A OpCo Units and shares of Class B Common Stock is recorded within Additional paid-in capital on the consolidated balance sheets and the consolidated statement of shareholders' equity and mezzanine shareholders' equity. The following table displays the expense recognized in our consolidated statement of comprehensive income for shares distributed as payment for services rendered under the terms of the BHES JDA during the periods described below:

	Quantity			Expense Recognized		
	Successor		Predecessor	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Membership Interests	—	—	9,210	$ —	$ —	$ 1,943
Class A OpCo Units	3,797,686	1,236,265	296,160	25,103	8,172	1,958
Class B Common Stock	3,797,686	1,236,265	296,160	—	—	—
Total				$ 25,103	$ 8,172	$ 3,901

Shares issued as payment under the terms of the Amended and Restated JDA are issued at a discount expected to cause a total loss of approximately $17.5 million to the Company over the term of the agreement. The Company has incurred inception-to-date losses of $8.0 million related to such issuances.

BHES may earn additional shares under the terms of the Amended and Restated JDA ("BHES Bonus Shares") if it meets certain contractually stipulated project milestones related to the development of our technology. The Company determined that BHES's achievement of each of these milestones is probable in accordance with the guidance in ASC Topic 718, *Share-Based Payments*; therefore, the Company recognizes the compensation cost associated with milestone share-based payments ratably over the expected service period. The following table disaggregates the variable share-based compensation payable to BHES should it meet its milestone objectives:

$ in thousands	Performance Period End Date	Compensation Cost Incurred To Date	Remaining Compensation Cost	Total Compensation Cost
BHES JDA	January 2027	$ 23,607	$ 3,738	$ 27,345

Additionally, BHES received 1,500,265 Class A OpCo Units and a corresponding number of shares of Class B Common Stock in conjunction with the consummation of the Business Combination.

Refer to Note 15 — Related Party Transactions for additional information related to the BHES JDA.

NOTE 13 — Loss per Share/Unit

Basic loss per share attributable to shareholders is calculated by dividing net loss attributable to shareholders by the weighted-average number of shares outstanding during the period. Diluted loss per share attributable to shareholders includes the effect of potentially dilutive common shares outstanding.

Successor Period

The following table sets forth the computation of the Company's basic and diluted earnings (loss) per share for the following periods:

	Successor	
$ in thousands, except for share and per share data	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023
Numerator		
Net loss after income tax	$ (164,644)	$ (141,816)
Net loss attributable to Net Power Inc.	$ (49,191)	$ (43,056)
Denominator		
Weighted-average number shares outstanding, basic and diluted	73,396,761	69,755,848
Loss per share attributable to shareholders, basic and diluted	$ (0.67)	$ (0.62)

Based on the amounts outstanding at December 31, 2024 and December 31, 2023, the Company excluded the following financial instruments from the computation of diluted loss per share because their inclusion would be anti-dilutive:

	December 31,	
Anti-Dilutive Instrument	**2024**	**2023**
Public Warrants	8,620,535	8,622,235
Private Placement Warrants	10,900,000	10,900,000
Earnout Shares	328,925	328,925
BHES Bonus Shares	2,068,416	2,068,416
Unvested Class A OpCo Units	241,670	848,415
Vested Class A OpCo Units	141,470,217	141,304,030
Unvested RSUs	874,328	443,221
Unvested PSUs	127,710	—
Make-Whole Awards	1,257,467	—
Stock Options	2,459,893	—
Total	168,349,161	164,515,242

In the Successor Period, only shares of Class A Common Stock participate in the Company's undistributed earnings. As such, the Company's undistributed earnings are allocated entirely to the Class A Common Stock based on the weighted-average number of shares of Class A Common Stock outstanding for the year ended December 31, 2024.

Predecessor Period

For the period from January 1, 2023 through June 7, 2023 (Predecessor), the Company excluded 119,076 unvested profit interests from the computation of diluted net loss per unit because their inclusion would be anti-dilutive.

The following table sets forth the computation of the Company's basic and diluted net loss per unit for the following period:

	Predecessor
$ in thousands, except for share and per share data	**Period From January 1, 2023 through June 7, 2023**
Numerator	
Net loss after income tax	$ (34,176)
Net loss attributable to membership interest holders	$ (34,176)
Denominator	
Weighted-average number membership interests outstanding, basic and diluted	3,766,871
Net loss per unit attributable to membership interest holders, basic and diluted	$ (9.07)

NOTE 14 — Income Taxes

Prior to the Closing Date, NET Power, LLC was considered a pass-through entity for state and federal income taxes. As such, NET Power, LLC's income or loss was allocated to its partners and no income tax expense (benefit) was recognized.

The Company did not have any foreign components of net loss before income taxes during the period from June 8, 2023 through December 31, 2023 (Successor).The following table presents the components of the Company's net loss before income tax:

	Successor
$ in thousands	**Year Ended December 31, 2024**
United States	$ (175,032)
Foreign	(192)
Total net loss before income tax	$ (175,224)

The following table presents the components of the Company's current and deferred income taxes:

	Successor	
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023
Federal		
Current tax expense	$ —	$ —
Deferred tax benefit	10,491	5,542
Total federal	10,491	5,542
State and local		
Current tax expense	—	—
Deferred tax benefit	89	165
Total state and local	89	165
Total	$ 10,580	$ 5,707

The following table presents the Company's effective income tax rate:

	Successor	
	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023
U.S. federal statutory rate	21.0 %	21.0 %
Increase (decrease) due to:		
State income taxes, net of federal income tax benefit	0.1 %	0.1 %
Non-controlling interests	(13.8) %	(14.1) %
Equity transactions	— %	(3.8) %
Change in investment in OpCo	— %	(2.5) %
Valuation allowance	— %	3.7 %
Warrants	(3.0) %	— %
R&D Credit	0.5 %	— %
Other	1.2 %	(0.5) %
Effective tax rate	6.0 %	3.9 %

The following table presents the effects of temporary differences arising from deferred income taxes:

	December 31,	
$ in thousands	**2024**	**2023**
Deferred tax assets		
Federal net operating losses	$ 4,808	$ 1,976
State net operating losses	551	186
Investment in OpCo	10,816	62,972
R&D credit carryforward	1,308	—
Other	74	—
Deferred tax assets, gross	17,557	65,134
Valuation allowance	(11,293)	(62,972)
Deferred tax assets, net	6,264	2,162
Deferred tax liabilities		
Property, plant, and equipment and developed technology	—	(59,881)
Warrants	(10,570)	—
Deferred tax liabilities, gross	(10,570)	(59,881)
Deferred tax liabilities, net	$ (4,306)	$ (57,719)

As of December 31, 2024, the Company recorded a deferred tax asset of $17.6 million, which was partially offset by a valuation allowance of $11.3 million. The change in the valuation allowance of $51.7 million for the year ended December 31, 2024 is primarily due to the change in the balance of the deferred tax asset attributable to Net Power Inc.'s investment in OpCo. The Company considered sources of income and determined that the deferred tax assets in the amount of $11.3 million and $63.0 million were more-likely-than-not to be realized as of December 31, 2024 and 2023 and therefore established a valuation allowance as of the respective dates.

During 2024, the Company completed its estimate of deferred taxes as of the Closing Date and finalized its purchase price allocation, which resulted in a measurement adjustment that reduced the deferred tax liability on property, plant, and equipment along with a corresponding reduction to goodwill. Refer to Note 7 — Goodwill and Intangible Assets for additional information.

As of December 31, 2024, the Company has federal, state, and foreign income tax net operating loss carryforwards of $22.9 million, $22.9 million, and $192 thousand. The Company recorded a $4.8 million deferred tax asset for the federal net operating loss which will carry forward indefinitely. The Company recorded a $551 thousand deferred tax asset for state net operating loss and a $73 thousand deferred tax asset for foreign net operating loss, which was offset by a $477 thousand valuation allowance based on the determination that a portion of these losses is not more likely than not to be realized. State and foreign net operating loss carryforwards will begin to expire in 2043. The Company also recognized $1.3 million of R&D credit carryforward which will begin to expire in 2043.

As of December 31, 2024, the Company recorded no unrecognized tax benefits that, if recognized, would decrease the Company's effective tax rate. The measurement of unrecognized tax benefits is not expected to significantly change during the twelve months following the date of the consolidated balance sheets. Management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustment to comply with applicable accounting guidance.

The Company and its subsidiaries file U.S. federal income tax returns as well as tax returns in various state jurisdictions. OpCo files U.S. federal and state tax returns. Generally, tax years between 2020 and 2023 remain open to examination by the tax authorities in these jurisdictions.

Although the outcomes of tax examination are uncertain, management believes that adequate provisions for income taxes have been made. If outcomes differ materially from management's estimates, those outcomes could have a material impact

on the Company's financial condition and results of operations. Differences between actual results and assumptions or changes in assumptions in future periods are recorded in the period they become known. To the extent additional information becomes available prior to resolution, such accruals are adjusted to reflect probable outcomes.

Tax Receivable Agreement

As of December 31, 2024, the Company recorded a liability of$21.0 million related to its projected obligations under the TRA, which is recorded as Tax Receivable Agreement liability on the Company's consolidated balance sheets. This obligation arose because of qualifying exchanges of Class A OpCo Units.

NOTE 15 — Related Party Transactions

The following table summarizes the related party transactions included in the consolidated statements of operations and comprehensive loss:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Master services agreement administrative costs	$ 119	$ 84	$ 80
Engineering support provided by former board member	—	—	97
General and administrative	$ 119	$ 84	$ 177
Master services agreement costs for Demonstration Plant	$ 1,585	$ 643	$ 530
BHES JDA	—	—	11,713
Research and development	$ 1,585	$ 643	$ 12,243
Option settlement – related party	$ —	$ 79,054	$ —

Master Services Agreements

A significant shareholder has provided the Company with patent administration services related to the development of the Net Power Cycle. In the Predecessor Period, this shareholder also provided marketing services and technology maintenance services. These totals are included in General and administrative on the consolidated statements of operations and comprehensive loss.

Another shareholder supports the Company with regard to general business oversight and with the operation of the Demonstration Plant. These totals are reflected in Research and development on the consolidated statements of operations and comprehensive loss.

The Company had $325 thousand and $142 thousand in current liabilities payable to related parties as of December 31, 2024 and December 31, 2023, respectively, on the consolidated balance sheets related to these services. These related party payables are unsecured and are due on demand.

Engineering Support Provided by Former Board Member

A shareholder, who is also a former board member, supported the Company with regard to general business oversight and with the operation of the Demonstration Plant. These expenses are reflected in Research and development on the consolidated statements of operations and comprehensive loss prior to the Business Combination. The counterparty ceased being a related party on June 8, 2023 upon completion of the Business Combination.

BHES JDA

On February 3, 2022, the Company entered into a Joint Development Agreement with affiliates of Baker Hughes Energy Services LLC ("BHES"), which is a shareholder of the Company (the "Original JDA"). The Original JDA's counterparties subsequently amended the agreement's terms on June 30, 2022 and December 13, 2022 (the "Amended and Restated JDA", and collectively with the Original JDA, the "BHES JDA"). The Amended and Restated JDA represents a contract that engages BHES to invest in, develop, and deploy the Net Power Cycle in collaboration with the Company. The Amended and Restated JDA entitles BHES to payments of cash and issuances of equity in exchange for services related to the development and commercialization of the technology. Subsequent to the Business Combination, the Company records the measurement of services provided by BHES within Research and development on the consolidated statements of operations and comprehensive loss. Prior to June 8, 2023 (Successor), BHES was considered a related party due to the size of their ownership of the Company and because an employee of BHES served on the Company's Board of Directors. Subsequent to the Business Combination, neither BHES nor its affiliates occupy seats on the Company's Board of Directors and its percentage of ownership fell below 5%; therefore, BHES no longer qualifies as a related party after June 7, 2023 (Predecessor).

Lease

Refer to Note 10 — Leases for a discussion of the lease with a subsidiary of Occidental Petroleum Corporation ("Occidental Petroleum").

Option Settlement

One of the Company's shareholders owned an option to purchase up to 711,111 membership interests from NET Power, LLC if NET Power, LLC met certain performance conditions, which it did not achieve prior to the close of the Business Combination. Immediately prior to the close of the Business Combination, the option holder received 247,655 NET Power, LLC membership interests with a value of approximately $79.1 million in exchange for retiring the purchase option. The membership interests converted into 7,905,279 Class A OpCo Units and a corresponding quantity of shares of Class B Common Stock in conjunction with the Business Combination. The loss generated from the settlement of the share purchase option is recorded as Option settlement – related party expense on the consolidated statements of operations and comprehensive loss.

NOTE 16 — Commitments and Contingencies

Litigation

In conjunction with the Business Combination, the Company entered into a settlement agreement with a RONI shareholder related to certain disclosures made in the registration statement filed by RONI for the Business Combination. The settlement amount did not have a material effect on the consolidated financial statements of the Company.

Asset Retirement Obligation

Under the terms of the lease for the Demonstration Plant, the Company is required to remove the Demonstration Plant and restore the land to post-clearing grade level. During 2024, the Company revised the estimate of its asset retirement obligation as a result of additional construction at the Demonstration Plant. The following table reconciles the beginning and ending balances of the asset retirement obligation as of the dates presented:

	Successor		Predecessor
$ in thousands	Year Ended December 31, 2024	Period From June 8, 2023 through December 31, 2023	Period From January 1, 2023 through June 7, 2023
Asset retirement obligation, beginning of period	$ 2,060	$ 1,967	$ 2,416
Revision of estimate	996	—	—
Accretion expense	209	93	102
Asset retirement obligation, end of period	$ 3,265	$ 2,060	$ 2,518

Unconditional Purchase Obligations

The Company has committed to purchase industrial components for installation at its Demonstration Plant and its first commercial power plant. The Company pays for these components in installments aligned to contractual milestones. In accordance with ASC Topic 440, *Commitments*, the Company does not recognize these commitments on the consolidated balance sheets.

As of December 31, 2024, the Company had $76.1 million of remaining purchase obligations through February 2027 related to the BHES JDA, which is expected to be settled 50% in cash and 50% in common stock. In addition, the Company had $89.6 million of additional remaining asset purchase obligations through 2026.

Exhibit 10.5

EXECUTION VERSION

THIRD AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT
OF

NET POWER OPERATIONS LLC

DATED AS OF JANUARY 17, 2025

THE LIMITED LIABILITY COMPANY INTERESTS IN NET POWER OPERATIONS LLC HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, THE SECURITIES LAWS OF ANY STATE, OR ANY OTHER APPLICABLE SECURITIES LAWS, AND HAVE BEEN OR ARE BEING ISSUED IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE AND ANY OTHER APPLICABLE SECURITIES LAWS; (II) THE TERMS AND CONDITIONS OF THIS THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT; AND (III) ANY OTHER TERMS AND CONDITIONS AGREED TO IN WRITING BETWEEN THE MANAGING MEMBER AND THE APPLICABLE MEMBER. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH LIMITED LIABILITY COMPANY INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

TABLE OF CONTENTS

Page

THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
NET POWER OPERATIONS LLC

This Third Amended and Restated Limited Liability Company Agreement (as amended, supplemented or restated from time to time, this "***Agreement***") is entered into as of January 17, 2025, by and among NET Power Operations LLC, a Delaware limited liability company (the "***Company***"), NET Power Inc., a Delaware corporation ("***PubCo***"), Rice Acquisition Sponsor II LLC, a Delaware limited liability company ("***Rice Sponsor***"), OLCV Net Power, LLC, a Delaware limited liability company, Baker Hughes Energy Services LLC, a Delaware limited liability company, NPEH, LLC, a Delaware limited liability company controlled by 8 Rivers Capital, LLC, and Constellation Energy Generation LLC, a Pennsylvania limited liability company (collectively, the "***NET Power Holders***"), and each other Person who is admitted as a Member in accordance with the terms of this Agreement and the Act or who acquires a Company Warrant (as defined herein). Capitalized terms used herein and not otherwise defined have the respective meanings set forth in Section 1.1.

RECITALS

WHEREAS, immediately prior to the adoption of this Agreement, the Company was governed by the Second Amended and Restated Limited Liability Company Agreement, dated as of June 8, 2023 (the "***Existing Company LLC Agreement***");

WHEREAS, PubCo, Rice Sponsor, the NET Power Holders, and each other Member acknowledges and agrees that (a) for U.S. federal and, as applicable, state and local tax purposes, in connection with the Business Combination, the Merger (as defined in the Business Combination Agreement) constituted an "assets-over" partnership merger under Treasury Regulations Section 1.708-1(c)(3)(i) in which Rice Acquisition Holdings II LLC was treated as a "terminated partnership," and NET Power was treated as the "resulting partnership", with the Company being a continuation of NET Power and, accordingly, (b) for all tax and book purposes, this Agreement functionally is, and shall be treated by the Members hereof as, the Sixth Amended and Restated Limited Liability Company Operating Agreement of NET Power entered into upon the admission of PubCo as a Member, and references to "Company" shall be construed accordingly;

WHEREAS, PubCo serves as the sole managing member of the Company (in its capacity as managing member as well as in any other capacity, the "***Managing Member***");

WHEREAS, the Members of the Company desire to amend and restate the Existing Company LLC Agreement on the terms of this Agreement; and

WHEREAS, this Agreement shall amend and restate the Existing Company LLC Agreement in its entirety on the date hereof.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Existing Company LLC Agreement is hereby amended and restated in its entirety and the parties hereto hereby agree as follows:

Article I
DEFINITIONS

Section 1.1 **Definitions**. As used in this Agreement and the Exhibits attached to this Agreement, the following definitions shall apply:

"***Act***" means the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, et seq., as amended from time to time (or any corresponding provisions of succeeding Law).

"***Action***" means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Entity.

"***Adjusted Basis***" has the meaning given such term in Section 1011 of the Code.

"***Adjusted Capital Account***" means, with respect to any Member, (a) the Capital Account balance of such Member, *plus* (b) such Member's share of Member Minimum Gain or Company Minimum Gain (after reduction to reflect the items described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6)).

"***Adjusted Capital Account Deficit***" means, with respect to any Member the deficit balance, if any, in such Member's Adjusted Capital Account at the end of any Fiscal Year or other taxable period, after crediting such Member's Adjusted Capital Account for any amount such Member is obligated to restore under Treasury Regulations Section 1.704-1(b)(2)(ii)(*c*). This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(*d*) and shall be interpreted consistently therewith.

"***Affiliate***" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such Person. For these purposes, "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by Contract or otherwise; *provided* that, for purposes of this Agreement, (a) no Member shall be deemed an Affiliate of the Company or any of its Subsidiaries or any other Member and (b) none of the Company or any of its Subsidiaries shall be deemed an Affiliate of any Member.

"***Agreement***" is defined in the preamble to this Agreement.

"***Beneficially own***" and "***Beneficial owner***" shall be as defined in Rule 13d-3 of the rules promulgated under the Exchange Act.

"***Black-Out Period***" means any "black-out" or similar period under PubCo's policies covering trading in PubCo's securities to which the applicable Redeeming Holder is subject,

which period restricts the ability of such Redeeming Holder to immediately resell Class A Shares to be delivered to such Redeeming Holder in connection with a Redemption.

"***Block Redemption Date***" is defined in Section 3.7(b)(ii).

"***Business Combination***" means the transactions contemplated by the Business Combination Agreement.

"***Business Combination Agreement***" means that certain Business Combination Agreement, dated as of December 13, 2022, by and among (a) PubCo, (b) the Company, (c) Topo Buyer Co, LLC, a Delaware limited liability company, (d) Topo Merger Sub, LLC, a Delaware limited liability company, and (e) NET Power.

"***Business Day***" means any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Law to be closed.

"***Business Opportunities Exempt Party***" is defined in Section 7.4.

"***Call Right***" is defined in Section 3.7(f).

"***Capital Account***" means, with respect to any Member, the Capital Account maintained for such Member in accordance with Section 3.5.

"***Capital Contribution***" means, with respect to any Member, the amount of cash and the initial Gross Asset Value of any property (other than cash) contributed to the Company by such Member. Any reference to the Capital Contribution of a Member will include any Capital Contributions made by a predecessor holder of such Member's Units to the extent that such Capital Contribution was made in respect of Units Transferred to such Member.

"***Cash Election***" means an election by the Company to redeem Class A Units or Company Warrants for cash pursuant to Section 3.7(e)(ii) or an election by PubCo (or such designated member(s) of the PubCo Holdings Group) to purchase Class A Units or Company Warrants for cash pursuant to an exercise of its Call Right set forth in Section 3.7(f).

"***Cash Election Amount***" means with respect to a particular Redemption of Class A Shares or Company Warrants, as applicable, for which a Cash Election has been made, (a) other than in the case of clause (b), if the Class A Shares or PubCo Warrants, as applicable, trade on a securities exchange or automated or electronic quotation system, an amount of cash equal to the product of (i) the number of Class A Shares or PubCo Warrants, as applicable, that would have been received in such Redemption if a Cash Election had not been made and (ii) the average of the volume-weighted closing price for a Class A Share or PubCo Warrant, as applicable, on the principal U.S. securities exchange or automated or electronic quotation system on which the Class A Shares or PubCo Warrants, as applicable, trade, as reported by Bloomberg, L.P., or its successor, for each of the 5 consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Notice Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events

affecting the Class A Shares or PubCo Warrants, as applicable; (b) if the Cash Election is made in respect of a Redemption Notice issued by a Redeeming Holder in connection with a Registered Offering, an amount of cash equal to the product of (i) the number of Class A Shares or PubCo Warrants, as applicable, that would have been received in such Redemption if a Cash Election had not been made and (ii) the price per Class A Share or PubCo Warrant, as applicable, sold to the public in such Registered Offering (reduced by the amount of any Discount associated with such Class A Share or PubCo Warrant, as applicable); and (c) if the Class A Shares or PubCo Warrants, as applicable, no longer trade on a securities exchange or automated or electronic quotation system, an amount of cash equal to the product of (i) the number of Class A Shares or PubCo Warrants, as applicable, that would have been received in such Redemption if a Cash Election had not been made and (ii) the Fair Market Value of one Class A Share or PubCo Warrant, as applicable.

"***Certificate of Formation***" means that certain Certificate of Formation of the Company dated as of September 1, 2020.

"***Chief Executive Officer***" means the Person appointed as the Chief Executive Officer of the Company by the Managing Member pursuant to Section 6.2(a).

"***Class A Capital Account***" means, with respect to any Member holding Class A Units, (a) the total number of Class A Units held by such Member, *multiplied by* (b) the Class A Per Unit Balance.

"***Class A Per Unit Balance***" means, as of any relevant date, the quotient of (a) PubCo's Adjusted Capital Account balance, to the extent attributable to such PubCo's ownership of Class A Units and computed on a hypothetical basis after all allocations have been tentatively made pursuant to Section 4.1 and Section 4.2, based on an interim closing of the books pursuant to Section 706 of the Code as of such date, *divided by* (b) the total number of Class A Units held by PubCo on such date.

"***Class A Shares***" means, as applicable, (a) the Class A Common Stock of PubCo, par value $0.0001 per share, or (b) following any consolidation, merger, reclassification or other similar event involving PubCo, any shares or other securities of PubCo or any other Person or cash or other property that become payable in consideration for the Class A Shares or into which the Class A Shares are exchanged or converted as a result of such consolidation, merger, reclassification or other similar event.

"***Class A Units***" means the Class A Units of the Company issued hereunder and shall also include any Equity Security of the Company issued in respect of or in exchange for Class A Units, whether by way of dividend or other distribution, split, recapitalization, merger, rollup transaction, consolidation, conversion or reorganization.

"***Class B Automatic Conversion Date***" means any date after the closing of the Business Combination (a) on which there is a Redemption, primary offering of PubCo Equity Securities, exercise of Company Warrants, or other issuance or redemption of Units or (b) which is otherwise designated as such by the Managing Member.

"***Class B Capital Account***" means, as of any relevant date, with respect to any Member holding Class B Units, (a) such Member's Adjusted Capital Account *minus* (b) such Member's Class A Capital Account (if any), in each case, computed on a hypothetical basis after all allocations have been tentatively made pursuant to Section 4.1 and Section 4.2, based on an interim closing of the books pursuant to Section 706 of the Code as of such date.

"***Class B Conversion Date***" means any Class B Automatic Conversion Date and any other date on which Class B Units are converted into Class A Units in accordance with Section 3.2(b).

"***Class B Fungibility Target Balance***" means, as of any relevant date, with respect to any Member holding Class B Units, the product of (a) the Class A Per Unit Balance, *multiplied by* (b) the number of Class B Units held by such Member.

"***Class B Shares***" means, as applicable, (a) the Class B Common Stock of PubCo, par value $0.0001 per share, or (b) following any consolidation, merger, reclassification or other similar event involving PubCo, any shares or other securities of PubCo or any other Person or cash or other property that become payable in consideration for the Class B Shares or into which the Class B Shares are exchanged or converted as a result of such consolidation, merger, reclassification or other similar event.

"***Class B Units***" means the Class B Units of the Company issued hereunder and shall also include any Equity Security of the Company issued in respect of or in exchange for Class B Units, whether by way of dividend or other distribution, split, recapitalization, merger, rollup transaction, consolidation, conversion or reorganization.

"***Code***" means the United States Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding Law).

"***Commission***" means the U.S. Securities and Exchange Commission, including any governmental body or agency succeeding to the functions thereof.

"***Company***" is defined in the preamble to this Agreement.

"***Company Level Taxes***" means any federal, state or local taxes, additions to tax, penalties and interest payable by the Company or any of its Subsidiaries as a result of any examination of the Company's or any of its Subsidiaries' affairs by any federal, state or local tax authorities, including resulting administrative and judicial proceedings under the Partnership Tax Audit Rules.

"***Company Minimum Gain***" has the meaning of "***partnership minimum gain***" set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d). It is further understood that Company Minimum Gain shall be determined in a manner consistent with the rules of Treasury Regulations Section 1.704-2(b)(2), including the requirement that if the adjusted Gross Asset Value of property subject to one or more Nonrecourse Liabilities differs from its adjusted tax basis, Company Minimum Gain shall be determined with reference to such Gross Asset Value.

"***Company Representative***" has the meaning assigned to the term "***partnership representative***" (including any "***designated individual,***" if applicable) in Section 6223 of the Code and any Treasury Regulations or other administrative or judicial pronouncements promulgated thereunder (and any analogous provisions of state and local tax law), as appointed pursuant to Section 9.4.

"***Company Warrantholder***" means any holder of Company Warrants.

"***Company Warrants***" means the warrants issued by the Company and exercisable for Class A Units.

"***Constellation Warrant to Purchase Shares***" means the warrant to purchase Shares in NET Power held by Constellation Energy Generation LLC issued February 3, 2022 pursuant to which Constellation Energy Generation LLC was granted the right to purchase up to 28,764 Shares.

"***Contract***" means any written agreement, contract, lease, sublease, license, sublicense, obligation, promise or undertaking.

"***Control***" (including the terms "***controlled by***" and "***under common control with***"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly or as trustee, personal representative or executor, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee, personal representative or executor, by Contract or otherwise.

"***Covered Audit Adjustment***" means an adjustment to any partnership-related item (within the meaning of Section 6241(2)(B) of the Code) to the extent such adjustment results in an "imputed underpayment" as described in Section 6225(b) of the Code or any analogous provision of state or local Law.

"***Covered Person***" is defined in Section 6.4.

"***Debt Securities***" means, with respect to PubCo, any and all debt instruments or debt securities that are not convertible or exchangeable into Equity Securities of PubCo.

"***Depreciation***" means, for each Fiscal Year or other taxable period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other taxable period, except that with respect to any such property the Gross Asset Value of which differs from its Adjusted Basis for U.S. federal income tax purposes at the beginning of such Fiscal Year or other taxable period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other taxable period bears to such beginning Adjusted Basis; *provided*, *however*, that if the Adjusted Basis for U.S. federal income tax purposes of an asset at the beginning of such Fiscal Year or other taxable period is zero, Depreciation with respect to such asset shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Managing Member.

"***DGCL***" means the General Corporation Law of the State of Delaware, as amended from time to time (or any corresponding provisions of succeeding Law).

"***Discount***" is defined in Section 3.7(e)(iii).

"***Equalization Date***" means the date on which all Class B Units have been converted into Class A Units pursuant to Section 3.2(b).

"***Equity Securities***" means (a) with respect to a partnership, limited liability company or similar Person, any and all units, interests, rights to purchase, warrants, options or other equivalents of, or other ownership interests in, any such Person as well as debt or equity instruments convertible, exchangeable or exercisable into any such units, interests, rights or other ownership interests and (b) with respect to a corporation, any and all shares, interests, participation or other equivalents (however designated) of corporate stock, including all common stock and preferred stock, or warrants, options or other rights to acquire any of the foregoing, including any debt instrument convertible or exchangeable into any of the foregoing.

"***Equity-Linked Securities***" means any Equity Securities of PubCo, the Company or any of their Subsidiaries which are convertible into, or exchangeable or exercisable for, any other Equity Securities of PubCo, the Company or any of their Subsidiaries, including Class A Units and any Equity Securities issued by PubCo, the Company or any of their Subsidiaries which are pledged to secure any obligation of any holder to purchase from PubCo, the Company or any of their Subsidiaries any Equity Securities of such entities.

"***ERISA***" means the United States Employee Retirement Security Act of 1974, as amended.

"***Excess Tax Amount***" is defined in Section 9.5(c).

"***Exchange Act***" means the United States Securities Exchange Act of 1934, and the rules and regulations promulgated thereunder, as the same may be amended from time to time (or any corresponding provisions of succeeding Law).

"***Existing Company LLC Agreement***" is defined in the recitals to this Agreement.

"***Fair Market Value***" means the fair market value of any property as determined in Good Faith by the Managing Member after taking into account such factors as the Managing Member shall deem appropriate.

"***Federal Bankruptcy Code***" means Title 11 of the United States Code, as amended from time to time, and all rules and regulations promulgated thereunder.

"***Fiscal Year***" means the fiscal year of the Company, which shall end on December 31 of each calendar year unless, for U.S. federal income tax purposes, another fiscal year is required. The Company shall have the same fiscal year for U.S. federal income tax purposes and for accounting purposes.

"***Fungible Class B Units***" means, for any Member holding Class B Units, as of any relevant date, a number of such Class B Units equal to the quotient, rounded down to the nearest whole unit, of (a) such Member's Class B Capital Account, *divided by* (b) the Class A Per Unit Balance; *provided* that, for the avoidance of doubt, the number of Fungible Class B Units shall never exceed the total number of Class B Units held by such Member.

"***GAAP***" means U.S. generally accepted accounting principles at the time.

"***Good Faith***" means a Person having acted in good faith and in a manner such Person reasonably believed to be in or not opposed to the best interests of the Company and the PubCo Holdings Group and, with respect to a criminal proceeding, having had no reasonable cause to believe such Person's conduct was unlawful.

"***Governmental Entity***" means any federal, national, supranational, state, provincial, local, foreign or other government, governmental, stock exchange, regulatory or administrative authority, agency or commission or any court, tribunal or judicial or arbitral body.

"***Gross Asset Value***" means, with respect to any asset, the asset's Adjusted Basis for U.S. federal income tax purposes, except as follows:

(a) the initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross Fair Market Value of such asset as of the date of such contribution;

(b) the Gross Asset Values of all Company assets shall be adjusted to equal their respective gross Fair Market Values as of the following times: (i) the acquisition of an interest (or additional interest) in the Company by any new or existing Member in exchange for more than a *de minimis* Capital Contribution to the Company or in exchange for the performance of more than a *de minimis* amount of services to or for the benefit of the Company; (ii) the distribution by the Company to a Member of more than a *de minimis* amount of Company assets as consideration for an interest in the Company; (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(*g*)(1), (iv) the acquisition of an interest in the Company by any new or existing Member upon the exercise of a Company Warrant or other noncompensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(*s*) or in connection with a Redemption; or (v) any other event to the extent determined by the Managing Member to be permitted and necessary or appropriate to properly reflect Gross Asset Values in accordance with the standards set forth in Treasury Regulations Section 1.704-1(b)(2)(iv) *provided*, *however*, that adjustments pursuant to clauses (i), (ii) and (iv) above shall not be made if the Managing Member reasonably determines that such adjustments are not necessary or appropriate to reflect the relative economic interests of the Members in the Company. If any Company Warrants or other noncompensatory options are outstanding upon the occurrence of an event described in this paragraph (b)(i) through (b)(v), the Company shall adjust the Gross Asset Values of its properties to properly reflect any change in the Fair Market Value of such Company Warrants or other noncompensatory options in accordance with Treasury Regulations Sections 1.704-1(b)(2)(iv)*(f)*(1) and 1.704-1(b)(2)(iv)*(h)*(2);

(c) the Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross Fair Market Value of such asset on the date of such distribution;

(d) the Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the Adjusted Basis of such assets pursuant to Section 734(b) of the Code (including any such adjustments pursuant to Treasury Regulation Section 1.734-2(b)(1)), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*m*) and clause (f) in the definition of "***Profits***" or "***Losses***" below or Section 4.2(h); *provided*, *however*, that the Gross Asset Value of a Company asset shall not be adjusted pursuant to this subsection to the extent the Managing Member determines in Good Faith that an adjustment pursuant to clause (b) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (d); and

(e) if the Gross Asset Value of a Company asset has been determined or adjusted pursuant to clauses (a), (b) or (d) of this definition of Gross Asset Value, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits, Losses and other items allocated pursuant to Article IV.

"***Indebtedness***" means (a) all indebtedness for borrowed money (including capitalized lease obligations, sale-leaseback transactions or other similar transactions, however evidenced), (b) any other indebtedness that is evidenced by a note, bond, debenture, draft or similar instrument, (c) notes payable and (d) lines of credit and any other agreements relating to the borrowing of money or extension of credit.

"***Initial Company LLC Agreement***" means that certain Limited Liability Company Agreement of the Company, dated as of February 3, 2021.

"***Interest***" means the entire interest of a Member in the Company, including the Units and all of such Member's rights, powers and privileges under this Agreement and the Act.

"***Investment Company Act***" is defined in Section 7.1(b).

"***IPO***" means the initial issuance of PubCo Shares, comprised of Class A Shares and PubCo Warrants, to the public for cash in the initial underwritten public offering of PubCo Shares.

"***Joinder***" means a joinder to this Agreement, in form and substance substantially similar to Exhibit C to this Agreement.

"***Law***" means any federal, national, supranational, state, provincial, local or similar statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including common law).

"***Legal Action***" is defined in Section 11.8.

"***Liability***" means any liability or obligation, whether known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated and whether due or to become due, regardless of when asserted.

"***Liquidating Event***" is defined in Section 10.1.

"***Managing Member***" is defined in the recitals to this Agreement.

"***Member***" means any Person that executes this Agreement as a Member and any other Person admitted to the Company as an additional or substituted Member, in each case, that has not made a disposition of such Person's entire Interest and, in each case, in its capacity as a member of the Company.

"***Member Minimum Gain***" has the meaning ascribed to "partner nonrecourse debt minimum gain" set forth in Treasury Regulations Section 1.704-2(i). It is further understood that the determination of Member Minimum Gain and the net increase or decrease in Member Minimum Gain shall be made in the same manner as required for such determination of Company Minimum Gain under Treasury Regulations Sections 1.704-2(d) and 1.704-2(g)(3).

"***Member Nonrecourse Debt***" has the meaning of "partner nonrecourse debt" set forth in Treasury Regulations Section 1.704-2(b)(4).

"***Member Nonrecourse Deductions***" has the meaning of "partner nonrecourse deductions" set forth in Treasury Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

"***National Securities Exchange***" means an exchange registered with the Commission under the Exchange Act.

"***NCO Target Balance***" means (a) with respect to a Class A Unit received upon the exercise of a Company Warrant, the Class A Per Unit Balance and (b) with respect to any interest in the Company received upon the exercise of any other noncompensatory option, such other amount determined in the Managing Member's reasonable discretion, that reflects the economic intent of such interest in the Company.

"***NET Power***" means NET Power, LLC, a Delaware limited liability company.

"***NET Power Holders***" is defined in the preamble to this Agreement.

"***NET Power Operating Agreement***" means the Fourth Amended and Restated Limited Liability Company Operating Agreement, dated as of February 3, 2022 (as amended by Amendment No. 1 to Fourth Amended and Restated Limited Liability Company Operating Agreement, dated as of December 13, 2022), which governed NET Power prior to the consummation of the Business Combination Agreement.

"***Non-Fungible Class B Units***" means, for any holder of Class B Units as of any relevant date, the number of any such Class B Units outstanding in excess of the number of such Class B Units that are Fungible Class B Units.

"***Nonrecourse Deductions***" has the meaning assigned that term in Treasury Regulations Section 1.704-2(b)(1).

"***Nonrecourse Liability***" is defined in Treasury Regulations Section 1.704-2(b)(3).

"***Officer***" means each Person appointed as an officer of the Company pursuant to and in accordance with the provisions of Section 6.2.

"***Oxy Purchase Option Agreement***" means the Limited Liability Company Member Purchase Agreement by and between OLCV Net Power, LLC and NET Power pursuant to which OLCV Net Power, LLC was granted the right to purchase 711,111 Class Units, as amended on December 13, 2022 to provide for the cancellation of such right in exchange for the delivery by NET Power of 247,655 Shares to OLCV Net Power, LLC immediately prior to the Business Combination.

"***Oxy Warrant to Purchase Shares***" means the warrant to purchase Shares in NET Power held by OLCV Net Power, LLC issued February 3, 2022 pursuant to which OLCV Net Power, LLC was granted the right to purchase up to 5,825 Shares.

"***Partnership Tax Audit Rules***" means Sections 6221 through 6241 of the Code, together with any final or temporary Treasury Regulations, Revenue Rulings and case Law interpreting Sections 6221 through 6241 of the Code (and any analogous provision of state or local tax Law).

"***Per Unit Tax Distribution Amount***" means, with respect to any Member as of any time of determination, an amount equal to (i) the applicable Tax Distribution Amount with respect to such Member, divided by (ii) the number of Units held by such Member at such time.

"***Person***" means any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Exchange Act.

"***Plan Asset Regulations***" means the regulations issued by the U.S. Department of Labor at Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the United States Code of Federal Regulations, or any successor regulations as the same may be amended from time to time.

"***Profits***" or "***Losses***" means, for each Fiscal Year or other taxable period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) any income or gain of the Company that is exempt from U.S. federal income tax or otherwise described in Section 705(a)(1)(B) of the Code and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss;

(b) any expenditures of the Company described in Section 705(a)(2)(B) of the Code or treated as Section 705(a)(2)(B) of the Code expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*i*), and not otherwise taken into account in computing Profits or Losses, shall be subtracted from such taxable income or loss;

(c) in the event the Gross Asset Value of any Company asset is adjusted pursuant to clause (b) or (c) of the definition of Gross Asset Value above, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the Company asset) or an item of loss (if the adjustment decreases the Gross Asset Value of the Company asset) from the disposition of such asset and shall, except to the extent allocated pursuant to Section 4.2, be taken into account for purposes of computing Profits or Losses;

(d) gain or loss resulting from any disposition of Company assets with respect to which gain or loss is recognized for U.S. federal income tax purposes shall be computed with reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;

(e) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation;

(f) to the extent an adjustment to the adjusted tax basis of any asset pursuant to Section 734(b) of the Code is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*m*)(4), to be taken into account in determining Capital Account balances as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or an item of loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) any items of income, gain, loss or deduction that are specifically allocated pursuant to the provisions of Section 4.2 shall not be taken into account in computing Profits or Losses for any taxable year, but such items available to be specially allocated pursuant to Section 4.2 will be determined by applying rules analogous to those set forth in clauses (a) through (f) above.

"***Proceeding***" is defined in Section 6.4(a).

"***Property***" means all real and personal property owned by the Company from time to time, including both tangible and intangible property.

"***PubCo***" is defined in the preamble to this Agreement.

"***PubCo Holdings Group***" means PubCo and each other Subsidiary of PubCo (other than the Company and its Subsidiaries).

"***PubCo Shares***" means all classes and series of common stock of PubCo, including the Class A Shares and the Class B Shares.

"***PubCo Tax-Related Liabilities***" means any U.S. federal, state and local and non-U.S. tax obligations (including any Company Level Taxes for which the PubCo Holdings Group is liable hereunder) owed by the PubCo Holdings Group (other than any franchise taxes and any obligations to remit any taxes withheld from payments to third parties).

"***PubCo Warrants***" means the warrants issued by PubCo and exercisable for Class A Shares.

"***Quarterly Redemption Date***" means the date within each fiscal quarter specified by PubCo to allow Redeeming Holders to effect Redemptions, which shall be set so that the corresponding Redemption Notice Date falls within a 20 day period after PubCo's earnings announcement for the prior fiscal quarter, unless there is a Special Redemption Date in such fiscal quarter, in which case, PubCo shall not be obligated to specify a Quarterly Redemption Date for such fiscal quarter. PubCo shall provide notice of any Quarterly Redemption Date to the Redeeming Holders as soon as reasonably possible, providing adequate time for the Redeeming Holders to submit a Redemption Notice, and in any event no later than five Business Days prior to the Redemption Notice Date.

"***Reclassification Event***" means any of the following: (a) any reclassification or recapitalization of PubCo Shares (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination or any transaction subject to Section 3.1(e)), (b) any merger, consolidation or other combination involving PubCo, or (c) any sale, conveyance, lease or other disposal of all or substantially all the properties and assets of PubCo to any other Person, in each of clauses (a), (b) or (c), as a result of which holders of PubCo Shares shall be entitled to receive cash, securities or other property for their PubCo Shares.

"***Redeeming Holder***" is defined in Section 3.7(a).

"***Redemption***" means any redemption of Class A Units or Company Warrants pursuant to Section 3.7.

"***Redemption Contingency***" is defined in Section 3.7(c)(iii).

"***Redemption Date***" means a Quarterly Redemption Date, a Special Redemption Date, or a Block Redemption Date.

"***Redemption Notice***" is defined in Section 3.7(c).

"***Redemption Notice Date***" means, with respect to any Redemption Date, the date that is 10 Business Days before such Redemption Date (or such other date specified by PubCo that is

not later than 10 Business Days, and not earlier than 20 Business Days, before such Redemption Date); *provided* that in the case of a Block Redemption, PubCo may waive such 10 Business Day requirement.

"***Redemption Right***" is defined in Section 3.7(a).

"***Registered Offering***" means any secondary securities offering (which may include a "bought deal" or "overnight" offering), and any primary securities offering for which piggyback rights are offered (or required to be offered), pursuant to the Stockholders Agreement or the Registration Rights Agreement.

"***Registration Rights Agreement***" means the Registration Rights Agreement, by and among PubCo and certain Members, which was entered into concurrently with the closing of the IPO.

"***Regulatory Allocations***" is defined in Section 4.2(i).

"***Rice Sponsor***" is defined in the preamble to this Agreement.

"***Securities Act***" means the United States Securities Act of 1933, and the rules and regulations promulgated thereunder, as the same may be amended from time to time (or any corresponding provisions of succeeding Law).

"***Shares***" has the meaning ascribed to it in the Fourth Amended and Restated Limited Liability Company Operating Agreement of NET Power.

"***Special Redemption Date***" means a date specified by PubCo in addition to or in lieu of the Quarterly Redemption Date during the same fiscal quarter. PubCo shall provide notice of any Special Redemption Date to the Redeeming Holders as soon as reasonably possible, providing adequate time for the Redeeming Holders to submit a Redemption Notice, and in any event no later than five (5) Business Days prior to the Redemption Notice Date. PubCo must specify a Special Redemption Date in connection with any Registered Offering.

"***Stockholders Agreement***" means that certain Stockholders Agreement, dated as of June 8, 2023, by and among (a) the NET Power Holders; (b) the Company; (c) Rice Sponsor; and (d) PubCo.

"***Subsidiary***" means, with respect to any specified Person, any other Person with respect to which such specified Person (a) has, directly or indirectly, the power, through the ownership of securities or otherwise, to elect a majority of directors or similar managing body or (b) Beneficially owns, directly or indirectly, a majority of such Person's Equity Securities or of the aggregate voting power thereof.

"***Target Member***" is defined in Section 5.2.

"***Tax Contribution Obligation***" is defined in Section 9.5(c).

"Tax Distribution Amount" is defined in Section 5.2.

"***Tax Offset***" is defined in Section 9.5(c).

"*Tax Receivable Agreement*" means that certain tax receivable agreement, dated as of the date hereof, by and among PubCo, the Company, and certain Members.

"***Trading Day***" means a day on which the New York Stock Exchange or such other principal United States securities exchange on which the Class A Shares are listed or admitted to trading is open for the transaction of business (unless such trading shall have been suspended for the entire day).

"***Transaction Documents***" means this Agreement, the Business Combination Agreement, the Tax Receivable Agreement and each agreement attached as an exhibit to this Agreement or the Business Combination Agreement (including any exhibit, schedule or other attachment to any exhibit attached hereto or thereto).

"***Transfer***" means, when used as a noun, any voluntary or involuntary transfer, sale, pledge or hypothecation or other disposition and, when used as a verb, voluntarily or involuntarily, to transfer, sell, pledge or hypothecate or otherwise dispose of. The terms "***Transferee,***" "***Transferor,***" "***Transferred***" and other forms of the word "***Transfer***" shall have the correlative meanings.

"***Treasury Regulations***" means pronouncements, as amended from time to time, or their successor pronouncements, that clarify, interpret and apply the provisions of the Code, and that are designated as "***Treasury Regulations***" by the United States Department of the Treasury.

"***Trust Account***" means the trust account established for the benefit of the public stockholders of PubCo and the holders (other than the PubCo Holdings Group) of Class A Units of the Company pursuant to the Trust Agreement.

"***Trust Agreement***" means the Investment Management Trust Agreement, dated June 15, 2021, by and among Continental Stock Transfer & Trust Company, PubCo and the Company.

"***Uniform Commercial Code***" means the Uniform Commercial Code or any successor provision thereof as the same may from time to time be in effect in the State of Delaware.

"***Units***" means the Class A Units and the Class B Units issued hereunder.

"***Warrant Agreement***" means the Warrant Agreement, dated as of June 15, 2021, by and among PubCo, the Company, and a warrant agent, as may be amended from time to time in accordance with its terms.

"***Winding-Up Member***" is defined in Section 10.3(a).

Section 1.2 Interpretive Provisions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in Section 1.1 are applicable to the singular as well as the plural forms of such terms;

(b) all accounting terms not otherwise defined herein have the meanings assigned under GAAP;

(c) all references to currency, monetary values and dollars set forth herein shall mean United States (U.S.) dollars and all payments hereunder shall be made in United States dollars;

(d) when a reference is made in this Agreement to an Article, Section or Exhibit, such reference is to an Article or Section of, or an Exhibit to, this Agreement unless otherwise indicated;

(e) whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation";

(f) "or" is not exclusive;

(g) pronouns of either gender or neuter shall include, as appropriate, the other pronoun forms; and

(h) the words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement.

Article II

ORGANIZATION OF THE LIMITED LIABILITY COMPANY

Section 2.1 **Formation**. The Company has been formed as a limited liability company subject to the provisions of the Act upon the terms, provisions and conditions set forth in this Agreement.

Section 2.2 **Filing**. The Company's Certificate of Formation has been filed with the Secretary of State of the State of Delaware in accordance with the Act. The Members shall execute such further documents (including amendments to such Certificate of Formation) and take such further action as is appropriate to comply with the requirements of Law for the formation or operation of a limited liability company in Delaware and in all states and counties where the Company may conduct its business. The Managing Member and each Officer is hereby designated an "authorized person" of the Company within the meaning of the Act.

Section 2.3 **Name**. The name of the Company is "NET Power Operations LLC" and all business of the Company shall be conducted in such name or, in the discretion of the Managing Member, under any other name.

Section 2.4 **Registered Office; Registered Agent**. The location of the registered office of the Company in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or at such other place as the Managing Member from time to time may select. The name and address for service of process on the Company in the State of Delaware are The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, or such other qualified Person as the Managing Member may designate from time to time and its registered office address.

Section 2.5 **Principal Place of Business**. The principal place of business of the Company shall be located in such place as is determined by the Managing Member from time to time.

Section 2.6 **Purpose; Powers**. The nature of the business or purposes to be conducted or promoted by the Company is to engage in any lawful act or activity for which limited liability companies may be formed under the Act. The Company shall have the power and authority to take any and all actions and engage in any and all activities necessary, appropriate, desirable, advisable, ancillary or incidental to the accomplishment of the foregoing purpose.

Section 2.7 **Term**. The term of the Company commenced on the date of filing of the Certificate of Formation of the Company with the office of the Secretary of State of the State of Delaware in accordance with the Act and shall continue indefinitely. The Company may be dissolved and its affairs wound up only in accordance with Article X.

Section 2.8 **LLC Agreement**. This Agreement shall constitute the "limited liability company agreement" of the Company for the purposes of the Act. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall control to the fullest extent permitted by the Act and other applicable Law.

Section 2.9 **Intent**. It is the intent of the Members that the Company be operated in a manner consistent with its treatment as a "partnership" for U.S. federal and state income tax purposes. It is also the intent of the Members that the Company not be operated or treated as a "partnership" for purposes of Section 303 of the Federal Bankruptcy Code or for any other purpose other than income tax purposes and that no Member shall be treated as a partner or joint venture of any other Member for any such other non-income tax purpose. Neither the Company nor any Member shall take any action inconsistent with the express intent of the parties hereto as set forth in this Section 2.9. Notwithstanding anything to the contrary set forth in this Section 2.9, this Section 2.9 shall not prevent the Company from entering into or consummating any transaction which constitutes a Change of Control (as defined in the Tax Receivable Agreement) to the extent such transaction is duly authorized by the Managing Member in accordance with the terms of this Agreement subject to the rights of PubCo and the TRA Holders set forth in the Tax Receivable Agreement, if any, applicable to such transaction.

Article III

OWNERSHIP AND CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS

Section 3.1 **Authorized Units; General Provisions With Respect to Units**.

(a) Subject to the provisions of this Agreement, the Company shall be authorized to issue from time to time such number of Units and such other Equity Securities as the Managing Member shall determine in accordance with Section 3.4. Each authorized Unit may be issued pursuant to such agreements as the Managing Member shall approve, including pursuant to options and warrants. The Company may reissue any Units that have been repurchased or acquired by the Company.

(b) The Units shall be initially divided into two (2) classes of Units referred to as "Class A Units" and "Class B Units." The number and class of Units issued to each Member shall be set forth opposite such Member's name on Exhibit A. Each outstanding Unit shall be identical except as otherwise provided hereunder.

(c) Initially, none of the Units will be represented by certificates. If the Managing Member determines that it is in the interest of the Company to issue certificates representing the Units, certificates will be issued and the Units will be represented by those certificates, and this Agreement shall be amended by the Managing Member without the consent of any other Member as necessary or desirable to reflect the issuance of certificated Units for purposes of the Uniform Commercial Code. Nothing contained in this Section 3.1(c) shall be deemed to authorize or permit any Member to Transfer its Units except as otherwise permitted under this Agreement.

(d) The Members as of the date hereof are set forth on Exhibit B. The Persons listed on Exhibit B as members of the Company as of the date hereof are hereby admitted to the Company, or shall continue, as applicable, as Members upon their execution of this Agreement. The total number of Units issued and outstanding and held by each Member as of the date hereof is set forth in the books and records of the Company. The Company shall update such books and records from time to time to reflect any Transfers of Interests, the issuance of additional Units or Equity Securities and, subject to Section 11.1(a), subdivisions or combinations of Units made in compliance with Section 3.1(f), in each case, in accordance with the terms of this Agreement.

(e) If, at any time after the date hereof, PubCo issues any Class A Shares or any other Equity Securities of PubCo (other than Class B Shares), (x) PubCo shall cause one or more members of the PubCo Holdings Group to concurrently contribute to the Company the net proceeds (in cash or other property, as the case may be), if any, received by PubCo for such Class A Shares or other Equity Securities and (y) the Company shall concurrently issue to those member(s) of the PubCo Holdings Group that have made such contributions, in accordance with the respective contributions made by each such member pursuant to clause (x), in respect of each such Class A Share or other Equity Security issued, one Class A Unit (if PubCo issues a Class A Share), or such other Equity Security of the Company (if PubCo issues Equity Securities other than Class A Shares) corresponding to the Equity Securities issued by PubCo, and with substantially the same rights to dividends and distributions (including distributions upon liquidation, but taking into account differences as a result of any tax or other Liabilities borne by PubCo) and other economic rights as those of such Equity Security of PubCo to be issued. Notwithstanding the foregoing:

(i) If PubCo issues any Class A Shares in order to acquire or fund the acquisition from a Member (other than any member of the PubCo Holdings Group) of a number of Units (and Class B Shares) equal to the number of Class A Shares so issued, then the Company shall not issue any new Units in connection therewith and, where such Class A Shares have been issued for cash to fund such an acquisition by any member of the PubCo Holdings Group pursuant to a Cash Election, the PubCo Holdings Group shall not be required to transfer such net proceeds to the Company, and such net proceeds shall instead be transferred by such member of the PubCo Holdings Group to such Member as consideration for such acquisition. For the avoidance of doubt, if PubCo issues any Class A Shares or other Equity Securities for cash to be used to fund the acquisition by any member of the PubCo Holdings Group of any Person or the assets of any Person, then PubCo shall not be required to transfer such cash proceeds to the Company but instead such member of the PubCo Holdings Group shall be required to contribute such Person or the assets and Liabilities of such Person to the Company or any of its Subsidiaries.

(ii) This Section 3.1(e) shall not apply to the issuance and distribution to holders of PubCo Shares of rights to purchase Equity Securities of PubCo under a "poison pill" or similar stockholders rights plan (and upon any redemption of Class A Units for Class A Shares, such Class A Shares will be issued together with a corresponding right under such plan), or to the issuance under PubCo's employee benefit plans of any warrants, options, other rights to acquire Equity Securities of PubCo or

rights or property that may be converted into or settled in Equity Securities of PubCo, but shall in each of the foregoing cases apply to the issuance of Equity Securities of PubCo in connection with the exercise or settlement of such rights, warrants, options or other rights or property.

(iii) Except pursuant to Section 3.7, (x) the Company may not issue any additional Units to any member of the PubCo Holdings Group unless substantially simultaneously therewith a member of the PubCo Holdings Group issues or Transfers an equal number of newly-issued Class A Shares of PubCo to another Person (other than another member of the PubCo Holdings Group), and (y) the Company may not issue any other Equity Securities of the Company to any member of the PubCo Holdings Group unless substantially simultaneously a member of the PubCo Holdings Group issues or Transfers, to another Person (other than another member of the PubCo Holdings Group), an equal number of newly-issued shares of a new class or series of Equity Securities of PubCo with substantially the same rights to dividends and distributions (including distributions upon liquidation, but taking into account differences as a result of any tax or other Liabilities borne by PubCo) and other economic rights as those of such Equity Securities of the Company.

(iv) If at any time any member of the PubCo Holdings Group issues Debt Securities (other than to another member of the PubCo Holdings Group), such member of the PubCo Holdings Group shall transfer to the Company (in a manner to be determined by the Managing Member in Good Faith) the proceeds received by such member of the PubCo Holdings Group in exchange for such Debt Securities in a manner that directly or indirectly burdens the Company with the repayment of the Debt Securities.

(v) In the event any PubCo Warrant or other Equity Security outstanding at PubCo is exercised or otherwise converted and, as a result, any Class A Shares or other Equity Securities of PubCo are issued, (a) the corresponding Company Warrant or other Equity Security outstanding at the Company shall be similarly exercised or otherwise converted, as applicable, and an equivalent number of Class A Units or other Equity Securities of the Company shall be issued to the PubCo Holdings Group as contemplated by the first sentence of this Section 3.1(e), and (b) the PubCo Holdings Group shall concurrently contribute to the Company the net proceeds received by the PubCo Holdings Group from any such exercise.

(vi) No member of the PubCo Holdings Group may redeem, repurchase or otherwise acquire (other than from another member of the PubCo Holdings Group) (a) any Class A Shares (including upon forfeiture of any unvested Class A Shares) unless substantially simultaneously the Company redeems, repurchases or otherwise acquires from the PubCo Holdings Group an equal number of Class A Units for the same price per security or (b) any other Equity Securities of PubCo (other than Class B Shares), unless substantially simultaneously the Company redeems, repurchases or otherwise acquires from the PubCo Holdings Group an equal number of Equity Securities of the Company of a corresponding class or series with substantially the same rights to dividends and distributions (including distributions upon liquidation, but taking into account differences as a result of any tax or other Liabilities borne by PubCo) and other economic rights as those of such Equity Securities of PubCo for the same price per security. The Company may not redeem, repurchase or otherwise acquire (x) except pursuant to Section 3.7, any Class A Units from the PubCo Holdings Group unless substantially simultaneously the PubCo Holdings Group redeems, repurchases or otherwise acquires an equal number of Class A Shares for the same price per security from holders thereof, or (y) any other Equity Securities of the Company from the PubCo Holdings Group unless substantially

simultaneously the PubCo Holdings Group redeems, repurchases or otherwise acquires for the same price per security an equal number of Equity Securities of PubCo of a corresponding class or series with substantially the same rights to dividends and distributions (including distribution upon liquidation, but taking into account differences as a result of any tax or other Liabilities borne by PubCo) and other economic rights as those of such Equity Securities of PubCo. Notwithstanding the foregoing, to the extent that any consideration payable by the PubCo Holdings Group in connection with the redemption or repurchase of any Class A Shares or other Equity Securities of the PubCo Holdings Group consists (in whole or in part) of Class A Shares or such other Equity Securities (including, for the avoidance of doubt, in connection with the cashless exercise of an option or warrant), then the redemption or repurchase of the corresponding Class A Units or other Equity Securities of the Company shall be effectuated in an equivalent manner.

(f) The Company shall not in any manner effect any subdivision (by any equity split, equity distribution, reclassification, recapitalization or otherwise) or combination (by reverse equity split, reclassification, recapitalization or otherwise) of the outstanding Units unless accompanied by an identical subdivision or combination, as applicable, of the outstanding PubCo Shares, with corresponding changes made with respect to any other exchangeable or convertible securities. Unless in connection with any action taken pursuant to Section 3.1(h), PubCo shall not in any manner effect any subdivision (by any equity split, equity distribution, reclassification, recapitalization or otherwise) or combination (by reverse equity split, reclassification, recapitalization or otherwise) of the outstanding PubCo Shares unless accompanied by an identical subdivision or combination, as applicable, of the outstanding Units, with corresponding changes made with respect to any other exchangeable or convertible securities.

(g) Notwithstanding any other provision of this Agreement (including Section 3.1(e)), the Company may redeem Class A Units from the PubCo Holdings Group for cash to fund any acquisition by the PubCo Holdings Group of another Person, provided that promptly after such redemption and acquisition the PubCo Holdings Group contributes or causes to be contributed, directly or indirectly, such Person or the assets and Liabilities of such Person to the Company or any of its Subsidiaries in exchange for a number of Class A Units equal to the number of Class A Units so redeemed.

(h) Notwithstanding any other provision of this Agreement (including Section 3.1(e)), if any member of the PubCo Holdings Group acquires or holds any material amount of cash in excess of any monetary obligations it reasonably anticipates (including as a result of the receipt of distributions pursuant to Section 5.2 for any period in excess of the PubCo Tax-Related Liabilities for such period), PubCo may, in its sole discretion, use such excess cash amount in such manner, and make such adjustments to or take such other actions with respect to the capitalization of PubCo and the Company, as PubCo (including in its capacity as the Managing Member) in Good Faith determines to be fair and reasonable to the holders of PubCo Shares and to the Members and to preserve the intended economic effect of this Section 3.1, Section 3.7 and the other provisions hereof.

(i) PubCo shall cause the other members of the PubCo Holdings Group to comply with the provisions of this Agreement, including the provisions of this Section 3.1 and Section 3.7.

Section 3.2 Class B Units.

(a) Profits Interest Treatment. It is intended that (and all provisions of this Agreement shall be interpreted consistent with the intent that) for U.S. federal (and conforming state and local) income tax purposes: (i) the Class B Units (and any Class A Units into which

such Class B Units convert pursuant to Section 3.2(b)) constitute "profits interests" issued to the holders thereof for the provision of services to or for the benefit of the Company in their capacity as partners of the Company within the meaning of IRS Revenue Procedure 93-27; (ii) consistent with IRS Revenue Procedure 2001-43, the Company and holders of any Class B Units will treat such holders as the owners of a partnership interest in the Company from the date of the grant of the Class B Units (including that such holders will take into account their distributive share of Company income, gain, loss, deduction, and credit associated with such Class B Units and that neither the Company nor any Member will deduct any amount as wages, compensation or otherwise for the Fair Market Value of any Class B Unit at the time of grant of such Class B Unit or upon such Class B Unit becoming substantially vested); and (iii) the Class B Units have an initial capital account of zero dollars. Each Member who acquires Class B Units that are subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code shall make a timely election under Section 83(b) of the Code with respect to such Class B Units.

(b) Conversion into Class A Units.

(i) On each Class B Automatic Conversion Date, any Fungible Class B Units shall be converted into an equal number of Class A Units. In addition, each Member holding Class B Units shall be entitled to cause the Company to convert all or a portion of such Member's Class B Units into an equal number of Class A Units (the "***Class B Conversion Right***"), subject to the provisions of this Section 3.2(b)(i). Upon the exercise by any Member of the Class B Conversion Right, all Fungible Class B Units held by all Members shall be so converted. A Member may exercise the Class B Conversion Right on any date other than the 15 days preceding the end of any fiscal quarter to the extent that (A) such conversion is in connection with a valid exercise of a Redemption Right and (B) on or prior to the relevant Redemption Date, the Class B Units to be converted are Fungible Class B Units (taking into account, for such purpose, any allocations that may be made with respect to such Member pursuant to Section 4.2(l)). In order to exercise its Class B Conversion Right, a Member shall provide written notice to the Company and PubCo, in a reasonable form as the Company may provide from time to time, as a part of such Member's Redemption Notice for the Class A Units received upon the conversion of such Class B Units. Upon the request of such Member, the Company will use commercially reasonable efforts to provide an estimate of the amount of any allocations that the Company expects may be made with respect to such Member pursuant to Section 4.2(l) as a result of the exercise of the Class B Conversion Right. A Redemption Notice for a number of Class A Units in excess of the number of Class A Units then held by a Member shall be deemed to be an exercise of the Class B Conversion Right to the extent of such excess number of Units. In addition to the terms and requirements set forth in Section 3.7, such Redemption Notice will, with respect to such Class B Units, be contingent on the Managing Member's determination that such Class B Units meet the requirements of this Section 3.2(b)(i).

(ii) Any conversion of Class B Units pursuant to this Section 3.2(b) shall occur automatically after the close of business on the applicable Class B Conversion Date, as of which time the Member holding any converted Class B Units shall be credited on the books and records of the Company with the issuance as of the opening of business on the next day of the number of Class A Units issuable upon such conversion.

(iii) The Company agrees to treat the conversion of Class B Units into Class A Units (for the avoidance of doubt, not including any allocations that may be made pursuant to Section 4.2(l)) as disregarded for U.S. federal (and applicable state and local) income tax purposes.

Section 3.3 **Voting Rights**. No Member has any voting right except with respect to those matters specifically reserved for a Member vote under the Act and for matters expressly requiring the approval of Members under this Agreement. Except as otherwise required by the Act, each Unit will entitle the holder thereof to one vote on all matters to be voted on by the Members. Except as otherwise expressly provided in this Agreement, the holders of Units having voting rights will vote together as a single class on all matters to be approved by the Members.

Section 3.4 **Capital Contributions; Unit Ownership**.

(a) *Capital Contributions*. Except as otherwise set forth in Section 3.1(e) with respect to the obligations of PubCo (including the obligation of PubCo to cause the other members of the PubCo Holdings Group to comply with such provisions), no Member shall be required to make additional Capital Contributions.

(b) *Issuance of Additional Units or Interests*. Except as otherwise expressly provided in this Agreement, the Managing Member shall have the right to authorize and cause the Company to issue on such terms (including price) as may be determined by the Managing Member, subject to the limitations of Section 3.1, (i) additional Units or other Equity Securities in the Company (including creating preferred interests or other classes or series of interests having such rights, preferences and privileges as determined by the Managing Member, which rights, preferences and privileges may be senior to the Units), and (ii) obligations, evidences of Indebtedness or other securities or interests convertible or exchangeable for Units or other Equity Securities in the Company; *provided* that, at any time following the date hereof, in each case the Company shall not issue Equity Securities in the Company to any Person unless such Person shall have executed a Joinder and all other documents, agreements or instruments deemed necessary or desirable in the discretion of the Managing Member. Upon such issuance and execution, such Person shall be admitted as a Member of the Company. In that event, the Managing Member shall update the Company's books and records to reflect such additional issuances. Subject to Section 11.1, the Managing Member is hereby authorized to amend this Agreement to set forth the designations, preferences, rights, powers and duties of such additional Units or other Equity Securities in the Company, or such other amendments that the Managing Member determines to be otherwise necessary or appropriate in connection with the creation, authorization or issuance of any class or series of Units or other Equity Securities in the Company pursuant to this Section 3.4(b); *provided*, *however*, that any amendment implemented in accordance with this sentence shall not be subject to Section 11.1 (other than Section 11.1(a)(i), Section 11.1(a)(ii), Section 11.1(a)(iii) and Section 11.1(c)) if such amendment is necessary, and then only to the extent necessary, in order to consummate any offering of PubCo Shares or other Equity Securities of PubCo provided that the designations, preferences, rights, powers and duties of any such additional Units or other Equity Securities of the Company as set forth in such amendment are substantially similar to those applicable to such PubCo Shares or other Equity Securities of PubCo.

Section 3.5 **Capital Accounts**.

(a) A Capital Account shall be maintained for each Member in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv) and, to the extent consistent with such regulations, the other provisions of this Agreement. Each Member's Capital Account shall be (a) increased by (i) allocations to such Member of Profits pursuant to Section 4.1 and any other items of income or gain allocated to such Member pursuant to Section 4.2, (ii) the amount of cash or the initial Gross Asset Value of any asset (net of any Liabilities assumed by the Company and any Liabilities to which the asset is subject) contributed to the Company by such Member, and (iii) any other increases allowed or required by Treasury Regulations Section 1.704-1(b)(2)(iv), and (b) decreased by (i) allocations to such Member of Losses pursuant to Section 4.1 and any other items of deduction or loss allocated to such

Member pursuant to the provisions of Section 4.2, (ii) the amount of any cash or the Gross Asset Value of any asset (net of any Liabilities assumed by the Member and any Liabilities to which the asset is subject) distributed to such Member, and (iii) any other decreases allowed or required by Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of OLCV Net Power, LLC shall be determined with due regard of Section 1(b) of the Oxy Purchase Option Agreement.

(b) A Member that has more than one class or series of Units shall have a single Capital Account that reflects all such Units; *provided*, *however*, that the Capital Accounts shall be maintained in such manner as will facilitate determining each Class B Member's Class B Capital Account and the Class A Per Unit Balance.

(c) Except as otherwise required by the Act, a Member shall not be required to restore a deficit balance in such Member's Capital Account, to lend any funds to the Company or, except as otherwise set forth herein in respect of the members of the PubCo Holdings Group, to make any additional contributions or payments to the Company.

(d) In the event of a Transfer of Units made in accordance with this Agreement (including a deemed Transfer for U.S. federal income tax purposes as described in Section 3.7(e)(iv)) the Capital Account of the Transferor that is attributable to the Transferred Units shall carry over to the Transferee Member in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv)(*l*).

Section 3.6 Other Matters.

(a) No Member shall demand or receive a return on or of its Capital Contributions or withdraw from the Company without the consent of the Managing Member. Under circumstances requiring a return of any Capital Contributions, no Member has the right to receive property other than cash.

(b) No Member shall receive any interest, salary, compensation, draw or reimbursement with respect to its Capital Contributions or its Capital Account, or for services rendered or expenses incurred on behalf of the Company or otherwise in its capacity as a Member, except as otherwise provided in Section 6.9 or as otherwise contemplated by this Agreement.

(c) The Liability of each Member shall be limited as set forth in the Act and other applicable Law and, except as expressly set forth in this Agreement or required by Law, no Member (or any of its Affiliates) shall be personally liable, whether to the Company, any of the other Members, the creditors of the Company or any other third party, for any debt or Liability of the Company, whether arising in Contract, tort or otherwise, solely by reason of being a Member of the Company.

(d) The Company shall not be obligated to repay any Capital Contributions of any Member.

Section 3.7 Redemption of Class A Units and Company Warrants.

(a) Redemptions Generally. Each Member and each Company Warrantholder, other than the PubCo Holdings Group (a "***Redeeming Holder***") shall be entitled to cause PubCo to cause the Company to redeem all or a portion of (i) such Member's Class A Units in exchange for an equal number of Class A Shares or (ii) such Company Warrantholder's Company Warrants in exchange for an equal number of PubCo Warrants, or in each case, at PubCo's election under certain circumstances, cash in accordance with Section 3.7(e)(ii) (referred to

herein as the "***Redemption Right***"), upon the terms and subject to the conditions set forth in this Section 3.7 and subject to PubCo's (or such designated member(s) of the PubCo Holdings Group's) Call Right as set forth in Section 3.7(f). Upon the Redemption of any Class A Units, an equal number of Class B Shares held by the Redeeming Holder shall be cancelled.

(b) Permitted Redemptions; Limitations.

(i) *Quarterly and Special Redemptions*. Each fiscal quarter, PubCo shall schedule at least one Quarterly Redemption Date or Special Redemption Date. Each Redeeming Holder may effect Redemptions on each Quarterly Redemption Date and/or any Special Redemption Date designated by the Managing Member; *provided* that, with respect to a Redemption of Class A Units, absent the prior written consent of the Managing Member to the contrary, on each Quarterly Redemption Date or Special Redemption Date, a Redeeming Holder shall only be permitted to redeem less than all of its Class A Units if (A) after such Redemption it would continue to hold at least 50,000 Units (which number shall be adjusted to account for any split, distribution or dividend, reclassification, reorganization, recapitalization or other similar transaction) and (B) it redeems not less than 50,000 Class A Units (which number shall be adjusted to account for any split, distribution or dividend, reclassification, reorganization, recapitalization or other similar transaction) in such Redemption.

(ii) *Block Redemptions*. Each Redeeming Holder may effect Redemptions on any date designated by such Redeeming Holder in a timely Redemption Notice other than the 15 days preceding the end of any fiscal quarter (a "***Block Redemption Date***"); *provided* that, with respect to a Redemption of Class A Units, absent the prior written consent of the Managing Member to the contrary, on each Block Redemption Date a Redeeming Holder shall not be permitted to redeem less than the lesser of (A) 500,000 Class A Units (which number shall be adjusted to account for any split, distribution or dividend, reclassification, reorganization, recapitalization or other similar transaction), and (B) all of such Redeeming Holder's remaining Class A Units.

(iii) *Additional Limitations*. Each Member's and Company Warrantholder's Redemption Right shall be subject to the following additional limitations and qualifications:

(A) Any Redemption of Class A Units or Company Warrants issued after the date hereof (other than in connection with any recapitalization) may be limited in accordance with the terms of any agreements or instruments entered into by the Company with the Member or Company Warrantholder, as applicable, in connection with such issuance.

(B) The Managing Member may impose additional limitations and restrictions on Redemptions (including limiting Redemptions or creating priority procedures for Redemptions), to the extent it determines, in Good Faith, such limitations and restrictions to be necessary or appropriate to avoid undue risk that the Company may be classified as a "publicly traded partnership" within the meaning of Section 7704 of the Code. Furthermore, the Managing Member may require any Member or Company Warrantholder to redeem all of its Class A Units and/or Company Warrants to the extent it determines, in Good Faith, that such Redemption is necessary or appropriate to avoid undue risk that the Company may be classified as a "publicly traded partnership" within the meaning of Section 7704 of the Code. Upon delivery of any notice by the Managing Member to such Member or Company Warrantholder requiring such Redemption, such Member or Company Warrantholder shall exchange, subject to exercise by PubCo (or such

designated member(s) of the PubCo Holdings Group) of the Call Right pursuant to Section 3.7(f), all of its Class A Units and/or Company Warrants effective as of the date specified in such notice (and such date shall be deemed to be a Redemption Date for purposes of this Agreement) in accordance with this Section 3.7 and otherwise in accordance with the requirements set forth in such notice.

(c) Notice Requirements for Redeeming Holders. In order to exercise its Redemption Right, each Redeeming Holder shall provide written notice in a reasonable form as the Company may provide from time to time (the "***Redemption Notice***") to the Company and PubCo, on or before the applicable Redemption Notice Date, stating:

(i) the number of Class A Units (which may include Class A Units to be received upon the Redeeming Holder's simultaneous exercise of its Class B Conversion Right or upon the Redeeming Holder's exercise of its Company Warrants) and/or Company Warrants that the Redeeming Holder elects to have the Company redeem in accordance with Section 3.7(b)(i) or 3.7(b)(ii);

(ii) if the Class A Shares or PubCo Warrants to be received are to be issued other than in the name of the Redeeming Holder, the name(s) of the Person(s) in whose name or on whose order the Class A Shares or PubCo Warrants are to be issued;

(iii) whether the Redemption is to be contingent (including as to timing) upon the closing of a Registered Offering of the Class A Shares or PubCo Warrants for which the Class A Units or Company Warrants will be redeemed or the closing of an announced merger, consolidation or other transaction or event to which PubCo is a party in which the Class A Shares or PubCo Warrants would be exchanged or converted or become exchangeable for or convertible into cash or other securities or property (such contingency, a "***Redemption Contingency***");

(iv) pursuant to which section of this Agreement the Redemption Right is being exercised; and

(v) in the case of a Block Redemption, the intended Block Redemption Date.

Notwithstanding the foregoing, any notice by any Member pursuant to the Stockholders Agreement or the Registration Rights Agreement to demand or participate in any Registered Offering shall be deemed to constitute a Redemption Notice for the related Special Redemption Date; *provided* that the occurrence of the Special Redemption Date shall be deemed a Redemption Contingency with respect to such deemed Redemption Notice.

(d) Revocation; Redemption Contingencies. Except as described below, a Redeeming Holder may not revoke or rescind a Redemption Notice after the applicable Redemption Notice Date. Any Redemption Notice delivered for a Redemption may be subject to a Redemption Contingency. In the event the Company does not elect to pay cash in accordance with Section 3.7(e)(ii) and a member of the PubCo Holdings Group does not exercise its Call Right pursuant to Section 3.7(f), a Redeeming Holder shall be entitled to revoke its Redemption Notice by written notice to the Company within two Business Days of determining that any of the following conditions exists:

(i) any registration statement pursuant to which the resale of the Class A Shares or PubCo Warrants to be registered for such Redeeming Holder at or immediately following the consummation of the Redemption shall have ceased to be

effective pursuant to any action or inaction by the Commission or no such resale registration statement has yet become effective;

(ii) PubCo shall have failed to cause any related prospectus to be supplemented by any required prospectus supplement necessary to effect such Redemption;

(iii) PubCo shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement and such deferral, delay or suspension shall affect the ability of such Redeeming Holder to have its Class A Shares or PubCo Warrants registered at or immediately following the consummation of the Redemption;

(iv) any stop order relating to the registration statement pursuant to which the Class A Shares or PubCo Warrants were to be registered by such Redeeming Holder at or immediately following the Redemption shall have been issued by the Commission;

(v) there shall be in effect an injunction, a restraining order or a decree of any nature of any Governmental Entity that restrains or prohibits the Redemption;

(vi) the Redemption Date would occur during, a Black-Out Period;

provided that in no event shall the Redeeming Holder seeking to revoke its Redemption Notice or delay the consummation of such Redemption and relying on any of the matters contemplated in clauses (i) through (ix) above have controlled or intentionally materially influenced any facts, circumstances, or Persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of PubCo) in order to provide such Redeeming Holder with a basis for such delay or revocation. If a Redeeming Holder delays the consummation of a Redemption pursuant to this Section 3.7(d), the Redemption Date shall occur on the fifth Business Day following the date on which the conditions giving rise to such delay cease to exist (or such earlier day as PubCo, the Company and such Redeeming Holder may agree in writing).

(e) Procedure; Cash Election.

(i) On any Redemption Date for which any Redeeming Holder has delivered a Redemption Notice with respect to Class A Units or Company Warrants, unless the Company elects to pay cash in accordance with Section 3.7(e)(ii) or a member of the PubCo Holdings Group exercises its Call Right pursuant to Section 3.7(f), on such Redemption Date: (x) such number of Class A Units shall be redeemed for an equal number of Class A Shares and an equal number of Class B Shares shall be surrendered by such Redeeming Holder and cancelled and (y) such number of Company Warrants shall be redeemed for an equal number of PubCo Warrants.

(ii) By delivery of written notice to the Redeeming Holder within three (3) Business Days of delivery of the Redemption Notice, the Company shall be entitled to elect to settle any Redemption by delivering to the Redeeming Holder, in lieu of the applicable number of Class A Shares or PubCo Warrants that would be received in such Redemption, an amount of cash equal to the Cash Election Amount for such Redemption. If the Company does not timely deliver such written notice, the Company shall be deemed to have elected the settle the Redemption in Class A Shares (for Class A Units) or PubCo Warrants (for Company Warrants).

(iii) Unless a member of the PubCo Holdings Group has elected its Call Right pursuant to Section 3.7(f) with respect to any Redemption, on the relevant Redemption Date and immediately prior to such Redemption, (i) PubCo (or such other member(s) of the PubCo Holdings Group) shall contribute to the Company the consideration the Redeeming Holder is entitled to receive under Section 3.7(e)(i) (including in the event the Company exercises its right to deliver the Cash Election Amount pursuant to Section 3.7(e)(ii)) and the Company shall issue to PubCo (or such other member(s) of the PubCo Holdings Group) a number of Class A Units or Company Warrants, as applicable, or, pursuant to Section 3.1(e), other Equity Securities of the Company as consideration for such contribution, (ii) the Company shall (A) cancel the redeemed Class A Units or Company Warrants, as applicable, and (B) transfer to the Redeeming Holder the consideration the Redeeming Holder is entitled to receive under Section 3.7(e)(i) (including in the event the Company exercises its right to deliver the Cash Election Amount pursuant to Section 3.7(e)(ii)), and (iii) PubCo shall cancel the surrendered Class B Shares, as applicable. Notwithstanding any other provisions of this Agreement to the contrary, in the event that the Company makes a Cash Election that is funded with proceeds from a primary offering of PubCo Equity Securities, the PubCo Holdings Group shall only be obligated to contribute to the Company an amount in cash equal to the net proceeds (after deduction of any underwriters' discounts or commissions and brokers' fees or commissions (including, for the avoidance of doubt, any deferred discounts or commissions and brokers' fees or commissions payable in connection with or as a result of such Registered Offering)) (such difference, the "***Discount***") from the sale by PubCo of a number of Class A Shares or PubCo Warrants, as applicable, equal to the number of Class A Units or Company Warrants, as applicable, to be redeemed with such cash or from the sale of other PubCo Equity Securities used to fund the Cash Election Amount; *provided* that PubCo's Capital Account (or the Capital Account(s) of the other member(s) of the PubCo Holdings Group, as applicable) shall be increased by the amount of such Discount in accordance with Section 6.9; and *provided further*, that the contribution of such net proceeds shall in no event affect the Redeeming Holder's right to receive the Cash Election Amount.

(iv) Each Redemption shall be deemed to have been effected on the applicable Redemption Date. Any Redeeming Holder redeeming Class A Units or Company Warrants in accordance with this Agreement may request that the Class A Shares or PubCo Warrants, as applicable, to be issued upon such Redemption be issued in a name other than such Redeeming Holder. Any Person or Persons in whose name or names any Class A Shares or PubCo Warrants, as applicable, are issuable on any Redemption Date shall be deemed to have become, on such Redemption Date, the holder or holders of record of such shares or warrants.

(v) PubCo shall at all times keep available, solely for the purpose of issuance upon a Redemption, out of its authorized but unissued Class A Shares, such number of Class A Shares that shall be issuable upon the Redemption of all outstanding Class A Units (other than those Class A Units held by any member of the PubCo Holdings Group); *provided*, that nothing contained herein shall be construed to preclude PubCo from satisfying its obligations with respect to a Redemption by delivery of cash pursuant to a Cash Election or Class A Shares that are held in the treasury of PubCo. PubCo represents, warrants and covenants that all Class A Shares that shall be issued upon a Redemption shall, upon issuance thereof, be validly issued, fully paid and non-assessable. In addition, for so long as the Class A Shares are listed on a National Securities Exchange, PubCo shall use its reasonable best efforts to cause all Class A Shares issued upon a Redemption to be listed on such National Securities Exchange at the time of such issuance.

(f) Call Right. Notwithstanding anything to the contrary in this Section 3.7, a Redeeming Holder shall be deemed to have offered to sell its Class A Units and/or Company Warrants as described in any Redemption Notice to each member of the PubCo Holdings Group, and PubCo (or such other member(s) of the PubCo Holdings Group designated by PubCo) may, in its sole discretion, in accordance with this Section 3.7(f), elect, by delivery of written notice to the Redeeming Holder within three (3) Business Days of delivery of the Redemption Notice, to purchase directly and acquire such Class A Units and/or Company Warrants on the Redemption Date by paying to the Redeeming Holder that number of Class A Shares or PubCo Warrants, as applicable, the Redeeming Holder would otherwise receive pursuant to Section 3.7(e)(i) or, if PubCo (or such designated member(s) of the PubCo Holdings Group) makes a Cash Election, the Cash Election Amount for such Class A Shares or PubCo Warrants (the "***Call Right***"), whereupon PubCo (or such designated member(s) of the PubCo Holdings Group) shall acquire the Class A Units and/or Company Warrants offered for redemption by the Redeeming Holder and shall become the owner thereof. If the Company does not timely deliver such written notice, the Company shall be deemed to have waived its Call Right with respect to the Redemption described in the Redemption Notice.

(g) Tax Matters.

(i) For U.S. federal income (and applicable state and local) tax purposes, each of the Redeeming Holder, the Company and PubCo (and any other member of the PubCo Holding Group), as the case may be, agree to treat each Redemption and, in the event PubCo (or another member of the PubCo Holdings Group) exercises its Call Right, each transaction between the Redeeming Holder and PubCo (or such other member of the PubCo Holdings Group), as a sale of such Redeeming Holder's Class A Units (together with the same number of Class B Shares) or Company Warrants, as applicable, to PubCo (or such other member of the PubCo Holdings Group) in exchange for Class A Shares, PubCo Warrants or cash, as applicable (with no such consideration being allocated to such Class B Shares, which shall be deemed to have no value for purposes of such exchange).

(ii) The issuance of Class A Shares or PubCo Warrants upon a Redemption shall be made without charge to the Redeeming Holder for any stamp or other similar tax in respect of such issuance, except that if any such Class A Shares or PubCo Warrants are to be issued in a name other than that of the Redeeming Holder, then the Person or Persons in whose names such shares are to be issued shall pay to PubCo the amount of any tax payable in respect of any Transfer involved in such issuance or establish to the satisfaction of PubCo that such tax has been paid or is not payable.

(iii) Each of the Company and PubCo shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable upon a Redemption such amounts as may be required to be deducted or withheld therefrom under the Code or any provision of applicable Law, and to the extent deduction and withholding is required, such deduction and withholding may be taken in Class A Shares or PubCo Warrants. Prior to making such deduction or withholding, the Company shall use commercially reasonable efforts to give written notice to the Redeeming Holder and reasonably cooperate with such Redeeming Holder to reduce or avoid any such withholding. To the extent such amounts are so deducted or withheld and paid over to the relevant governmental authority, such amounts shall be treated for all purposes under this Agreement as having been paid to the Redeeming Holder, and, if withholding is taken in Class A Shares or PubCo Warrants, the relevant withholding party shall be treated as having sold such Class A Shares or PubCo Warrants, as applicable, on behalf of such Redeeming Holder for an amount of cash equal to the Fair Market Value thereof at the

time of such deemed sale and paid such cash proceeds to the appropriate governmental authority.

(h) If (i) there is any reclassification, reorganization, recapitalization or other similar transaction pursuant to which the Class A Shares or PubCo Warrants are converted or changed into another security, securities or other property (other than as a result of a subdivision or combination or any transaction subject to Section 3.1(f)), or (ii) except in connection with actions taken with respect to the capitalization of PubCo or the Company pursuant to Section 3.1(h), PubCo, by dividend or otherwise, distributes to all holders of the Class A Shares or PubCo Warrants evidences of its Indebtedness or assets, including securities (including Class A Shares and any rights, options or warrants to all holders of the Class A Shares to subscribe for or to purchase or to otherwise acquire Class A Shares, or other securities or rights convertible into, redeemable for or exercisable for Class A Shares) but excluding (A) any cash dividend or distribution, (B) any such distribution of Indebtedness or assets received by PubCo, in either case (A) or (B) received by PubCo from the Company in respect of the Class A Units or Company Warrants, and (C) any exercise or redemption of PubCo Warrants pursuant to the terms of the Warrant Agreement, then upon any subsequent Redemption, in addition to the Class A Shares, PubCo Warrants or the Cash Election Amount, as applicable, each Redeeming Holder shall be entitled to receive the amount of such security, securities or other property that such Redeeming Holder would have received if such Redemption had occurred immediately prior to the effective date of such reclassification, reorganization, recapitalization, other similar transaction, dividend or other distribution, taking into account any adjustment as a result of any subdivision (by any split, distribution or dividend, reclassification, reorganization, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of such security, securities or other property that occurs after the effective time of such reclassification, reorganization, recapitalization or other similar transaction. For the avoidance of doubt, if there is any reclassification, reorganization, recapitalization or other similar transaction in which the Class A Shares or PubCo Warrants are converted or changed into another security, securities or other property, or any dividend or distribution (other than an excluded dividend or distribution, as described above in clauses (A), (B) or (C)), this Section 3.7 shall continue to be applicable, *mutatis mutandis*, with respect to such security or other property.

(i) No Redemption shall impair the right of the Redeeming Holder to receive any distributions payable on the Class A Units redeemed pursuant to such Redemption in respect of a record date that occurs prior to the Redemption Date for such Redemption. For the avoidance of doubt, no Redeeming Holder, or a Person designated by a Redeeming Holder to receive Class A Shares, shall be entitled to receive, with respect to such record date, distributions or dividends both on Class A Units redeemed by the Company from such Redeeming Holder and on Class A Shares received by such Redeeming Holder, or other Person so designated, if applicable, in such Redemption.

Article IV

ALLOCATIONS OF PROFITS AND LOSSES

Section 4.1 Profits and Losses.

(a) *Pre-Equalization*. For any Fiscal Year or other allocation period ending on or prior to the Equalization Date, except as set forth in Section 4.2 or Section 4.4, Profit and Loss of the Company for such Fiscal Year or other allocation period shall be allocated to the Members *pro rata* in accordance with the number of Units held by each such Member.

(b) *Post-Equalization.* For any Fiscal Year or other allocation period beginning after the Equalization Date, subject to Section 4.4, Profits and Losses (and, to the

extent determined by the Managing Member to be necessary and appropriate to achieve the resulting Capital Account balances described below, any allocable items of income, gain, loss, deduction or credit includable in the computation of Profits and Losses) for each Fiscal Year or other allocation period shall be allocated among the Members during such Fiscal Year or other allocation period in a manner such that, after giving effect to the special allocations set forth in Section 4.2 and all distributions through the end of such Fiscal Year or other allocation period, the Capital Account balance of each Member, immediately after making such allocation, is, as nearly as possible, equal to (i) the amount such Member would receive pursuant to Section 10.3(b) if all assets of the Company on hand at the end of such Fiscal Year or other allocation period were sold for cash equal to their Gross Asset Values, all Liabilities of the Company were satisfied in cash in accordance with their terms (limited with respect to each Nonrecourse Liability to the Gross Asset Value of the assets securing such Liability), and all remaining or resulting cash was distributed, in accordance with Section 10.3(b), to the Members immediately after making such allocation, *minus* (ii) such Member's share of Company Minimum Gain and Member Minimum Gain, computed immediately prior to the hypothetical sale of assets, and the amount any such Member is treated as obligated to contribute to the Company, computed immediately after the hypothetical sale of assets.

Section 4.2 Special Allocations.

(a) Nonrecourse Deductions for any Fiscal Year or other taxable period shall be specially allocated to the Members on a *pro rata* basis, in accordance with the number of Units owned by each Member as of the last day of such Fiscal Year or other taxable period. The amount of Nonrecourse Deductions for a Fiscal Year or other taxable period shall equal the excess, if any, of the net increase, if any, in the amount of Company Minimum Gain during that Fiscal Year or other taxable period over the aggregate amount of any distributions during that Fiscal Year or other taxable period of proceeds of a Nonrecourse Liability that are allocable to an increase in Company Minimum Gain, determined in accordance with the provisions of Treasury Regulations Section 1.704-2(d).

(b) Any Member Nonrecourse Deductions for any Fiscal Year or other taxable period shall be specially allocated to the Member who bears economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i). If more than one Member bears the economic risk of loss for such Member Nonrecourse Debt, the Member Nonrecourse Deductions attributable to such Member Nonrecourse Debt shall be allocated among the Members according to the ratio in which they bear the economic risk of loss. This Section 4.2(b) is intended to comply with the provisions of Treasury Regulations Section 1.704-2(i) and shall be interpreted consistently therewith.

(c) Notwithstanding any other provision of this Agreement to the contrary, if there is a net decrease in Company Minimum Gain during any Fiscal Year or other taxable period (or if there was a net decrease in Company Minimum Gain for a prior Fiscal Year or other taxable period and the Company did not have sufficient amounts of income and gain during prior periods to allocate among the Members under this Section 4.2(c)), each Member shall be specially allocated items of Company income and gain for such Fiscal Year or other taxable period in an amount equal to such Member's share of the net decrease in Company Minimum Gain during such year (as determined pursuant to Treasury Regulations Section 1.704-2(g)(2)). This section is intended to constitute a minimum gain chargeback under Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(d) Notwithstanding any other provision of this Agreement except Section 4.2(c), if there is a net decrease in Member Minimum Gain during any Fiscal Year or other taxable period (or if there was a net decrease in Member Minimum Gain for a prior Fiscal Year

or other taxable period and the Company did not have sufficient amounts of income and gain during prior periods to allocate among the Members under this Section 4.2(d)), each Member shall be specially allocated items of Company income and gain for such year in an amount equal to such Member's share of the net decrease in Member Minimum Gain (as determined pursuant to Treasury Regulations Section 1.704-2(i)(4)). This section is intended to constitute a partner nonrecourse debt minimum gain chargeback under Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(e) Notwithstanding any provision hereof to the contrary except Section 4.2(a) and Section 4.2(b), no Losses or other items of loss or expense shall be allocated to any Member to the extent that such allocation would cause such Member to have an Adjusted Capital Account Deficit (or increase any existing Adjusted Capital Account Deficit) at the end of such Fiscal Year or other taxable period. All Losses and other items of loss and expense in excess of the limitation set forth in this Section 4.2(e) shall be allocated to the Members who do not have an Adjusted Capital Account Deficit in proportion to their relative positive Capital Accounts (as adjusted pursuant to clauses (a) and (b) of the definition of "Adjusted Capital Account Deficit") but only to the extent that such Losses and other items of loss and expense do not cause any such Member to have an Adjusted Capital Account Deficit.

(f) Notwithstanding any provision hereof to the contrary except Section 4.2(c) and Section 4.2(d), in the event any Member unexpectedly receives any adjustment, allocation or distribution described in paragraph (4), (5) or (6) of Treasury Regulations Section 1.704-1(b)(2)(ii)(*d*), items of income and gain (consisting of a *pro rata* portion of each item of income, including gross income, and gain for the Fiscal Year or other taxable period) shall be specially allocated to such Member in an amount and manner sufficient to eliminate any Adjusted Capital Account Deficit of that Member as quickly as possible; provided that an allocation pursuant to this Section 4.2(f) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article IV have been tentatively made as if this Section 4.2(f) were not in this Agreement. This Section 4.2(f) is intended to constitute a qualified income offset under Treasury Regulations Section 1.704-1(b)(2)(ii)*(d)* and shall be interpreted consistently therewith.

(g) If any Member has an Adjusted Capital Account Deficit at the end of any Fiscal Year or other taxable period, that Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4.2(g) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit in excess of such sum after all other allocations provided for in this Article IV have been made as if Section 4.2(f) and this Section 4.2(g) were not in this Agreement.

(h) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Sections 734(b) of the Code (including any such adjustments pursuant to Treasury Regulation Section 1.734-2(b)(1)) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*m*)(2) or 1.704-1(b)(2)(iv)*(m)*(4), to be taken into account in determining Capital Accounts as a result of a distribution to any Member in complete liquidation of such Member's Interest, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such item of gain or loss shall be allocated to the Members in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)*(m)*(2) if such section applies or to the Member to whom such distribution was made if Treasury Regulations Section 1.704-1(b)(2)(iv)*(m)*(4) applies. The foregoing is without derogation of Section 3.7(g)(i) of this Agreement.

(i) The allocations set forth in Sections 4.2(a) through 4.2(h) (the "***Regulatory Allocations***") are intended to comply with certain requirements of Treasury Regulations Sections 1.704-1(b) and 1.704-2. Notwithstanding any other provision of this Article IV (other than the Regulatory Allocations), the Regulatory Allocations (and anticipated future Regulatory Allocations) shall be taken into account in allocating other items of income, gain, loss and deduction among the Members so that, to the extent possible, the net amount of such allocation of other items and the Regulatory Allocations to each Member should be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred. This Section 4.2(i) is intended to minimize to the extent possible and to the extent necessary any economic distortions that may result from application of the Regulatory Allocations and shall be interpreted in a manner consistent therewith.

(j) Items of income, gain, loss, deduction or credit resulting from a Covered Audit Adjustment shall be allocated to the Members in accordance with the applicable provisions of the Partnership Tax Audit Rules.

(k) For any Fiscal Year in which distributions are actually made to holders of Class B Units if necessary, after all other allocations have been tentatively made pursuant to Section 4.1 and this Section 4.2, to cause the Capital Accounts relating to any Class B Units to be equal (immediately before such distributions and so as to avoid negative Capital Accounts) to the amounts distributed to the holders of the Class B Units, the Managing Member, in its discretion, may allocate appropriate items of gross income that are accrued and realized following the issuance of the relevant Class B Units to the holders of such Class B Units. If there are insufficient items of gross income to be allocated to the holders of the Class B Units, then such distributions shall, to the extent of such excess, be treated as "guaranteed payments" within the meaning of Section 707(c) of the Code.

(l) Special Fungibility Allocations.

(i) Notwithstanding the provisions of Section 4.1, but subject to and after taking into account any allocations or other adjustments pursuant to Section 4.2(m), if any Non-Fungible Class B Units are outstanding at the time of any adjustment to the Gross Asset Values of Company assets pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(*f*) and clause (b) of the definition of "Gross Asset Value":

(A) any items of gain included in clause (c) of the definition of "Profits" or "Losses" realized in connection with such adjustment shall first be allocated to the Members holding Class B Units, *pro rata* in accordance with the number of Non-Fungible Class B Units held by each such Member or as otherwise reasonably determined by the Managing Member, until each Member's Class B Capital Account equals its Class B Fungibility Target Balance; and

(B) any items of loss included in clause (c) of the definition of "Profits" or "Losses" realized in connection with such adjustment shall first be allocated to the Members, *pro rata* in accordance with the number of Class A Units and Fungible Class B Units held by each such Member until each Member's Class B Capital Account equals its Class B Fungibility Target Balance.

(ii) For any Fiscal Year in which any Member elects, pursuant to Section 3.2(b), to convert a number of Class B Units that, but for this Section 4.2(l)(ii), would be in excess of such Member's Fungible Class B Units, after all other allocations have been tentatively made pursuant to Section 4.1 and this Section 4.2 (including, for the avoidance of doubt, allocations pursuant to Section 4.2(l)(i) in connection with such conversion), based on an interim closing of the books pursuant to Section 706 of the

Code as of the applicable Class B Conversion Date, the Managing Member shall, to the maximum extent possible and to the extent required to cause such Member to have a number of Fungible Class B Units equal to the number of Class B Units to be so converted, allocate to such Member appropriate items of gross income. In the event that the Company has insufficient items of gross income to make allocations to all Members making such election, the available items of gross income shall be allocated to such Members as reasonably determined by the Managing Member.

(iii) The Members agree that the intent of this Section 4.2(l) is to cause, to the greatest extent possible, the Capital Account balance associated with each Class B Unit equivalent to the Capital Account balance associated with each Class A Unit (and, to the greatest extent possible, for such equivalency to be achieved through allocations of book gains and losses). The Managing Member shall be permitted to interpret or amend this Section 4.2(l) as necessary and consistent with such intention and to make allocations in any manner as reasonably necessary to implement such intent.

(m) Special Allocations Regarding Company Warrants and Other Noncompensatory Options. Upon an exercise of a Company Warrant or other noncompensatory option to acquire a Class A Unit or other interest in the Company:

(i) An adjustment shall be made to the Gross Asset Value of Company assets in accordance with Treasury Regulations Sections 1.704-1(b)(2)(iv)(*f*) and 1.704-1(b)(2)(iv)(*s*)(1) and clause (b) of the definition of "Gross Asset Value" as of immediately after the exercise of such option.

(ii) The Capital Account of the holder of the Class A Unit (or other interest in the Company) acquired upon the exercise of such option will be credited with the amount paid for the option and the exercise price of the option in accordance with Treasury Regulations Sections 1.704-1(b)(2)(iv)(*b*) and 1.704-1(b)(2)(iv)(*d*)(4).

(iii) To the extent that, after crediting such holder's Capital Account in accordance with Section 4.2(m)(ii), such holder's Capital Account balance, to the extent attributable to such Class A Unit (or other interest in the Company) received upon the exercise of such option, is not equal to the NCO Target Balance, (A) such holder shall be allocated any unrealized income, gain or loss in Company assets (that has not been reflected in the Members' Capital Accounts previously) to the extent necessary to cause such holder's Capital Account balance, to the extent attributable to such Class A Unit (or other interest in the Company) received upon the exercise of such option, to equal the NCO Target Balance, and (B) thereafter, any remaining amounts of such unrealized income, gain or loss shall be allocated in accordance with the other provisions of Section 4.1 and this Section 4.2, in each case, accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(*s*)(2).

(iv) If after making the foregoing allocations under this clause (m), such holder's Capital Account balance, to the extent attributable to such Class A Unit (or other interest in the Company) received upon the exercise of such option, is still not equal to the NCO Target Balance, the Members' Capital Accounts shall be reallocated to the extent to the extent necessary to cause such holder's Capital Account balance, to the extent attributable to such Class A Unit (or other interest in the Company) received upon the exercise of such option, to equal the NCO Target Balance, in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(*s*)(3); *provided* that, for the avoidance of doubt, any such reallocation shall be made, to the greatest extent possible, consistent with the intentions of Section 4.2(l) of causing the Capital Account balance associated with

each Class B Unit to be (and remain) equivalent to the Capital Account balance associated with each Class A Unit, as determined by the Managing Member.

Section 4.3 Allocations for Tax Purposes in General.

(a) Except as otherwise provided in this Section 4.3, each item of income, gain, loss, deduction, and credit of the Company for U.S. federal income tax purposes shall be allocated among the Members in the same manner as such item is allocated under Section 4.1 and 4.2.

(b) In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder (including the Treasury Regulations applying the principles of Section 704(c) of the Code to changes in Gross Asset Values), items of income, gain, loss and deduction with respect to any Company property having a Gross Asset Value that differs from such property's adjusted U.S. federal income tax basis shall, solely for U.S. federal income tax purposes and, as applicable, state and local tax purposes, be allocated among the Members to account for any such difference using such method or methods as determined by the Managing Member to be appropriate in accordance with the applicable Treasury Regulations; provided that the "traditional method" of allocation pursuant to Treasury Regulation Section 1.704-3(b) shall be used, including in the case of any "reverse" 704(c) allocations, with respect to any property contributed (or deemed contributed) to the Company or NET Power on or prior to the date hereof, and any contribution, deemed contribution or revaluation event (for purposes of Section 704(c) of the Code) resulting from or in connection with the Business Combination or as otherwise provided for in the Business Combination Agreement (whether or not such contribution, deemed contribution or revaluation event occurs on or prior to the date hereof), including, for the avoidance of doubt, to the extent attributable to the PIPE Investment (as such term is defined in the Business Combination Agreement) or the exercise of any noncompensatory option outstanding as of the date hereof, the Company Warrants or any instrument described in clause (b) or clause (c) of the definition of "Equity Interest" (as defined in the NET Power Operating Agreement).

(c) Any (i) recapture of depreciation or any other item of deduction shall be allocated, in accordance with Treasury Regulations Sections 1.1245-1(e) and 1.1254-5, to the Members who received the benefit of such deductions, and (ii) recapture of grants or credits shall be allocated to the Members in accordance with applicable Law.

(d) Tax credits of the Company shall be allocated among the Members as provided in Treasury Regulation Sections 1.704-1(b)(4)(ii) and 1.704-1(b)(4)(viii).

(e) Allocations pursuant to this Section 4.3 are solely for purposes of U.S. federal, state and local taxes and shall not affect or in any way be taken into account in computing any Member's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

(f) If, as a result of an exercise of a noncompensatory option to acquire an interest in the Company (including any Company Warrant), a Capital Account reallocation is required under Section 4.2(m)(iv) or Treasury Regulations Section 1.704-1(b)(2)(iv)(*s*)(3), the Company shall make corrective allocations pursuant to Treasury Regulations Section 1.704-1(b)(4)(x).

(g) Notwithstanding anything to the contrary herein, OLCV Net Power, LLC's acquisition of Shares pursuant to the exercise (if any) of the Oxy Warrant to Purchase Shares, and Constellation Energy Generation LLC's acquisition of Shares pursuant to the exercise (if any) of the Constellation Warrant to Purchase Shares, in each case prior to the date

hereof, each shall be treated as the acquisition of an interest in the Company (as the continuation of NET Power) upon the exercise of a noncompensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s), and OLCV Net Power, LLC's Capital Account and Constellation Energy Generation LLC's Capital Account associated with any such Shares shall be, to the greatest extent possible, through allocations of book gain pursuant to Section 1.704-1(b)(2)(iv)(s)(2) or, to the extent necessary, otherwise, equal to the Fair Market Value of such Shares as if OLCV Net Power, LLC or Constellation Energy Generation LLC had acquired each such Share for an amount of cash equal $319.21. For the avoidance of doubt, in connection with the Business Combination, any such Shares were converted into the applicable number of Class A Common Units of the Company.

Section 4.4 Other Allocation Rules.

(a) The provisions regarding the establishment and maintenance for each Member of a Capital Account as provided by Section 3.5 and the allocations set forth in Sections 4.1, 4.2 and 4.3 are intended to comply with the Treasury Regulations and to reflect the intended economic entitlement of the Members. If the Managing Member determines, in its reasonable discretion, that the application of the provisions in Sections 3.5, 4.1, 4.2 or 4.3 would result in non-compliance with the Treasury Regulations or would be inconsistent with the intended economic entitlement of the Members, the Managing Member is authorized to make any appropriate adjustments to such provisions, provided in compliance with the Treasury Regulations.

(b) All items of income, gain, loss, deduction and credit allocable to an interest in the Company that may have been Transferred shall be allocated between the Transferor and the Transferee in accordance with a method determined by the Managing Member and permissible under Section 706 of the Code and the Treasury Regulations thereunder.

(c) The Members' proportionate shares of the "excess nonrecourse liabilities" of the Company, within the meaning of Treasury Regulations Section 1.752-3(a)(3), shall be allocated to the Members on a *pro rata* basis, in accordance with the number of Units owned by each Member.

(d) The Managing Member shall amend this Article IV from time to time to reflect the allocation of Profit and Loss in connection with priority distributions on any preferred units or other Equity Securities that may be issued by the Company (other than Units).

(e) The Managing Member may amend or interpret the provisions of this Article IV as, in the Managing Member's reasonable, may be necessary or appropriate to comply with the applicable Treasury Regulations or other legal requirements and to properly reflect the economic intent of this Agreement.

Article V

DISTRIBUTIONS

Section 5.1 Distributions.

(a) To the extent permitted by applicable Law and hereunder, and except as otherwise provided in Section 5.2 and Section 10.3, distributions to Members may be declared by the Managing Member out of funds legally available therefor (to the extent such distribution would not violate any obligation under the Tax Receivable Agreement) in such amounts and on such terms (including the payment dates of such distributions) as the Managing Member shall

determine using such record date as the Managing Member may designate. Any such distribution shall be made to the Members as of the close of business on such record date on a *pro rata* basis in accordance with the number of Units held by each such Member. For the avoidance of doubt, repurchases or Redemptions made in accordance with Section 3.1(e)(vi), Section 3.7 or payments made in accordance with Section 6.4 or Section 6.9 need not be on a *pro rata* basis. Notwithstanding any other provision herein to the contrary, no distributions shall be made to any Member to the extent such distribution would render the Company insolvent or violate the Act or other applicable Law. For purposes of the foregoing sentence, insolvency means the inability of the Company to meet its payment obligations when due. Promptly following the designation of a record date and the declaration of a distribution pursuant to this Section 5.1, the Managing Member shall give notice to each Member of the record date, the amount and the terms of the distribution and the payment date thereof. In furtherance of the foregoing, it is intended that the Managing Member shall, to the extent permitted by applicable Law and hereunder, make distributions *pro rata* to the Members pursuant to this Section 5.1(a) in such amounts as shall enable the Managing Member to meet its obligations (if any) under the Tax Receivable Agreement.

(b) Distributions In-Kind. Except as otherwise provided in this Agreement, any distributions may be made in cash or in kind, or partly in cash and partly in kind, as determined by the Managing Member. In the event of any distribution of (i) property in kind or (ii) both cash and property in kind, each Member shall be distributed its proportionate share of any such cash so distributed and its proportionate share of any such property so distributed in kind (based on the Fair Market Value of such property).

Section 5.2 Tax-Related Distributions. The Company shall, subject to any restrictions contained in any agreement to which the Company is bound, make distributions out of legally available funds, to all of the Members, *pro rata* in accordance with the number of Units held by each such Member, until the Member having the greatest Per Unit Tax Distribution Amount for the applicable period (the "***Target Member***") has received an aggregate amount at least equal to the Tax Distribution Amount applicable to such Member. Such distribution shall be made at such times and, subject to the remainder of this Section 5.2, in such amounts as the Managing Member shall determine in its reasonable discretion. The "***Tax Distribution Amount***" in respect of each Member means an amount equal to the product of (i) the cumulative net taxable income of the Company allocated in respect of (or reasonably estimated to be allocable to) such Member for the relevant taxable period (for this purpose, (x) ignoring any allocations under Section 704(c) and, solely in the case of the PubCo Holdings Group, disregarding any adjustments to tax basis under Sections 732, 734 or 743 of the Code and (y) taking into account any tax credits or similar items), in excess of any cumulative net taxable loss of the Company allocated to (or reasonably estimated to be allocated to), and taking into account such losses only to the extent usable by, such Member against such income, assuming such Member has no assets other than its interest in the Company and no income or losses other than those with respect to the Company and (ii) the maximum combined effective federal and state income tax rate (expressed as a percentage) applicable to a corporation resident in Durham, North Carolina for such period taking into account the character of taxable income allocated (provided that the same rate shall be applied to each Member). Notwithstanding anything to the contrary herein, (i) the Tax Distribution Amount in respect of the PubCo Holdings Group shall be no less than such amount, in the aggregate, sufficient to enable the PubCo Holdings Group to timely satisfy any PubCo Tax-Related Liabilities and (ii) any and all distributions pursuant to this Section 5.2 shall be *pro rata* to the Members.

Section 5.3 Distribution Upon Withdrawal. No withdrawing Member shall be entitled to receive any distribution or the value of such Member's Interest as a result of withdrawal from the Company prior to the liquidation of the Company, except as specifically provided in this Agreement.

Section 5.4 **Issuance of Additional Equity Securities**. This Article V shall be subject to and, to the extent necessary, amended to reflect the issuance by the Company of any additional Equity Securities.

Article VI

MANAGEMENT

Section 6.1 **The Managing Member; Fiduciary Duties**.

(a) PubCo shall be the sole Managing Member of the Company. Except as otherwise required by Law or expressly provided by this Agreement, (i) the Managing Member shall have full and complete charge of all affairs of the Company, (ii) the management and control of the Company's business activities and operations shall rest exclusively with the Managing Member, and the Managing Member shall make all decisions regarding the business, activities and operations of the Company (including the incurrence of costs and expenses) in its sole discretion without the consent of any other Member and (iii) the Members other than the Managing Member (in their capacity as such) shall not participate in the control, management, direction or operation of the activities or affairs of the Company and shall have no power to act for or bind the Company. Nothing set forth in this Agreement shall reduce or restrict the rights set forth in the Tax Receivable Agreement, subject to the terms and conditions thereof, and the Managing Member shall not cause or permit the Company to take any action or omit to take any action that would reduce or restrict any such right.

(b) In connection with the performance of its duties as the Managing Member of the Company, except as otherwise set forth herein, and to the fullest extent permitted by Law, the Managing Member acknowledges that it will owe to the Members the same fiduciary duties as it would owe to the stockholders of a Delaware corporation if it were a member of the board of directors of such a corporation and the Members were stockholders of such corporation. The Members acknowledge that the Managing Member will take action through its board of directors (and/or duly authorized committees thereof), and that the members of the Managing Member's board of directors will owe comparable fiduciary duties to the stockholders of the Managing Member.

Section 6.2 **Officers**.

(a) The Managing Member may appoint, employ or otherwise contract with any Person for the transaction of the business of the Company or the performance of services for or on behalf of the Company, and the Managing Member may delegate to any such Persons such authority to act on behalf of the Company as the Managing Member may from time to time deem appropriate.

(b) Except as otherwise set forth herein, the Chief Executive Officer will be responsible for the general and active management of the business of the Company and its Subsidiaries and will see that all orders of the Managing Member are carried into effect. The Chief Executive Officer will report to the Managing Member and have the general powers and duties of management usually vested in the office of president and chief executive officer of a corporation organized under the DGCL, subject to the terms of this Agreement, and will have such other powers and duties as may be prescribed by the Managing Member or this Agreement. The Chief Executive Officer will have the power to execute bonds, mortgages and other Contracts requiring a seal, under the seal of the Company, except where required or permitted by Law to be otherwise signed and executed, and except where the signing and execution thereof will be expressly delegated by the Managing Member to some other Officer or agent of the Company.

(c) Except as set forth herein, the Managing Member may appoint Officers at any time, and the Officers may include a president, one or more vice presidents, a secretary, one or more assistant secretaries, a chief financial officer, a general counsel, a treasurer, one or more assistant treasurers, a chief operating officer, an executive chairman, and any other Officers that the Managing Member deems appropriate. Except as set forth herein, each of the Officers will serve at the pleasure of the Managing Member, subject to all rights, if any, of such Officer under any contract of employment. Any individual may hold any number of offices, and an Officer may, but need not, be a Member of the Company. The Officers will exercise such powers and perform such duties as specified in this Agreement or as determined from time to time by the Managing Member.

(d) Subject to this Agreement and to the rights, if any, of an Officer under a Contract of employment, any Officer may be removed, either with or without cause, by the Managing Member. Any Officer may resign at any time by giving written notice to the Managing Member. Any resignation will take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation will not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Company under any contract to which the Officer is a party. A vacancy in any office because of death, resignation, removal, disqualification or any other cause will be filled in the manner prescribed in this Agreement for regular appointments to that office.

(e) The Officers, in the performance of their duties as such, and to the fullest extent permitted by Law, shall owe to the Company and the Members duties of loyalty and due care of the type owed by the officers of a corporation to such corporation and its stockholders under the DGCL and Delaware law.

Section 6.3 Warranted Reliance by Officers on Others. In exercising their authority and performing their duties under this Agreement, the Officers shall be entitled to rely on information, opinions, reports or statements of the following Persons or groups unless they have actual knowledge concerning the matter in question that would cause such reliance to be unwarranted:

(a) one or more employees or other agents of the Company or subordinates whom the Officer reasonably believes to be reliable and competent in the matters presented; and

(b) any attorney, public accountant or other Person as to matters which the Officer reasonably believes to be within such Person's professional or expert competence.

Section 6.4 Indemnification.

(a) The Company shall indemnify and hold harmless, to the fullest extent permitted by applicable Law as it presently exists or may hereafter be amended (provided, that no such amendment shall limit a Covered Person's rights to indemnification hereunder with respect to any actions or events occurring prior to such amendment except to the extent required by a non-waivable and non-modifiable provision of applicable Law), any person who was or is made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed Action, whether civil, criminal, administrative or investigative (a "***Proceeding***") by reason of the fact that he or she, or a Person for whom he or she is the legal representative, is or was a Manager (as defined in the Initial Company LLC Agreement) entitled to indemnification under the Initial Company LLC Agreement, a Member, an Officer, the Managing Member or the Company Representative or is or was serving at the request of the Company as a member, director, Officer, trustee, employee or agent of another limited liability company or of a corporation, partnership, joint venture, trust, other enterprise or nonprofit entity,

including service with respect to an employee benefit plan (a "***Covered Person***"), whether the basis of such Proceeding is alleged action in an official capacity as a member, director, Officer, trustee, employee or agent, or in any other capacity while serving as a member, director, Officer, trustee, employee or agent, against all expenses, Liability and loss (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred or suffered by such Covered Person in connection with such Proceeding, unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of such act or omission, and taking into account the acknowledgements and agreements set forth in this Agreement, (x) such Covered Person engaged in fraud or a bad faith violation of the implied contractual covenant of good faith and fair dealing or a bad faith violation of this Agreement or (y) such Covered Person would not be so entitled to be indemnified and held harmless if the Company were a corporation organized under the Laws of the State of Delaware that indemnified and held harmless its directors, Officers, employees and agents to the fullest extent permitted by Section 145 of the DGCL as in effect on the date of this Agreement (but including any expansion of rights to indemnification thereunder from and after the date of this Agreement). The Company shall, to the fullest extent not prohibited by applicable Law as it presently exists or may hereafter be amended (provided, that no such amendment shall limit a Covered Person's rights to indemnification hereunder with respect to any actions or events occurring prior to such amendment except to the extent required by a non-waivable and non-modifiable provision of applicable Law), pay the expenses (including attorneys' fees) reasonably incurred by a Covered Person in defending any Proceeding in advance of its final disposition; *provided, however*, that such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined by final judicial decision from which there is no further right to appeal that the Covered Person is not entitled to be indemnified under this Section 6.4 or otherwise. The rights to indemnification and advancement of expenses under this Section 6.4 shall be contract rights and such rights shall continue as to a Covered Person who has ceased to be a member, director, Officer, trustee, employee or agent and shall inure to the benefit of his heirs, executors and administrators. Notwithstanding the foregoing provisions of this Section 6.4, except for Proceedings to enforce rights to indemnification and advancement of expenses, the Company shall indemnify and advance expenses to a Covered Person in connection with a Proceeding (or part thereof) initiated by such Covered Person only if such Proceeding (or part thereof) was authorized by the Managing Member.

(b) Notwithstanding anything in this Agreement to the contrary, nothing in this Section 6.4 shall (i) limit or waive any claims against, Actions, rights to sue, other remedies or other recourse the Company or any of its Subsidiaries, any Member or any other Person may have against any Covered Person for a breach of contract claim relating to any binding agreement to which such Covered Person is a party (including, where applicable, this Agreement or any other Transaction Document) or (ii) entitle any such Covered Person to be indemnified or advanced expenses with respect to such a breach.

Section 6.5 Maintenance of Insurance or Other Financial Arrangements. To the extent permitted by applicable Law, the Company (with the approval of the Managing Member) may purchase and maintain insurance or make other financial arrangements on behalf of any Person who is or was a Member, Officer, employee or agent of the Company, or at the request of the Company is or was serving as a manager, director, Officer, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, for any Liability asserted against such Person and Liability and expenses incurred by such Person in such Person's capacity as such, or arising out of such Person's status as such, whether or not the Company has the authority to indemnify such Person against such Liability and expenses.

Section 6.6 **Resignation or Termination of Managing Member**. PubCo shall not, by any means, resign as, cease to be or be replaced as Managing Member except in compliance with this Section 6.6. No termination or replacement of PubCo as Managing Member shall be effective unless proper provision is made, in compliance with this Agreement, so that the obligations of PubCo, its successor (if applicable) and any new Managing Member and the rights of all Members under this Agreement and applicable Law remain in full force and effect. No appointment of a Person other than PubCo (or its successor, as applicable) as Managing Member shall be effective unless PubCo (or its successor, as applicable) and the new Managing Member (as applicable) provide all other Members with contractual rights, directly enforceable by such other Members against PubCo (or its successor, as applicable) and the new Managing Member (as applicable), to cause (a) PubCo to comply with all PubCo's obligations under this Agreement (including its obligations under Section 3.7) other than those that must necessarily be taken in its capacity as Managing Member and (b) the new Managing Member to comply with all the Managing Member's obligations under this Agreement.

Section 6.7 **No Inconsistent Obligations**. The Managing Member represents that it does not have any contracts, other agreements, duties or obligations that are inconsistent with its duties and obligations (whether or not in its capacity as Managing Member) under this Agreement and covenants that, except as permitted by Section 6.1, it will not enter into any contracts or other agreements or undertake or acquire any other duties or obligations that are inconsistent with such duties and obligations.

Section 6.8 **Reclassification Events of PubCo**. If a Reclassification Event occurs, the Managing Member or its successor, as the case may be, shall, as and to the extent necessary, amend this Agreement in compliance with Section 11.1, and enter into any necessary supplementary or additional agreements, to ensure that following the effective date of the Reclassification Event: (i) the Redemption Rights of holders of Class A Units set forth in Section 3.7 provide that each Class A Unit (together with the surrender and delivery of one Class B Share) is redeemable for the same amount and same type of property, securities or cash (or combination thereof) that one Class A Share becomes exchangeable for or converted into as a result of the Reclassification Event and (ii) PubCo or the successor to PubCo, as applicable, is obligated to deliver such property, securities or cash upon such Redemption. PubCo shall not consummate or agree to consummate any Reclassification Event unless the successor Person, if any, becomes obligated to comply with the obligations of PubCo (in whatever capacity) under this Agreement and the Tax Receivable Agreement.

Section 6.9 **Certain Costs and Expenses**. The Company shall (a) pay, or cause to be paid, all costs, fees, operating expenses and other expenses of the Company and its Subsidiaries (including the costs, fees and expenses of attorneys, accountants or other professionals and the compensation of all personnel providing services to the Company and its Subsidiaries) incurred in pursuing and conducting, or otherwise related to, the activities of the Company and (b) in the Good Faith discretion of the Managing Member, reimburse the Managing Member for any costs, fees or expenses incurred by it in connection with serving as the Managing Member. To the extent that the Managing Member determines in Good Faith that such expenses relate to the business and affairs of the Managing Member that are conducted through the Company and/or its Subsidiaries (including expenses that relate to the business and affairs of the Company and/or its Subsidiaries and that also relate to the other activities of any member of the PubCo Holdings Group), the Managing Member may cause the Company to pay or bear all such expenses, including, without limitation, franchise taxes, costs of securities offerings not borne directly by Members, board of directors compensation and meeting costs, costs of periodic reports to stockholders of PubCo, litigation costs and damages arising from litigation, accounting and legal costs; *provided* that the Company shall not pay or bear (i) any income tax obligations of any member of the PubCo Holdings Group (but the Company shall be entitled to make distributions in respect of these obligations pursuant to Article V) or (ii) any amounts owed by PubCo under

the Tax Receivable Agreement. In the event that (A) Class A Shares or other Equity Securities of PubCo are sold to underwriters in any public offering after the date hereof, in each case, at a price per share that is lower than the price per share for which such Class A Shares or other Equity Securities of PubCo are sold to the public in such public offering after taking into account any Discounts and (B) the proceeds from such public offering are used to fund the Cash Election Amount for any redeemed Units or otherwise contributed to the Company, the Company shall reimburse the applicable member of the PubCo Holdings Group for such Discount by treating such Discount as an additional Capital Contribution made by such member of the PubCo Holdings Group to the Company, issuing Units in respect of such deemed Capital Contribution in accordance with Section 3.7(b)(iii), and increasing the Capital Account of such member of the PubCo Holdings Group by the amount of such Discount. For the avoidance of doubt, any payments made to or on behalf of any member of the PubCo Holdings Group pursuant to this Section 6.9 shall not be treated as a distribution pursuant to Section 5.1(a) but shall instead be treated as an expense of the Company.

Article VII

ROLE OF MEMBERS

Section 7.1 Rights or Powers.

(a) Other than the Managing Member, the Members, acting in their capacity as Members, shall not have any right or power to take part in the management or control of the Company or its business and affairs or to act for or bind the Company in any way. Notwithstanding the foregoing, the Members have all the rights and powers specifically set forth in this Agreement and, to the extent not inconsistent with this Agreement, in the Act. A Member, any Affiliate thereof or an employee, direct or indirect equityholder, agent, director or officer of a Member or any Affiliate thereof, may also be an employee or be retained as an agent of the Company. The existence of these relationships and acting in such capacities will not result in the Member (other than the Managing Member) being deemed to be participating in the control of the business of the Company or otherwise affect the limited liability of the Member. Except as specifically provided herein, a Member (other than the Managing Member) shall not, in its capacity as a Member, take part in the operation, management or control of the Company's business, transact any business in the Company's name or have the power to sign documents for or otherwise bind the Company. Nothing in this Article VII shall in any way limit any Member's rights pursuant to the Tax Receivable Agreement.

(b) The Company shall not take (or fail to take) any action if such action (or failure to take such action) would have the effect, directly and indirectly, of causing the Company to be an "investment company" within the meaning of the Investment Company Act of 1940 (the "***Investment Company Act***"), as amended.

Section 7.2 Voting.

(a) Meetings of the Members may be called upon the written request of Members holding at least 50% of the outstanding Units. Such request shall state the location of the meeting and the nature of the business to be transacted at the meeting. Written notice of any such meeting shall be given to all Members not less than two Business Days and not more than 30 days prior to the date of such meeting. Members may vote in person, by proxy or by telephone at any meeting of the Members and may waive advance notice of such meeting. Whenever the vote or consent of Members is permitted or required under this Agreement or the Act, such vote or consent may be given at a meeting of the Members or may be given in accordance with the procedure prescribed in this Section 7.2. Except as otherwise expressly

provided in this Agreement, the affirmative vote of the Members holding a majority of the outstanding Units shall constitute the act of the Members.

(b) Each Member may authorize any Person or Persons to act for it by proxy on all matters in which such Member is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by such Member or its attorney-in-fact. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it.

(c) Each meeting of Members shall be conducted by an Officer designated by the Managing Member or such other individual Person as the Managing Member deems appropriate.

(d) Any action required or permitted to be taken by the Members may be taken without a meeting if the requisite Members whose approval is necessary consent thereto in writing; provided that notice of any such action shall be promptly given to all of the Members.

Section 7.3 Various Capacities. The Members acknowledge and agree that any of the Members or their Affiliates may from time to time act in various capacities, including as a Member and/or as the Company Representative.

Section 7.4 Investment Opportunities. To the fullest extent permitted by applicable Law, the Company renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to any Member (other than the Managing Member or any Members who are Officers or employees of the Company, PubCo or any of their respective Subsidiaries), any of their respective Affiliates (other than the Company or any of its Subsidiaries or any of the members of the PubCo Holdings Group), or any of their respective officers, directors, agents, shareholders, members, managers and partners (each, a "***Business Opportunities Exempt Party***"). No Business Opportunities Exempt Party who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Company or any of its Subsidiaries shall have any duty to communicate or offer such opportunity to the Company. No amendment or repeal of this Section 7.4 shall apply to or have any effect on the Liability or alleged Liability of any Business Opportunities Exempt Party for or with respect to any opportunities of which any such Business Opportunities Exempt Party becomes aware prior to such amendment or repeal. Any Person purchasing or otherwise acquiring any interest in any Units shall be deemed to have notice of and consented to the provisions of this Section 7.4. Neither the alteration, amendment or repeal of this Section 7.4, nor the adoption of any provision of this Agreement inconsistent with this Section 7.4, shall eliminate or reduce the effect of this Section 7.4 in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this Section 7.4, would accrue or arise, prior to such alteration, amendment, repeal or adoption.

Article VIII

TRANSFERS OF INTERESTS

Section 8.1 Restrictions on Transfer.

(a) Except as provided in Section 3.7, Section 8.1(c) and Section 8.1(d), no Member shall Transfer all or any portion of its Interest without the Managing Member's prior written consent, which consent shall be granted or withheld in the Managing Member's sole discretion. If, notwithstanding the provisions of this Section 8.1(a), all or any portion of a

Member's Interests are Transferred in violation of this Section 8.1(a), involuntarily, by operation of Law or otherwise, then without limiting any other rights and remedies available to the other parties under this Agreement or otherwise, the Transferee of such Interest (or portion thereof) shall not be admitted to the Company as a Member or be entitled to any rights as a Member hereunder, and the Transferor will continue to be bound by all obligations hereunder, unless and until the Managing Member consents in writing to such admission, which consent shall be granted or withheld in the Managing Member's sole discretion. Any attempted or purported Transfer of all or a portion of a Member's Interests in violation of this Section 8.1(a) shall be null and void and of no force or effect whatsoever. For the avoidance of doubt, the restrictions on Transfer contained in this Article VIII shall not apply to the Transfer of any capital stock of PubCo; *provided* that no Class B Shares may be Transferred unless a corresponding number of Units are Transferred therewith in accordance with this Agreement.

(b) In addition to any other restrictions on Transfer herein contained, including the provisions of this Article VIII, in no event may any Transfer or assignment of Interests by any Member be made (i) to any Person who lacks the legal right, power or capacity to own Interests; (ii) if such Transfer (A) would be considered to be effected on or through an "established securities market" or a "secondary market or the substantial equivalent thereof," as such terms are used in Treasury Regulations Section 1.7704-1, (B) would result in the Company having more than 100 partners, within the meaning of Treasury Regulations Section 1.7704-1(h)(1) (determined taking into account the rules of Treasury Regulations Section 1.7704-1(h)(3)), or (C) would cause the Company to be treated as a "publicly traded partnership" within the meaning of Section 7704 of the Code or a successor provision or to be classified as a corporation pursuant to the Code or successor of the Code; (iii) if such Transfer would cause the Company to become, with respect to any employee benefit plan subject to Title I of ERISA, a "party-in-interest" (as defined in Section 3(14) of ERISA) or a "disqualified person" (as defined in Section 4975(e)(2) of the Code); (iv) if such Transfer would, in the opinion of counsel to the Company, cause any portion of the assets of the Company to constitute assets of any employee benefit plan pursuant to the Plan Asset Regulations or otherwise cause the Company to be subject to regulation under ERISA; (v) if such Transfer requires the registration of such Interests or any Equity Securities issued upon any exchange of such Interests, pursuant to any applicable U.S. federal or state securities Laws; or (vi) if such Transfer subjects the Company to regulation under the Investment Company Act or the Investment Advisors Act of 1940, each as amended (or any succeeding Law). Any attempted or purported Transfer of all or a portion of a Member's Interests in violation of this Section 8.1(b) shall be null and void and of no force or effect whatsoever.

(c) Notwithstanding any of the provisions in Section 8.1(a), but subject to all other provisions in this Article VIII, (i) Rice Sponsor may Transfer all or a portion of its Units to any of its members as of the date hereof without the consent of any other Member or Person; (ii) any Person may Transfer all or a portion of its Units in accordance with a Transfer consummated in accordance with the terms of the Stockholders Agreement.

(d) Notwithstanding the foregoing but subject to Section 8.1(b), the parties hereto agree that the Managing Member shall not unreasonably withhold consent to any Transfer of Units (i) by will or intestacy, (ii) as a bona fide gift or gifts, (iii) to any trust, partnership, limited liability company or other entity for the direct or indirect benefit of the holder or the immediate family, other dependent or lineal ascendants or descendants of such holder, (iv) to any immediate family member, other dependent or lineal ascendants or descendants of such holder, (v) as a distribution to direct or indirect partners, members or stockholders of such holder, (vi) to any of such holder's Affiliates or to any investment fund or other entity controlled or managed by such holder, (vii) to a nominee or custodian of a Person to whom a disposition or Transfer would be permissible under the foregoing clauses (i) through (vi), or (viii) pursuant to an order of a court or regulatory agency.

Section 8.2 **Notice of Transfer**.

(a) Other than in connection with Transfers made pursuant to Section 3.7, each Member shall, after complying with the provisions of this Agreement, but in any event no later than three Business Days following any Transfer of Interests, give written notice to the Company of such Transfer. Each such notice shall describe the manner and circumstances of the Transfer.

(b) A Member making a Transfer (including a deemed Transfer for U.S. federal income tax purposes as described in Section 3.7(g)(i)) permitted by this Agreement shall, unless otherwise determined by the Managing Member, (i) have delivered to the Company an affidavit of non-foreign status with respect to such Transferor that satisfies the requirements of Section 1446(f)(2) of the Code or other documentation establishing a valid exemption from withholding pursuant to Section 1446(f) of the Code or (ii) contemporaneously with the Transfer, properly withhold and remit to the Internal Revenue Service the amount of tax required to be withheld upon the Transfer by Section 1446(f) of the Code (and provide evidence to the Company of such withholding and remittance promptly thereafter).

Section 8.3 **Transferee Members.** A Transferee of Interests pursuant to this Article VIII shall have the right to become a Member only if

(a) the requirements of this Article VIII are met,

(b) such Transferee executes a Joinder,

(c) such Transferee represents that the Transfer was made in accordance with all applicable securities Laws,

(d) the Transferor or Transferee shall have reimbursed the Company for all reasonable expenses (including attorneys' fees and expenses) of any Transfer or proposed Transfer of such Member's Interest, whether or not consummated, and

(e) if such Transferee or his or her spouse is a resident of a community property jurisdiction, then such Transferee's spouse shall also execute a Joinder.

(f) Unless agreed to in writing by the Managing Member, the admission of a Member shall not result in the release of the Transferor from any Liability that the Transferor may have to each remaining Member or to the Company under this Agreement or any other Contract between the Managing Member, the Company or any of its Subsidiaries, on the one hand, and such Transferor or any of its Affiliates, on the other hand. Written notice of the admission of a Member shall be sent promptly by the Company to each remaining Member. A Transferee of Interests pursuant to this Article VIII shall be deemed admitted to the Company as a substitute Member at the time as the Managing Member determines that the conditions in this Article VIII are satisfied and such Person is listed as a member of the Company on Exhibit B.

Section 8.4 **Legend.** Each certificate representing a Unit, if any, will be stamped or otherwise imprinted with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933.

THESE SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SUCH ACT.

THE TRANSFER AND VOTING OF THESE SECURITIES IS SUBJECT TO THE CONDITIONS SPECIFIED IN THE THIRD AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF NET POWER OPERATIONS LLC (THE ISSUER OF THESE SECURITIES) AS IT MAY BE AMENDED, SUPPLEMENTED AND/OR RESTATED FROM TIME TO TIME, AND NO TRANSFER OF THESE SECURITIES WILL BE VALID OR EFFECTIVE UNTIL SUCH CONDITIONS HAVE BEEN FULFILLED. COPIES OF SUCH AGREEMENT MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE ISSUER OF SUCH SECURITIES."

Article IX

ACCOUNTING; CERTAIN TAX MATTERS

Section 9.1 **Books of Account.** The Company shall, and shall cause each Subsidiary to, maintain true books and records of account in which full and correct entries shall be made of all its business transactions pursuant to a system of accounting established and administered in accordance with GAAP, and shall set aside on its books all such proper accruals and reserves as shall be required under GAAP.

Section 9.2 **Continuation of NET Power; Section 754 Election**.

(a) PubCo, Rice Sponsor, the NET Power Holders, and each other Member acknowledge and agree that for U.S. federal and, as applicable, state and local tax purposes, in connection with the Business Combination, the Merger (as defined in the Business Combination Agreement) constituted an "assets-over" partnership merger under Treasury Regulations Section 1.708-1(c)(3)(i) in which Rice Acquisition Holdings II LLC is treated as a "terminated partnership," and NET Power is treated as the "resulting partnership", with the Company being a continuation of NET Power.

(b) The Company and any eligible Subsidiary shall make an election pursuant to Section 754 of the Code for the first taxable year for which the Company (or such eligible Subsidiary) is permitted to make such election (to the extent such election is not already in effect) and shall not thereafter revoke such election. In addition, the Company shall make the following elections on the appropriate forms or returns, if permitted under the Code or applicable Law and to the extent such elections are not already in effect:

(i) to adopt the calendar year as the Company's Fiscal Year;

(ii) to adopt the accrual method of accounting for U.S. federal income tax purposes; and

(iii) except as otherwise provided herein, any other election the Company Representative may in good faith deem appropriate and in the best interests of the Company.

Section 9.3 **Tax Returns; Information.** The Company Representative shall arrange for the preparation and timely filing of all income and other tax and informational returns of the

Company. The Company shall use commercially reasonable efforts to prepare and deliver (or cause to be prepared and delivered) to each Person who was a Member at any time during the relevant quarter of the relevant Fiscal Year an estimated K-1, including reasonable quarterly estimates of such Member's state tax apportionment information and the allocations to such Member of taxable income, gains, losses, deductions or credits for such Fiscal Year for U.S. federal, and applicable state and local, income tax reporting purposes at least fifteen (15) days prior to the individual or corporate quarterly estimate payment deadline for U.S. federal income taxes for calendar year filers (or as soon as reasonably practicable thereafter). As promptly as reasonably practicable following the end of each Fiscal Year, the Company shall prepare and deliver (or cause to be prepared and delivered) to each Person who was a Member at any time during such Fiscal Year (i) not later than sixty (60) days following the end of each Fiscal Year (or as soon as reasonably practicable thereafter), an estimated IRS Schedule K-1 (and any similar form prescribed for applicable state and local income tax purposes) or similar documents with such information of the Company and all relevant information regarding the Company reasonably necessary for the Members to estimate their taxable income for such Fiscal Year, and (ii) in no event later than seventy-five (75) days following the end of the Fiscal Year (or as soon as reasonably practicable thereafter), a final IRS Schedule K-1 (and any similar form prescribed for applicable state and local income tax purposes) and all relevant information regarding the Company reasonably necessary for the Members to file their tax returns on a timely basis (including extensions) for such Fiscal Year. The Company shall use commercially reasonable efforts to cooperate with each Member and former Member to furnish all information relating to the Company and in the Company's possession reasonably requested by such Member and that is reasonably necessary for such Member to prepare and file its own tax returns and pay its own taxes or make distributions to its members in order for them to pay their taxes. The Members agree to furnish to the Company (i) all reasonably requested certificates or statements relating to the tax matters of the Company (including without limitation an affidavit of non-foreign status pursuant to Section 1446(f)(2) of the Code), and (ii) all pertinent information in its possession relating to the Company's operations that is reasonably necessary to enable the Company's tax returns to be prepared and timely filed.

Section 9.4 **Company Representative.** The Chief Financial Officer of the Company (currently Akash Patel) is specially authorized and appointed to act as the initial Company Representative and in any similar capacity under state or local Law, provided that the Managing Member, may select a different Person to act as Company Representative in respect of a Fiscal Year and it is acknowledged that the Company Representative serves at the discretion of the Managing Member. For any Fiscal Year of the Company to which the Partnership Tax Audit Rules apply and in which the Company Representative is an entity, the Company Representative shall appoint an individual selected by and subject to the control of the Company Representative for such Fiscal Year as the "designated individual" and the Company Representative shall revoke such appointment for any Fiscal Year for which the "designated individual" is no longer subject to the control of the Company Representative. The Company and the Members (including any Member designated as the Company Representative prior to the date hereof) shall cooperate fully with each other and shall use reasonable best efforts to cause the Chief Financial Officer (or such other Person as may be subsequently selected by the Managing Member), or any other Person subsequently designated, to become the Company Representative with respect to any taxable period of the Company with respect to which the statute of limitations has not yet expired, including (as applicable) by filing certifications pursuant to Treasury Regulations Section 301.6231(a)(7)-1(d). The Company Representative is hereby authorized to take such actions and to execute and file all statements and forms on behalf of the Company that are permitted or required by the Partnership Tax Audit Rules (including a "push-out" election under Section 6226 of the Code or any analogous election under state or local tax law) or in connection with any other tax proceeding. The Company Representative may retain, at the Company's expense, such outside counsel, accountants and other professional consultants as it may reasonably deem necessary in the course of fulfilling its obligations as Company Representative. Without limiting

the foregoing, the Company Representative shall use commercially reasonable efforts to give prompt written notice to the NET Power Holders of the commencement of any income tax audit of, or administrative or judicial proceeding (each, a "***Proceeding***") involving, the Company or any of its Subsidiaries that would reasonably be expected to have a material adverse effect on the NET Power Holders (or their owners). The Company Representative (i) shall keep the NET Power Holders reasonably informed of all material developments in relation to and the status of any such Proceedings (including by receipt of a notice of a final partnership adjustment (or equivalent under applicable Laws), IRS Appeals "60-day letter" (or equivalent under applicable Laws), final decision of a court and any other time-sensitive decisions and/or developments with respect to such Proceeding) and (ii) shall solicit and give commercially reasonable consideration to the comments and suggestions of the NET Power Holders affected by the Proceeding prior to settling the Proceeding.

Section 9.5 Withholding Tax Payments and Obligations.

(a) Withholding Tax Payments. Each of the Company and its Subsidiaries may withhold from distributions, allocations or portions thereof if it is required to do so by any applicable Law, and each Member hereby authorizes the Company and its Subsidiaries to withhold or pay on behalf of or with respect to such Member, any amount of U.S. federal, state or local or non-U.S. taxes that the Managing Member determines, in Good Faith, that the Company or any of its Subsidiaries is required to withhold or pay with respect to any amount distributable or allocable to such Member pursuant to this Agreement.

(b) Other Tax Payments. To the extent that any tax is paid by (or withheld from amounts payable to) the Company or any of its Subsidiaries and the Managing Member determines, in Good Faith, that such tax (including any Company Level Tax) relates to one or more specific Members, such tax shall be treated as an amount of tax withheld or paid with respect to such Member pursuant to this Section 9.5. Any determinations made by the Managing Member pursuant to this Section 9.5 shall be binding on the Members.

(c) Tax Contribution and Indemnity Obligation. Any amounts withheld or paid with respect to a Member pursuant to Section 9.5(a) or (b) shall be offset against any distributions to which such Member is entitled concurrently with such withholding or payment (a "***Tax Offset***"); *provided* that the amount of any distribution subject to a Tax Offset shall be treated as having been distributed to such Member pursuant to Section 5.1 or Section 10.3(b)(ii) at the time such Tax Offset is made. To the extent that (i) there is a payment of Company Level Taxes relating to a Member or (ii) the amount of such Tax Offset exceeds the distributions to which such Member is entitled during the same Fiscal Year as such withholding or payment ("***Excess Tax Amount***"), the amount of such (i) Company Level Taxes or (ii) Excess Tax Amount, as applicable, shall, upon notification to such Member by the Managing Member, give rise to an obligation of such Member to make a Capital Contribution to the Company (a "***Tax Contribution Obligation***"), which Tax Contribution Obligation shall be immediately due and payable. In the event a Member defaults with respect to its obligation under the prior sentence, the Company shall be entitled to offset the amount of a Member's Tax Contribution Obligation against distributions to which such Member would otherwise be subsequently entitled until the full amount of such Tax Contribution Obligation has been contributed to the Company or has been recovered through offset against distributions, and any such offset shall not reduce such Member's Capital Account. Any contribution by a Member with respect to a Tax Contribution Obligation shall increase such Member's Capital Account but shall not reduce the amount (if any) that a Member is otherwise obligated to contribute to the Company. Each Member hereby unconditionally and irrevocably grants to the Company a security interest in such Member's Units to secure such Member's obligation to pay the Company any amounts required to be paid pursuant to this Section 9.5. Each Member shall take such actions as the Company may reasonably request in order to perfect or enforce the security interest created hereunder. Each

Member hereby agrees to indemnify and hold harmless the Company, the other Members, the Company Representative and the Managing Member from and against any Liability (including any Liability for Company Level Taxes) with respect to income attributable to or distributions or other payments to such Member.

(d) Continued Obligations of Former Members. Any Person who ceases to be a Member shall be deemed to be a Member solely for purposes of this Section 9.5, and the obligations of a Member pursuant to this Section 9.5 shall survive until 30 days after the closing of the applicable statute of limitations on assessment with respect to the taxes withheld or paid by the Company or a Subsidiary that relate to the period during which such Person was actually a Member; *provided*, *however*, that if the Managing Member determines in its sole discretion that seeking indemnification for Company Level Taxes from a former Member is not practicable, or that seeking such indemnification has failed, then, in either case, the Company may, in its sole discretion, (A) recover any Liability for Company Level Taxes from the Transferee that acquired directly or indirectly the applicable interest in the Company from such former Member or (B) treat such Liability for Company Level Taxes as a Company expense.

(e) Managing Member Discretion Regarding Recovery of Taxes. Notwithstanding the foregoing, the Managing Member may choose to cause the Company not to recover an amount of Company Level Taxes or other taxes withheld or paid with respect to a Member under this Section 9.5 to the extent that there are no distributions to which such Member is entitled that may be offset by such amounts, if the Managing Member determines, in its reasonable discretion, that such a decision would be in the best interests of the Members (e.g., where the cost of recovering the amount of taxes withheld or paid with respect to such Member is not justified in light of the amount that may be recovered from such Member). In the case of any conflict between the terms of this Article IX and the Business Combination Agreement, this Agreement shall govern.

Article X

DISSOLUTION AND TERMINATION

Section 10.1 Liquidating Events.

(a) The Company shall dissolve and commence winding up and liquidating upon the first to occur of the following (each, a "***Liquidating Event***"):

(i) The election of the Managing Member upon the sale of all or substantially all of the assets of the Company;

(ii) the determination of the Managing Member to dissolve the Company;

(iii) the termination of the legal existence of the last remaining Member of the Company or the occurrence of any other event which terminates the continued membership of the last remaining Member in the Company unless the Company is continued without dissolution in a manner permitted by this Agreement or the Act; and

(iv) the entry of a decree of judicial dissolution of the Company under Section 18−802 of the Act.

(b) The Members hereby agree that the Company shall not dissolve prior to the occurrence of a Liquidating Event and that no Member shall seek a dissolution of the Company, under Section 18-802 of the Act or otherwise, other than based on the matters set forth

in clauses (a)(i) and (a)(ii) above. If it is determined by a court of competent jurisdiction that the Company has dissolved prior to the occurrence of a Liquidating Event, the Members hereby agree to continue the business of the Company without dissolution or a winding up or liquidation of the Company. In the event of a dissolution pursuant to Section 10.1(a)(i), the relative economic rights of each class of Units immediately prior to such dissolution shall be preserved to the greatest extent practicable with respect to distributions made to Members pursuant to Section 10.3 in connection with such dissolution, taking into consideration tax and other legal constraints that may adversely affect one or more parties to such dissolution and subject to compliance with applicable Laws and regulations, unless, with respect to any class of Units, holders of a majority of the Units of such class consent in writing to a treatment other than as described above.

Section 10.2 Bankruptcy. The "bankruptcy" (as defined in Sections 18-101(1) and 18-304 of the Act) of a Member shall not cause such Member to cease to be a member of the Company and upon the occurrence of such an event, the Company shall continue without dissolution.

Section 10.3 Procedure.

(a) In the event of the dissolution of the Company for any reason, the Managing Member shall commence to wind up the affairs of the Company and to liquidate the Company's investments (the Managing Member, in such capacity, being referred to as the "***Winding-Up Member***") shall commence to wind up the affairs of the Company and, subject to Section 10.4(a), such Winding-Up Member shall have full right and unlimited discretion to determine in Good Faith the time, manner and terms of any sale or sales of the Property or other assets pursuant to such liquidation, having due regard to the activity and condition of the relevant market and general financial and economic conditions. The Members shall continue to share profits, losses and distributions during the period of liquidation in the same manner and proportion as though the Company had not dissolved. The Company shall engage in no further business except as may be necessary, in the reasonable discretion of the Managing Member or the Winding-Up Member, as applicable, to preserve the value of the Company's assets during the period of dissolution and liquidation.

(b) The proceeds of the liquidation and any other funds of the Company shall be distributed in the following order of priority:

(i) *First*, to the payment and discharge of all of the Company's debts and Liabilities to creditors (whether third parties or Members), in the order of priority as provided by Law, except any obligations to the Members in respect of their Capital Accounts, whether by payment or by the making of reasonable provision for payment thereof by setting up such cash reserves that the Managing Member reasonably deems necessary for contingent, conditional or unmatured Liabilities or future payments described in this Section 10.3(b)(i) (which reserves when they become unnecessary shall be distributed in accordance with the provisions of clause (ii) below); and

(ii) *Second*, the balance to the Members, as follows:

(A) prior to the Equalization Date, in accordance with their respective positive Capital Account balances, as determined after making all adjustments thereto in accordance with Section 4.1 and Section 4.2 resulting from the Company's operations and from all sales or dispositions of all or any part of the Company's assets; or

(B) after the Equalization Date, *pro rata* in accordance with the number of Units owned by each Member.

(c) No Member shall have any right to demand or receive property other than cash upon dissolution and termination of the Company.

(d) Upon the completion of the liquidation of the Company and the distribution of all Company funds, the Managing Member or the Winding-Up Member, as the case may be, shall have the authority to execute, record and file with the Secretary of State of the State of Delaware a certificate of cancellation of the Certificate of Formation Company which shall terminate the Company, as well as any and all other documents required to effectuate the termination of the Company.

Section 10.4 Rights of Members.

(a) Each Member irrevocably waives any right that it may have to maintain an action for partition with respect to the property of the Company.

(b) Except as otherwise provided in this Agreement, (i) each Member shall look solely to the assets of the Company for the return of its Capital Contributions and (ii) no Member shall have priority over any other Member as to the return of its Capital Contributions, distributions or allocations.

Section 10.5 Notices of Dissolution. In the event a Liquidating Event occurs the Company shall, within 30 days thereafter, comply, in a timely manner, with all filing and notice requirements under the Act or any other applicable Law.

Section 10.6 Reasonable Time for Winding Up. A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets in order to minimize any losses that might otherwise result from such winding up.

Section 10.7 No Deficit Restoration. No Member shall be personally liable for a deficit Capital Account balance of that Member, it being expressly understood that the distribution of liquidation proceeds shall be made solely from existing Company assets.

Article XI

GENERAL

Section 11.1 Amendments; Waivers.

(a) The terms and provisions of this Agreement may be waived, modified or amended (including by means of merger, consolidation or other business combination to which the Company is a party) with the approval of (y) the Managing Member and (z) if at such time the Members (other than the PubCo Holdings Group) Beneficially own, in the aggregate, more than 2.5% of the then-outstanding Units, the holders of at least 66 2/3% of the outstanding Units held by Members other than the PubCo Holdings Group; *provided* that no waiver, modification or amendment shall be effective until at least 5 Business Days after written notice is provided to the Members that the requisite consent has been obtained for such waiver, modification or amendment, and, for the avoidance of doubt, upon receipt of such written notice, any Member, including any Member not providing written consent, shall have the right to file a Redemption Notice prior to the effectiveness of such waiver, modification or amendment; *provided*, *further*, that no amendment to this Agreement may:

(i) modify the limited liability of any Member, or increase or modify the Liabilities or obligations of any Member (including, for certainty, any amendment to Section 7.4), in each case, without the prior written consent of such Member;

(ii) materially alter or change any rights, preferences or privileges of any Interests in a manner that is different or prejudicial (or would have a different or prejudicial effect) relative to any other Interests, without the approval of a majority in interest of the Members holding the Interests affected in such a different or prejudicial manner;

(iii) materially alter or change any rights, preferences or privileges of either the Class A Units or the Class B Units in a manner that is different or prejudicial (or that would have a different or prejudicial effect) relative to any other class of Units, without the approval of the Members holding such class of Units that are affected in such a different or prejudicial manner; or

(iv) modify the requirement that a majority of the directors of PubCo who are independent within the meaning of the rules of the New York Stock Exchange (or such other principal United States securities exchange on which the Class A Shares are listed) and Rule 10A-3 of the Securities Act and do not hold any Class A Units that are subject to the applicable Redemption must approve a Cash Election pursuant to Section 3.7(e)(ii) without the approval of a majority of the directors of PubCo who are independent within the meaning of the rules of the New York Stock Exchange (or such other principal United States securities exchange on which the Class A Shares are listed) and Rule 10A-3 of the Securities Act.

(b) Notwithstanding the foregoing clause (a), the Managing Member, acting alone, may amend this Agreement, including Exhibit B, solely (i) to reflect the admission of new Members, as provided by, and in accordance with, the terms of this Agreement, (ii) to the minimum extent necessary to comply with, or administer in an equitable manner, the Partnership Tax Audit Rules, and (iii) as necessary to avoid the Company being classified as a "publicly traded partnership" within the meaning of Section 7704(b) of the Code.

(c) No waiver of any provision or default under, nor consent to any exception to, the terms of this Agreement or any agreement contemplated hereby shall be effective unless in writing and signed by the party to be bound and then only to the specific purpose, extent and instance so provided.

Section 11.2 Further Assurances. Each party agrees that it will from time to time, upon the reasonable request of another party, execute such documents and instruments and take such further action as may be required to accomplish the purposes of this Agreement.

Section 11.3 Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon the parties and their respective successors and assigns, but shall inure to the benefit of and be enforceable by the successors and assigns of any Member only to the extent that they are permitted successors and assigns pursuant to the terms hereof. No party may assign its rights hereunder except as herein expressly permitted.

Section 11.4 Certain Representations by Members. Each Member, by executing this Agreement or by executing any Joinder and becoming a Member, whether by making a Capital Contribution, by admission in connection with a permitted Transfer or otherwise, represents and warrants to the Company and the Managing Member, as of the date of its admission as a Member, that such Member (or, if such Member is disregarded for U.S. federal income tax purposes, such Member's regarded owner for such purposes) is either: (i) not a partnership, grantor trust or Subchapter S corporation for U.S. federal income tax purposes (e.g., an individual or Subchapter C corporation), or (ii) is a partnership, grantor trust or Subchapter S corporation for U.S. federal income tax purposes, but (A) permitting the Company to satisfy the 100-partner limitation set forth in Treasury Regulations Section 1.7704-1(h)(1)(ii) is not a

principal purpose of any Beneficial owner of such Member in investing in the Company through such Member, (B) such Member was formed (x) for business purposes prior to, and not in connection with, the investment by such Member in the Company or (y) for estate planning purposes, and (C) no Beneficial owner of such Member has a redemption or similar right with respect to such Member that is intended to correlate to such Member's right to Redemption pursuant to Section 3.7.

Section 11.5 Entire Agreement. This Agreement, together with all Exhibits hereto, the Transaction Documents and all other agreements referenced therein and herein, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties hereto and there are no warranties, representations or other agreements between the parties hereto in connection with the subject matter hereof except as specifically set forth herein and therein.

Section 11.6 Rights of Members Independent. The rights available to the Members under this Agreement and at Law shall be deemed to be several and not dependent on each other and each such right accordingly shall be construed as complete in itself and not by reference to any other such right. Any one or more and/or any combination of such rights may be exercised by a Member and/or the Company from time to time and no such exercise shall exhaust the rights or preclude another Member from exercising any one or more of such rights or combination thereof from time to time thereafter or simultaneously. No Member shall be responsible in any way for the performance of the obligations of any other Member hereunder. Nothing contained herein, and no action taken by any Member pursuant hereto, shall be deemed to constitute the Members as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Members are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

Section 11.7 Governing Law. This Agreement, the legal relations between the parties hereto and any Action, whether contractual or non-contractual, instituted by any party with respect to matters arising under or growing out of or in connection with or in respect of this Agreement shall be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to Contracts made and performed in such state and without regard to any conflicts of Law doctrines that would require the application of the Laws of any other jurisdiction.

Section 11.8 Jurisdiction and Venue. The parties hereto hereby agree and consent to be subject to the jurisdiction of any federal court of the District of Delaware or the Delaware Court of Chancery over any action, suit or proceeding (a "***Legal Action***") arising out of or in connection with this Agreement. The parties hereto irrevocably waive the defense of an inconvenient forum to the maintenance of any such Legal Action. Each of the parties hereto further irrevocably consents to the service of process out of any of the aforementioned courts in any such Legal Action by the mailing of copies thereof by registered mail, postage prepaid, to such party at its address set forth in this Agreement or in the records of the Company, such service of process to be effective upon acknowledgment of receipt of such registered mail. Nothing in this Section 11.8 shall affect the right of any party hereto to serve legal process in any other manner permitted by Law.

Section 11.9 Headings. The descriptive headings of the Articles, Sections and subsections of this Agreement are for convenience only and do not constitute a part of this Agreement.

Section 11.10 Counterparts. This Agreement and any amendment hereto or any other agreement (or document) delivered pursuant hereto, including any Joinder, may be executed in

one or more counterparts and by different parties in separate counterparts any may delivered by email or other electronic means. All of such counterparts shall constitute one and the same agreement (or other document) and shall become effective (unless otherwise provided therein) when one or more counterparts have been signed by each party and delivered to the other party.

Section 11.11 Notices. Any notice or other communication hereunder must be given in writing and (a) delivered in person, (b) transmitted by electronic mail or (c) mailed by certified or registered mail, postage prepaid, receipt requested as follows:

If to the Company or the Managing Member, addressed to it at:

NET Power Inc.
404 Hunt Street
4th Floor
Durham, NC 27701
Attention: General Counsel
E-mail: legal@NETPower.com

With copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10002
Attention: David B. Feirstein, P.C.
E-mail: david.feirstein@kirkland.com

and

Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Attention: Cyril V. Jones, P.C., Jennifer R. Gasser
E-mail: cyril.jones@kirkland.com
jennifer.gasser@kirkland.com

or to such other address or to such other Person as either party shall have last designated by such notice to the other parties. Each such notice or other communication shall be effective (i) if given by electronic mail, when transmitted to the applicable email address so specified in (or pursuant to) this Section 11.11 or, if transmitted after 5:00 p.m. local time on a Business Day in the jurisdiction to which such notice is sent or at any time on a day that is not a Business Day in the jurisdiction to which such notice is sent, then on the immediately following Business Day, (ii) if given by mail, on the first Business Day in the jurisdiction to which such notice is sent following the date three days after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid or (iii) if given by any other means, on the Business Day when actually received at such address or, if not received on a Business Day, on the Business Day immediately following such actual receipt.

Section 11.12 Representation By Counsel; Interpretation. The parties hereto acknowledge that each party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of Law, or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived.

Section 11.13 Severability. If any provision of this Agreement is determined to be invalid, illegal or unenforceable by any Governmental Entity, the remaining provisions of this Agreement, to the extent permitted by Law shall remain in full force and effect, *provided* that the essential terms and conditions of this Agreement for all parties remain valid, binding and enforceable.

Section 11.14 Expenses. Except as otherwise provided in this Agreement, each party shall bear its own expenses in connection with the transactions contemplated by this Agreement.

Section 11.15 Waiver of Jury Trial. EACH OF THE COMPANY, THE MEMBERS, THE MANAGING MEMBER AND ANY INDEMNITEES SEEKING REMEDIES HEREUNDER HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT IT MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE.

Section 11.16 No Third Party Beneficiaries. Except as expressly provided in Section 6.4, nothing in this Agreement, express or implied, is intended to confer upon any party, other than the parties hereto and their respective successors and permitted assigns, any rights or remedies under this Agreement or otherwise create any third party beneficiary hereto.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amended and Restated Limited Liability Company Agreement to be executed as of the day and year first above written.

COMPANY:

NET POWER OPERATIONS LLC

By: __
Name: Daniel J. Rice, IV
Title: Chief Executive Officer

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amended and Restated Limited Liability Company Agreement to be executed as of the day and year first above written.

MANAGING MEMBER:

NET POWER INC.

By: __
Name: Daniel J. Rice IV
Title: Chief Executive Officer

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amended and Restated Limited Liability Company Agreement to be executed as of the day and year first above written.

PUBCO:

NET POWER INC.

By: __
Name: Daniel J. Rice IV
Title: Chief Executive Officer

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amended and Restated Limited Liability Company Agreement to be executed as of the day and year first above written.

CONSTELLATION ENERGY GENERATION, LLC

By: __
Name:
Title:

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amended and Restated Limited Liability Company Agreement to be executed as of the day and year first above written.

OLCV NET POWER, LLC

By: __
Name:
Title:

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amended and Restated Limited Liability Company Agreement to be executed as of the day and year first above written.

By: __
Name:
Title:

EXHIBIT A

Name	Class A Units Held	Class B Units Held	Company Warrants Held
NET Power Inc.	76,862,322	0	8,620,535
Akinjide and Olawunmi Famuagun Joint Revocable Trust	20,000	0	127,723
Carrie M. Fox Exempt Trust	88,322	0	127,723
CH Burrus LLC	567,570	0	1,205,754
Daniel J. Rice, IV 2018 Irrevocable Trust	1,673,162	0	2,423,180
Derek A. Rice 2018 Irrevocable Trust	869,269	0	1,257,573
Jesse Kyle Derham	1,390,348	0	2,010,586
Ryan Kanto	101,710	0	147,083
Daniel J. Rice III	382,713	0	553,443
Elliana Rogers Irrevocable Trust	0	0	15,071
Gavin Rogers Irrevocable Trust	0	0	15,071
Jack Rogers Irrevocable Trust	0	0	15,071
Liam Rogers Irrevocable Trust	0	0	15,071
Quincy Rogers Irrevocable Trust	0	0	15,071
James W. Rogers Intentionally Defective Trust U/A DTD 06/09/2021, as modified	151,354	0	895,514
Ryan N. Rice 2018 Irrevocable Trust	191,357	0	276,721
The Derham Children's Trust of 2020	286,320	0	414,049
Toby Z. Rice 2018 Irrevocable Trust	869,629	0	1,257,573
Jide Famuagun	30,000	0	0

Carrie Fox	30,000	0	0
James Lytal	118,322	0	127,723
OLCV NET Power, LLC	55,553,247	0	0
Constellation Energy Generation, LLC	36,030,716	0	0
NPEH LLC	26,729,880	0	0
Baker Hughes Energy Services LLC	10,660,920	0	0
Ronald J. DeGregorio	1,475,919	0	0
Akash Patel	640,448	0	0
Jim Mahon	493,028	0	0
LE2 LLC	300,000	0	0
Brian Allen	568,090	0	0
Daniel Lannon	129,852	0	0
David Lewicki	108,210	0	0
Scott Martin	108,210	0	0
National Management Consulting, LLC	21,642	0	0

EXHIBIT B

Members:

NET Power Inc.
Akinjide and Olawunmi Famuagun Joint Revocable Trust
Carrie M. Fox Exempt Trust
CH Burrus LLC
Daniel J. Rice, IV 2018 Irrevocable Trust
Derek A. Rice 2018 Irrevocable Trust
Jesse Kyle Derham
Ryan Kanto
Daniel J. Rice III
James W. Rogers Intentionally Defective Trust U/A DTD 06/09/2021, as modified
Ryan N. Rice 2018 Irrevocable Trust
The Derham Children's Trust of 2020
Toby Z. Rice 2018 Irrevocable Trust
Jide Famuagun
Carrie Fox
James Lytal
OLCV NET Power, LLC
Constellation Energy Generation, LLC
NPEH LLC
Baker Hughes Energy Services LLC
Ronald J. DeGregorio
Akash Patel
Jim Mahon
LE2 LLC
Brian Allen
Daniel Lannon
David Lewicki
Scott Martin
National Management Consulting, LLC

EXHIBIT C

FORM OF
JOINDER AGREEMENT

The undersigned (the "***New Member***") is executing and delivering this joinder agreement (this "***Joinder***"), effective as of [●], 202[●], pursuant to the Third Amended and Restated Limited Liability Company Agreement of NET Power Operations LLC (the "***Company***"), dated as of January 17, 2025 (as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "***LLC Agreement***"), by and among the Company and the Members named therein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the LLC Agreement.

By executing and delivering to the Company this Joinder, the New Member hereby (a) acknowledges that it has received and reviewed a complete copy of the LLC Agreement, (b) assumes all of the rights and obligations of a Member under the LLC Agreement and (c) agrees to become a party to, to be bound by, and to comply in full with the terms and conditions of the LLC Agreement as a Member in the same manner as if the New Member were an original signatory to the LLC Agreement.

As of the date hereof, each of the representations and warranties set forth in Section 11.4 of the LLC Agreement are true and correct with respect to the New Member.

This Joinder has been duly and validly executed and delivered by the New Member and each of this Joinder and the LLC Agreement constitutes a legal, valid and binding obligation of the New Member, enforceable against it in accordance with its respective terms.

Except as expressly modified by this Joinder, all of the terms, covenants, agreements, conditions and other provisions of the LLC Agreement shall remain in full force and effect in accordance with its terms.

This Joinder may be executed in separate counterparts, including by email, each of which shall be an original and all of which taken together shall constitute one and the same agreement.

This Joinder shall be governed by, and construed in accordance with, the laws of the State of Delaware.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the New Member has executed this Joinder as of the date first above written.

NEW MEMBER:

[NAME LLC/Individual Name]

By: ___

Name: _____

Title: _____

Acknowledged and agreed:

NET POWER OPERATIONS LLC

By: ___
Name: Daniel J. Rice, IV
Title: Chief Executive Officer

INSIDER TRADING POLICY

Adopted June 13, 2023

PURPOSE

This Insider Trading Policy (this "Policy") provides guidelines with respect to transactions in the securities of NET Power Inc. (collectively with its subsidiaries, the "Company") and the handling of confidential information about the Company and the companies with which the Company does business. The Company's Board of Directors has adopted this Policy to promote compliance with federal, state and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about a company from (i) trading in securities of that company or (ii) providing material nonpublic information to other persons who may trade on the basis of that information. Regulators have adopted sophisticated surveillance techniques to identify insider trading transactions, and it is important to the Company to avoid even the appearance of impropriety.

PERSONS SUBJECT TO THIS POLICY

This Policy applies to all directors, officers and other employees of the Company. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information about the Company. This Policy also applies to family members, other members of a person's household and entities controlled by a person covered by this Policy, as described below.

TRANSACTIONS SUBJECT TO THIS POLICY

This Policy applies to transactions in the Company's securities (collectively referred to in this Policy as "Company Securities"), including the Company's common stock, warrants, options to purchase common stock, or any other type of securities that the Company may issue, including, but not limited to, preferred stock, restricted stock, restricted stock units, performance stock units and convertible debentures, as well as derivative securities that are not issued by the Company, such as exchange-traded put or call options or swaps relating to Company Securities.

INDIVIDUAL RESPONSIBILITY

The restrictions and procedures in this Policy are intended to help avoid inadvertent instances of improper insider trading, but appropriate judgment should always be exercised by each director, officer or other employee in connection with any trade in the Company Securities.

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company Securities while in possession of material nonpublic information about the Company. Each individual is responsible for making sure that they comply with this Policy, and that any family member, household member or entity whose transactions are subject to this Policy, as discussed below, also comply with this Policy, regardless of whether a transaction is executed outside a Blackout Period (as defined below) or is pre-cleared by the Company. A director, officer or other employee may, from time to time, have to forego a proposed transaction in Company Securities even if they planned to make the transaction before learning of the material nonpublic information about the Company and even though the individual believes they may suffer an economic loss or forego anticipated profit by waiting.

In all cases, the responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual, and any action on the part of the Company, the Company's General Counsel or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws, as described below in more detail under the heading "Consequences of Violations."

STATEMENT OF POLICY

It is the policy of the Company that no director, officer or other employee of the Company (or any other person designated by this Policy or by the Company's General Counsel as subject to this Policy) who is aware of material nonpublic information relating to the Company may, directly, or indirectly through family members or other persons or entities:

1. engage in transactions in Company Securities (which, for the avoidance of doubt, includes gifts and charitable donations), except as otherwise specified in this Policy under the heading "Transactions under Company Plans," "Transactions Not Involving a Purchase or Sale" or "Rule 10b5-1 Plans;"
2. recommend the purchase or sale of any Company Securities;
3. disclose material nonpublic information to persons within the Company whose jobs do not reasonably require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company; or
4. assist anyone engaged in the above activities.

In addition, it is the policy of the Company that no director, officer or other employee of the Company (or any other person designated by this Policy or by the Company's

General Counsel as subject to this Policy) who, in the course of working for the Company, learns of material nonpublic information about a company with which the Company does business, including a customer or supplier of the Company, or a company that is involved in a potential transaction or business relationship with the Company may trade in that company's securities until two full trading days following the date of public disclosure of such information or, if earlier, at the time that the information is no longer material.

There are no exceptions to this Policy, except as specifically noted herein. Neither transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), nor small transactions, are excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

DEFINITION OF MATERIAL NONPUBLIC INFORMATION

Material Information: Information is considered "material" if a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. Any information that could be expected to affect a company's stock price, whether it is positive or negative, should be considered material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A pending or proposed joint venture;
- Significant related party transactions;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Bank borrowings or other financing transactions out of the ordinary course;
- The establishment of a repurchase program for Company Securities;
- A change in the Company's pricing or cost structure;
- A change in management;
- A change in auditors or notification that the auditor's reports may no longer be relied upon;
- Development of a significant new product, process or service;
- Actions of regulatory agencies;

- Pending or threatened significant litigation, or the resolution of such litigation;
- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer or supplier; and
- Significant cybersecurity incidents, such as a data breach, or any other significant disruption in the Company's operations or loss, potential loss, breach or unauthorized access of its property or assets, whether at its facilities or through its information technology infrastructure.

If you are unsure whether information is material, you should consult the Company's General Counsel before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates or assume that the information is material.

When Information is Considered Public: Information that has not been disclosed to the public is generally considered to be nonpublic information. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through the Dow Jones "broad tape," newswire services, a broadcast on widely-available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the Securities and Exchange Commission (the "SEC") that are available on the SEC's website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of analysts, brokers and institutional investors.
Once information is widely disseminated, it is still necessary to provide the investing public with sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the second business day after the day on which the information is released. If, for example, the Company were to make an announcement on a Monday, you should not transact in Company Securities until Thursday. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific material nonpublic information.

TRANSACTIONS BY FAMILY MEMBERS AND OTHERS

This Policy applies to family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company Securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company Securities (collectively referred to as "Family Members"). You are responsible for the transactions of these Family Members and therefore should make them aware of the need to confer with you before they trade in Company Securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own

account. This Policy does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members.

TRANSACTIONS BY ENTITIES THAT YOU CONTROL

This Policy applies to any entities that you control, including any corporations, partnerships or trusts (collectively referred to as "Controlled Entities"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

TRANSACTIONS UNDER COMPANY PLANS

This Policy does not apply in the case of the following transactions, except as specifically noted:

1. **Stock Option Exercises**: This Policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.
2. **Restricted Stock Awards**: This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. This Policy does apply, however, to any market sale of restricted stock.

TRANSACTIONS NOT INVOLVING A PURCHASE OR SALE

Transactions in mutual funds that are invested in Company Securities are not transactions subject to this Policy.

SPECIAL AND PROHIBITED TRANSACTIONS

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. It therefore is the Company's policy that any persons covered by this Policy may not engage in any of the following transactions, or should otherwise consider the Company's preferences as described below: Short-Term Trading: Short-term trading of Company Securities may be distracting to the person and may unduly focus the person on the Company's short-term stock market performance instead of the Company's long-term business objectives. For these reasons, any director, officer or other employee of the Company who purchases

Company Securities in the open market may not sell any Company Securities of the same class during the six months following the purchase (or vice versa). In addition, Section 16(b) of the Exchange Act generally prohibits officers and directors from engaging in such short-term trading.

Short Sales: Short sales of Company Securities (i.e., the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, short sales of Company Securities are prohibited. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales. (Short sales arising from certain types of hedging transactions are governed by the paragraph below captioned "Hedging Transactions.")

Publicly-Traded Options: Given the relatively short term of publicly-traded options, transactions in options may create the appearance that a director, officer or other employee is trading based on material nonpublic information and focus a director's, officer's or other employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy. (Option positions arising from certain types of hedging transactions are governed by the next paragraph below.)

Hedging Transactions: Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit a director, officer or other employee to continue to own Company Securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the director, officer or other employee may no longer have the same objectives as the Company's other shareholders. Therefore, the Company prohibits directors, officers and other employees from engaging in such transactions.

Margin Accounts and Pledged Securities: Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledger is aware of material nonpublic information or otherwise is not permitted to trade in Company Securities, directors, officers and other employees are prohibited from holding Company Securities in a margin account or otherwise pledging Company Securities as collateral for a loan. (Pledges of Company Securities arising from certain types of hedging transactions are governed by the paragraph above captioned "Hedging Transactions.")

Standing and Limit Orders: Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 Plans, as described below) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when a director, officer or other employee is in possession of material nonpublic information. The Company therefore discourages placing standing or limit orders on Company Securities. If a person subject to this Policy determines that they must use a standing order or limit order, the order should be limited to short duration and should otherwise comply with the restrictions and procedures outlined below under the heading "Pre-Clearance and Blackouts."

PRE-CLEARANCE & BLACKOUTS

The Company has established additional procedures in order to assist the Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading while in possession of material nonpublic information and to avoid the appearance of any impropriety. These additional procedures are applicable only to those individuals described below.

Pre-Clearance Procedures: Directors, officers, accounting employees who assist with preparing SEC filings, investor relations employees who assist with earnings releases, legal department employees who assist with preparing SEC filings and any persons designated by the Company's General Counsel as being subject to these procedures, as well as the Family Members and Controlled Entities of such persons (collectively, the "Designated Covered Persons"), may not engage in any transaction in Company Securities without first obtaining pre-clearance of the transaction from the Company's General Counsel. To facilitate the process, the Company has prepared a pre-clearance form, attached hereto as Exhibit A, to be completed by the Designated Covered Person and provided to the Company's General Counsel via email. A request for pre-clearance should be submitted at least two business days in advance of the proposed transaction. The General Counsel is under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction. If a person seeks pre-clearance and permission to engage in the transaction is denied, then they should refrain from initiating any transaction in Company Securities and should not inform any other person of the restriction.

When a request for pre-clearance is made, the requestor should carefully consider whether they may be aware of any material nonpublic information about the Company and should describe fully those circumstances to the General Counsel. The requestor should also indicate whether they have effected any non-exempt "opposite-way" transactions within the past six months and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5, if applicable. The requestor should also be prepared to comply with Rule 144 under the Securities Act of 1933, as amended, and file a Form 144, if necessary.

If a person seeks pre-clearance and permission to engage in the transaction is granted, then such transaction must be effected within five business days of receipt of pre-clearance unless an exception is granted. Such person must promptly notify the General Counsel following the completion of the transaction. A person who has not effected a transaction within the time limit may not engage in such transaction without again obtaining pre-clearance of the transaction from the General Counsel.

Quarterly Blackout Periods: Designated Covered Persons may not conduct any transactions involving Company Securities (other than as specified by this Policy) during a "Blackout Period," which begins 14 calendar days prior to the end of each fiscal quarter and ends after the close of trading on the second full trading day following the date of the public release of the Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Company Securities during the "Window Period" beginning after the close of trading on the second full trading day following the public release of the Company's quarterly earnings and ending 14 days prior to the close of the next fiscal quarter.

Event-Specific Blackout Periods: From time to time, an event may occur that is material to the Company and is known by only a few directors, officers and/or other employees, such as a cybersecurity incident or proposed acquisition or disposition. So long as the event remains material and nonpublic, the persons designated by the Company's General Counsel may not transact in Company Securities. In addition, the Company's financial results may be sufficiently material in a particular fiscal quarter that, in the judgment of the General Counsel, designated persons should refrain from transacting in Company Securities even sooner than the typical Blackout Period described above. In that situation, the General Counsel may notify these persons that they should not transact in Company Securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of a Blackout Period will not be announced to the Company as a whole and should not be communicated to any other person. Even if the General Counsel has not designated you as a person who should not trade due to an event-specific restriction, you should not transact in Company Securities while aware of material nonpublic information about the Company.

Exceptions: The quarterly trading restrictions and event-specific trading restrictions do not apply to those transactions to which this Policy does not apply, as described above under the headings "Transactions under Company Plans" and "Transactions Not Involving a Purchase or Sale." Further, the requirement for pre-clearance, the quarterly trading restrictions and event-specific trading restrictions do not apply to transactions conducted pursuant to approved Rule 10b5-1 plans, described under the heading "Rule 10b5-1 Plans."

RULE 10B5-1 PLANS

Rule 10b5-1 under the Exchange Act provides an affirmative defense to insider trading allegations under federal law. In order to be eligible to rely on this defense, a person subject to this Policy must enter into a Rule 10b5-1 plan for transactions in Company Securities that meets certain conditions specified in the Rule (a "Rule 10b5-1 Plan"). If the plan meets the requirements of Rule 10b5-1, Company Securities may be purchased or sold without regard to certain insider trading restrictions described in this Policy. To comply with this Policy, a Rule 10b5-1 Plan must be approved by the Company's General Counsel and meet the requirements of Rule 10b5-1. In general, a Rule 10b5-1 Plan must be entered into at a time when the person entering into the plan is not aware of material nonpublic information about the Company. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the dates of the trades. The plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party.

Any Rule 10b5-1 Plan must be submitted for approval five business days prior to the entry into the Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required.

POST-TERMINATION TRANSACTIONS

This Policy continues to apply to transactions in Company Securities even after termination of service to the Company. If an individual is in possession of material nonpublic information about the Company when their service terminates, that individual may not transact in Company Securities until that information has become public or is no longer material. The pre-clearance procedures specified under the heading "Pre-Clearance and Blackouts" above, however, will cease to apply to transactions in Company Securities upon the expiration of any Blackout Period or other Company-imposed trading restrictions applicable at the time of the termination of service.

CONSEQUENCES OF VIOLATIONS

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in Company Securities, is prohibited by federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys and state enforcement authorities as well as the laws of foreign jurisdictions.

Punishment for insider trading violations is severe and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling

persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.

CERTIFICATION

All directors, officers and other employees of the Company must certify their understanding of, and intent to comply with, this Policy by completing the certification form included in Exhibit B and returning to the Company's Human Resources department.

COMPANY ASSISTANCE

Please direct all inquiries regarding any of the provisions or procedures of this Policy to the Company's General Counsel, Jim Mahon, at Jim.Mahon@NETPower.com.

EXHIBIT A

NET POWER INC.
PRE-CLEARANCE REQUEST FORM

To: The General Counsel of NET Power Inc. (the "Company")

From:

Re: Proposed transaction in the Company's securities

This is to advise you that the undersigned intends to execute a transaction in the Company's securities on or around _____ _____, 20_____ and does hereby request that the Company pre-clear the transaction as required by the Company's Insider Trading Policy (the "Policy").

The general nature of the transaction is as follows (e.g., purchase of 10,000 shares of Class A common stock or sale of shares of Class A common stock as part of a broker-assisted cashless exercise of an option):

The undersigned is not in possession of material nonpublic information (as defined in the Insider Trading Policy) about the Company and will not enter into the transaction if the undersigned comes into possession of material nonpublic information about the Company between the date hereof and the proposed trade execution date.

The undersigned has read and understands the Policy and certifies that the above proposed transaction will not violate the Policy.

The undersigned agrees to advise the Company promptly if, as a result of future developments, any of the foregoing information becomes inaccurate or incomplete in any respect. The undersigned understands that the Company may require additional information about the transaction and agrees to provide such information upon request.

Submitted by:
Signature:
Name:
Title:
Date:

EXHIBIT B

NET POWER INC.
INSIDER TRADING POLICY CERTIFICATION

I certify that:

1. I have read and understand the Company's Insider Trading Policy (the "Policy").
2. I understand that the Company's General Counsel is available to answer any questions I have regarding the Policy.
3. I agree to comply with the Policy for as long as I am subject to the Policy.
4. I am aware that this signed certification will be filed with my personal records in the Company's Human Resources department.

Signature:
Name:
Date:

Exhibit 21.1

List of Subsidiaries of NET Power Inc. as of March 10, 2025

Name	Jurisdiction of Incorporation or Organization
NET Power Operations LLC	DE
NET Power Intermediate LLC	DE
NET Power, LLC	DE
NET Power Atlas, LLC	DE
NET Power Canaveral, LLC	DE
NET Power Europe LTD	United Kingdom
NET Power Friendship 7, LLC	DE
NET Power Services, LLC	DE
NET Power Technology, LLC	DE
NET Power Management Holdings Inc.	DE
NET Power Management LLC	DE
Beta Power Holdings LLC	DE
Beta Power Holdings A LLC	DE
Beta Project A LLC	DE
Net Power Canada Ltd.	Canada

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated March 10, 2025, with respect to the consolidated financial statements included in the Annual Report of NET Power Inc. on Form 10-K for the year ended December 31, 2024. We consent to the incorporation by reference of said report in the Registration Statements of NET Power Inc. on Form S-8 (File No. 333-274157) and on Form S-3 (File No. 333-283272).

/s/ GRANT THORNTON LLP

Raleigh, North Carolina
March 10, 2025

Exhibit 31.1

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Daniel J. Rice IV, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2024 of NET Power Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's

fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2025 By: /s/ Daniel J. Rice IV

Daniel J. Rice IV
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Akash Patel, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2024 of NET Power Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's

fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2025 By: /s/ Akash Patel

Akash Patel
Chief Financial Officer
(Principal Executive Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of NET Power Inc. (the "Company") on Form 10-K for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel J. Rice IV, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 10, 2025 By: /s/ Daniel J. Rice IV

Daniel J. Rice IV
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of NET Power Inc. (the "Company") on Form 10-K for the year ended December 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Akash Patel, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 10, 2025 By: ____

Akash Patel
Chief Financial Officer
(Principal Financial Officer)