



July 12, 2022

Navajo Transitional Energy Company

NASTLA Conference – Park City, UT

NTEC is a conscientious energy company founded on a rich energy legacy, with strategic, diversified assets to serve the Navajo people, our employees, and our communities.



WE DO THE RIGHT THING | WE OPERATE A WORLD CLASS ENERGY COMPANY | WE EMPOWER PEOPLE AND COMMUNITIES | WE CREATE MULTI-GENERATIONAL SOLUTIONS

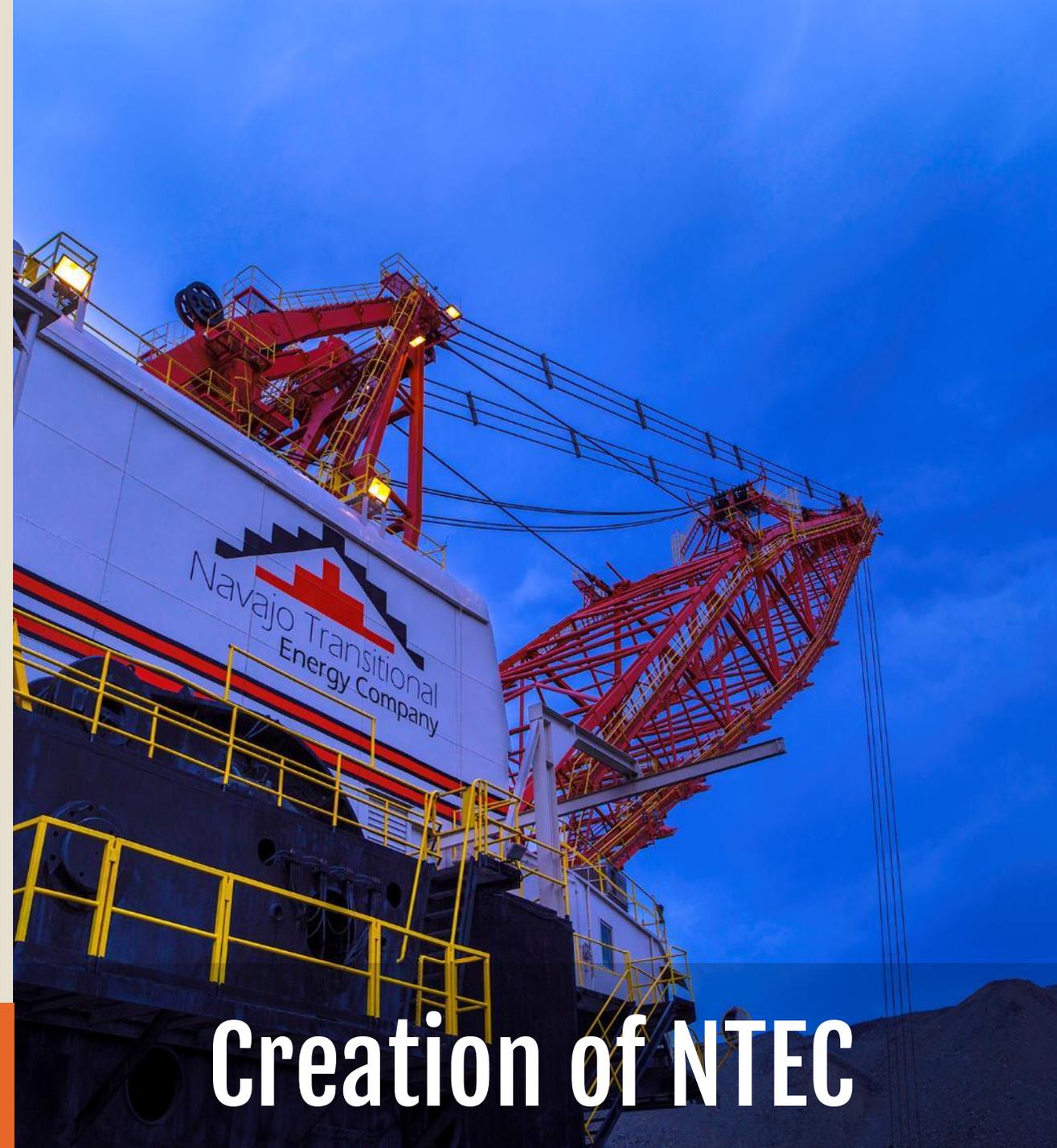


Creation of Navajo Transitional Energy Company

- Created by the Navajo Nation in 2013.
- NTEC is an autonomous commercial entity established as an LLC under Navajo law.
- The company's sole shareholder is the Navajo Nation.
- The company is overseen by an independent board of directors whose members cannot be members of the Navajo government.



NTEC paid the Navajo Nation their first dividend of \$3 million in December of 2018.



Creation of NTEC

NTEC'S CORE BEHAVIORS

1. WE DO THE RIGHT THING.

- ✓ Accountability

2. WE OPERATE A WORLD-CLASS ENERGY COMPANY.

- ✓ Conscientious energy development

3. WE EMPOWER PEOPLE & COMMUNITIES.

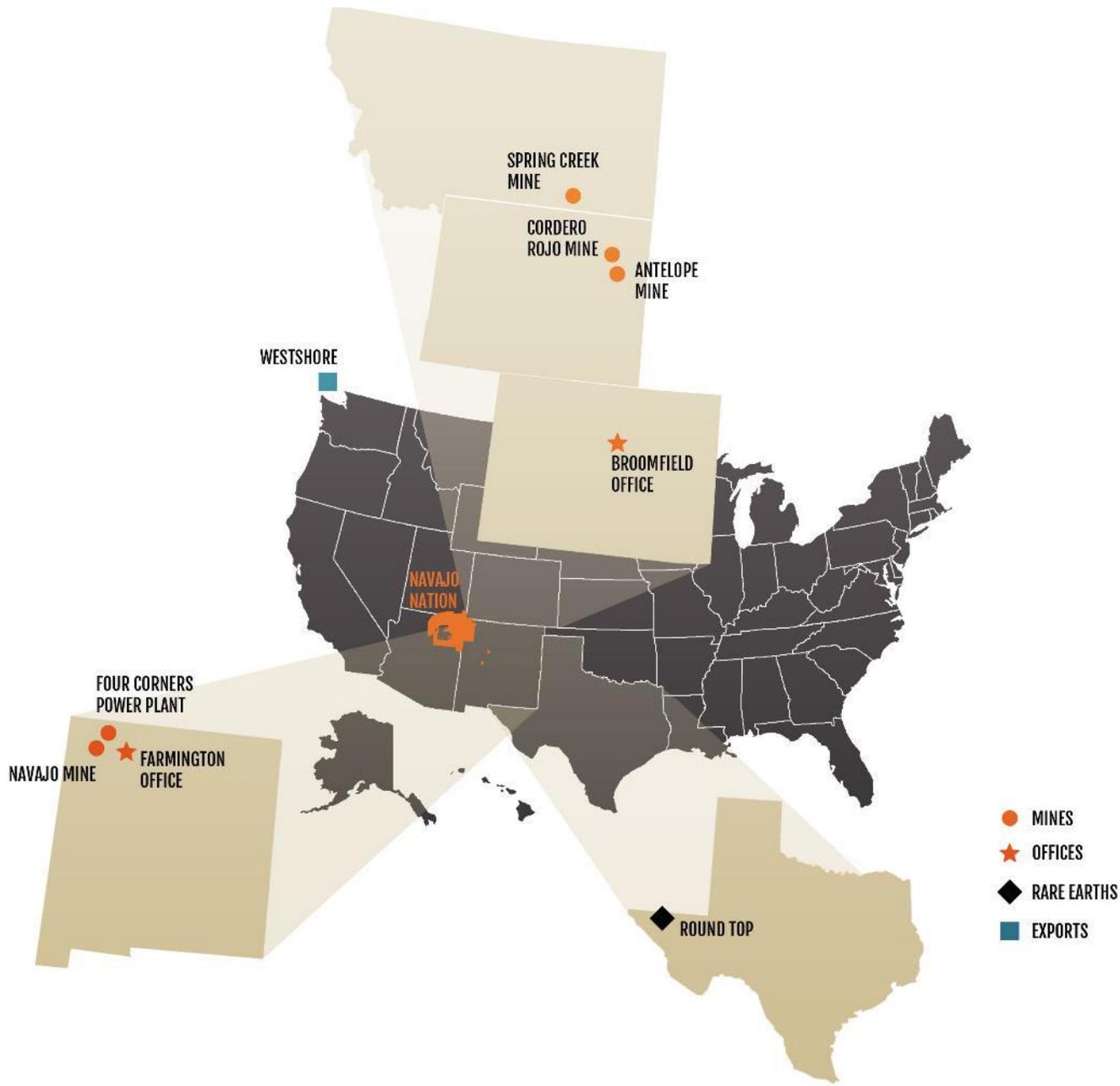
- ✓ People focused

4. WE CREATE MULTI-GENERATIONAL SOLUTIONS.

- ✓ Value.

CORE BEHAVIORS

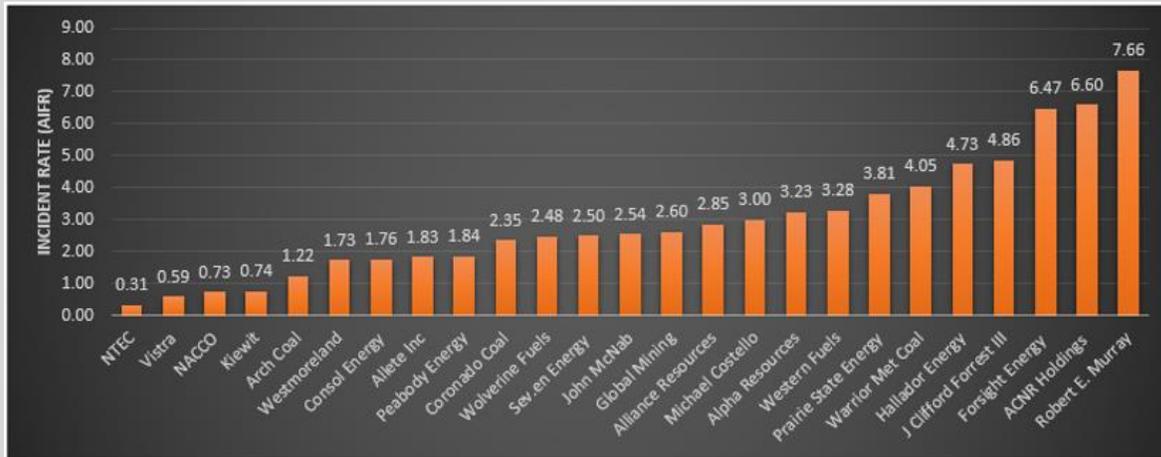




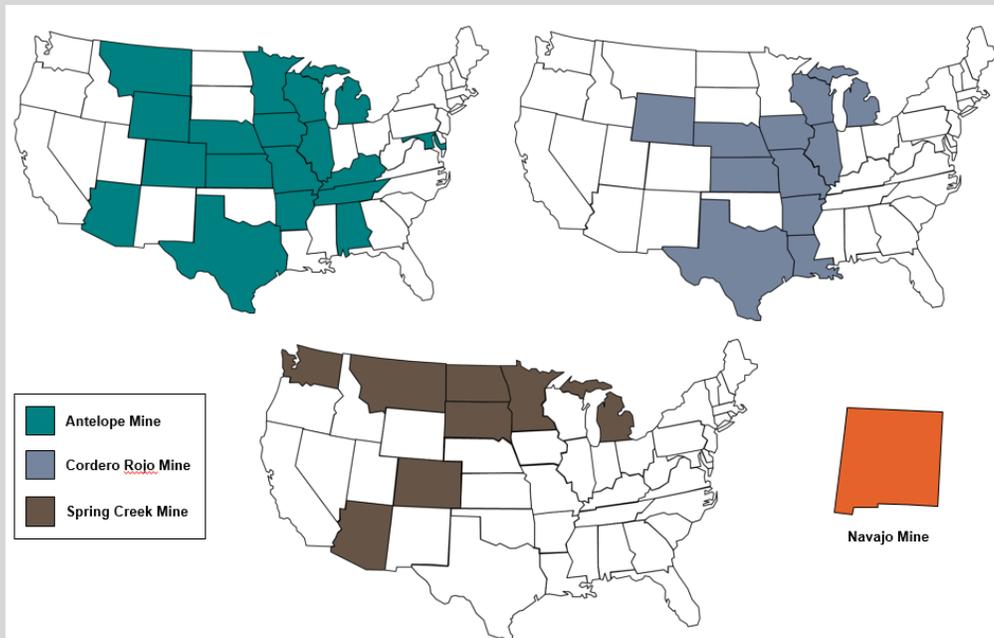
NTEC'S REACH & RANGE

- One coal mine on the Navajo Nation.
- Three coal mines in the Powder River Basin.
- Investment in Four Corners Power Plant.
- Investment in mining Rare Earth Metals.
- Exportation of coal to Asia.

Coal Industry Leader in Safety Performance



Domestic Coal Deliveries by State



NTEC Strengths

- Industry Leading Safety Performance
- Efficient, Low Cost Operations Management
 - NTEC operates some of the lowest cost coal mining operations in the world
- Customer Satisfaction
 - Serve customer locations in 19 U.S. states and international markets
 - NTEC brand is known for quality assurance and reliability
- Financially Stable with Diversified Assets

NTEC annual coal production is estimated to be 52 million tons in 2021. NTEC is the 3rd largest coal producer in the U.S.



Executive Summary:

- Acquisition of Tacitus, LLC in October 2021
- Initial strategy is to maximize helium development on the Navajo Nation
- Tocito Dome is located in close proximity to Navajo Mine allowing NTEC to leverage existing resources
- Supports NTEC' s Strategic Plan initiative to identify & develop alternative sources of revenue
- Helium is a critical mineral and complements NTEC' s other investments such as TMRC and USA Rare Earth
- Can leverage NTEC current sales and marketing team to lead sales effort
- Helium is a diversified market
- Future strategy is to develop additional significant reserves in Utah, creating multi-generational opportunities
- Existing sales contract currently generating revenues with potential to expand relationship with customer
- Assets:
 - Two helium resource deposits, one located on the Navajo Nation and a second in Utah
 - Active/producing helium wells,
 - Existing leases and permits with inventory of drilling locations on Tocito
 - Existing plant facilities to process and compress the helium for delivery
 - Two saltwater disposal wells
 - Plant expansion equipment allowing plant capacity to grow by 4x
 - Pipeline infrastructure to the plant
 - Ownership of high voltage power distribution system within lease boundaries

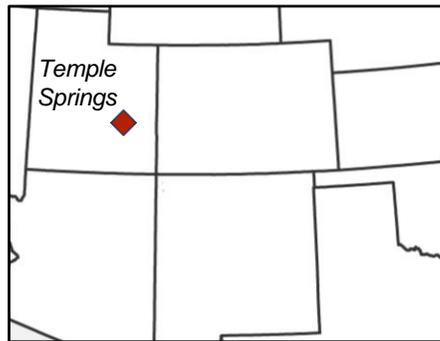
Tocito Dome - Overview

- The Tocito Dome Field and Lone Pine helium processing plant is located on the Navajo Nation, within the Tse Alnaozti' i' (Sanostee) Chapter of the Northern Agency, approximately 6.5 miles northeast of Sanostee
- The Tocito Dome is a helium-nitrogen only field with no appreciable CO₂ or hydrocarbons
- Commenced operations in 2018 and began sales of lift grade helium in December 2018
- Helium concentration found in the Tocito Dome ranges from 7.0-7.6%
 - Helium is typically sourced as a by-product from natural gas basins and the concentration ranges from <1-2%
- Identified helium bearing zones within the Tocito Dome, the Miss. Leadville and Devonian



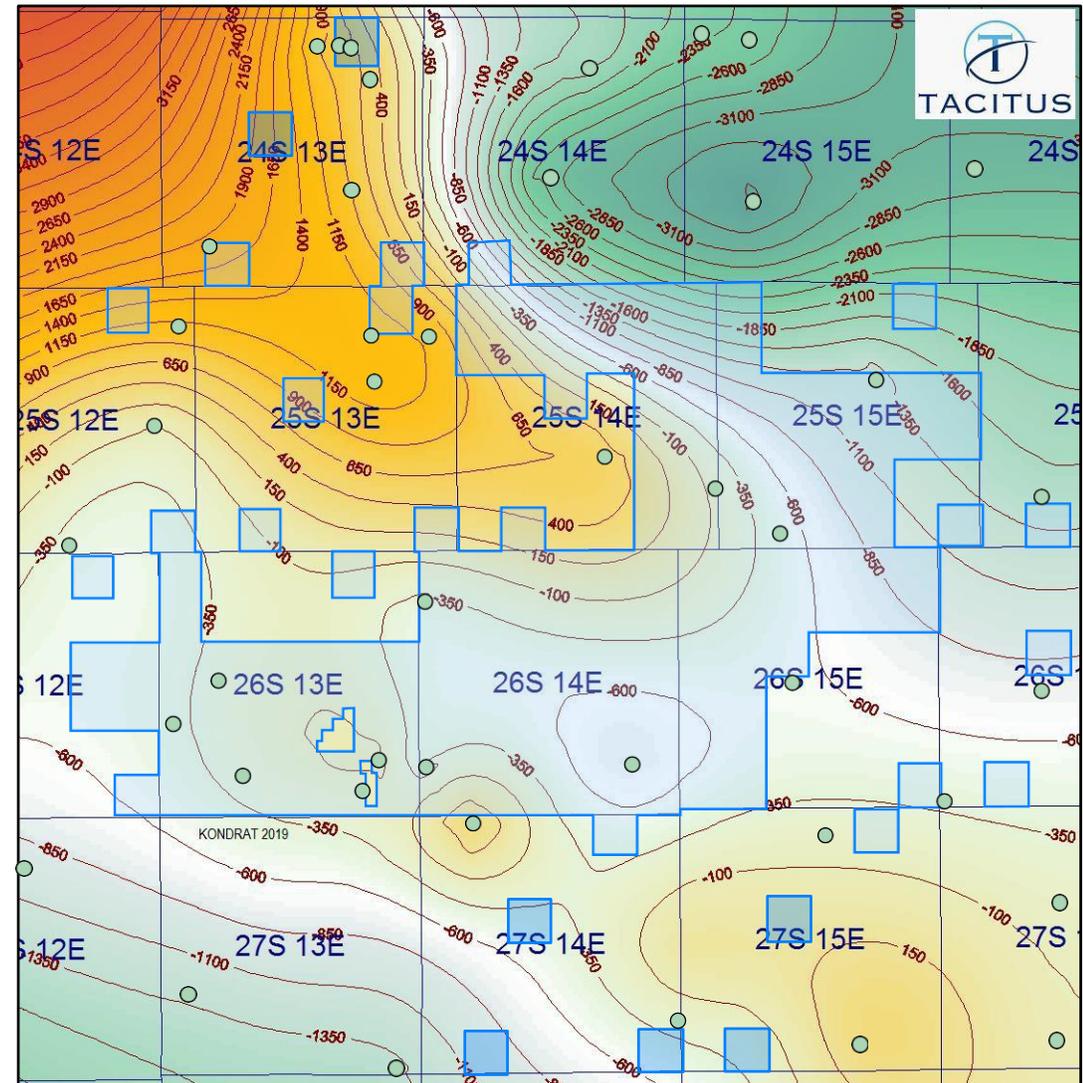
Temple Springs- Overview

- Leadville structure map across Temple Springs Field illustrates numerous prospective He traps
 - Unmapped faults likely form several structural traps across acreage position, similar to Tocito Dome, North Tocito, & Rattlesnake
- Temple Springs #1 well (25S 13E) proved presence of He in the McCracken Member of Elbert Formation
 - 2.8% He concentration
 - Additional upside in Leadville, Elbert and Aneth



Leadville are well
provides significant
He development

 NTEC Acreage
  Leadville penetration



Key Helium Legislative Background:

- **Helium Act of 1925 (50 USC § 161);**
 - Established the Federal Helium Reserve in Amarillo Texas (the Bush dome reservoir);
 - Reserve officially “opened” in 1929;
- **Helium Act Amendments of 1960 (P.L. 86-777);**
 - From 1929-1960, the Federal government was the sole legal provider of Helium in the U.S., but in response to Cold War-time demand, the Helium Act Amendments of 1960 incentivized the private sector to begin extracting Helium as a byproduct of natural gas wells. Interior was authorized/directed to purchase Helium for Federal uses, such as the burgeoning space program;

Key Helium Legislative Background:

- **Helium Privatization Act of 1996 (P.L. 104-273);**
 - This legislation, (technically speaking, an amendment to the Helium Act of 1960), was the first step toward getting the Federal government out of the Helium business;
 - Ordered the cessation of Federal production, refining, and marketing of Helium, while still allowing for storage, transport, and withdrawal from the Reserve;
 - “All such reserves in excess of 600 million cubic feet [of Helium]” were directed to be disposed by January 1, 2015;
 - Prices of sold Helium were set a government established rate, which prompted some concern about government sale of below market rate Helium;
 - Reports/studies began to be directed to study the impact of privatization of the Reserve on the private sector and Federal/research/scientific community;
 - Intention was to cover ~\$1.3-1.5 billion in government debt incurred by historical development and operations of the Reserve facility and Federal Helium Program;

Key Helium Legislative Background:

- **Helium Stewardship Act of 2013 (P.L. 113-40);**
 - As concerns grew with the directed disposal of the Reserve (set to occur in 2015), Congress acted to adjust the process and established a phased disposal for key reasons:
 - Better ensure availability of Helium for Federal users;
 - Reserves 3 billion cubic feet of Helium for limited access to Federal users until such time that the disposal of the asset occurs;
 - Improve returns to taxpayers by auctioning off excess Helium at market prices (rather than a government-established set price);
 - Extended timeline for disposal of the Reserve infrastructure to September 2021;
 - Directed the creation of a 20-year [strategy](#) for Federal users post-disposal;
- **Helium Extraction Act of 2018 (Title I, Subtitle B, Sec. 1109 of Dingell Act of 2019, P.L. 116-9);**
 - Amended the Mineral Leasing Act of 1920 to allow private firms to retain federal oil and gas leases that would otherwise expire for the purpose of extracting helium;
 - Prior to this law, the only way to hold an oil and gas lease past the initial 10-year term was to continue production of oil and gas, which does not always occur in long-term helium producing wells—in essence, the legislation addressed unique industry needs;

Helium as a Critical Mineral

- Executive Order 13817 under the Trump Administration caused for the creation of the initial list of Critical Minerals; this list included helium plus 34 additional commodities
- With qualifying criteria changes in Energy Act of 2020 helium was dropped in 2021/22 Critical Minerals list amidst an outcry and backlash from consumers, producers and Members of Congress alike
- USGS admittedly does not possess the tools to properly assess helium supply and demand and could therefore find no argument for it to remain at this time.

It May Be Just A Misunderstanding....

- Since helium production is often associated to production of natural gas it faces the same hurdles as the fossil fuels extraction industry. This is no longer always the case so;
- Continued efforts and education are necessary to disconnect these commodities and improve understanding by regulators and NGO' s alike.
- The Helium Act of 1960 provided the Secretary of Interior the authority to create helium specific rules around leasing that could clear this all up –