



PRESS RELEASE

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AIDEA Financing Key to Kitchen Lights Acquisition

Deal Closed to HEX LLC for Cook Inlet Unit

(Anchorage) – The Alaska Industrial Development and Export Authority (AIDEA) is pleased to announce that its previously approved loan of up to \$7.5 million to HEX LLC for a natural gas production project in the Kenai Peninsula Borough has been instrumental in the HEX acquisition of the Kitchen Lights offshore unit and related infrastructure out of bankruptcy from Furie Operating Alaska LLC.

“The successful June 30th closing required coordination of more than a dozen parties and entities,” **said AIDEA Board Chairman Dana Pruhs**. “Our support of HEX LLC resulted in the Kitchen Lights Unit remaining in operation under Alaska ownership, with gas kept flowing to utility customers for the benefit of Alaska consumers.”

AIDEA funding will be used for acquiring and developing the Beluga and Sterling Formations within the Kitchen Lights Unit, along with existing infrastructure including a 15-mile subsea pipeline, an on-shore production facility, and off-shore production platform.

“As an Alaskan with a lifetime of experience working in oilfields across our great state, I couldn’t be happier that Alaskans now have the opportunity to advance the development and operation of this great Cook Inlet asset,” **said HEX LLC President and CEO John Hendrix**. “HEX looks forward to bringing Kitchen Lights from base production to growth opportunities. The HEX team is grateful for AIDEA, and thanks them for their work and dedication to bringing us to this day.”

The HEX acquisition will initially create 15 new jobs in the Kenai Peninsula Borough, with more jobs expected as development of the Kitchen Lights Unit continues to advance. Creating these kind of job opportunities is consistent with AIDEA’s mission, and is especially important in these challenging COVID-19 times. This natural resource development project will also generate millions in revenue annually to both the State and Borough.

The Alaska Industrial Development and Export Authority is a public corporation of the state. AIDEA’s purpose is to promote, develop and advance the general prosperity and economic welfare of the people of Alaska.

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