S&P Global
Market Intelligence

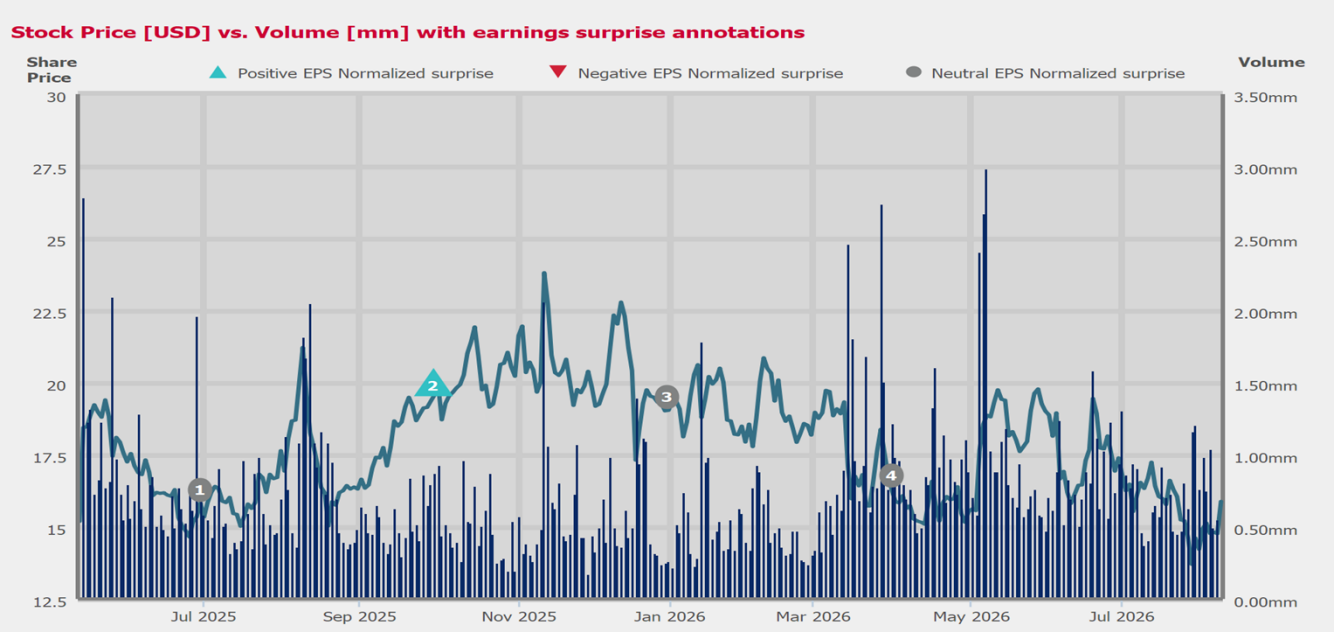
Hallador Energy Company NasdaqCM:HNRG FQ2 2026 Earnings Call Transcripts

Monday, August 10, 2026 9:00 PM GMT

S&P Global Market Intelligence Estimates

	-FQ1 2026-			-FQ2 2026-	-FY 2026-	-FY 2027-
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	CONSENSUS	CONSENSUS
EPS Normalized	(0.11)	NA	NA	(0.10)	0.19	NA
Revenue (mm)	104.87	NA	NA	90.04	434.94	NA

Currency: USD
Consensus as of Jul-28-2026 11:50 AM GMT



- EPS NORMALIZED -

	CONSENSUS	ACTUAL	SURPRISE
FQ2 2025	(0.15)	0.19	NM
FQ3 2025	0.06	0.55	1 816.67 %
FQ4 2025	(0.02)	0.01	NM
FQ1 2026	(0.11)	(0.19)	NM

COPYRIGHT © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved

Table of Contents

Call Participants 3
Presentation 4
Question and Answer 7

COPYRIGHT © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved

Call Participants

ANALYSTS

Matthew Alexander Key
Texas Capital Securities, Research Division

UNKNOWN SPEAKER

Unknown Speaker

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Presentation

Operator

Thank you. Good afternoon. Thank you for attending Hallandor Energy's second quarter 2026 earnings conference call. At this time, all participants are in listen-only mode. Following our prepared remarks, there will be a question and answer session, and instructions will follow at that time. As a reminder, this call is being recorded. And now I'd like to turn the call over to Sean Mansoury, the company's investor relations advisor with Elevate IR. Please go ahead, Sean.

Unknown Speaker

Thank you, and good afternoon, everyone. We appreciate you joining us to discuss our second quarter 2026 results. With me today are Chairman and CEO Brent Bilslam and CFO Todd Tellez. This afternoon, we released our second quarter 2026 financial and operating results in a press release that is now on the Halador Investor Relations website. Today, we will discuss those results, as well as our perspective on current market conditions and our outlook. Following prepared remarks, we will open the call to answer your questions. Before we begin, a reminder that some of our remarks today may include forward-looking statements subject to a variety of risks, uncertainties, and assumptions contained in our filings from time to time with the SEC and are also reflected in today's press release.

While these forward-looking statements are based on information currently available to us, if one or more of these risks or uncertainties materialize or if our underlying assumptions prove incorrect, actually, actual results may vary materially from those we projected or expected. In providing these remarks, Halidora has no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law to do so. And with the preliminaries out of the way, I'll turn the call over to Chairman and CEO, Brent Bilslam.

Unknown Speaker

Thank you, Sean, and thank you everyone for joining us this afternoon. We are now halfway through 2026, and I would describe our year so far as two stories running side by side. The first is operational. We spent the second quarter putting money and downtime into Merrim. Most of it planned, some of it not, and the results show it. The second story, and in our view, by far the more important one, is the continued transformation of the company into a multi-fuel independent power producer. I want to start there because we have made real progress on our natural gas generation project at MIRA. We have now formally named that project Turtle Creek Gas, or Turtle Creek for short.

Turtle Creek is a proposed 460 megawatt simple cycle natural gas fired plant project that would meaningfully expand and diversify our dispatchable generation platform. Let me walk you through where things stand. First, the equipment. I, along with other members of our management team, recently inspected the turbine equipment disassembly process with the owner's engineer and personnel from Siemens. We were pleased with what we saw. The equipment is in good condition, and disassembly and packing are well underway. a substantial Siemens workforce on-site. We continue to expect shipment of the equipment in September. Second, the interconnection. Turtle Creek's interconnection application entered MISO's Expedited Resource Addition Study, known as ERAS, on June 2nd.

We expect to receive the results of that process, including the required system upgrade costs, in mid-August. and indications to date from the study have been constructive. Following our review, we are targeting a final investment decision and execution of a generator interconnection agreement in September. Third, project economics and financing. In our experience, project budgets tend to move in one direction as scopes are higher. Ours is moved the other way. As the equipment restoration and construction scopes have become better defined, we now expect total project costs to be below $800 million, or in the $1,700 per KW range. And we have moved our targeted commercial operations timeframe forward to the second half of 2028. In construction, low cost and fast rarely travel together.

We believe Turtle Creek offers a credible pathway to both. One of the lowest capital cost peaking plants currently being developed on on a timeline years ahead of many comparable projects. In parallel, we are finalizing the construction scope and advancing financing discussions as we evaluate the appropriate capital structure. with the objective of financing the project with little to no equity dilution. Interconnection, construction, and financing are the principal remaining steps to get us there. None of this progress is an accident. It is the product of the same patient step-by-step approach that has carried our transformation from the beginning. Six years ago, we were an underground coal mining company.

We acquired a one gigawatt interconnection, then the plant that utilizes it. We began marketing its long-term output. This year, our patients paid off in two landmark capacity agreements. First, the three-year agreement we executed in March with an investment-

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

grade counterparty. At approximately 2x our historical contracted capacity pricing. And second, the 12-year agreement behind it that together total approximately $1.1 billion of contracted revenue. These agreements increased our forward sales position, which now sits at $2.4 billion, placing Halidor in a substantially sold forward position on accredited capacity for approximately the next 14 consecutive years.

With this agreement, we are now able to continue to sell forward sales positions to our customers commitments extending through 2040. Turtle Creek is the next step in that transformation, and it is advancing on schedule. I also want to remind everyone how we think about this market because it explains how we have built our contract book. In our view, capacity and energy run on different clocks. For large load customers, particularly data centers, access to accredited capacity is the gating factor. Without it, projects cannot move forward. That is why capacity markets have tightened and repriced ahead, the physical around-the-clock energy demand these developments will ultimately bring.

As these projects are built and begin drawing power from the grid, we believe energy demand will accelerate. and energy pricing will follow. We have constructed our portfolio to participate in both phases. Our long-dated commitments are anchored in accredited capacity where repricing has already arrived and where we have contracted through 2040. Our energy commitments by design are shorter dated beyond the next few years. Our energy position is largely open. for the repricing we believe is beginning now. As it arrives, we intend to monetize that open position with the same discipline and patience we brought to capacity. and a 460 megawatt peaking asset at Turtle Creek give us even more dispatchable capacity and energy to bring to the market. At the same time, the market keeps confirming our thesis.

We are seeing robust demand for accredited capacity and energy from a growing and increasingly diverse set of counterparties. working towards making additional forward sales before the end of the year. With $2.4 billion of revenue already contracted at the segment level and more sales on the way, we believe Halidor offers investors a degree of revenue visibility that is among the strongest in the sector. We are speaking with meaningfully more counterparties today than we were in the past, and that's and the demand signals are increasingly visible right outside our windows. One large data center project has broken ground adjacent to our property, and another project is in the early stages of development on the other side of the plant. You do not need a consultant's report to see where power demand in our region is headed. You can see it from the parking lot. Now, turning to the second quarter, operationally the second quarter is traditionally our lightest period of the year. as we take one of Merrim's two units offline each spring for an approximately 60-day scheduled maintenance outage.

This year's outage at Unit 1, we completed major reliability upgrades designed to address the unplanned downtime the unit had experienced in recent quarters. Unit 2 performed well over the course of the quarter, however, the limited unplanned downtime it did experience coincided with periods of elevated market prices, which magnify the financial impact by requiring us to purchase power at high prices to meet our delivery obligations. Together, these factors weighed on our second quarter results, but do not, in our view, reflect the earnings power of the plan. With the scheduled outage behind us and the reliability investments in place, we We believe Merrim is positioned to run more reliably going forward. And we expect generation volumes to improve sequentially in the third quarter. I want to be clear about what the plan maintenance expenditures will bring. We invested substantially in the plant during the outage and The condition of the plant is better for it.

We expect that improved conditions to show up where it counts in reliability, availability, and operating performance over time. Money spent keeping a productive asset sound is not money lost. It earns us a return every hour the plant runs when the grid needs it most. Reliability at Meraham matters more than ever. both because MISO increasingly depends on dispatchable resources during peak demand, and because Merum sits at the center of our vertically integrated platform. When the plant runs efficiently, It supports electric sales, creates consistent internal demand for coal, improves mine productivity at sunrise, and enhances operating efficiency across the business. When performance at MIRM falls below planned levels, those effects extend throughout the platform. With the outage behind us and both units running more effectively, we expect generation volumes to improve sequentially in the third quarter.

I would note that power pricing remains uncertain, and the third quarter of last year benefited from particularly favorable power market conditions. creating a more challenging year-over-year comparison. So we are focused on sequential operational improvement and on carrying that improved availability into the balance of the year beyond. In summary, quarters like this one are the price of owning and improving a durable asset. Q2 reflected the important reliability and efficiency work we completed at Merham, along with the temporary challenges that came from it. The more important story is the progress we are making on selling out the remainder of Merib's capacity and energy. the advancement of our Total Creek Gas Project, it's improving economics, and the accelerating demand we are seeing from an expanding set of counterparties. The fundamental signals across our market remain constructive, and we believe Halidor is well positioned to compound shareholder value over a multi-year horizon. With that, I'll turn the call over to Todd to take you through our financial results.

Unknown Speaker

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Thank you, Brent, and good afternoon, everyone. Jumping into our second quarter results. Electric sales for the second quarter were $59.5 million compared to $60 million in the prior year period, while third-party coal sales increased to $40.6 million compared to $38.1 million in the prior year period. Electric sales in the second quarter benefited from higher accredited capacity revenue, which increased 70 percent year-over-year to $18.6 million. Total energy sales volume increased 17 percent compared to the prior year period, while the average price per megawatt hour for delivered energy declined to $41.69 from $52.66. The increase in third-party coal sales during the second quarter was driven primarily by improved pricing. As a 9% increase in our average third-party price per ton, more than offset a 2% decrease in tons sold to third parties.

Sunrise also sold 59,000 incremental tons to Merrim during the quarter as a plant prepared for summer demand. On a consolidated basis, total operating revenue decreased to $101.5 million for the second quarter of 2026, compared to $102.8 million in the prior year period. Net loss for Q2 2026 was $15.2 million compared to net income of $8.2 million in the prior year period. Cash flow used in operations in the second quarter of 2026 was $23.9 million, compared to cash flow provided from operations of $11.4 million in the prior year period. with the decrease primarily reflecting the outage related decline in profitability, higher purchase power costs, and working capital investment, including cash invested in inventory and parts and supplies. Adjusted EBITDA, a non-GAAP measure that is reconciled under earnings press release issued earlier today, was negative $2.9 million for Q2 2026 compared to $3.4 million in the prior year period. We invested $26.3 million in capital expenditures in the second quarter of 2026 compared to $13.1 million in the year-ago period. primarily reflecting the reliability upgrades completed during the planned outage at Merrim, as well as development spending associated with Turtle Creek. With the planned outage complete, we expect the pace of maintenance capital spending to moderate through the balance of the year with full-year 2026 capital expenditures expected to remain consistent with 2025 levels, excluding investments related to Turtle Creek.

As of June 30, 2026, our forward energy and capacity sales position was approximately $1.6 billion, compared to $571.2 million at March 31, 2026, and $619.7 million at June 30, 2025. When combined with our third party forward coal sales of $236.5 million, total contracted revenue on a consolidated basis was approximately $1.8 billion. including intercompany sales to Merrim, our total forward sales book on a segment basis was approximately $2.4 billion. These figures now include the 12-year capacity agreement signed in May 2026. During the quarter, we took additional steps to maintain flexibility under our capital structure. On May 15th, we drew the $45 million available under our delayed drop term loan and used a portion of the proceeds to repay $8 million outstanding under our revolving credit facility. However, had $45 million of total bank debt at June 30, 2026, compared to no outstanding bank debt at March 31, 2026, and $30 million at December 31, 2025. Toll liquidity at June 30, 2026 was $84.2 million compared to $97.5 million at March 31, 2026 and $42 million at June 30, 2025.

The sequential decrease reflects cash deployed during the planned outage, capital investment, and the associated working capital build. At quarter end, total equity consisted of $29 million of unrestricted cash and cash equivalents and $55.2 million of additional borrowing capacity under our revolving credit facility. We believe our credit facility, together with our current liquidity position, provides the flexibility to manage working capital and fund our ongoing operations and investments at Merrim. As we mentioned in June, our financing strategy for Turtle Creek is considering a combination of project level and structural alternatives, including equipment financing, structured debt, and similar instruments designed deliberately to preserve flexibility with low to no equity solution while retaining our focus on balance sheet integrity. We are well underway in financial planning and look forward to providing updates as we make progress in the third quarter.

Operator

With that, operator, we can now open the line for questions. Certainly. Ladies and gentlemen, if you do have a question at this time, please press star 11 on your telephone. If your question has been answered and you'd like to remove yourself from the queue, simply press star 11 again. Our first question comes from the line of Julian Dumoulin-Smith from Jefferies. Your question, please.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Question and Answer

Unknown Speaker

Hey guys, it's Kutra there on for Julian. Thanks for taking my question. Congrats on the quarter. Just wanted to ask you a little bit more on the gas project. Seems like you're making a lot of progress there, costs coming in below expectations. One, can you give us some color on what's driving costs to be a little bit below expectations? Is it mostly interconnection? and costs like you guys had thought of, or are there other factors? And then separately, could you share more color on how the off-take agreements and conversations are trending? What kind of customer interest are you seeing for the gas project? Thanks.

Unknown Speaker

Yes, certainly. You know, I think as we think about the gas project, Turtle Creek, what's changed to lower that budget? I think last quarter we said it would be less than $900 million. Now we're saying it's less than $800 million. And then coupled with that, we've accelerated the COD to the second half of 2028. And when we announced this in June, I mean, we had ranges for what things would cost. And now, you know, those scopes are more defined. And, you know, it's, the owner's engineer and I were over looking at the equipment. It's in excellent condition. We were happy with what we saw.

Disassembly is underway. There's a substantial Siemens workforce on site. Shipments still remains on schedule for September. So as the equipment, the restoration, the construction scopes have firmed up, the numbers have come in better than we initially assumed. And, you know, the other driver is this is not a Greenfield project. You know, we're building at Merrill. We already own the site, the water, the infrastructure. And so that's how, you know, this project gets down to, you know, roughly $1,700 a KW when we're seeing other projects, you know, price well above that and you know, coming in you know, a year or two behind us.

So I think that's just what makes this project special in our mind is that we have a cost advantage. We have a speed to market advantage in an AI. It's all about speed to market. When you talk about marketing, of course, we point to and sales table we've added more definition there as to some of the work that we've done earlier in the year so that speaks to pricing I think that will perhaps be at numbers higher than what some of the analysts in the market thought. And we just continue to see more and more interest. As we alluded to in our prepared remarks, we really think that you know, not, we will add to the contracts that we've already put in place this year before the year is out. That is our goal. And, you know, I think we, today we feel really good about that.

If you look at what we've been doing, we've been pricing a coal asset. and a list of buyers who are interested in buying output from a coal output coal assets output is smaller than that of gas. So we think the market, from what we're experiencing, there's a much greater Rolodex that you can call up to talk to about the gas plant, and we're seeing that interest level, particularly as other industries, states are putting more and more restrictions on new data center builds, we think that's funneling more of that capex spin. towards the state of Indiana. And, you know, we're seeing that in our backyard. You know, we said in our prepared remarks we've got a pretty significant project that's broken ground. Anybody who gets Google Earth Live can see photos of that. It's pretty impressive to see a thousand acre development contiguous to our property. pouring foundations and moving right along. We've had a second project developer buy property on the other side of our plant contiguous to us.

That said, we sell in front of the meter, so we can sell to any place in MISO Zone 6, which is the state of Indiana. northern third of Kentucky. So we feel really good about the demand perspective at this time. And we look forward to delivering on that before the year is out, particularly on Miro. It'll probably take a little longer to market Turtle Creek just because, you know, We've been working on MARAB a little bit longer, but we're excited about what we see. I hope that resonates. And, you know, I think this plant, we're excited about it. We think it's a big deal for our company and expect to make more announcements before the year's out.

Operator

Awesome, thank you. Thank you. And our next question comes from the line of Nick Childs from B. Reilly Securities. Your question please.

Unknown Speaker

Thank you, operator, and good afternoon, everyone. This is Henry Hurl on for Nick. So in your prepared remarks you mentioned the turbine disassembly is underway and there's a substantial workforce on that site there. Do you guys have any contingencies if the disassembly or logistics slip and the shipment is pushed to September? Just any color there would be helpful. or pushed out from September, sorry. Yes, look, we're not.

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Unknown Speaker

too concerned about the timing of the shipment. We've got plenty of wiggle room there. Always like to get the asset sooner rather than later. Always like to get it online sooner sooner rather than later. So, we're pushing to get that done as quickly as possible. That said, I don't think that getting the equipment to ship is the long pole of the tent. And so, you know, we're on a pretty short timeframe, right? Or we're saying COD roughly two years, right? Last half of 2028.

We think that's a very marketable time for that project, and today as we look about about where we're at i think we're we're excited about uh the potential success of that project so.

Unknown Speaker

not too concerned about the shipping date. Got it. That's helpful, thank you. And then just on financing, obviously the goal is to minimize equity dilution. You kind of went through a couple different financing structure in the prepared remarks what are you leaning most towards at this time and when do you expect to disclose that.

Unknown Speaker

Thanks. Thanks, Henry. It's Todd Tellez. I think as Brent alluded to during the course of the call, Turtle Creek has three primary advantages when you're talking to financing counterparties. One is the capital cost. Two is the speed to market. And ultimately, those drive long-term affordability, which makes it a very attractive asset to contract with. Absolutely. as the former as quadratus question was really around the offtake agreements. So I think when you look at those three factors combined with what we view as a very robust financing market, in particular for equipment financings. That's extremely helpful for us. As you know, we also have the benefit of having the Merrim coal-fired asset that has substantial contracts put in place and working hard at contracting even further on the Merrim assets.

I think those are very financeable contracts. So a couple different pockets of debt capital. So those between those things, I think then when you look out into the future, you look at where we think the financial performance of the businesses in the latter part of this decade, all those should be supportive of bringing on leverage onto this project. minimizing the amount of dilution for our current shareholders.

Unknown Speaker

Thank you, Todd. That's very helpful. And then just on that same point, is there any possibility for government support from the DOE and the likes in financing the Turtle Creek project? Is that something that you're exploring currently?.

Unknown Speaker

Our DOE financing has really been focused on some of the things we're doing at Merham. We don't see any DOE financing for the Turkic Greek gas asset at this point in time.

Unknown Speaker

Got it. All right, I'll turn it over. Thanks, guys, and continue to best of luck.

Operator

Thanks. Thank you. And our next question comes from the line of Matthew Key from Texas Capitol. Your question, please.

Matthew Alexander Key
Texas Capital Securities, Research Division

Hey, good afternoon, everyone, and thanks for taking my questions. In regarding the DOE, in June, you announced the $27 million in DOE funding to help modernize Miriam. I was just wondering, when would you want to complete those upgrades? I'm just trying to get a sense of timing for that. specific project? Yes, so we announced a month AGO THAT WE WERE SELECTED TO NEGOTIATE PARTICIPATION.

Unknown Speaker

27.2 million of grants from the DOE that were to be use for our ELG compliance. That document is rounding third. So we anticipate some of that work will get done yet this year. So we should see some dollars matched in that probably in the fourth quarter.

Matthew Alexander Key

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Texas Capital Securities, Research Division

and then continuing on into 27 and 28. Got it. That's helpful. And I guess you mentioned you being relatively comfortable being open in your forward energy book over the medium term, just given the expectations for rewriting and pricing. I was wondering if there are any specific price signals or increase in the curve you'd want to see before facilitating a more aggressive stance in forward energy sales?.

Unknown Speaker

Well, I think we have seen some upward movement in the curve this year. And so some of the conversations are advancing along those levels. I wouldn't be surprised if you saw some energy sales from us yet this year. We'll probably take more of a layered approach, with some sales made this year and some in future years. Certainly not afraid to contract if the pricing signals are right for us, but we certainly don't feel any urgency. Capacity is more illiquid market. Energy is a very liquid market. There's a lot of ways to sell energy.

There's a few ways to sell capacity. That said, where we're really seeing the most, PINCH POINT IS IN THE CAPACITY MARKETS, WHICH IS WHY WE'VE BEEN AGGRESSIVE AT Mirum, the coal units, two-thirds of that is roughly sold through 2040. You know, our goal is to sell the balance of that out yet this year on multi multi-year contracts, um So, you know, we seem to be, the market seems to be supportive of that, which is why we're feeling confident. about the demand and the robustness of that for Turtle Creek. We think this is an asset, right? It's a peaker plant, right? It's... It primarily provides accredited capacity, and it does so at a price point and a timing that we think is just right up the fairway of what this market wants. And so that's kind of where our head's at on.

Matthew Alexander Key
Texas Capital Securities, Research Division

energy and capacity, Matthew. Got it. That's helpful. Thank you for the time.

Operator

Yes, thank you. Thank you. And our next question comes from the line of Jeff Graham from Northland Capital Markets. Your question, please.

Unknown Speaker

That's fine, guys. I wanted to circle back on the contracting kind of process or decision tree, if you will. When we think about incremental capacity contracts on coal versus gas project, it sounds like, you know, to your comment of a deeper Rolodex on the gas side, should we think about that project being more executable, if you will, over coal over the coming months? Or is there a, I guess path of least resistance between those two that suggests one is further along versus another that we should expect.

Unknown Speaker

Yes, look, I mean, I think we have shown we are executing on coal. you know, we're buyers of the gas that, you know, think of it this way. If there's probably three to four times the number we can talk to of potential buyers for a gas asset than there is of a coal asset. And we're having great success on the coal side. You know, we're just further along on the coal side because that plant exists and is running today. Whereas Turtle Creek, you know, we still have yet to make the final investment decision. And so buyers want to see that project, you know, take a couple steps forward. And quite frankly, we want it to take a couple steps forward.

We're waiting to hear what the system upgrade costs are for Turtle Creek. We, think we may learn that yet this week. You know, we have a high degree of confidence there. Um, because we use the same vendors that MISO uses to do their studies. So we've already done those studies. Now, it doesn't matter what we think. It matters what MISO thinks. So we think this is a check-the-box exercise, but we still have to hear the number before we can make that final decision. make I think good advancements on the financing side with those discussions so as we put those two things together We think we're close to moving forward with that project.

And we have great confidence in that because we think we'll have Mirum essentially sold out. And Mirum, you know, the company really doesn't have a lot of debt. So when you look at what's the value of that asset, It doesn't have a lot of debt, and now we're adding Siemens, Turbans to the mix. I think it's a very financeable project, and quite frankly, the response from the market is justifying our opinion. And again, the other thing that's different about this project is we actually have physical equipment. the other projects have queues, right? And queue positions get pushed out. you know, we've got to load something on a boat and ship it across the sea. I've

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

been over to review that personally you know I don't want to jinx ourselves but quite frankly it's going quite well and it's a pretty simple process so We'll know more on that in a month. We expect it to be out of boat.

Unknown Speaker

Sounds good. Okay. I appreciate those details. For my follow-up on the energy side of things, is it fair to think that that market is more, I guess, prone to at least relatively shorter-term contracts versus a 10- or 15-year capacity contract? Or are those opportunities still out there where we could see a lot of growth? longer-term energy contract as well. And do you guys have interest in that on your side as well?.

Unknown Speaker

There is interest in buying longer-term energy, and we have interest in doing that. We'll see if we can deliver on that before the year's out. All right. We'll stay tuned. Thanks, Brian.

Operator

All right. Thank you, Joe. Thank you. And our next question comes from the line of Jake Sikelski from Alliance Global. Your question, please.

Unknown Speaker

Hi, Brent and Todd. Thanks for taking my questions. So just going back to Turtle Creek, you mentioned CapEx initially came in below $900 million and now we're below $800 million. I'm just curious, are there any other levers you feel you might be able to pull that could drive this even lower as we get through FID, or do you feel you've kind of flushed all that out? Well, we certainly are dialing in more.

Unknown Speaker

you know i think there's a chance that project cost could go down uh yet again but uh we want to make sure we don't have any surprises, right? So, you know, as things unfold, get loaded on the boat, get delivered to Siemens. You know, we'll know more about that front, but we think we've got enough contingencies in there. We feel we're in pretty good shape. AGAIN, WE ALREADY THINK THIS PROJECT IS MAGNITUDE'S LOWER costs than some of the other projects that we've seen that are competing against it and we have a time advantage. That's where the market seems to be paying up is the speed to market play. Talk to me about electrons today and compute today, not, know, years from now. So we think we've got something special.

I hope that resonates.

Unknown Speaker

Fair enough. Okay. And then, just from a financing perspective there, I'm just curious, are there any strategic avenues that you're exploring, or are you thinking more along the traditional lines for the broader financing package?.

Unknown Speaker

Yes, I think right now, Jake, I think we're very focused on more traditional financing packages. whether it be strictly equipment financing, quasi-project financing, and or even corporate financing. So I think more traditional financing. traditional efforts focused on what we can do ourselves here at Halidor.

Operator

Got it. Okay. That's all for me. Thanks again. Thank you, Jake. Thank you. This does conclude the question and answer session of today's program. I'd like to hand the program back to Brent for any further remarks.

Unknown Speaker

Yes, I want to thank everybody for taking the time to join us today and your interest in Halidor. And we're excited about our company, the work that we've put into Merrill, the work that we're putting into Turtle Creek, and we just think pound for pound. this is going to create exciting opportunities for the investor in Halifax. Thank you for your time.

Operator

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Thank you, ladies and gentlemen, for your participation at today's conference. This does conclude the program. You may now disconnect. Good day.

This live transcript is auto-generated without human intervention or review.
[Call has ended.]

Copyright © 2026 S&P Global Market Intelligence, a division of S&P Global Inc. All Rights reserved.

Copyright © 2026 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved.

These materials have been prepared solely for information purposes based upon information generally available to the public and from sources believed to be reliable. No content (including index data, ratings, credit-related analyses and data, research, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P Global Market Intelligence or its affiliates (collectively, S&P Global). The Content shall not be used for any unlawful or unauthorized purposes. S&P Global and any third-party providers, (collectively S&P Global Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Global Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON "AS IS" BASIS. S&P GLOBAL PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Global Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages. S&P Global Market Intelligence's opinions, quotes and credit-related and other analyses are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P Global Market Intelligence may provide index data. Direct investment in an index is not possible. Exposure to an asset class represented by an index is available through investable instruments based on that index. S&P Global Market Intelligence assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P Global Market Intelligence does not act as a fiduciary or an investment advisor except where registered as such. S&P Global keeps certain activities of its divisions separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions of S&P Global may have information that is not available to other S&P Global divisions. S&P Global has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P Global may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P Global reserves the right to disseminate its opinions and analyses. S&P Global's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P Global publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.
© 2026 S&P Global Market Intelligence.