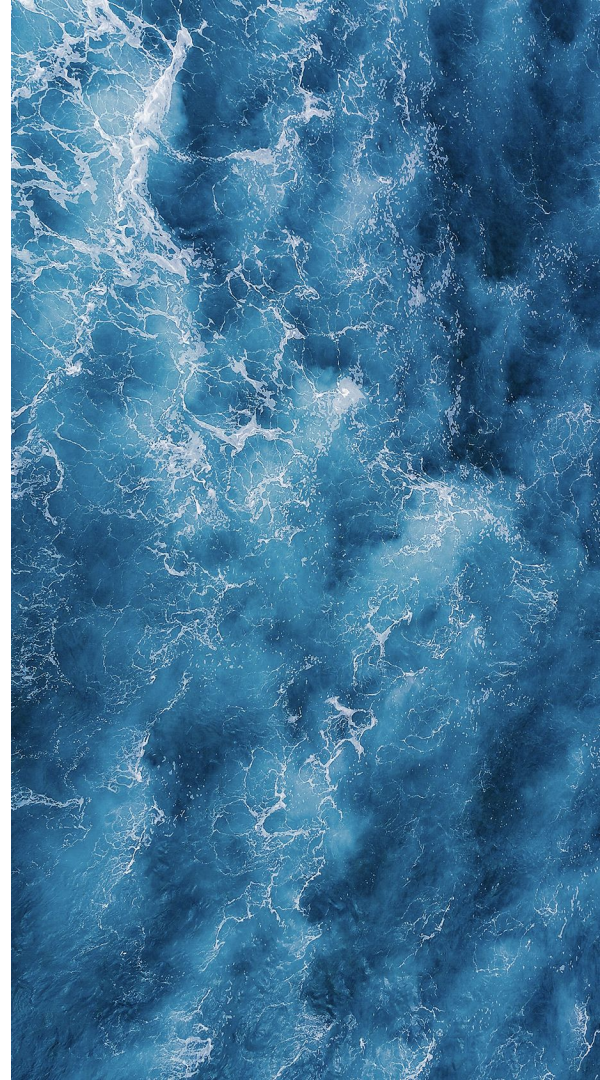




Pacific Fusion's Presence in New Mexico

Legislative Finance Committee
May 20, 2026



Fusion has been the holy grail of energy for 70+ years.



Affordable,
firm power



Inexpensive,
limitless fuel



No long-lived
radioactive waste



Pacific Fusion was founded in 2023, built on scientific breakthroughs in Fusion in 2022



Founding goals:

Achieve Net Facility Gain ($Q_f > 1$) by 2030 with a cost structure that creates a clear path to commercial power production



Series A Funding:

\$900M+ in committed investment



We've selected Mesa del Sol as the home of our Research and Manufacturing Campus.



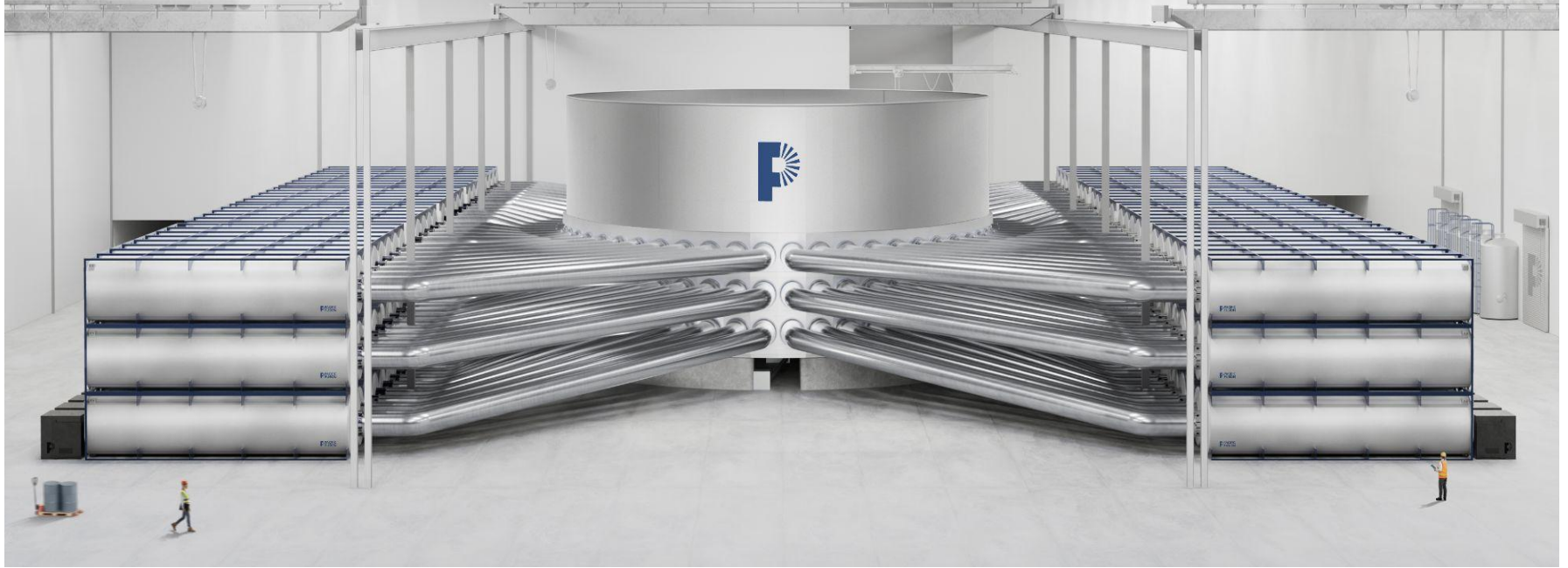
Construction will start summer 2026.

We have already started manufacturing of subsystems in Los Lunas.



This Demonstration System will achieve net facility gain.

It is not a power plant. It will not have noise or vibrational impacts on the community.



The facility will have minimal impact on the environment.



Not a drain on local water supply

Our facility will not place unusual demand on the community's water supply – less than other commercial buildings of a similar size.



Limited electricity use

Facility requires ~3.3 megawatts from Public Service Company of New Mexico (PNM).



Safety is our top priority.



Our Demonstration System is designed for safety.

We've partnered with third-party experts to define our life safety systems and regulatory framework.



Any use of radioactive materials is regulated by the State of New Mexico.

The State's Environment Department Radiation Control Bureau ensures all radioactive materials are regulated, shielded, and monitored for safe operations.

We will be regulated similarly to a hospital.



Universities and hospitals safely use radioactive materials for research and treatments.

Major medical centers routinely employ high-activity gamma emitters to destroy cancer cells.

Universities use radioisotopes in devices such as tritium-filled neutron generators for materials testing and bacterial sterilization studies.



Why New Mexico?

Pacific Fusion chose to site its Build Center and Research and Manufacturing Campus in New Mexico for three reasons:

1. Talent base and proximity to national laboratory collaborators
2. Capital efficient environment for large projects
3. Ability to move quickly



1. Talent base and proximity to National Laboratory Collaborators

PF builds directly on technologies developed at SNL

- Z is the world's biggest pulsed power facility
- Proximity to collaborators Sandia and Los Alamos National Laboratories a big draw

NM Higher Education Institutions are also key partners

- University of New Mexico and New Mexico Tech
- Central New Mexico Community College
- Experienced technicians are particularly key



2. Capital efficient environment for large projects

NM incentives available at time of siting decision:

- Industrial Revenue Bond
- LEDA
- JTIP and High-wage
- Manufacturing Investment Tax Credit

Additional developments since the January legislative session:

- Advanced Energy Equipment tax credit now available to fusion projects
- Industrial Revenue Bond projects eligible for C-PACE financing



3. Ability to move quickly

Identifying property: AREA was key and was quick

Substantially completing entitlements and securing final action on all incentives: Completing this work was a prerequisite for making a site selection decision.

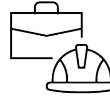
- Key partners include AREA, CABQ, Village of Los Lunas, Governor's Office/Economic Development Department
- Teams provided a roadmap to execute the entitlements process and city council action was taken on incentives
- Practical connections (e.g., to local developers, architects etc) were also very helpful



What this project will bring to New Mexico:



~ \$1 billion investment



200 permanent jobs + hundreds more jobs to the region



Ideal fit with the momentum at Mesa del Sol



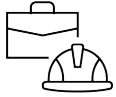
Builds on New Mexico's proud history of fusion innovation



Education/STEM partnerships

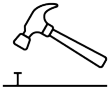


Recent Progress:



We are making immediate hires

We have hired 42 employees in New Mexico with 95% new hires from within state. These employees currently work at our build center in Los Lunas where we complete manufacturing activities.



This Summer, we'll break ground on our Demonstration System at Mesa del Sol

Hundreds of construction jobs paying prevailing wage
Groundbreaking ceremony in August



We will invest in workforce training and development

Working with New Mexico community colleges and research universities on developing local pipeline



How you can help

Continue to fund and ensure smart deployment of the RD&D Fund to maximize the opportunity for economic impact

- Fund companies that have proven they can raise over \$5M of private investment
- Allow the RD&D fund to fund companies up to 20% of private investment at the date of application
- Provide matching dollars to RD&D grantees that have created new New Mexican full-time jobs

Modernize the R&D Tax Credit to provide same-year capital to startups and incentivize New Mexico-generated research to become New Mexico-based companies

Focus legislative efforts for consistent development of an advanced energy economy to yield generational benefits for the state



Thank you



Pacific Fusion