PROVINCIAL SOVEREIGN WEALTH FUNDS

Argentina’s Alaska Moment

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November 2026

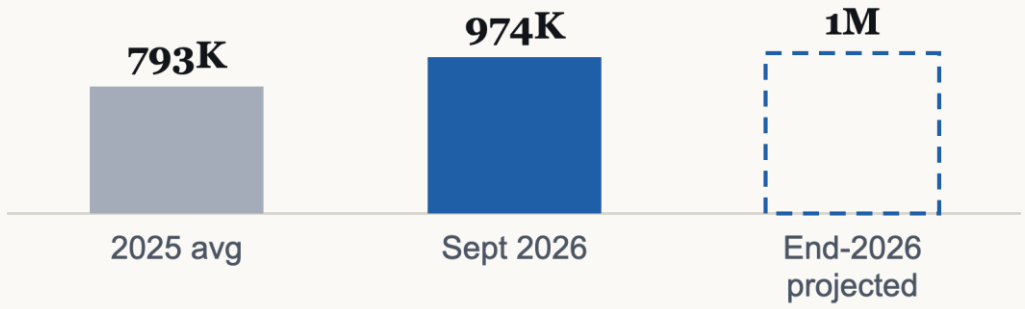
WHY NOW

01

An unprecedented resource boom

974K

barrels of oil a day in September 2026, a record, up 15.5% in a year



+59% lithium carbonate output, June 2026 vs a year earlier (11,987 t)

US$270M Neuquén royalties in September 2026; about US$500M a month projected by 2031 (≈ US$6B a year)

711K ≈ 737K Neuquén's population vs Alaska's

US$8,400 Neuquén royalties per resident a year by 2031 (our calculation)

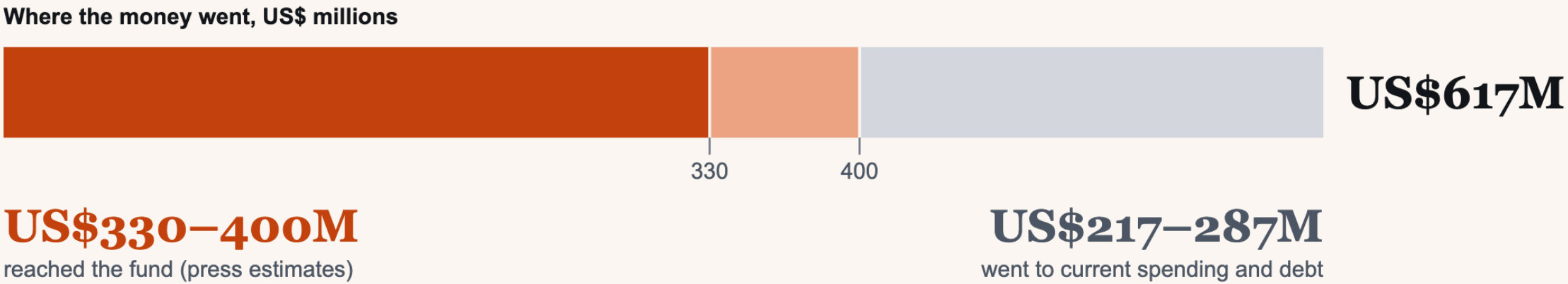
Sources: Secretaría de Energía via El Economista (Oct 2026); Americas Quarterly (Aug 2026: 2025 average, 2031 projection); INDEC IPI minero (June 2026); Neuquén Subsecretaría de Ingresos Públicos via Noticias NQN (Oct 2026), at ~1,540 ARS/USD; INDEC Censo 2022 (final); US Census Bureau V2025.

CASE 1 · MENDOZA, 1993

02

Mendoza: a US$617M windfall

Mendoza’s share of a US$3.2B federal settlement for oil royalties underpaid in the 1980s, split among 9 provinces



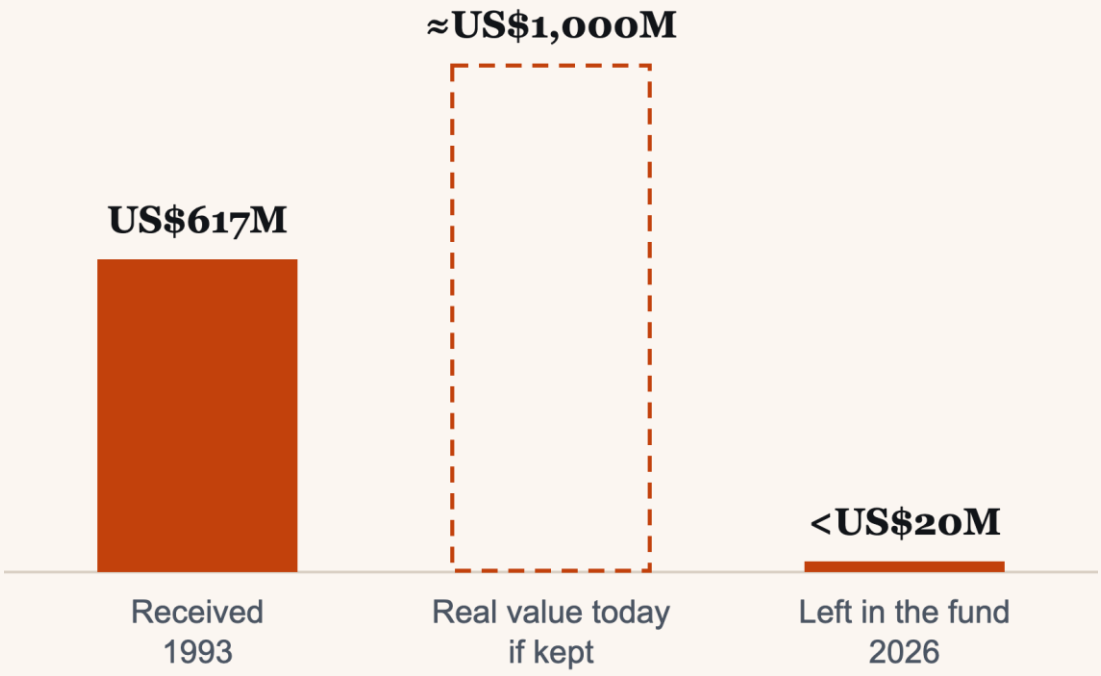
> **Ley 6071, October 1993.** Mandate: lend to local producers at subsidized rates.

Sources: El Sol (7 May 2026); Sitio Andino (2025); Los Andes (2018); Memo; Legislatura de Mendoza.

CASE 1 · MENDOZA, 2026

Mendoza: 33 years later

Fund capital, US$ millions



−98%

of its real value, “liquefied” by lending at negative real rates

~30,000	borrowers financed
13%	of loans in arrears (2017)
2026	fund dissolved by law (July)

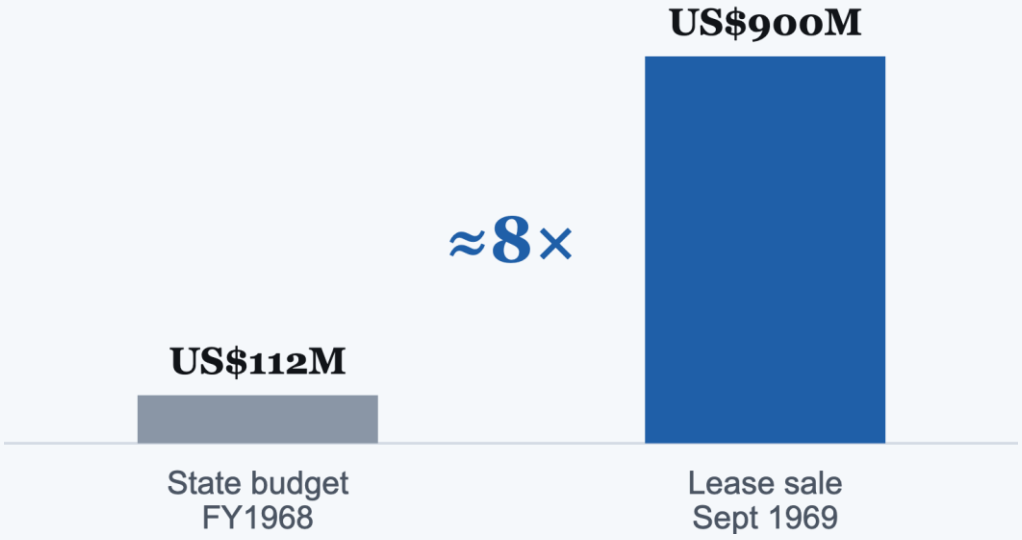
Sources: El Sol (7 May 2026, Finance Minister Víctor Fayad); Sitio Andino (2025–26); Decreto 1714/2026.

CASE 2 · ALASKA, 1969

Alaska: a US$900M windfall, spent

04

One lease sale vs. the whole state budget



US$85M	spent in the 1970 legislative session alone
~1975	all of it gone: capital projects, student loans, a Longevity Bonus
−US$5.6M	lost on the US$18M the state put into stocks

> Alaska made Mendoza's mistake first, then changed the rules before the pipeline opened.

Sources: APFC history; Anchorage Daily News (2017, 2026); KTOO; Americas Quarterly (Aug 2026).

CASE 2 · ALASKA, 1976

Alaska: the 1976 lock

05

1969 — **US$900M**
lease sale, spent by ~1975

1976 — **66%**
of voters lock ≥25% of royalties into the constitution

1977 — **US$734K**
first deposit, 28 Feb

1980 — **APFC**
arm's-length manager created

1982 — **US$1,000**
first dividend to every resident

2018 — **5%**
annual draw on the 5-year average value

> **The vote: 75,588 to 38,518.** At least 25% of all mineral royalties go in every year, and the principal cannot be spent.

Sources: Alaska Constitution Art. IX §15; APFC history; Ballotpedia (1976 results); Anchorage Daily News.

SIDE BY SIDE

Two windfalls, opposite rules

06

	Mendoza FTyC	Alaska Permanent Fund
Windfall	US$617M settlement (1993)	US$900M lease sale (1969), spent; fund fed by royalties from 1977
Legal basis	Ordinary provincial law (Ley 6071)	State constitution, approved by 66% of voters
Deposit rule	One-off seed; no deposit rule	≥25% of royalties, every year
Use of the money	Subsidized local loans at negative real rates	Invested by an arm's-length manager; 5% draw
Today	<US$20M; dissolved in 2026	US$91.9B; 60%+ of state revenue

MENDOZA, 1993 → 2026

US$617M → <US$20M

ALASKA, 1977 → 2026

US$734K → US$91.9B

The Choice for the future: Mendoza or Alaska?

Sources: as on the Mendoza and Alaska slides.

The Trek → The practical way forward

07

A Federal "Umbrella" - LEY CONVENIO + RIGI

Hydrocarbon producing provinces adhere to Ley Convenio and follow a dual mandate:

1. **50% of royalties → Separate Permanent Fund (Principal cannot be used)**
2. **Portion of Return (3%/3.5%?) → Used for government budget**
   - **Other 50% of royalties +Portion of Return → Government Budget (much needed infrastructure)**
   - **Fund Management is professional and transparent**

RIGI: Rules

1. **30 + ? Years of Federal Tax Stability (Including Export Duties)**
2. **Customs Stability**
3. **Access to FX market**

Thank you · Questions

