



FOR IMMEDIATE RELEASE:
March 6, 2003

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The Alaska Industrial Development and Export Authority opened bids Monday March 3, 2003 for the demolition of a portion of the large mineral concentrate storage building at the Authority's Skagway Ore Terminal.

Over the last 30 years, corrosion has weakened the structure and roof to the point that it has become a safety hazard. The Authority plans to leave much of the concentrate loading infrastructure in place. This will include the concentrate storage building floor, conveyor handling systems and shiploader.

AIDEA purchased the Skagway Ore Terminal from White Pass Railway in 1990 to bring stability to Skagway's then major year-round industry, to fund environmentally efficient renovations to the facility and to help open the door to additional economic growth through marketing the facility to other potential users.

The facility was constructed in 1968 to serve as a warehouse and shipping operation for basemetal concentrates exported from the Yukon Territory to international markets. The shipping of mineral concentrates from the Skagway Ore Terminal occurred intermittently from that time until the spring of 1998, when soft zinc prices forced the Yukon's major zinc mines to shut down.

AIDEA's action removes a safety hazard while preserving much of the ore terminal for future use. When mining activity in the Yukon resumes, a new structure could be built on the existing floor and foundation.

When operating, the Skagway Ore Terminal creates up to 10 jobs at the Terminal, plus additional jobs associated with the trucking of the concentrates from the Northern Canadian mines to Skagway. Mineral concentrate shipping operations normally occur on a year-round basis, enhancing employment in a community otherwise heavily dependent on the summer tourist season. Additionally, all Skagway residents benefit from the enhanced winter road maintenance to Whitehorse, the closest community that is road accessible to Skagway.

The Authority plans to have the demolition operations substantially completed prior to the onset of the summer tourist season.

AIDEA was created by the Alaska State Legislature in 1967 to encourage economic growth and diversification in Alaska. AIDEA provides financing and assistance to businesses in Alaska, creating jobs for Alaskans and helping to diversify Alaska's economy.

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