

AMBLER ACCESS PROJECT

February 2023



Current Status

The project continues to build the newly formed subsistence advisory committees and workforce development group.

For the upcoming field season, the project is planning on continuing with cultural resource inventory, hydrology, and hydraulic, fish habitat studies along with preparing landing zones.



Jobs

- 4,811 jobs relating to mine construction
- 3,931 jobs relating to mining operations
- 441 jobs relating to road construction, operations, and maintenance over the life of the road



Economic Benefits

- \$393 million in mining license tax revenues, \$524 million in corporate income taxes, \$214 million in production royalties, and \$13 million in claim rents, boosting government revenues
- Independence from the import of minerals critical to U.S. economy and military
- Good paying jobs for families in rural Alaska



Location

Interior to northwestern Alaska

Partners

Land Owners: NANA, Doyon,
Private Partner: Ambler Metals

Financials

AIDEA Board and Ambler Metals have approved \$44.8 million of the \$70 million funding agreement.

Project Description

The Ambler Mining District is a large prospective copper-zinc mineral mine with extensive deposits of critical minerals and other elements making this a secure, reliable US supply-chain resource essential for our nation's tech-focused economy and military effectiveness. The project approach is modeled on the successful DeLong Mountain Transportation System (DMTS).

In 2009, the Alaska Department of Transportation and Public Facilities (DOT&PF) began evaluating possible routes to the Ambler Mining District, ultimately resulting in the identification of a potential corridor that would connect the Dalton Highway via the Gates of the Arctic National Preserve. In 2013, the project was transferred from the DOT&PF to AIDEA with the goal of forming a public-private partnership to finance, construct, operate and maintain the controlled industrial private access road. In March 2020, the Final Environmental Impact Statement was issued by the Bureau of Land Management. In October 2021, the Northwest Arctic Borough Assembly passed a resolution in support of the Ambler Access Project.

The project is currently in Final Feasibility and Permitting Phase and preparing for a final investment decision in 2024.

Support

Support for this project comes from the Northwest Arctic Borough, NANA, Doyon, Governor Dunleavy, members of Alaska's congressional delegation, Alaska Miners Association, and Ambler Metals, as well as the many local Alaska Native communities who live in the Northwest Arctic Borough.

BLOOD BANK OF ALASKA

February 2023



Current Status

When 50% of its ongoing revenues due to the pandemic were lost, AIDEA was able to guarantee a million-dollar loan from a local Alaskan bank and a six-month forgiveness on payment. Because of AIDEA's prompt actions, the Blood Bank of Alaska was able to keep its doors open and ensure that blood and blood products were available to Alaskans in their time of need, which saved thousands of lives.



Jobs

- 20 permanent jobs
- 133 construction jobs



Economic Benefits

- Induced spending of \$66 million for the project
- Recurring \$3.5 million annually in new economic activity in the Anchorage area
- Continues to assure uninterrupted availability of blood and blood products to Alaskans



Location

Anchorage, Alaska

Partners

Lender: AIDEA

Borrower: Blood Bank of Alaska

Financials

\$8.5 million loan to construct and furnish a 57,000 sq. ft. laboratory and collection facility.

\$45.7 million budgeted for entire project.

Project Description

In 2015, AIDEA's Board approved a loan of up to \$8.5 million to construct and furnish a 57,000 sq. ft. laboratory and collection facility for the Blood Bank of Alaska. This project, budgeted at \$45.7 million, consolidated all four of its Anchorage facilities and expanded upon existing capacity. In addition to a more convenient, consolidated space, blood samples from donations do not have to be sent out of state for testing but can be done in-house at the facility.

Over the 16-month construction period, the project directly employed approximately 133 workers, while total employment, including indirect and induced employment, was approximately 230 jobs.

In 2016, the Blood Bank of Alaska officially opened the doors of the new facility and currently employs 89 employees and collects over 24,000 units of blood annually. The Blood Bank of Alaska is the sole blood bank in Alaska and provides blood products to civilian, military, critical access, and tribal hospitals.

Support

Support comes from a wide range of hospital and medical facilities across Alaska, including both military and Alaska Native tribal hospitals that rely on the Blood Bank of Alaska as the sole provider of blood and blood products in Alaska.

BLUECREST ENERGY DRILLING RIG LOAN



February 2023



Current Status

BlueCrest has submitted its 9th Plan of Development for the 2023 calendar year. BlueCrest, pending receipt of new investment funding, plans to restart its onshore oil and gas drilling program in the 2023 calendar year. The Company will start drilling with the H10 Trident Fishbone Well which has already been designed and would be ready within several months upon receipt of new funding. Depending on oil prices and project funding, BlueCrest plans to continue their program to drill the planned onshore oil and gas wells.



Jobs

- Up to 100 full-time jobs associated with active drilling operations
- Up to 20 full-time jobs associated with production facility operations
- Additional management, admin, and support of drilling ops jobs



Economic Benefits

- Rig and facility provide new Borough property tax revenues
- Oil from the Cosmopolitan Unit will increase current total
- Cook Inlet oil production supporting local communities, businesses, and residents
- Oil produced is sold to the Tesoro Refinery, supporting local jobs and reducing oil imports



Location

Nikiski, Alaska

Partners

Lender: AIDEA

Borrower: BlueCrest Alaska Operating, LLC

Financials

\$30 million AIDEA direct project financing loan investment

Project Description

BlueCrest Energy Inc. utilized an AIDEA direct-financing loan for the procurement, transportation, initial outfitting, and commissioning of a new on-shore drilling rig, rig man camp, and associated materials, tools, and equipment to support its ongoing development of the Cosmopolitan oil and gas lease blocks in the southern portion of Cook Inlet. The Cosmopolitan Project area, which consists of four State leases comprised of over 13,000 off-shore acres is capable of accessing six known oil zones and 6+ unknown gas zones, is 100% owned and operated by BlueCrest.

BlueCrest Energy is currently producing oil and natural gas at a level of 1,000 to 1,500 barrels per day (BOEPD) from the Cosmopolitan Field, with the oil trucked to Marathon Petroleum Co.'s refinery at Nikiski, near Kenai. Producing at these levels has generated over \$13 million of royalty revenue for the state of Alaska. Three of four wells now producing oil for BlueCrest incorporate the company's new "fishbone" concept. The fishbone wells are particularly suited for the rock formation within the Cosmopolitan Unit because the consolidated nature of the geology allows wellbores to remain open after drilling, making hydraulic fracturing less effective than BlueCrest's multilateral approach.

Support

Support comes from the Kenai Peninsula Borough, the State of Alaska, local engineering and construction companies, local communities and residents of those communities who benefit through the economic impact and job opportunities afforded by this project.

CAMP DENALI READINESS CENTER



February 2023



Current Status

The project was completed and delivered to the U.S. Department of Military and Veterans Affairs (DMVA) in January 2014 ahead of schedule and under budget. The project provides an annual payment to AIDEA of \$1.1 million. The consolidation of services provides great synergy between the U.S.C.G., the State of Alaska Division of Homeland Security & Emergency Management and the Rescue Coordination Center.



Jobs

- More than 80 new construction jobs
- Retained 116 USCG Anchorage-based jobs



Economic Benefits

- Allows USCG to expand their civilian, local and military staff
- Provides improved synergy between USCG and State of Alaska Emergency response personnel



Location

Joint Base Elmendorf- Richardson in Anchorage, Alaska

Partners

Facility Owner: AIDEA

Land Owner: Joint Base Elmendorf-Richardson

Operator: DMVA

User: United States Coast Guard

Financials

\$15 million proposed budget

\$14.1 million actual spent

\$1.1 million annual payment to AIDEA

Project Description

In August 2012, the Board approved AIDEA to construct, own, and operate a facility, which would be an expansion of the existing National Guard Armory, for use by the U.S. Coast Guard on Joint Base Elmendorf-Richardson (JBER). Using funds provided via a Reimbursement Services Agreement to AIDEA from the Department of Military and Veterans Affairs (DMVA), AIDEA retained a consultant to advance specifications to a design level.

Through the Project Development and Operations Agreement, the DMVA is responsible for payments to AIDEA, subject to future legislative appropriations. DMVA is responsible for the operations and maintenance of the facility and the USCG will pay the DMVA directly for these services.

Construction of the Camp Denali Readiness Center Addition Project (CDRCAP) began in August 2012. Substantial completion was achieved on December 3, 2013, more than a month ahead of schedule. This project proceeded without any significant issues. The CDRCAP was delivered to the DMVA substantially complete in a ready-to-occupy state on December 18, 2013. Final delivery of all site work was the end of January 2014.

Support

Support comes from the Department of Defense, the State of Alaska, the United States Coast Guard, the Department of Military and Veterans Affairs, as well as surrounding communities benefitting from civilian job opportunities.

DUCK POINT DEVELOPMENT II LOAN



February 2023



Current Status

Resolution G21-19, approved June 23, 2021, provided the company flexibility to manage its liquidity which aided the organization through the pandemic while allowing for a more favorable and full 2023 cruise season.

Icy Strait Point over the 2022 cruise season saw over 220 separate ship visits representing over 450,000 passengers. This was a significant increase over 2021 where there were only 35 separate ship visits.



Jobs

- Up to 45 full-time jobs associated with Phase 2 of construction
- Up to 60 seasonal jobs in support of new dock facilities



Economic Benefits

- Local payroll at \$2.1 million in 2019 and anticipated to increase to \$2.3 million
- Total sales tax revenue from ISP at \$990,000 in 2019, increasing to \$1.5 million by 2020
- Cruise passenger excise tax revenue to municipality at \$1.2 million in 2019 and \$1.8 million in 2020
- Projected growth of sales tax revenue by 20%



Location

Hoonah, Alaska

Partners

Lender: AIDEA

Borrower: Duck Point Development II

Financials

\$9 million AIDEA construction loan

Project Description

The scope of the Duck Point Development II project was to provide financing support for the development and construction of a new 500-foot floating dock, a 3,500 sq. ft. welcome center and related uplands development as Phase 2 of Icy Strait Point (ISP).

Duck Point Development II is a special purpose company, wholly-owned by the Huna Totem Corporation (HTC) and was established to construct and manage Phase 2 of HTC's ISP.

AIDEA has an existing loan participation to Phase 1 of ISP in the amount of \$18.8 million. ISP caters to cruise ship guests and offers a unique port for those traveling with Royal Caribbean, Celebrity, Norwegian Cruise Lines, Holland America, Princess, Oceania, and Regent Seven Seas cruise lines.

ISP is the fourth most-visited port in Alaska.

Support

Support comes from the numerous cruise lines that visit port, local communities who benefit from the tourism and subsequent economic stimulation, local communities and Huna Totem Corporation.

FEDEX AIRCRAFT MAINTENANCE FACILITY



February 2023



Current Status

The building continues to perform well and meets FedEx's operational needs in Alaska. Preliminary discussions have begun regarding lease renewal and a future capital improvements program. In 2021, AIDEA and FedEx agreed to sublease approximately 8,500 sq. ft. of space to VIPER, a non-profit organization that assists veterans with transitioning into the private sector workforce at no charge for one year. VIPER utilizes the space to train veterans in aircraft refurbishment work. Efforts are underway to address the PFAS conversion to an EPA acceptable fire suppression agent.



Jobs

- 56 permanent high-skilled jobs



Economic Benefits

- Brought a pilot base to Alaska
- Demonstrates economic significance of the FedEx Anchorage operation by their ability to perform line maintenance on their fleet of aircraft operating through Anchorage and use by other cargo carriers



Location

Anchorage, Alaska

Partners

Facility Owner: AIDEA
Land Owner: AK DOT&PF
User: FedEx
Operator: FedEx

Financials

\$30.75 million construction budget

Project Description

The FedEx Maintenance, Repair, and Operations (MRO) Facility consists of a hangar capable of accommodating one wide-body aircraft, such as a Boeing 747. The project also includes a ramp, taxiway, road, utilities, and landscaping. The hangar is supported by a fire suppression pump house and water storage facility, which was constructed as part of this project.

FedEx has a ground lease agreement at the Ted Stevens Anchorage International Airport (TSAIA), which was conveyed to AIDEA. FedEx management realized the potential to enhance their Anchorage operation by being able to perform line maintenance on their fleet of 747 aircraft operating through Anchorage and approached AIDEA to finance the facility.

The facility was completed in 1995 and FedEx signed a 20-year lease with AIDEA for use of the Aircraft Maintenance Facility and adjacent Fire Suppression Facility. The lease expired in March 2015 and the AIDEA Board approved the new lease through July 2023. AIDEA is actively negotiating a long-term extension for the anchor tenant.

Preliminary discussions have started with FedEx about lease renewal and capital improvement project development.

Support

Support comes from FedEx and local communities and aviation-related businesses as well as businesses relying on express shipping.

HEX COOK INLET, LLC.



February 2023

Current Status

Having recently filed their 9th Plan of Development, Kitchen Lights Unit (KLU) operator (Furie) has plans to continue development of natural gas reserves in the Cook Inlet.

Their efforts include optimizing production, enhancing safety, and minimizing any environmental footprints of the KLU-related infrastructure. Additionally, they will continue progress in establishing a participating area along with possible unit expansion and to evaluate the drilling of additional wells and/or sidetracks in the KLU. In the third quarter of 2023, they will be mobilizing a workover to repair 2 of their 4 wells.



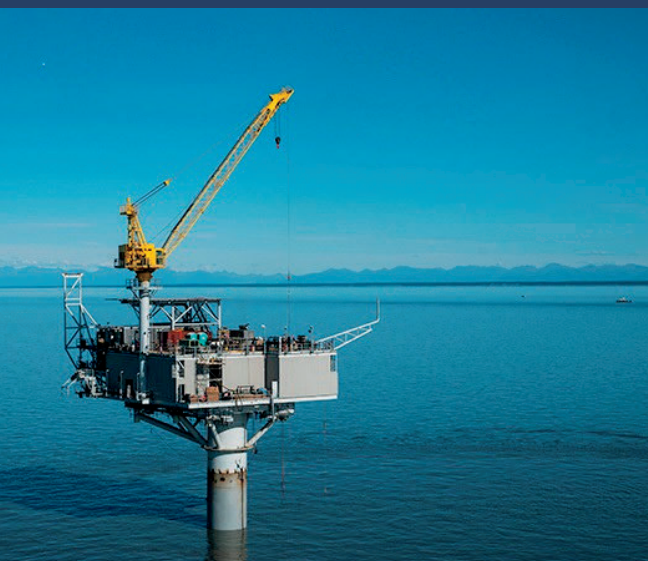
Jobs

- 21 full-time Alaskan employees



Economic Benefits

- Investment by a new Alaska independent operator in the Cook Inlet
- Payment of 12.5% gross revenue royalties to the State of Alaska
- Improve efficiency and gas production of the Kitchen Lights Unit
- Provides clean, reliable energy for Alaskan residents and incremental royalty payments to the State
- Property taxes paid to the Borough and State on assessed value of property



Location

Cook Inlet on western side of Kenai Peninsula

Partners

Lender: AIDEA
Borrower: HEX LLC

Financials

\$7.5 million AIDEA loan

Project Description

The purpose of this loan was to provide financing to the only producer in the State that is owned by Alaska to foster improved production and development of the KLU, the largest Unit in the Cook Inlet by acreage. AIDEA provided financing to HEX, LLC to acquire the assets of Furie Operating Alaska and related companies. These assets included a 15-mile subsea gathering line, an on-shore production facility, and an off-shore platform located with the KLU which produces gas from the Beluga and Sterling formations.

HEX assumed ownership on June 30, 2020, and has grown from 1 to 21 full-time Alaskan employees. More jobs are expected as the development of the Kitchen Lights Unit continues to advance. Creating these kinds of job opportunities is consistent with AIDEA's mission.

This natural resource development project will also generate millions in revenue annually for both the State and Borough. The State of Alaska benefits from royalties at 12.5% and property tax at 20 mills.

They have worked to advance the development of the proven gas reserves in the Kitchen Lights Unit (KLU) and increase the production of natural gas on the Julius R platform. In 2022, HEX began a new analysis of seismic data and offset wells to identify specific targets for exploration outside of the Corsair block and in 2023 will be mobilizing a workover to repair 2 of their 4 wells.

Furie continues to believe there is significant development opportunity within the Kitchen Lights Unit that has the potential to provide clean, reliable energy for Alaskan residents for future years.

Support

Support comes from the Kenai Peninsula Borough, the State of Alaska, local engineering and construction companies, local communities and residents of those communities who benefit through the economic impact and job opportunities afforded by this project.

INTERIOR ENERGY PROJECT



February 2023



Current Status

On September 23, 2021, the Fairbanks North Star Borough (FNSB) adopted Ordinance NO. 2021-2-D, which appropriated \$1 million from Federal coronavirus state and local fiscal recover funds to support an oil-to-gas conversion program for the Interior Gas Utility's (IGU) service area.

IGU exceeded the 2022 goal of installing 600 new service lines in 2022, by installing 635 new service lines. The 2023 goal is to install another 600 service lines, of which more than 150 services lines had already been approved for 2023 construction as of the end of the fourth quarter of 2022.

The IEP Report for the 4th quarter of 2022 was filed and the next report will be filed April 30, 2023.



Jobs

- Up to 520 local jobs



Economic Benefits

- During the period of infrastructure expansion and customer conversion, the project is anticipated to support on average 520 jobs, creating up to \$14.2 million in economic activity
- Of these, approximately 480 jobs and \$9.2 million in income are indirectly supported at other FNSB businesses



Location

Interior Alaska

Partners

Trucking: Private sector
Distribution: Interior Gas Utility
Natural Gas Supply: Hilcorp
LNG Capacity: Titan Expansion

Financials

\$125 million in SETS financing
\$57.5 million in capital budget appropriation
\$150 million in State-backed AIDEA bonds

Project Description

The goal of the Interior Energy Project (IEP) is to reduce the long-term cost of fuel to Interior Alaska by providing an alternative, lower cost, and cleaner fuel source. The Interior Energy Project (IEP) was introduced by former Governor Sean Parnell to bring affordable energy to as many Interior Alaska residents as quickly as possible. Senate Bill 23 passed unanimously and provided the financial tools for AIDEA to partner with the private sector in the development of both a liquefied natural gas (LNG) plant on the North Slope and an expanded natural gas distribution system within the Fairbanks North Star Borough.

The IEP was anticipated to reduce monthly heating bills by 40-50%, resulting in up to \$3,000 in savings annually by residential ratepayers. Clean-burning natural gas helps substantially improve FNSB air quality over wood and fuel oil heating systems, helping to meet Environmental Protection Agency (EPA) standards.

At full production, the initial North Slope LNG plant is anticipated to require 24 deliveries per day. The IEP will have the capability to expand and produce more LNG as natural gas demand grows in Interior Alaska.

Support

Support comes from the local residents of North Pole and surrounding serviceable areas, as well as surrounding local businesses. This is also supported by the Fairbanks North Star Borough, the Alaska Railroad Corporation, the Federal Railroad Administration, and the City of North Pole.

KETCHIKAN SHIPYARD, OPERATED BY VIGOR ALASKA



February 2023



Current Status

Maintenance spending for 2021 was approximately \$650,000. In 2021, two major projects were completed to improve dry dock #1 and repair the assembly hall roof.

2022 maintenance spending is trending over budget. Major repair due to fire sprinkler malfunction in the assembly hall and an unanticipated failure of both assembly hall boilers has impacted overall operations and spending. An increase in the volume of ship repair work over 2021 is expected to lead to greater revenue in 2022.



Jobs

- 75-100 direct jobs in Ketchikan
- 100-125 currently employed
- Year-round, steady jobs with benefits & advancement opportunities among strongest in the community



Economic Benefits

- Reliable, cost effective and quality vessel maintenance repair and construction services
- Vigor Alaska LLC's gross revenues from operations are shared between AIDEA, Ketchikan Gateway Borough and the City of Ketchikan
- All share in facility profits when milestones are met
- Vigor Alaska's 2021 local purchasing and payroll contributed close to \$9.1 million to regional economy



Location

Ketchikan, Alaska

Partners

Land Owner: Ketchikan Gateway Borough & City of Ketchikan
Lessee: AIDEA

Financials

\$80.1 million* in Federal and State funds expended for construction, upgrades, deferred maintenance, and other improvements.

*Numbers reported from Vigor's 2021 Annual Operations and Performance Report received July 2022.

Project Description

The Ketchikan Shipyard, operated by Vigor Alaska, is located in Ketchikan, Alaska, and is adjacent to the Alaska Marine Highway System (AMHS) ferry facility. The shipyard consists of approximately 25.27 acres of real property, various buildings, fixtures and improvements, floating drydocks (10,000 ton and 2,500 ton lift capacity), various equipment and tools and other personal property.

The Department of Transportation & Public Facilities (DOT & PF) spent approximately \$30 million to construct the shipyard during the 1980s. The Ketchikan shipyard provides maintenance for of providing maintenance for the AMHS. Under an agreement with the State of Alaska, the City of Ketchikan subleased operation and management of the shipyard to private contractors.

In 1997, AIDEA acquired the title to and ownership of the Ketchikan Shipyard and entered into an agreement with Alaska Ship & Drydock for the operation of the shipyard. Vigor Industrial purchased the shipyard operator (ASD) in March 2012. The following year, ASD changed their name to Vigor Alaska.

Support

Support primarily comes from Vigor Alaska, Ketchikan Gateway Borough, the City of Ketchikan, Ketchikan Public Utilities, and the Alaska Marine Highway System.

KETCHIKAN SHIPYARD, OPERATED BY VIGOR ALASKA



History of Asset and Operating Agreement

AIDEA acquired title and ownership of the Ketchikan Shipyard in 1997 through an agreement with the State Department of Transportation and Public Facilities. AIDEA entered into an amended and restated ten-year operating agreement with Alaska Ship & Drydock, Inc. in 2005 which included two ten-year extension options. The operations of the shipyard were transferred to Vigor Alaska, LLC (Vigor) in 2012 and the operating agreement was subsequently extended for the first of the ten year extensions through November 30, 2025. Annual payments from Vigor Alaska, LLC for the use of the shipyard are based on a minimum maintenance requirement and a payment of a percentage of revenue, which is applied in three ways:

1. Reimbursement from R & R account to AIDEA for administrative costs up to \$18,000 annually, adjusted for inflation.
2. Repair and Replacement (R&R) Account contributions established under the agreement. Vigor's contributions to the R&R account are calculated as One percent (1%) of Vigor's gross revenues derived from uses of the shipyard. All cost of such maintenance, up to maximum annual limit of \$420,013, shall be borne by Vigor at Vigor's sole cost and expense.
3. Any remaining funds are to be distributed to AIDEA and the local Ketchikan governments once the R&R account is fully funded.

Operating Agreement Amendment

On November 16, 2020 and through AIDEA Board Resolution G20-28, AIDEA and Vigor management executed Amendment No.6 to the Operating agreement that updated the calculation for Vigor's maximum obligation to identify the true costs of maintenance spending required to safely and efficiently operate the Shipyard, while maintaining AIDEA's asset to the highest possible standard. This included:

- An increase in Vigors' annual repair and replacement obligation by \$50,000, to a new annual maximum limit of \$420,013.
- Apply the annual increase retroactively beginning from 2018 and continuing for 5 consecutive years thru 2022.
- Review the total annual maintenance spending levels during Q1 2023 and adjust Vigor's total obligation amount up or down using historical costs from 2018 thru 2022 as a baseline.



Current Operational Update

Employees:

- Approximately 105 full-time employees
 - Approximately 90 employees were hired directly from Alaska with the remaining sourced from other Vigor locations or subcontractors as needed to fill vacancies
 - There are currently an additional 10 open positions that Vigor has been trying to fill for the last 6 months
- Employees voted to unionize in 2022. Bargaining between Sheet Metal Workers Local 23 and Vigor Alaska underway.

Financials:

- 2021 Audited financials are expected to be delivered to AIDEA by the end of May 2022
 - 2021 results are expected to be weaker than 2020
- 2022 forecasted financials are expected to be 70% to 100% higher than 2021
 - 2022 is expected to generate the highest level of revenues since Vigor completed the Alaska Class Ferry work
 - Management believes that revenues will continue to be strong and maintain well above 2021 revenues as contractual repair and maintenance backlog continues to build

Repair and Maintenance Fund

- All planned expenditures through Q2 2022 have been completed at or under budget.
- Major unplanned maintenance events are trending higher than anticipated primarily related to the electrical malfunction of the fire control panel.
- AIDEA and Vigor agreed to shift the wind and water line coating work to next year's expenditures budget to accommodate the need to meet the major unplanned maintenance expense of the fire control panel.
- AIDEA and Vigor will Review the total annual maintenance spending levels during Q1 2023 and adjust the Vigor obligation amount using historical costs from 2018 thru 2022 as a baseline.
- AIDEA believes that the combination of the improved revenue forecast and the Q1 2023 spending adjustment will maintain the R&R account balance at manageable levels to meet forecasted planned maintenance expenses.

Location

Ketchikan, Alaska

Partners

Land Owner: Ketchikan Gateway Borough & City of Ketchikan
Lessee: AIDEA

MUSTANG HOLDING LLC (MHLLC)



February 2023



Current Status

In August of 2022, MHLLC executed a non-binding term sheet with Finnex LLC to develop and manage the Southern Miluveach Unit (SMU). Under the executed term sheet, both MHLLC and Finnex agreed to act in good faith to negotiate the Definitive Agreements that document each party's respective rights and obligations required to close and finalize the transaction.

The Alaska Department of Natural Resources (DNR) through the Division of Oil Gas (DOG) in November 2022 wrote to MHLLC regarding the 10th POD and stated "Based upon the plans described in the Tenth POD, and for the protection of all parties under 11 AAC 83.303(a)(3), a suspension of operations and production is most appropriate in these circumstances. Therefore, the 10th POD is held in abeyance at this time, and MHLLC or the successor operator must submit a 10th POD 90 days before operations or production is anticipated. Suspension of operations and production is granted for the period of January 1, 2023 through December 31, 2023.



Jobs

- Up to 25 full time permanent jobs associated with facility operations
- Up to 250+ construction jobs in Anchorage and North Slope for the construction of the facility



Economic Benefits

- Production from the SMU will support and add to the daily throughput of the Trans-Alaska Pipeline System (TAPS)
- The Mustang Road is a critical piece of North Slope infrastructure, providing access to the SMU and the Pikka Unit.
- Mustang Road is positioned to be the backbone of future development to the north and south of the Pikka access road



Location

Western North Slope of Alaska

Partners

AIDEA/Mustang Holding LLC

Financials

To be determined

Project Description

AIDEA initially provided \$20 million of financing for the development of the Mustang Road and Pad (MRLLC) was followed by an additional \$50 million directed towards construction of the Mustang Operations Center 1 (MOC1).

If fully developed as originally planned, the SMU will include:

- An oil and gas production facility capable of processing up to 15,000 barrels per day (bpd) of oil
- Gas treatment for up to 7.5 million standard cubic feet per day (mmscf/d) of solution gas for reinjection (reservoir pressure support) and facility fuel needs
- Well headers and connections for up to nine horizontal producers and nine injection wells

Support

This project was initially supported by the State of Alaska Department of Natural Resources when the Southern Miluveach Unit was approved in 2011 and the North Slope Borough in 2012 via Resolution Serial No. 40-2012 regarding AIDEA's initial investment in the Mustang Development Project. MHLLC, as the current operator of the SMU, continues to work closely with the State's regulatory agencies.

RED DOG MINE ACCESS INFRASTRUCTURE (DMTS)



Current Status

Teck Alaska Inc. (Teck) has transported 1,045,803 wet metric ton of zinc and 193,687 wet metric ton of lead to the port facilities through December 31, 2021. A total of 1,239,490 WMT of concentrate was shipped in the 2021 season and Teck experienced a similar tonnage for 2022 and expects another productive year in 2023. The road and port infrastructure are holding up well with no major issues.

Teck and AIDEA are in the process of renewing the U.S. Army Corps of Engineers Section 404 permit to continue maintenance dredging at the port. Additionally, state and federal approval is being sought for a multi-year exploration plan in the area that could one day lead to a large expansion of operations. If approved, this would include a 10-mile exploration road, bridges, and related facilities. The road would extend from the mine to two large new prospects to the northern, known as Aktigiruaq and Anarraaq. The Aktigiruaq prospect could be one of the largest undeveloped zinc deposits in the world, comparable in size to the Red Dog mine that has already operated for more than 30 years.

AIDEA stands ready to support efforts which could lead to the possibility of future expansion and infrastructure needs.



Jobs

- 500+ regular direct full-time positions related to the mine and port operations
- 100 seasonal jobs, mostly related to port operations



Economic Benefits

- Greater than \$120 million of annual royalty payments to NANA and other ANCSA corporations
- Provides sizeable payments-in-lieu-of-taxes (PILT) to the Northwest Arctic Borough (NWAB)
- Teck provides significant support to NWAB organizations and events
- Bulk fuel is shared with local villages at significant cost savings



Location

Near Red Dog Mine in northwest Alaska

Partners

Owner: AIDEA

Operator: Teck

Landowner: NANA Regional Corporation, Inc.

Financials

\$180 million for initial DMTS facility construction

\$85 million for 1997 expansion

Project Description

The DeLong Mountain Transportation System (DMTS) was opened in 1989 to support the development of the Red Dog Mine in northwest Alaska. The Red Dog Mine, operated by Teck Alaska, Inc. on behalf of NANA Regional Corporation, Inc., is one of the world's largest producing zinc mines. The DMTS provides the necessary infrastructure to transport ore from the mine site to the ore export barges. The expansion of the DMTS port facilities in 1999 enabled Teck to increase mine and port throughput, improving the overall project economics.

The full system includes the following infrastructure:

- A 52-mile, 30-foot all-weather gravel industrial haul road from the mine to the port.
- A shallow water dock to receive supplies, fuel, equipment, and personnel.
- An offshore conveyor system to load ore concentrate to lightering vessels that can convey the concentrate to larger ships further offshore.
- A fuel distribution facility, including six bulk tanks capable of storing approximately 15 million gallons of fuel for port and mine use.
- Storage facilities, including two buildings with approximately 1.2 million tons of ore storage capacity.
- On-site power, other utilities and residential quarters for up to 96 workers.

Support

Support comes from the Northwest Arctic Borough and its residents who benefit through the creation of jobs at the mine, lowered cost of heating, and through support of local non-profit organizations.

SSQ LINE

February 2023



Current Status

Through Resolution G20-22, AIDEA provided financing for AEA using AIDEA's statutory authority under the Sustainable Energy Transmission and Supply Development Fund (SETS), AS 444.88.650-44.88.690. As proposed through SETS, AIDEA purchased a new 20-year bond series issued by AEA under the Bradley Lake Power Revenue Bond Resolution, adopted on September 7, 1989. As of December 17, 2020, AEA completed its acquisition of the HEA asset for \$17 million. The loan is current and performing as agreed.



Economic Benefits

- The SSQ Line became part of the Bradley Project under the Bradley Lake Project Management Committee with better cost alignment to facilitate capacity upgrades benefiting Alaska ratepayers.
- Increased reliability through reduction in risk of extended outages



Location

Sterling, Alaska

Partners

Lender: AIDEA

Borrower: AEA

Financials

\$17 million AIDEA loan

Project Description

The transmission path for energy produced by the Bradley Project travels through Homer Electric Association's (HEA) electric system, including HEA's Sterling Substation to Quartz Creek Substation 115 kV transmission line (also known as the SSQ Line). The Sterling Substation to Quartz Creek Substation (SSQ) transition line was out-of-service for an extended time during the Swan Lake Wildfire in the summer of 2019.

The purpose of this bond was to provide financing support for Alaska Energy Authority (AEA)'s acquisition of Homer Electric Association (HEA)'s approximately 39.3-mile 115 kV electricity transmission SSQ Line system and all associated rights of way permits, as part of the Bradley Lake Hydroelectric Project.

AIDEA's financing of the SSQ Line acquisition by AEA provides benefits to the region, the state, and to railbelt utility ratepayers.

Support

Support for the SSQ Line comes from the Alaska Energy Authority and local communities on the railbelt who will benefit from the stability and reliability in utility availability.

SECTION 1002 AREA LEASES



February 2023



Current Status

Kaktovik Inupiat Corporation, the North Slope Borough, and Arctic Slope Regional Corporation (ASRC) have joined AIDEA in its lawsuit against President Biden and members of his administration for their unlawful actions to obstruct and delay the development of AIDEA's valid oil and gas leases in the Section 1002 Area of ANWR.



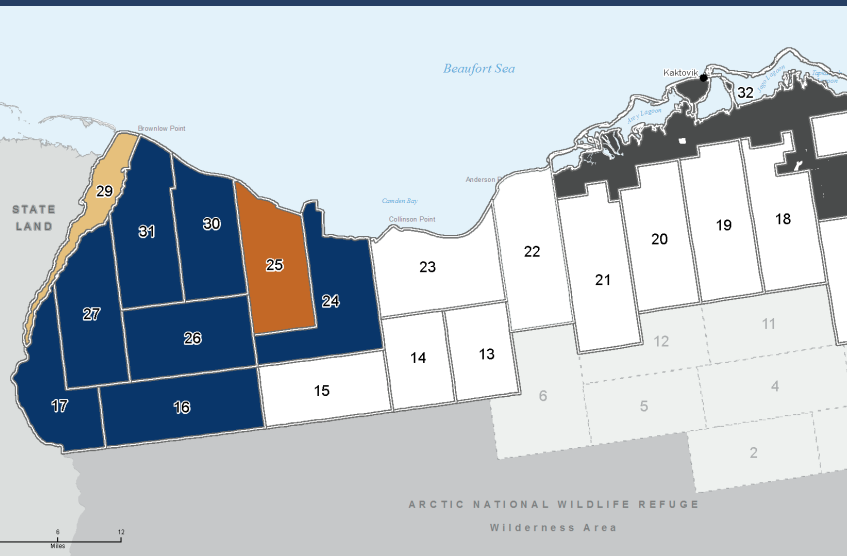
Jobs

- 1,430 direct jobs annually
- 6,350 indirect jobs annually
- 2,480 direct jobs at peak
- 10,100 indirect jobs at peak



Economic Benefits

- Est. 7.6 billion barrels of recoverable oil
- Est. 7 trillion cubic feet of natural gas
- Est. add 1.4 million barrels per day through TAPS
- 16.67% fixed royalty to State of Alaska
- Significant tax revenue to North Slope communities on oil and gas infrastructure



Project Description

The Section 1002 Area is 1.56 million acres of land designated as non-wilderness within the Arctic National Wildlife Refuge (ANWR) on Alaska's North Slope. This area was specifically set aside for future oil and gas development when ANWR was created in 1980 under the Alaska National Interest Lands Conservation Act (ANILCA). This non-wilderness area was named "Section 1002 Area" after the section of ANILCA that excludes the area from wilderness designation. Of the 1.56 million acres, only a maximum of 2,000 acres can be used for surface infrastructure development—less than .001% of the Section 1002 Area.

In December 2020, the Bureau of Land Management hosted the first of two congressionally-authorized oil and gas lease sales in the Section 1002 Area. AIDEA bid on 11 tracts, was awarded nine tracts, and finalized 10-year lease agreements on seven tracts totaling 365,775 acres within the non-wilderness Section 1002 Area. Much of the economic development and jobs supported across Alaska's indigenous and rural North Slope communities is the result of responsible development of oil and gas resources. Public funding from taxes on oil and gas infrastructure has significantly contributed to economic security within these communities and provided revenue to fund local services, schools, health clinics, housing, water and wastewater, heat and electric utilities, and countless essential services. AIDEA intends to advance the responsible development of these oil and gas leases in partnership with private capital investors.

Location

Non-wilderness Coastal Plain of ANWR, Alaska

Parties

Lessor: Bureau of Land Management
Lessee: AIDEA

Support

A wide cross-section of Alaskans, including the VOICE of the Arctic Iñupiat (a non-profit coalition of 24 entities located in and around the 1002 Area, including: tribal councils, regional organizations, municipal governments, and Alaska Native corporations), Governor Dunleavy, Alaska's Legislature, and all members of Alaska's congressional delegation since 1980.

SKAGWAY ORE TERMINAL

February 2023



Current Status

AIDEA concluded the Skagway Ore Terminal evaluation for potential upgrades in September 2021. Based upon reinvestment levels required to modernize the terminal and lack of new mining developments in Yukon territory, AIDEA has chosen to not pursue renewal of the lease with PARN Co. The lease will expire in March 2023.



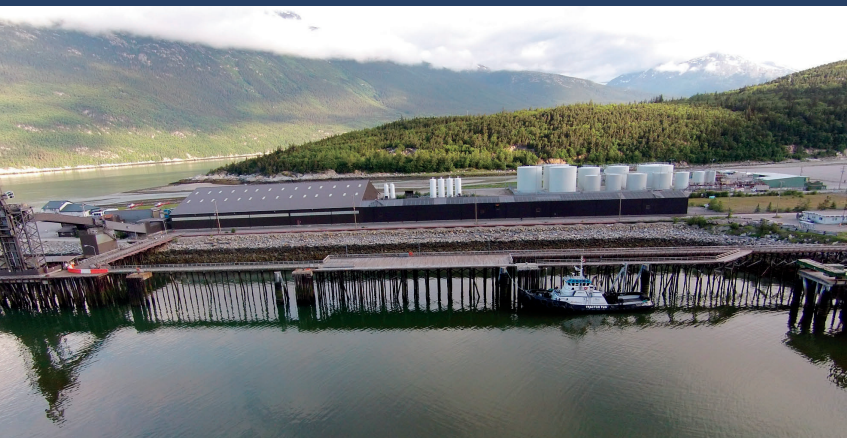
Jobs

- Up to 23 jobs at the terminal
 - 3 full-time jobs
 - 2 part-time jobs
 - 18 ship-loading seasonal
- Associated trucking jobs



Economic Benefits

- Year-round mineral concentrate shipping operations
- Year-round employment to supplement predominately heavy summer tourism
- Enhanced winter road maintenance for Skagway residents to Whitehorse
- Additional revenue through real property taxes



Location

Skagway, Alaska

Financials

\$25 million acquisition budget
\$14 million AIDEA financed facility upgrades

Partners

Facility Owner: AIDEA
Land Owner: City of Skagway
User: Minto Explorations, Ltd.
Operator: Mineral Services Inc. (MSI)

Project Description

In July 1990, AIDEA purchased the Skagway Ore Terminal (SOT) for three main reasons: to bring stability to Skagway's then major year-round industry; fund essential environmentally efficient renovations to the terminal; and open the door to additional economic growth by marketing the terminal to other potential users. The terminal was purchased from White Pass Railway, with a sublease of City property approved by the Municipality of Skagway. The current user is Minto Explorations Ltd., a subsidiary of Capstone Mining Corp. (previously Sherwood Copper Corp.). The user contracted with Mineral Services Inc. (MSI) to operate and maintain the terminal in April 2008. The SOT consists of a 6.7-acre industrial waterfront lot whose primary features include: a 98,000-sq. ft. 16-inch thick concrete floor, a 42,000-sq. ft. concentrate storage building (the original concentrate storage building was demolished in 2003) surrounded by concrete containment walls, office, shop, laboratory, electrical, and wash buildings; enclosed materials handling loadout conveyors and ship-loader; and a .37-acre adjacent lot, which contains a fueling facility (two 10,000-gallon-per-day tanks) and tank farm (four 30,000-gallon storage tanks).

Construction of the SOT Reactivation Improvements began in February 2007. The first shipment of ore concentrate was transported eight months later followed by substantial completion in January 2008. A new 14,000-sq. ft. facility extension was substantially completed in December 2008 to provide additional storage capacity.

Support

Support for this project comes from the Municipality of Skagway, Yukon Producers Group and the Alaska Miners Association.

SNETTISHAM HYDROELECTRIC FACILITY



February 2023



Current Status

The Snettisham power station infrastructure provides key support to the associated Snettisham Fish Hatchery, owned by the State of Alaska and operated by DIPAC, a non-profit focused on salmon sustainment. Alaska Electric Light and Power (AEL&P) is owned by Avista Corp Juneau Hydropower, Inc. (JHI) has applied for an interconnection agreement with AEL&P to utilize a portion of the Snettisham transmission system operated by AEL&P. AIDEA has entered into an MoU with JHI to help facilitate their facilities study for the interconnections.



Jobs

- 11 full-time jobs
 - 5 jobs at AEL&P
 - 6 jobs at DIPAC
- 10 indirect jobs
- 5 seasonal jobs at fish hatchery



Economic Benefits

- Facility provides approximately 70% of Juneau's electricity
- Provides reliable, low-cost power to Juneau residents and businesses
- When available, provides power to Princess Cruise Ships
- When available, provides power to the Greens Creek Mine



Project Description

The purpose of this project is to provide a renewable, long-term and low-cost power source for Juneau, support local jobs and reduce costly diesel consumption, while minimizing air emissions. Ever since Juneau's gold-mining heyday over a century ago, the majority of the electric power required for the City and Borough of Juneau (CBJ) has come from hydroelectric facilities. Rapidly growing power demand in the 1950s and 1960s prompted the search for a long-term, low-cost power source. Long and Crater lakes, located about 30 miles southeast of Juneau, were identified as developable hydroelectric resources. In 1967, construction began on the Long Lake hydroelectric project by the U.S. Army Corps of Engineers. In 1973, 47.2 megawatts (MW) of power were delivered to the City of Juneau by the recently completed facility that included:

- an 8,400-foot power tunnel (to deliver water from the lake to the turbines),
- a remote camp,
- a boat slip,
- an airstrip, and
- a 44-mile high-voltage transmission line.

In 1990, the nearby Crater Lake facility was brought online, contributing an additional 31 MW. The combined 78.2 MW from the project now provides approximately 65% of the power for the local electric utility, AEL&P.

Location

Juneau, Alaska

Partners

Owner: AIDEA

Operator: Alaska Electric Light and Power Company

Financials

AIDEA Purchase Cost \$100 million

Investment \$20 million

Support

Support for Snettisham comes from the City and Borough of Juneau as well as local consumers, Alaska Electric Light and Power Company, local businesses, Princess Cruise ships and Greens Creek Mine, when excess power is available. The Snettisham Fish Hatchery & State of Alaska also support this project.

WEST SUSITNA ACCESS PROJECT



February 2023



Current Status

In coordination with the Matanuska-Susitna Borough (MSB) and industry partners, this project is currently in the pre-development and permitting stage of planning for a multi-use public access road leading to resource development opportunities that will expand state and local economies and lead to job creation.

With a successful 2022 field season, AIDEA advanced baseline cultural/historical work, fish habitat study, engineering refinement, and studied proposed alternate routes. The release of the long-awaited Environmental Impact Statement is anticipated early in 2023. Next steps include the National Environmental Protection Act (NEPA) and Section 404 permitting with the USACE.



Jobs

A variety of jobs created for mining, oil and gas production, initial construction, alternative energy exploration and development, forestry, and agricultural development as well as maintenance and general operations of the access road.



Economic Benefits

- Development of minerals such as gold, silver, copper, platinum, and other elements
- Agricultural development and production
- Harvest of timber resources
- Harnessing alternative energy
- Recreational access for local community members
- Enhances access for emergency and wildfire first responders
- Unlocks over 45,000 acres of State and Mat-Su Borough land



Location

Western Mat- Su Borough, Alaska

Partners

Mat- Su Borough

Financials

Preliminary Cost Estimate: \$300-\$400 million

Project Description

In 2019, AIDEA and the Mat-Su Borough (MSB) signed a Memorandum of Understanding that provided a partnership framework for a phased feasibility analysis of the West Susitna Access Project. Today, AIDEA and MSB, along with Alaska Operations LLC are the initial public and private partners. The Alaska State Legislature requires land use for the utilization of State-owned land. Advancement of this project relies on meaningful participation in the planning for access and road development. Local governments, State and Federal agencies, area land owners, and the public will be involved at each step along the way as any regional land use plan is adopted. Phase 1 was completed in the fall of 2019 and narrowed the project footprint, while establishing a preferred route leading to the Yentna Mining District. Phase 2 was completed in March of 2021 and completed preliminary engineering reports, obtained opinion of capital cost, and wetlands mapping.

AIDEA accepted \$8.5 million of appropriated funds from the Alaska State Legislature, under HB 69, to advance pre-development work on the West Susitna Access Road in October 2021. AIDEA has submitted the 404 permit to the US Army Corps of Engineers. USACE accepted AIDEA's application in late September 2022. The federal review process will follow NEPA and is expected to produce an Environmental Impact Statement document.

Support

Support for the West Susitna Access project comes from the Mat-Su Borough, AIDEA, the State of Alaska, Alaska Miners Association, and local hunters and recreationalists.