

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.



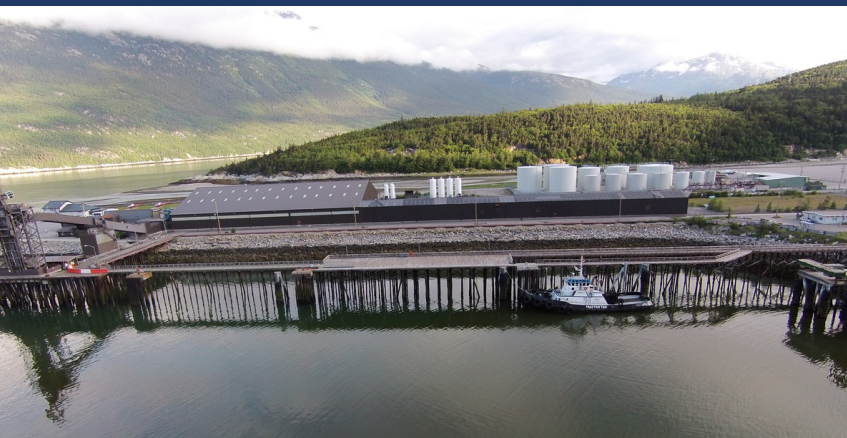
Jobs

- 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.