



CIRI

Alternative energy solutions for Alaska

Stone 
HORN RIDGE

Fire Island
Wind LLC

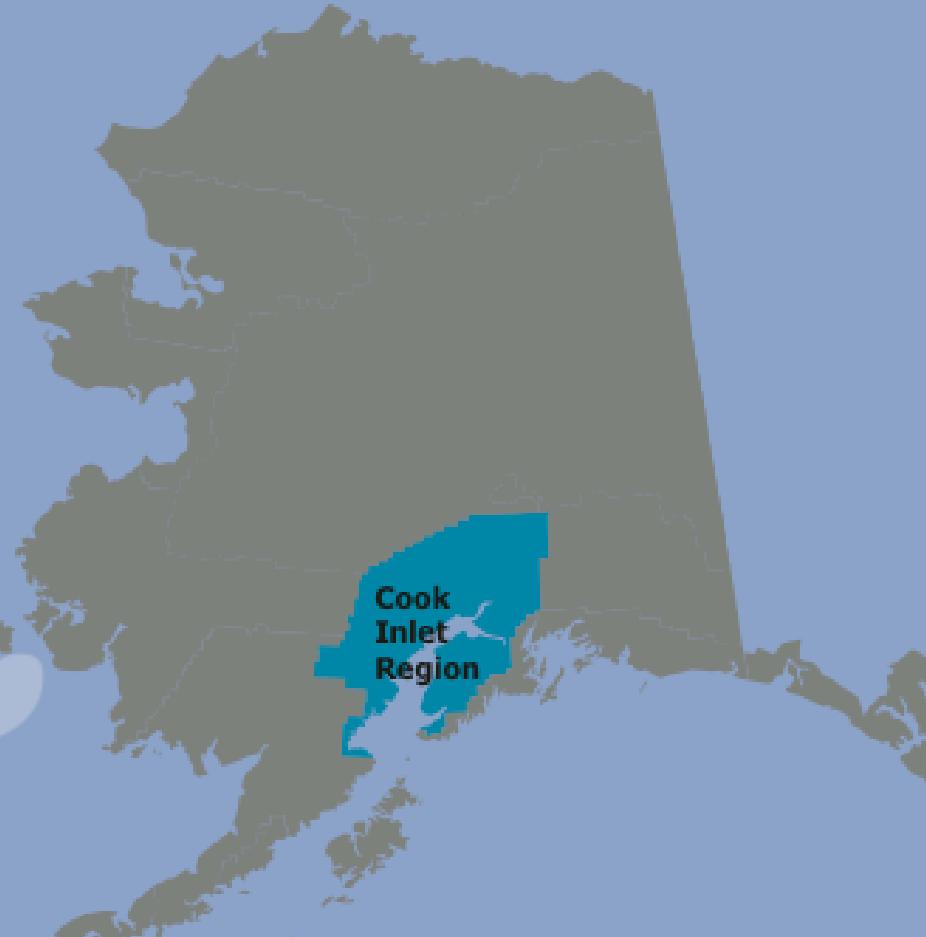




An Alaska Native corporation with diverse business interests:

- Energy and resource development
- Oilfield and heavy construction services
- Real estate development and management
- Environmental remediation services
- Tourism and hospitality

CIRI is the largest private landowner in Southcentral Alaska
with more than 1.3 million acres of surface and subsurface estate available for responsible oil, gas, mineral and alternative energy development



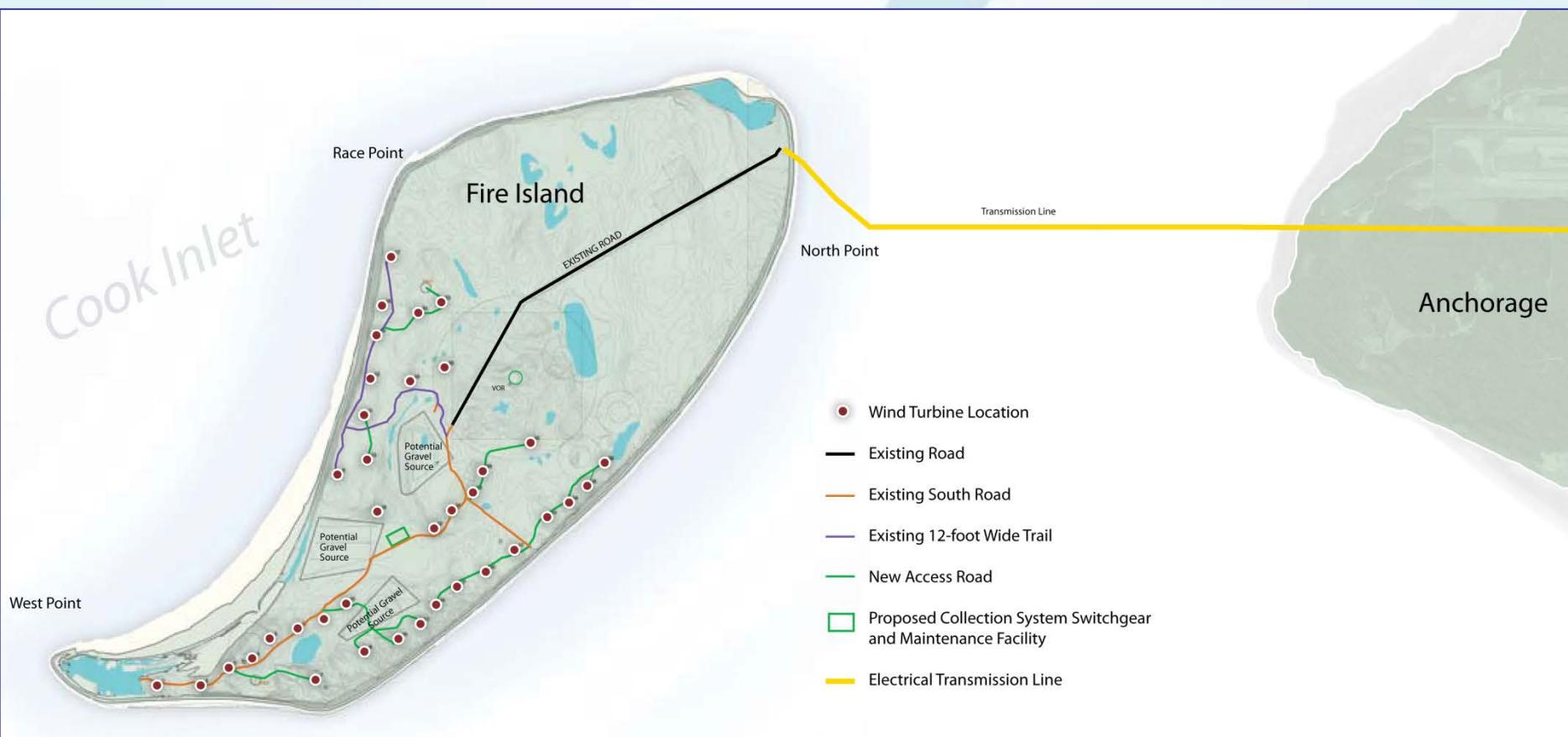
Fire Island Wind^{LLC}



Sustainable wind energy
for Southcentral Alaska

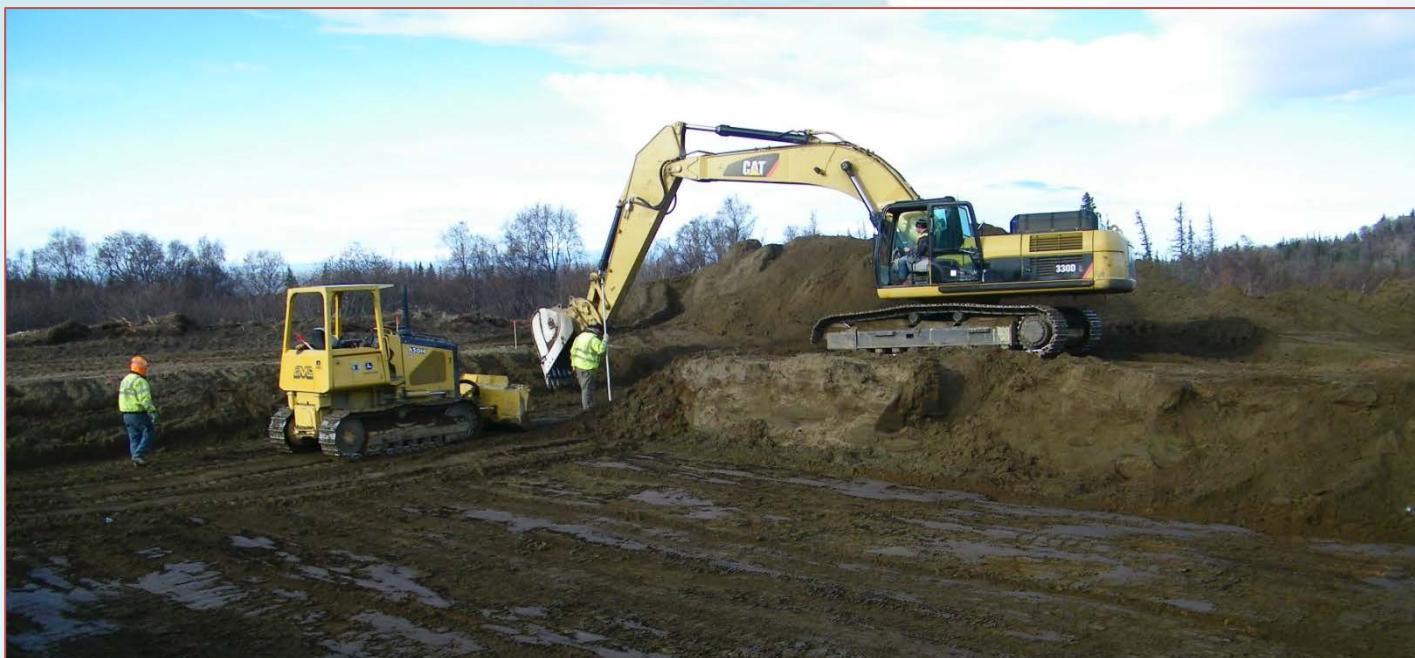
Fire Island Wind Project

Fire Island Wind LLC (a CIRI subsidiary) is developing Southcentral Alaska's first utility-scale wind project



Project Overview

- Located on Fire Island, near Railbelt load center, three miles west of Anchorage
- First power fall 2012
- Chugach Electric Association power purchase agreement: 25-year term starts Jan. 1, 2013



Project description

- 11 General Electric 1.6 MW XLE wind turbines
- 17.6 MW capacity
- 32.8 percent net capacity factor
- ~51,000 MW-hours annually ~ 6,000 households
- Offset ~0.5 bcf natural gas consumption annually
- On-island infra-structure: roads, electrical collection and transmission systems, overnight crew facilities, and operations and maintenance building
- Subsequent phases could include 22 more turbines

Project Status Report

- Chugach agreed to purchase 100% of Phase I power
- Regulatory Commission of Alaska reviewed and approved cost recovery for Chugach PPA in October
- Contracts executed for major project components
- Project financial closing with CoBank on November 30
- Transmission line construction is underway and on schedule



Transmission Interconnection

Your \$25 million State of Alaska investment

- 12.5 mile, 34.5 kV double-circuit transmission line
- Land-based construction: Northern Powerline Constructors, a local company
- Marine construction: Cruz Companies, a local company
- Transmission cable and switchgear
- Chugach to own and maintain line



Balance of Plant Construction (On-Island Activities)

Delaney Construction Group

- A Tetra Tech company
- Constructed wind projects nationwide
- Constructed a megawatt-scale wind project in Alaska (Kodiak's Pillar Mountain)
- Significant subcontracts with local contractors



Project Schedule

2011

- Executed commercial contracts
- Closed project financing
- Initiated transmission line construction

2012

- Complete on-island civil and electrical construction
- Deliver and erect wind turbines
- Finish transmission interconnection
- Project commissioning and commercial operation

**Project supports Alaska energy goals,
domestic manufacturing and local job creation**

Sustainable energy project

- Private investment
- Locally owned and operated
- Local job creation
- Local contract opportunity
- Energy supply diversification
- Long-term energy price stability
- Environmentally responsible

Stone HORN RIDGE

The logo for Stone Horn Ridge features the company name in a bold, sans-serif font. The word "Stone" is in orange, "HORN" is in dark gray, and "RIDGE" is in a lighter gray. To the right of the text is a graphic element consisting of three overlapping semi-circles. The top semi-circle is gray, the middle is white, and the bottom is orange, creating a stylized mountain or flame shape.

An Alaska energy company



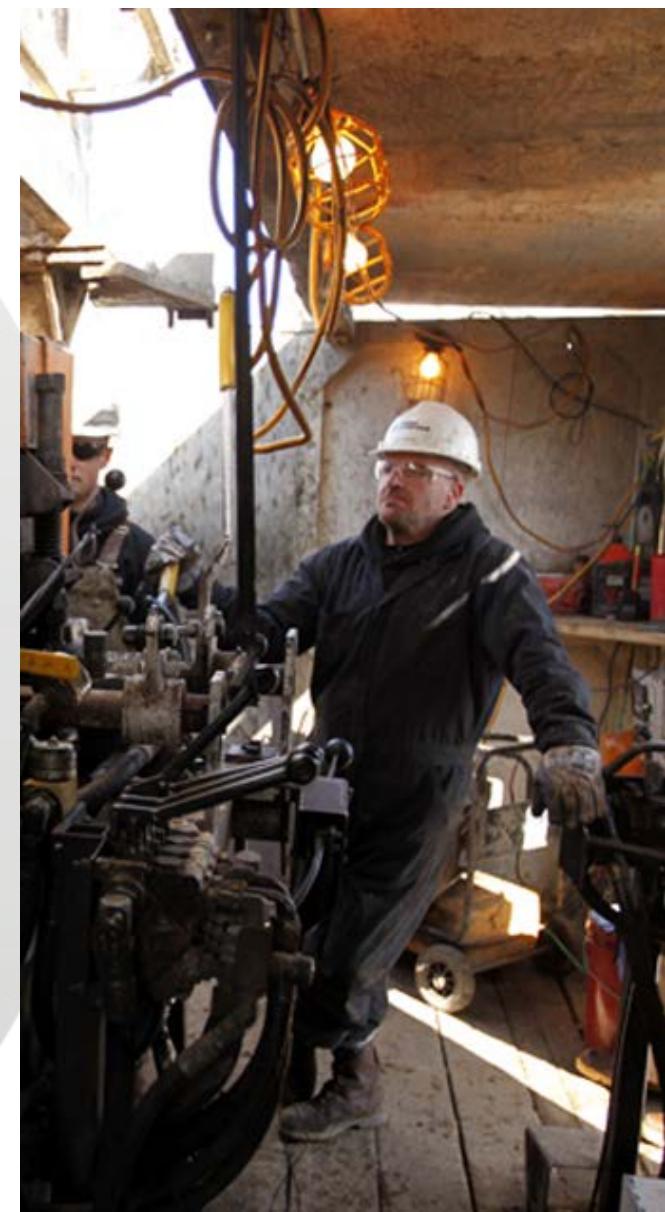
Stone Horn Ridge

- Alaska energy company developing underground coal gasification (UCG) project
- Joint venture of CIRI and Laurus Energy, a Houston-based UCG technology company
- UCG technology provided by license from Ergo Exergy



UCG: Proven, Clean Technology

- UCG is a proven technology that converts coal “in situ” to produce syngas
- Process occurs below impermeable rock layers isolated from freshwater aquifers
- Eliminates many environmental and safety risks
- More than 50 test and commercial projects completed worldwide
- An emerging energy technology



Southcentral Alaska Energy

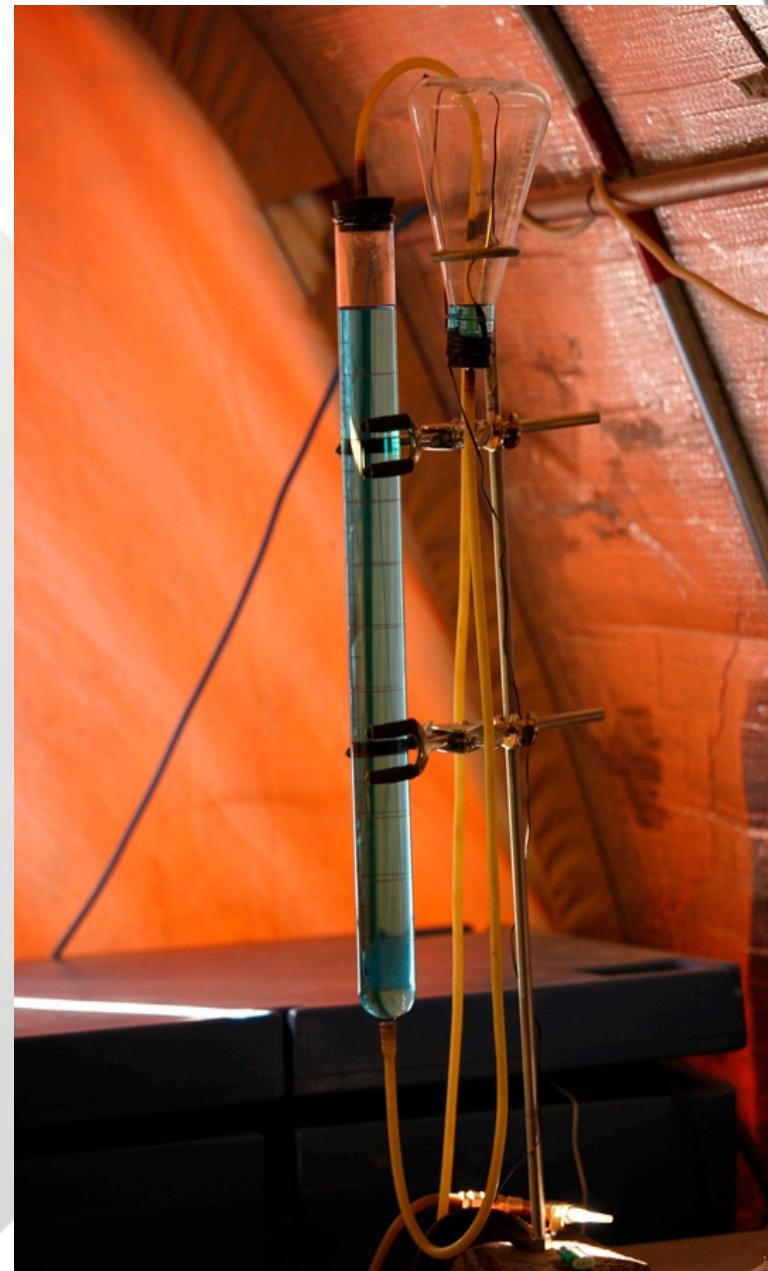
- Produce energy for local use and export
- CIRI core drilling confirmed significant commercial coal reserves
- Favorable geology for UCG development
- Global-scale coal resource
- Tidewater location
- Local energy market need





Synthesis Gas

- Electrical generation
- Upgrade via methanation into methane (CH_4 -- a/k/a synthetic natural gas)
- Feedstock to produce
 - clean liquid fuels
 - fertilizer
 - other petrochemical products



Stone Horn Ridge site



Project History

- 13-hole core drilling and wire line data program
- Completed concept-level engineering and costing of large scale surface facility
- Completed initial geological, rock mechanics and hydrogeological site model
- Validated large commercial UCG resource and appropriate geology for development
- Completed shallow, high-resolution, 2-D seismic program with project

Project Update and Next Steps

- Incorporate seismic data to complete model of site geology
- Initiate permitting process for site characterization
- Start baseline environmental data collection
- Design site characterization drilling program
- Pursue commercial operations and syngas production





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