

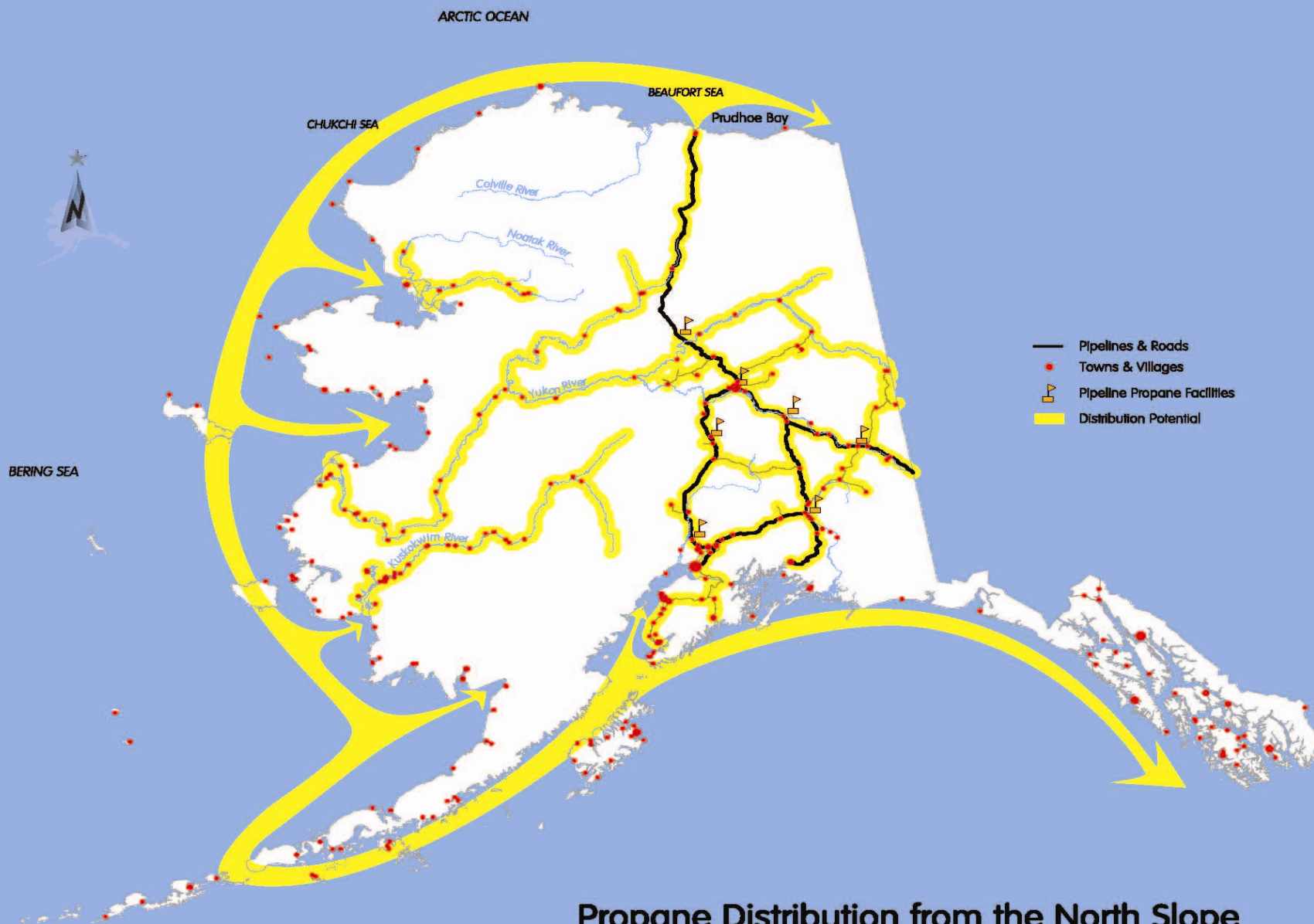


PROPANE

“The Private Venture”
for North Slope Propane

Propane – Alaska's Alternative Energy Solution

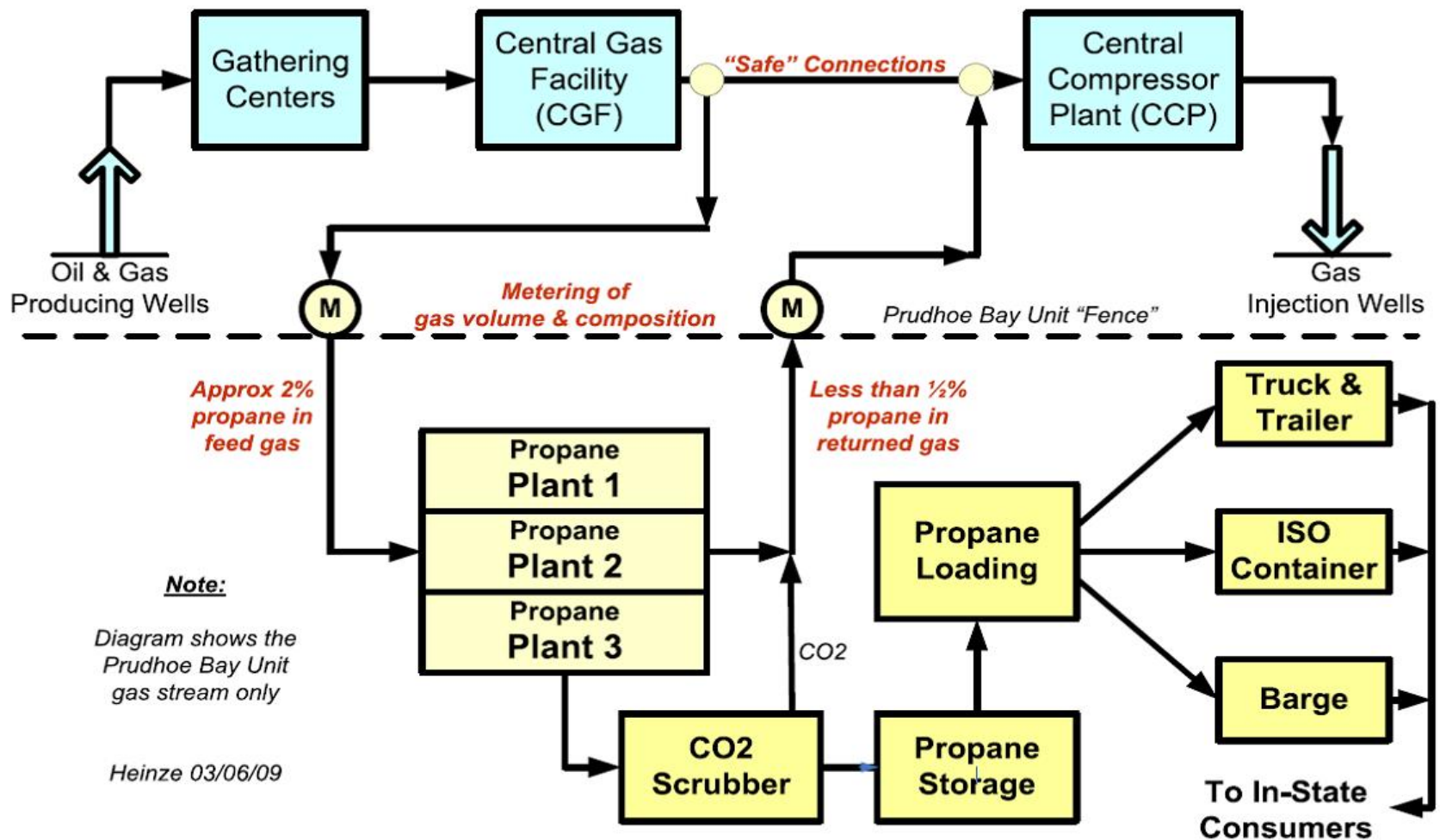
- Short term and shovel ready – can be up and running with deliveries under 2 years
- Propane as a “bridge fuel” until the gas pipeline is operational
- Propane as the ‘long-term’ opportunity for rural Alaska
- Propane as a value added export industry in the long-term



Propane Distribution from the North Slope

Facility Relationship in ANGDA Concept

Proposed Propane Installation at Prudhoe Bay



What are the critical “Next Steps”

- Propane Opportunities Conference
 - Set the stage for the “Investment opportunity” for interested parties in the VENTURE PARTNERSHIP
- Determine list of key partners that are interested in moving forward with the “outside the fence” relationship
 - NANA
 - Mining Opportunities
 - CH2MHill
 - Container manufacturing companies
 - Native Corporations
 - Propane Distribution companies, i.e. Amerigas, Suburban
 - Potential Industrial base load – Mining, GVEA
 - Trucking and Barge Companies
 - Others
- Review and develop Financing opportunities with several entities:
 - Macquarie Group
 - First Southwest
 - JP Morgan
 - CITI Group

Status with Producer Company

- Technical Review from NANA Worley Parsons needs to be completed
- Economic sustainability needs to be confirmed with base load industrial user as well as villages and communities along Yukon – Phase I
- Finalize term and volume agreement

Venture Opportunity

- Access the level of interest in moving forward to a more formal “partnership relationship”
- ANGDA would serve as the ***facilitator*** for the venture --- but the ultimate responsibility is with the private sector
- Needs to make sense from the private sector viewpoint
- Next meeting – 30 day review of conference and next steps
- Level of ***commitment*** for Venture – Private Capital
- Additional discussion at end of today’s conference