



ALASKA MINERS ASSOCIATION, INC.

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April 4, 2014

Representative Kurt Olson, Chair
House Labor & Commerce Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801

Re: Support of SB99, an Act relating to the Alaska Industrial Development and Export Authority

Dear Representative Olson:

The Alaska Miners Association (AMA) writes to express support for SB99, an Act relating to the Alaska Industrial Development and Export Authority (AIDEA).

AMA is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. We are composed of more than 1,800 individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. Our members look for and produce gold, silver, platinum, molybdenum, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials.

Economic prosperity and the responsible development of Alaska's resources are a priority for AMA, and we are grateful for the role of AIDEA, whose mission is to provide various means of financing to promote economic growth and diversity. AIDEA financing has played a key role in many successful projects in Alaska: the Delong Mountain Transportation System (DMTS) connecting the Red Dog mine to tidewater, the Skagway ore terminal, the Ketchikan Shipyard, and others. These projects, resulting in thousands of jobs for their surrounding communities and significant economic benefits to local and state governments, Alaska Native Corporations, and businesses, were made possible by AIDEA financing.

AMA believes that AIDEA holds a successful record of financing projects because of the structure in place at the Authority. Projects of any kind are evaluated for their viability, and all projects must meet AIDEA's financial criteria. This kind of due diligence ensures that only projects ready for development and poised for success will receive financing from the State's investment bank. Legislative approval is required for AIDEA to finance infrastructure at the Bokan-Dotson Ridge and Niblack projects, however, SB99 does not automatically provide the financing. Both projects will still be required to meet AIDEA's financing standards.

The Bokan-Dotson Ridge Rare Earth Project and the Niblack Project both stand to exponentially boost and diversify the economy of Southeast Alaska. Nearly 400 jobs averaging a \$100,000 annual wage will come with the two operations, and the benefits to Southeast Alaskan vendors, small businesses, and local governments will be significant. Southeast Alaska, once boasting a thriving timber economy, greatly needs and deserves diversification of its economy and the economic benefits that will come from mining. Financial assistance with the infrastructure needed to operate these projects is a logical way to encourage the economic growth that Southeast Alaska needs, and we urge you to pass SB99.

Thank you,

Deantha Crockett
Executive Director