



Alaska Industrial Development and Export Authority: Overview & Project Updates

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What is AIDEA?

AIDEA's Mission

To promote, develop, and advance economic growth and diversification in Alaska by providing various means of financing and investment.

Investing in Alaskans

- Revenue generated by AIDEA investments is allocated towards:
 1. reinvestment in AIDEA programs and projects; and
 2. annual dividends payable to the General Fund.
- AIDEA works with Alaska's communities and businesses to advance the State's economic development priorities.
- Projects must meet two important criteria:
 1. be a sustainable financial investment; and
 2. create tangible benefits for Alaska and its communities.

AIDEA OVERVIEW

- ✓ Investing in Alaskans since 1967
- ✓ Alaska's Development Finance Authority
- ✓ **Financially Self-Sustaining** Public Corporation (no GF per AS 44.88.190(b))
- ✓ \$446 million in Dividends declared to Alaska since 1997
- ✓ Directed over \$3.5 billion into economic development in Alaska

What does AIDEA do?

- Partner in projects with private sector developers (P3).
- Objective vetting agent in the development of Alaska's businesses and infrastructure.
- Finances projects that have an economic impact and provide jobs for Alaskans.



Debt

- Loan Participations
- Energy Loans
- Project Finance Loans
- Tax-Exempt Bonds
- Taxable Bonds



Equity

- 100% Ownership
- Partner in LLC or Subsidiary Corporation
- Secured and Collateralized
- Preferred Equity Investments



Enhancements

- Loan Guarantees
- Bond Guarantees

AIDEA's Guiding Principles

- AIDEA's primary goal is to encourage economic growth and diversification within the State.
- AIDEA brings process and pragmatism to development finance opportunities.
- AIDEA administers grants, but does not provide grants.

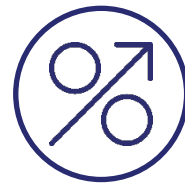


Brooks Camp – Deadhorse, AK | AIDEA-financed

AIDEA's Finance Toolbox



Loan Participation: The Loan Participation program provides long-term fixed rate financing to Alaska's commercial businesses.



Project Finance: AIDEA can finance projects (whole or partial) through its ability to develop & own assets within the State.



Conduit Revenue Bonds: AIDEA is one of the State's principal issuers of taxable & tax exempt Conduit Revenue Bonds.



Infrastructure Development: Focused on responsible development of long-term infrastructure needs for the growth of the Alaskan economy.



Energy & Resource Development – The Alaska Sustainable Energy Transmission Supply Fund (SETS) & Arctic Infrastructure Development Fund (AIDF) created new programs and powers within AIDEA to address the State's energy, Arctic infrastructure, and resource needs.

AIDEA Loan Participation Program (LPP)

- Participation may total up to 90% of a loan originated by an eligible commercial lender - not to exceed \$25 million
- Terms up to:
 - 15 years for personal property
 - 25 years for real property
- 75% loan-to-value;
- Fixed or variable interest rates
- \$1,000 application fee is credited towards 1% commitment fee



Huna-Totem Corp. – Hoonah, AK | AIDEA-financed

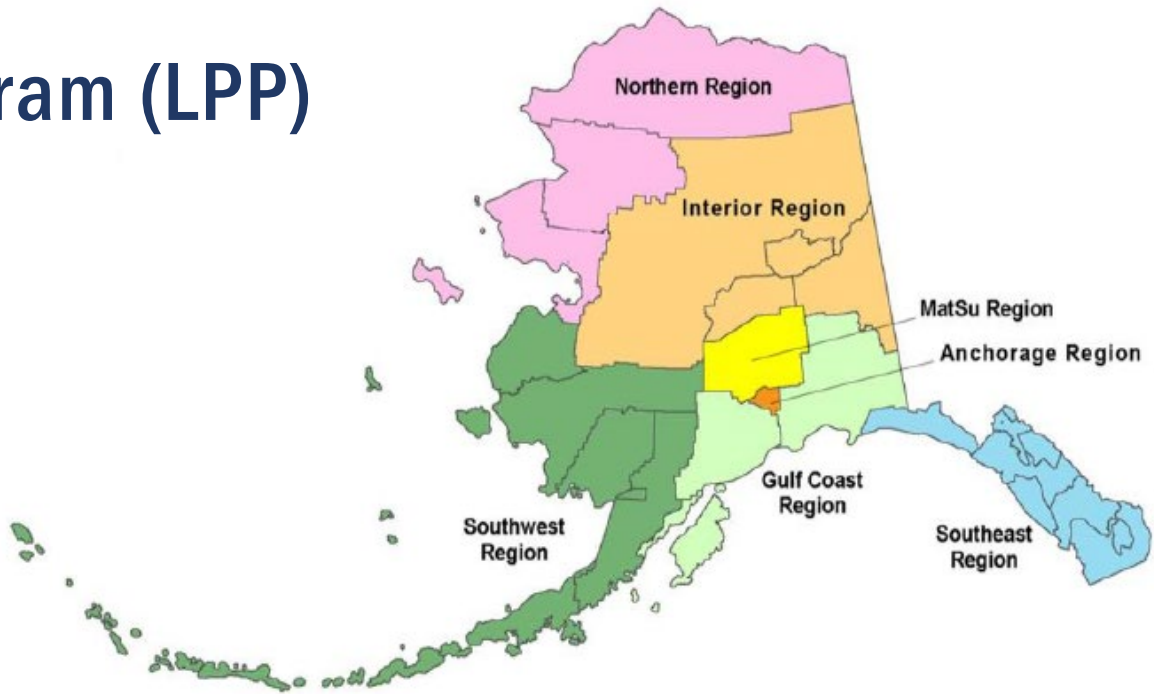


Extreme Fun Center – Wasilla, AK | AIDEA-financed

AIDEA Loan Participation Program (LPP)

Current LPP Statistics:

- \$390 million of loans outstanding, in excess of 250 active loans
- Total LPP loans outstanding has increased nearly 34% over the last 5 years.
- Current borrowers are represent by 28 different industries
- Current loans outstanding represent over 6.75 million ft² of total commercial collateral throughout Alaska.
- **0% delinquency rate**



REGION	CURRENT MONTH % OF TOTAL	
ANCHORAGE	40.82%	<div></div>
MATSU	21.87%	<div></div>
SOUTHEAST	17.96%	<div></div>
GULFCOAST	10.04%	<div></div>
INTERIOR	5.27%	<div></div>
NORTHERN	3.20%	<div></div>
SOUTHWEST	0.85%	<div></div>

As of February 28, 2023

AIDEA Conduit Revenue Bond Program

- Neither the assets nor credit of AIDEA or the State of Alaska are at risk
- Project is underwritten based on the strength of its economic and financial feasibility
- Bonds are repaid from the project's revenues
- Equipment, real estate, construction and rehabilitation



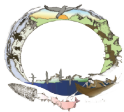
Yukon-Kuskokwim Health Corp. – Bethel, AK | AIDEA-financed



Bradley Lake Hydro – Kenai Peninsula, AK | AIDEA-financed

AIDEA Conduit Revenue Bond Program:

TCC Chief Andrew Isaac Health Center



Tanana
Chiefs
Conference

Health Care

Expanding access for Alaska Natives
across Interior Alaska

- Financing to Tanana Chiefs Conference (TCC) in 2019 to expand access to healthcare.
 - Expand the Chief Andrew Isaac Health Center in Fairbanks.
 - Build new facilities in Tok, Evansville, Manley Hot Springs, and Northway.
- Provide care closer to home, self-perform services that were previously contracted out, and meet the healthcare needs of growing and aging populations.
- \$126,685,000 principal amount series 2019A revenue bonds.

AIDEA Project Finance

- Facilitate investment in Alaska's industrial sectors
- Long-term, patient capital
- Direct investment as owner/partner/lender
- Partner in projects with private sector developers (P3).



Hex Cook Inlet LLC – Cook Inlet, AK | AIDEA-financed



Blood Bank of Alaska – Anchorage, AK | AIDEA-financed

AIDEA Project Finance:

FedEx Aircraft Hangar

- The FedEx Maintenance, Repair Facility is a hangar capable of accommodating one wide-body aircraft, such as a Boeing 747.
- AIDEA-owned asset
- Initial investment – \$32.5 million
- AIDEA Board Resolution G23-05 recently approved up to \$16 million of hangar improvements.
- Preliminary discussions underway regarding lease extension.



Ted Stevens Anchorage Int'l Airport – Economic Highlights

3.6 million TONS OF CARGO	LOCATION IS ONLY 9.5 hrs FROM 90% OF THE INDUSTRIALIZED WORLD	3rd BUSIEST CARGO HUB IN THE WORLD
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AIDEA Infrastructure Development

- AIDEA works with partners to finance industrial and infrastructure projects throughout the State.
- Variety of financing tools available including:
 - Loans
 - Guarantees
 - Preferred equity
 - Bonds
 - Ownership
- Industrial roads, ports, harbors, logistics & industrial facilities.



Alaska Ship & Dry Dock – Ketchikan, AK | AIDEA-financed



Camp Denali Readiness Center – JBER, AK | AIDEA-financed

AIDEA Infrastructure Development: Delong Mountain Transportation System (Red Dog Mine)

- AIDEA-owned asset
- In 1986, AIDEA funds mine, road, and port with \$160 million
- AIDEA saves mine in 1990's with funding \$85 million for expansion
- Mine could continue to be successful with deposits on state land
- Project provides significant economic benefits
- Project continues to yield significant dividends for NANA (royalty of \$255 million in 2021 and shares ~60% of the royalty with other Regional Corporations)
- Future opportunities also exist (Aktigiruk prospect could be one of the largest undeveloped zinc deposits in the world)



Tax Revenue
(through '18)
\$1.3 Billion

NWAB PILT
(through '21)
\$269 Million

7(i) Payments
(through '21)
\$1.6 Billion

FY20 Employment
1,500 Jobs

FY20 Wages
\$120 million

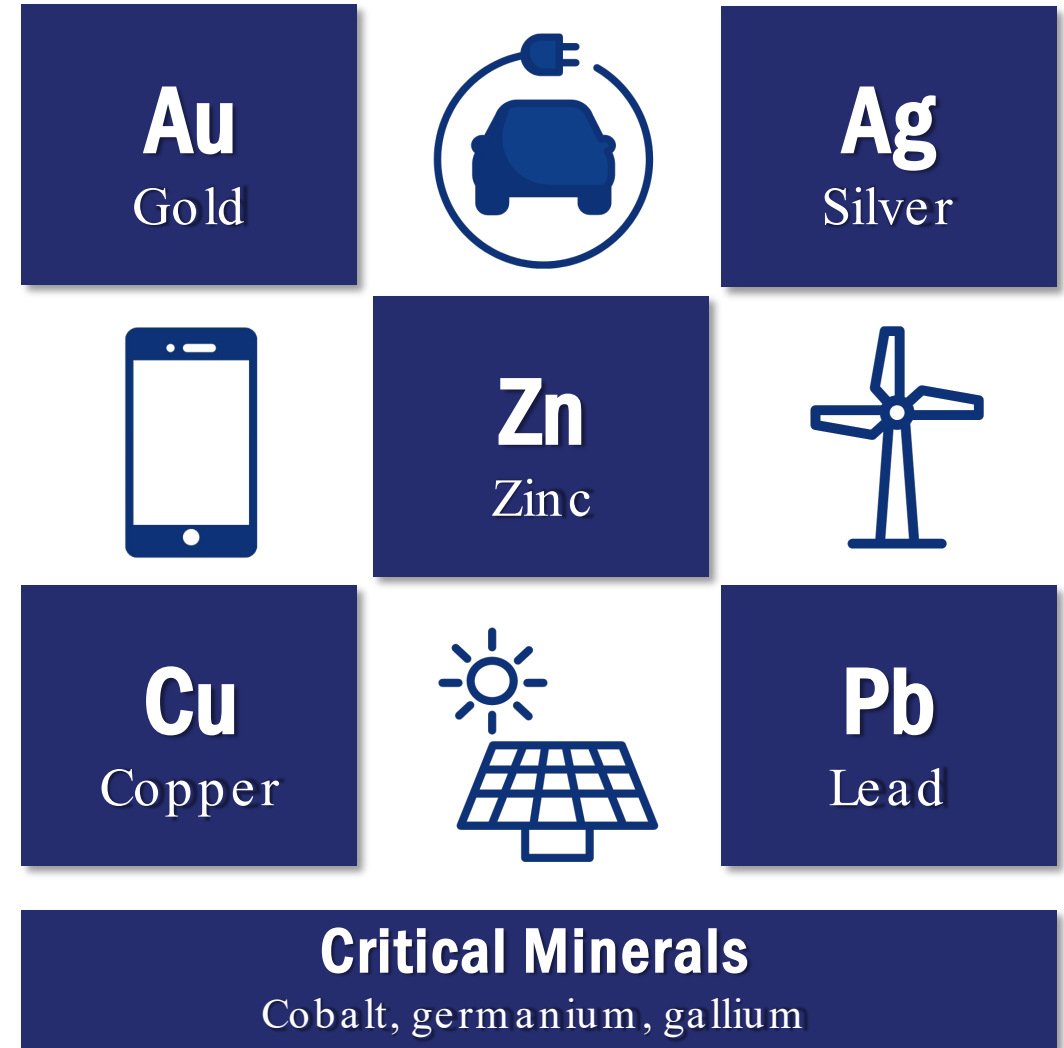
An aerial photograph showing a large industrial processing plant with several large white storage silos and colorful buildings (red, blue, and white) situated on a plateau. In the foreground, a vast herd of caribou is grazing on a green, sloping hillside. The background features rugged, mountainous terrain under a clear sky.

AIDEA Resource Development Projects

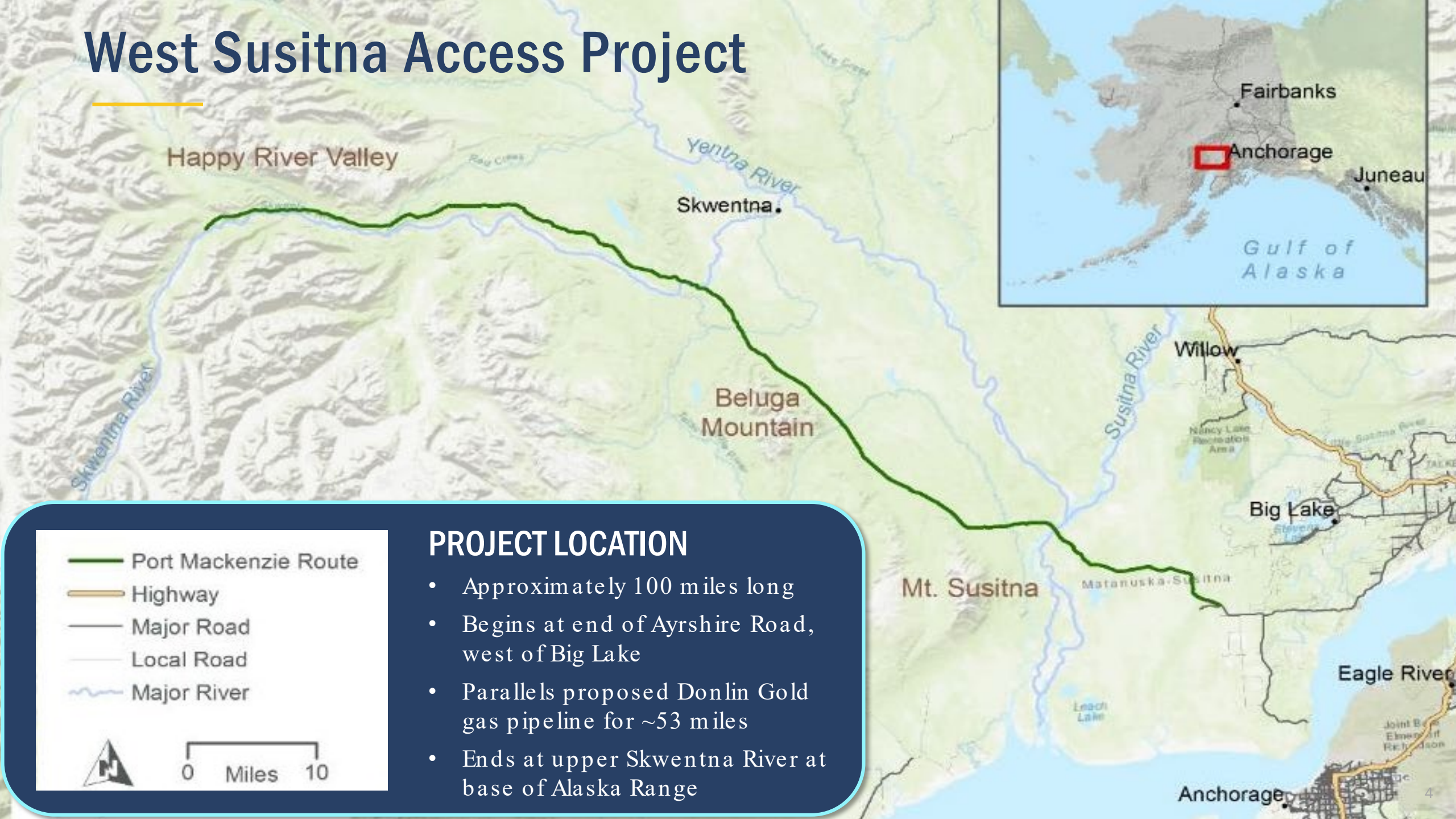
Red Dog Mine – Photo Courtesy of Teck

Importance of Mining in the Transitional Economy

- Mining plays a critical role in supporting clean energy and technology for the emerging and future economies.
- The Ambler Mining District is a large prospective copper-zinc mineral belt with deposits of cobalt, germanium, gallium, arsenic, palladium, lead, gold, silver, and platinum.
- Aligns with federal policy to identify new sources of critical minerals, increase activity at all levels for a reliable, domestic supply chain.



West Susitna Access Project



PROJECT LOCATION

- Approximately 100 miles long
- Begins at end of Ayrshire Road, west of Big Lake
- Parallels proposed Donlin Gold gas pipeline for ~53 miles
- Ends at upper Skwentna River at base of Alaska Range

West-Su Access Project Benefits

- Provide safe and efficient road access from the existing highway system in proximity to existing port facilities and population centers in Southcentral Alaska to resources in the Fish Creek NRMU and western Yentna and Skwentna River Basins that increase job growth and economic development opportunities.



Mineral Resources

Copper, gold, silver, coal, and platinum potential; more than 3,000 active mining claims within the basin



Oil & Gas

Active oil and gas exploration in the northern Cook Inlet; nine oil and gas producing units and fields in the study area



Alternative Energy

Opportunities including geothermal and hydroelectric projects, and woody biomass resources



Recreational Resources

Opportunities for snowmachining, fishing, hunting, boating, recreational mining, and use of cabins



Forestry

700,000+ acres available for harvest; enhances emergency response & fire prevention



Agricultural Resources

More than 65,000 acres of agricultural land identified for potential agricultural uses

Ambler Access Project



Through September 1, 2021:



3,256 mining claims purchased for mining



3,931 jobs in mining operations & \$300 million in wages for mining operations

- Ambler Access Road is a proposed 211-mile private controlled industrial access road to the Ambler Mining District in northwestern Alaska.
- Access to Ambler Mining District defined within the Alaska National Interest Lands Conservation Act (ANILCA) Section 201(4)(b).
- www.ambleraccess.org

ANWR 1002 Leases

“Kaktovik is the only community in the 1002 Coastal Plain . . . We are not an exhibit in a museum. Nor is the land that we have survived and thrived on for centuries to be locked away for the peace of mind of those from faraway places. This school of thought amounts to nothing more than green colonialism land-grabbing in the name of the environment.”

- from the testimony by Fenton Rexford of Kaktovik before the House Resource Committee, March 6, 2019, 1:57 p.m.



- AIDEA has 10-year lease agreements with the BLM for seven tracts in the Coastal Plain of ANWR totaling 365,775 acres, effective January 1, 2021.
- Section 1002 of ANILCA excludes the area from ANWR’s wilderness designation.
- ANWR has a USGS 2005 mean estimate of 7.7 billion barrels of oil of technically recoverable oil located on federal lands.
- Return to state treasury from development potentially \$10’s of billions.

THANK YOU

