

STORYKNIFE

THE VOICE OF THE REGION

Yaarnin



Tundra Drums reader Karen Porter catching up on the news.

Behind the scenes at the Tundra Drums.

Story and photos on Pages 4 and 5.

MC AULIFFE HOUSING EXCELLENCE AWARD RECOGNIZES TUNISTA, INC. SERVICE

Elmendorf Air Force Base (EAFB) is the 2009 recipient of the McAuliffe Housing Excellence award. This annual award honors Brigadier General Michael A. McAuliffe, former Tactical Air Command and Air Combat Command Civil Engineer from 1990 to 1994, and recognizes the Housing Flight that achieves the highest degree of excellence in customer service and housing management during the previous fiscal year.

This award acknowledges that EAFB is the number one privatized housing section in the U.S. Air Force in 2009. EAFB has over 2,000 homes for servicemen and women and 60 percent of the units are new. Key to Elmendorf's success were reports of the housing office's superior customer service from more than 6,500 servicemen and women and reduced wait times by 40 percent.

Furnishings Management Operations (FMO) is operated by Tunista, Inc., a subsidiary

(Continued on page 6)

Elmendorf Air Force Base extends its gratitude to Tunista's Furnishings Management Operations for the part it played in earning this award.



CALISTA CORPORATION
www.calistacorp.com

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CHIEF FINANCIAL OFFICER'S MESSAGE

Dixie Retherford, Executive Vice President

The month of March is a very busy time for Calista Corporation's Financial Department. The support staff, accountants, controller and I are working diligently to tie up this year's financial issues in preparation for the corporation's 2009 Annual Report to Shareholders. The Financial Department is always looking back, looking at the present and looking forward when examining the corporation's fiscal health.

Controllership is the looking at the past part of the financial history. We are responsible for presenting accurate and timely historical financial information on the corporation. Many stakeholders including Shareholders, analysts, creditors, employees and other members of management rely on the timeliness and accuracy of this historic information.

Treasury and finance duties are the looking at the present aspect of finance. Investing the corporation's funds, managing risk, maintaining liquidity and

determining the best mix of debt, equity and internal financing for Calista's optimal capital structure are all important considerations in the present.

Not only does finance consider the company's past and present financial situation, we are also an integral part of a company's fiscal future. This is where economic strategy, forecasting and modeling come into play. The financial numbers we provide can help Calista's Senior Management and the Board of Directors identify what areas of the corporation are most efficient, profitable and give multiple scenarios of what might be the best way to ensure the company's future success.

There is a lot at stake here, so we use internal audits to review and report how the corporation can improve its operations. Calista also has the financial data in its annual report reviewed by external auditors who independently review our accounting methods and practices. Shareholders should look for the 2009 Calista Annual Report to be mailed by the end of April 2010.



SHAREHOLDER RELATIONS COMMITTEE MESSAGE

George Guy, Board Member and Chair of Shareholder Relations Committee

The Shareholder Relations Committee is responsible for recommending policies and procedures for communicating corporate related information to Shareholders and is tasked with maximizing Shareholder and Descendant opportunities.

The Committee is well-known for its Shareholder informational meetings throughout the Calista Region. In 2009 the Committee traveled to 15 villages for informational meetings on many topics including the following: current company operations, the Akilista Fund, the Donlin Creek project, and the Calista Scholarship Fund. These well-attended meetings feature presentations from Shareholder Relations Committee members, door prize drawings and open question and answer time from Shareholders. Committee members are able to address immediate needs such as requests for wills, correcting records and employment procedures like the Calista Talent Bank. Many questions during the visits have been about the status of operations and the financial outlook of the Donlin Creek exploration project.

It is important for us to speak face-to-face with our Shareholders about the significance of the Donlin Creek project to our future and its potential to provide future income, jobs and capital to the Region

and all ANCSA regional and village corporations across the state. It is also essential to us as Directors to ensure our Shareholders fully understand the many Shareholder benefits the corporation provides and the opportunities for employments with the corporation's subsidiaries and divisions.

The Shareholder Relations Committee consists of myself, George Guy of Kwethluk, and includes Michael Akerelrea of Scammon Bay, Bobby Hoffman of Bethel, John P. Angaiak of Tununak, and Art Heckman Sr. of Pilot Station. On behalf of the Shareholder Relations Committee, I want to thank the villages, tribal councils and Shareholders for their hospitality. Without their generosity these visits would not have been possible.

We are developing a schedule of the villages we will be traveling to during the coming weeks and months. We encourage Shareholders to attend these informational meetings when we come to your village.



CALISTA CORPORATION INTERNSHIP PROGRAM

**YOU DON'T KNOW WHAT YOU CAN
DO UNTIL YOU TRY**

The Calista Internship program provides paid work experience at Calista Corporation or one of its subsidiaries. Applicants have typically come from the Calista Scholarship program or the First Alaskans Institute, but all Shareholders and Descendents currently enrolled in college or a vocational degree program, attending classes on a full-time basis with a 2.0 GPA, and in good academic standing can apply for the 10-week program.

Calista started this program in 2004 as a way to develop the next generation of our corporation's leaders. Applicants not only learn more about their Regional corporation but also explore new career options. "My experience at Calista really added meaning to going to school," said a past intern. Participants have even changed what they were studying in school based on trying out careers while in the program.

Interns are paid a competitive wage, issued a living expense stipend based on their performance and attendance, receive work feedback and may receive a letter of recommendation based on their accomplishments.

Early applications are due by March 31, 2010, but applications will be accepted on a space available basis until the final selection is made on April 30, 2010. Interns must be able to work a minimum of 20 hours per week under supervision and work hours cannot exceed 40 hours per week during the June 8 - Aug. 14, 2010 program.

For more information or to apply visit
calistacorp.com/jobs/intern_program.html



LAND DEPARTMENT

FORTY-FOURTH ANNUAL ALASKA SURVEYING AND MAPPING CONFERENCE

Twelve percent of all land in Alaska is owned by Alaska Native organizations. The boundaries, resources and information about that land can be measured, plotted and graphically represented – that is the field of Geographic Information Systems (GIS). Michelle Pearson, GIS Geologist for the Calista Corporation Land Department, had the distinctive honor of presenting the Alaska Native Corporation (ANC) view on behalf of all ANC's at the Annual Alaska Surveying and Mapping Conference in a presentation, billed as "The State of GIS in Alaska." Other geospatial presenters offered GIS insight and perspectives from the federal government, municipalities, state government and the commercial sector.

Conferences like this enable the Calista Corporation Land Department to stay current with mapping technology. GIS science has the goal of revealing patterns and associations not previously apparent. Utilizing this technology will allow Calista to better manage our lands for current and future generations.

SOLSTICE ADVERTISING

PRSA ALASKA CHAPTER HONORS STATEWIDE COMMUNICATORS

The Alaska Chapter of the Public Relations Society of America (PRSA) distributed 42 awards to its members at the 26th annual Aurora Awards and Awards of Excellence banquet on Jan. 25, 2010, and Solstice Advertising, a subsidiary of Calista Corporation, won big. The Aurora Awards recognize comprehensive public relations campaigns that successfully communicate value using a variety of tools, programs and components. This year Solstice Advertising was awarded more first place Aurora Awards than any other advertising agency in Alaska.

"The PRSA Aurora Award entries represent some of the best work in the state relative to communication strategies, covering many

*This year Solstice Advertising was awarded
more first place Aurora Awards than any other
advertising agency in Alaska.*

platforms and tactics that each year set a new standard for local professionals," said Alaska Chapter President Nance Larsen, APR, Fellow PRSA.

In total, Solstice received six awards for comprehensive campaigns or design, creation and production of individuals tools in the areas of Community Relations for the American Cancer Society,

Integrated Communications for the State of Alaska Department of Natural Resources – Alaska Grown program, Annual Report design for Sitnasuak Native Corporation, and Marketing Business to Business, Integrated Communications and Special Printed Promotional Materials for the Calista Corporation. During the awards ceremony, event emcee John Tracy remarked, "it appears Solstice has pretty much swept the Integrated Communications category."

Southcentral Foundation should also be commended for winning the "Best in Show" Aurora Award for their 12th Annual Gathering event.

For more information about Solstice Advertising visit
solsticeadvertising.com.



SOLSTICE
advertising

HOW AN ISSUE OF

Tundra Drums

IS PRODUCED

As the Tundra Drums enters its fifth decade of reporting events in Bethel and the Yukon Kuskokwim Delta, our connections with the community have never been more important. The Drums began publishing as a weekly newspaper in 1974. In 1983, it became part of Alaska Newspapers Inc., a news group created by Edgar Blatchford, a former state commissioner. In 1990, the newspaper group became an affiliate of Calista Corporation through its subsidiary Ilikista.

The weekly paper aims to continue to be a place where the Region's residents can tell their stories for many years to come, both in print and online at thetundradrums.com

The Tundra Drums looks forward to hearing from its readers; contact the Drums at (800) 770-9830 or tundradrums@alaskanewspapers.com.



Alaska Newspapers Inc.

The Tundra DRUMS

Alaska Newspapers Inc. also publishes The Arctic Sounder, The Bristol Bay Times, The Cordova Times, The Dutch Harbor Fisherman, The Seward Phoenix LOG and First Alaskans Magazine.



REPORTING

Statewide Editor Alex DeMarban tracks down leads, conducts interviews, fact checks, gathers images and writes the news story.





PHOTOGRAPHY

Photojournalist Roy Corral captures photographs to help tell the news story.



LAYOUT

Creative Design Manager Tim Blum and Dave Geiger (not pictured) put the story and photos together and design accompanying graphics.



EDITOR REVIEW

Managing Editor Tony Hall reviews each story individually and the paper as a whole for content, tone and newsworthiness.



PLATE PRODUCTION

Each page of the newspaper is made into four plates, for each of the inks that create the four-color end result.



OFFSET PRINTING

The inked image is transferred from the plate to a rubber blanket, then to the printing surface. Paper is streamed through rollers and against the printing plate. The plate attracts the oil-based ink to form the printed newspaper.



CUTTING AND FOLDING

The large pieces of paper called "broadsheets" are cut and folded, creating the paper as we know it.



DISTRIBUTION AND IN THE HANDS OF TUNDRA DRUMS READERS

Bundles of newspapers are sent all over the state to subscribers and newsstand purchasers.

AMENDMENT TO EXPLORATION AND MINING LEASE FOR CALISTA'S DONLIN CREEK PROPERTY

On March 4, 2010, it was announced that Calista Corporation and Donlin Creek LLC (DCLLC), jointly owned by NovaGold Resources Alaska, Inc. and Barrick Gold U.S. Inc., have come to an agreement on an amendment to the 1995 lease for subsurface and surface rights in connection with the Donlin Creek property.

FOUR SPECIFIC TERMS IN THE AMENDMENT ARE OF NOTE:

CALISTA CORPORATION IS NOW LEASING AN ADDITIONAL 12,000 ACRES TO DCLLC.

Because the project was in the early stage of exploration at the time of the original agreement, the mine's layout and conceptual design were not complete. The additional acreage will allow for roads, the mill and other related infrastructure needed for the mine to be developed and operate.

THE LEASE TERMS ARE EXTENDED UNTIL APRIL 30, 2031.

This extension provides additional time to conduct exploration, permitting and development activities as well as production. As long as mining operations are carried out in good faith the lease will continue to be extended. If operations are not carried out, then DCLLC may extend the lease past April 30, 2031, by paying Calista an advance minimum royalty of \$3,000,000 (subject to adjustment for increases in the Consumer Price Index) for each such year.

CALISTA CORPORATION HAS NEGOTIATED ADDITIONAL ROYALTY PAYMENTS.

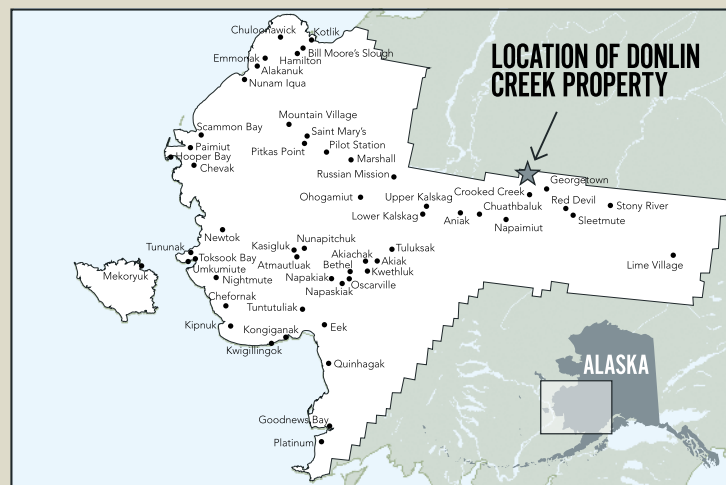
The original lease includes a net smelter royalty (NSR) which provides payments when the mine is operational. This net smelter royalty provision remains unchanged in the current lease and

Calista has been receiving advance minimum royalty payments since 1995. The original lease also provided for an option for Calista to "buy into" a portion of the project. Calista has chosen to exchange this option to receive an additional eight-percent net proceeds royalty (NPR) once capital, operational and certain carrying costs are recovered.

CALISTA WILL RECEIVE INCREASED ADVANCE MINIMUM ROYALTY PAYMENTS FROM DONLIN.

Advance minimum royalty payments to Calista prior to production have increased and will continue to escalate until production begins. The lease amendment also provides an increase in minimum payments during production.

"The Calista Corporation Board of Directors approved these amendments to the 1995 lease agreement because they maximize our Shareholders' reward, minimize the corporation's risk and provide for responsible development of our natural resources," said Calista Board of Directors Chairman Art Heckman. The Donlin Creek project is significant to the Alaska's future and has the potential to provide income, jobs and capital to the Region and all Alaska Native Claims Settlement Act (ANCSA) regional and village corporations across the state. All royalty revenue is subject to ANCSA 7(i) revenue sharing.



MC AULIFFE HOUSING EXCELLENCE AWARD *(Continued from page 1)*

Corporation, headed by project manager Craig von Holdt, a retired Chief Master Sergeant. Since the project's start in March of 2009, Tunista has made over 1,200 deliveries of furnishings and appliances on base and in the surrounding community. Tunista employees have made deliveries as far north as Peters Creek and as far south as Rabbit Creek, and are proud to report quick response times.

Tunista has handled over 13,300 assets and is currently responsible for the tracking of over 10,800 assets valued at over \$3.3 million dollars using their sophisticated bar tracking system. Every piece is scanned prior to being moved to and from the housing warehouse; this ensures that Tunista can pinpoint the location of each individual asset at any time, whether it is sitting on a shelf in the warehouse or being utilized at an Air Force member's residence. The system also allows Tunista to provide the government with an exceptionally accurate inventory immediately.

The Tunista FMO office at Elmendorf is pleased to report a customer satisfaction rating of 99.62 percent from over 950 customers they have served during the last year and is delighted the service transition started up seamlessly. Tunista has received thanks from base officials for work performance and been asked to attend the base awards ceremony. The official awards ceremony will be held June 2, 2010 at the Pentagon and an Elmendorf representative will be on hand to accept on behalf of the entire base. "We are pleased with our performance this last year exceeding contract expectations with the U.S. Airforce," says Vice President of Tunista, Inc. Carl Fouch.

Tunista, Inc. congratulates Elmendorf Air Force base on their recent win and is dedicated to continuing to provide excellent FMO customer service.





VILLAGE PROFILE: NAPAIMUTE

A VILLAGE RESTORED

Napaimute is located on the north bank of the Kuskokwim River, easily accessible by riverboat. It is 28 miles east of Aniak in the Kilbuck-Kuskokwim Mountains and over 200 air miles from Anchorage. The word Napaimute means “forest people” in Yup’ik, at one time in the 1900s the area was referred to as “Hoffman’s” for Englishman George W. Hoffman’s trading post. As the community of Native and non-Native people grew near the trading post, Hoffman built a territorial school in 1920 and a second school was established in 1926. By the early 1950s most residents had moved away to nearby villages like Aniak.

For many years Napaimute was only used seasonally as a summer fishcamp, but a few individuals identified strongly with the land – their ancestral home – and fought for and received federal recognition as an Alaskan Native Tribe. During the last 25 years, these individuals have worked hard at revitalizing the old village. The vision statement of these people, the Native Village of Napaimute, is “To restore Napaimute to a vital, sustainable community that provides a home for our people and preserves our cultural heritage.” On April 12, 2006, the Kuskokwim Corporation full Board of Directors approved a land transfer of 650 acres directly to the Native Village of Napaimute and a minimum ANCSA 14(c)(3) re-conveyance of slightly less than 100 acres to the State Municipal Land Trustee.

The Napaimute Traditional Council in support of the community plan has built an airfield, a multi-purpose community building, a tribal office, rental cabins and established a business enterprise that includes retail gas sales, convenience store, lodging, equipment rental and a sawmill producing lumber and cabin packages.

Progress has been especially active this winter with the Kuskokwim River in use as an ice road. Community members are excited that this year’s Kuskokwim 300 Sled Dog Race changed its competition route to include traveling through the village.

Construction was recently completed on the Our Lady of the Trees Chapel, and fifteen families are busy developing home sites in the community. With all this work Napaimute is well positioned and well prepared to fully restore their village and enjoy their traditional home.

For more information about the village and people of Napaimute visit napaimute.org.

EMPLOYEE SPOTLIGHT:

**CHRISTINE KLEIN,
CHIEF OPERATING
OFFICER**



Christine Klein joined Calista Corporation in March as its Chief Operating Officer. She will be responsible for supporting the Calista family of companies, providing leadership, management and technical expertise to ensure business operations are run efficiently and effectively, increasing value for our customers.

Christine is an accredited airport executive and a past recipient of the distinguished Jay Hollingsworth Speas National Airport Award for environmental, planning, design and construction development. She was the first Alaskan to receive that award. As a consultant, she has worked throughout the state including in over 150 villages. “Some of my most memorable engineering field work was in the Calista Region during the 1980s,” she said.

Christine’s varied career has included working in the oil and gas, engineering, environmental studies and facilities management fields. Most recently she served as the Deputy Commissioner for the Alaska Department of Transportation and Public Facilities. In that role she was responsible for 258 airports, including managing the Alaska International Airports System, which is Anchorage and Fairbanks Airports.

Calista Corporation is pleased to welcome Christine Klein to our senior management team.

“I want to help increase job opportunities for people in the Region in ways that will notably improve the quality of life.”

STORYKNIFE

THE VOICE OF THE REGION

Yaaruin



Darlene Orr, Collections Manager, and Julien Jacobs, Collections Specialist, standing at the doors of the Yupiit Piciyaraik Museum Collections Room.

Yup'ik Piciyaraik Museum

ORGANIZING THE COLLECTION

One of the Yupiit Piciyaraik Museum's major projects is to catalog and organize its collection in Bethel. This is no easy task and it is estimated it will take two years to prepare the entire collection. To oversee this project the Association of Village Council Presidents (AVCP), which is the governing body of the museum, has hired Collections Manager Darlene Orr. Additionally AVCP, partnering with the Calista Corporation, received a one year grant from the Institute of Museum and Library Services (IMLS) to hire Julien Jacobs as a part time Collections Specialist to assist in cataloging the museum's collection.

Funds from the IMLS grant will allow every item in the museum collection to be cataloged and organized as well as recorded in Past Perfect, a collection management software system.

As with most museums, the majority of work happens behind the scenes

where collections are stored and processed. These archiving steps will provide a well organized collection for generations to come.

QASPEQ EXHIBIT

The museum is also preparing a Qaspeq Exhibit showcasing men's and women's traditional garments from each of the 46 villages in the Yukon Kuskokwim Delta. The exhibit is scheduled to open during the 2010 Camai Festival in March. Qaspeqs will be purchased by and collectively displayed at the museum. After the exhibit they will be added to the museum's permanent collection. Funds for the Qaspeq Exhibit were generously provided by a mini grant from the Bethel Community Services Foundation, Inc.

Museum gallery hours are Tuesday thru Saturday from 12 noon to 4 p.m. For more information on the museum call (907) 543-1819 or visit ypmuseum.org.

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PERSONAL DATA FORM

Shareholder Name _____

New Mailing Address _____

Phone (____) ____ - ____ SSN _____

Birth Date ____/____/____

Would you like Calista to send you new will forms? Yes No

Calista Shares _____

Village Corporation Shares _____

Please change my address as I have indicated above. I understand that you cannot make address changes without my permission and signature, which I hereby give of my own free will and without constraint. I further authorize Calista and its subsidiaries to share this information.

Shareholder Signature _____

Date ____/____/____

Signature of Witness 1 _____

Signature of Witness 2 _____

(Two witnesses are required if Shareholder signs with an "X.")



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