



CALISTA CORPORATION  
www.calistacorp.com



# STORYKNIFE

THE VOICE OF THE REGION

*Yaarnin*



SEPTEMBER 2018 • DONLIN GOLD SPECIAL EDITION



Calista Corporation President/CEO Andrew Guy, Donlin Gold General Manager Andy Cole, The Kuskokwim Corporation President/CEO Maver Carey, U.S. BLM Asst. Sec. for Land and Minerals Management Joe Balash, and U.S. Army Corps of Engineers Alaska District Commander Michael Brooks.

## THE OPPORTUNITY TO PROVIDE: MY CAREER AT DONLIN

TISHA NAVIQAQ KUHNS, GEOLOGIST  
CALISTA LAND AND NATURAL RESOURCES DEPARTMENT

My parents taught our family to appreciate our beautiful culture, while also giving us the ability to see how it augments Western science and education. I was born and raised in Bethel, Alaska and recently became a Shareholder after inheriting shares from my grandfather, the late Joseph Lomack.



Tisha Kuhns

Even before becoming a Calista Shareholder, I knew I wanted to dedicate my career to the corporation and serve the people of our Region. After graduating college with a bachelor's degree in geology, I was hired by Barrick Gold Corporation for the Donlin Gold Project. During my 11 years at Donlin, I had been given further opportunity to expand my skillset and moved laterally into the environmental department to manage the water quality baseline program.

Walking off the plane at the Donlin project, I was welcomed. I was able to use my technical skills but also had the deep family root connection to the Region; I was at home. Everyone at the project site worked with a sense of urgency to protect and address environmental

CONTINUES ON PAGE 3

## RECORD OF DECISION AND MAJOR FEDERAL PERMITS ISSUED TO DONLIN GOLD

The U.S. Army Corps of Engineers (Corps) and the U.S. Bureau of Land Management (BLM) issued their Record of Decision (ROD) August 13 on the proposed Donlin Gold Mine project. Immediately following signing of the ROD, the Corps issued a combined permit under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act and the BLM issued the Offer to Lease for the right-of-way (ROW) for those portions of the natural gas pipeline that would cross federal lands. Issuance of the ROD and the federal approvals marks the final step in the environmental review process that began in December 2012 with publication of a notice of intent to prepare an environmental impact statement (EIS). This is a major step in the project's effort to secure key permits needed to construct and operate a mine in Southwest Alaska.

Calista Corporation (Calista) owns the minerals and The Kuskokwim Corporation (TKC) owns the surface lands at Donlin Gold as a result of selections made under the Alaska Native Claims Settlement Act (ANCSA). Donlin Gold operates the project under a mining lease with Calista and a surface-use agreement with TKC. Each of these agreements provides direct economic benefits to Calista and TKC, as well as indirect benefits, such as contracting and hiring preferences and stringent environmental-stewardship obligations.

"Calista Corporation continues over 40 years of taking an active and hands-on approach to the Donlin Gold project. Calista feels that the project represents a significant and positive opportunity for our Region and Shareholders. One of our duties as a Native corporation is to responsibly develop the land. The original Calista board, and other early regional leaders, selected this land as part of ANCSA to provide economic opportunities for our Region while safeguarding our resources for future generations," said Andrew Guy, Calista president and CEO.

CONTINUES ON PAGE 3



## JOINT MESSAGE FROM THE BOARD CHAIR AND PRESIDENT

Recently, there have been media reports regarding the development of the Donlin Gold Project which are stirring up fear and misrepresentations of the facts. We want you to know the benefits and reality of mine development in our Region. After all, it is essential to our culture to deliberate and then act accordingly, carefully considering all factors for the people we represent.

Here are some of the benefits we see:

- Lasting employment opportunities
- Cultural collaboration to protect our subsistence way of life
- Infrastructure development
- Housing growth

Calista has been involved with the proposed Donlin Gold Project site for over the last 45 years. Calista and leaders from the Yukon Kuskokwim (YK) Delta have worked toward and supported the effort to mine gold from the area. Our early leaders successfully fought for the right to select the land because of its rich mineral deposit. It is important to keep in mind that collaboration and planning are vital when discussing opportunities within the industry. Our families and especially our children deserve the best when making decisions that affect their lives now and well into the future.

### Here are the Facts:

Opponents of the mine argue that a significant amount of mercury will contaminate the Kuskokwim River watershed. **This is not true – according to the Environmental Impact Statement (EIS) conducted by the U.S. Army Corps of Engineers, mercury will not be used for processing and would not be shipped to the mine site. Naturally occurring mercury will be removed by Donlin Gold via containers that adhere to state and federal standards.**

Some have claimed that subsistence living will end with development of the mine. **However; we can co-exist with economic development, while preserving subsistence and creating jobs.** The Donlin Gold project will work with YK region employees to provide time to subsistence hunt and fish. Additionally, Shareholders will serve on



Robert Beans, *Board Chair*



Andrew Guy, *President & CEO*

community-based transportation and subsistence committees in collaboration with the mining operations.

Local Donlin Gold employees could have the best of both worlds—affording a subsistence lifestyle with year-round employment. For example, since the Red Dog Mine in the NANA region was developed in 1982, it has distributed over \$221 million in dividends to shareholders and created more than 600 full-time living wage jobs. Since 1989, NANA shareholders have also received more than \$469 million in wages from working at Red Dog Mine and subsistence activities continue in the NANA region. If built, Donlin Gold would create hundreds of high-paying jobs to one of Alaska's most economically distressed areas.

According to the Denali Commission, in 2017, all but two communities in the Calista Region qualified as distressed. The Donlin Gold Project will bring vital infrastructure to the YK region including

**WE CAN CO-EXIST WITH ECONOMIC DEVELOPMENT, WHILE PRESERVING SUBSISTENCE AND CREATING JOBS.**

## RECORD OF DECISION AND MAJOR FEDERAL PERMITS ISSUED TO DONLIN GOLD

CONTINUED FROM PAGE 1

The ROD is a detailed document that explains the basis for the Corps' determination that Donlin Gold's proposed development for the project (Alternative 2 in the EIS) represents the environmentally preferred, practicable alternative compared to other alternatives evaluated in the EIS. The ROD also identifies the mitigation plans and monitoring commitments for the project.

"Today is a big day for the Donlin Mine project. The ROD and permits are just the beginning. They are the trail markers for the project and provide the map of how to develop our resource responsibly. The Kuskokwim Corporation is not only the surface owner, but a partner in the environmental and permitting process with Donlin Gold and the various government agencies overseeing this project. Together, we have gone above and beyond the

minimum state and federal requirements to ensure this project protects our lands while economically benefitting our Shareholders and Region for generations to come," said Maver Carey, president and CEO of The Kuskokwim Corporation.

"This has been a thorough process, with more than 20 years of planning and development, but I think it clearly demonstrates that the project has a track record of engineering excellence and a strong culture of safety, environmental stewardship and community engagement, all values that will remain constant," said Donlin Gold General Manager Andy Cole. "We believe Donlin Gold can be a model of responsible mine development with the potential to generate meaningful benefits for our Native corporation partners and communities throughout Alaska for many decades to come."

Donlin Gold, which is owned equally by NOVAGOLD Resources Alaska Inc. (NOVAGOLD) and Barrick Gold US Inc. (Barrick), will need additional permits to operate the proposed mine and investment approval from its owners before construction of the project can begin. "Now, Barrick and NOVAGOLD can concentrate on wrapping up optimization studies designed to reduce initial capital outlays and improve project economics," the owners wrote in a joint press release. The project anticipates receiving most of the required state permits by early 2019.

For more information on the ROD and EIS process, visit the Corps' Donlin Gold website at [donlingoldeis.com](http://donlingoldeis.com) or at [donlingold.com/record-of-decision](http://donlingold.com/record-of-decision).

## THE OPPORTUNITY TO PROVIDE: MY CAREER AT DONLIN

CONTINUED FROM PAGE 1

standards. Every employee I had grown to know carried a sense of pride in what they did, whether it was the task of drilling, drillers assistants, cooks, geo-technicians, core sample processors, housekeeping, procurement or logistics. Their goals were aligned for the project—everyone going home safe and healthy every day, while committing to the safest environmental principles.

The Donlin Gold Project has gone through a long and rigorous scientific sound review completed by our state and federal agencies, reaching a milestone known as the Record of Decision favorable to Donlin's application. Today's stringent standards and reviews create protections for Alaska residents, something that Donlin Gold has already proven with its excellent safety culture and environmental record.

With any type of development there is human risk involved as well as impacts to the environment. For us as a Region, where and when do we take that risk? Our managers and employees at Calista, The Kuskokwim Corporation (TKC) and Donlin have shared the same concerns as our Shareholders, as many of us continue to subsist at our fish camps. Risk can be quantified by consistent data gathering and interpretation before any appropriate action can be taken. Impact significance determination can also be difficult to understand as there can already be contributing activities causing impacts prior to any type of development, and sometimes



many of those activities can't be pin-pointed. Some examples of this could be our sewage lagoons, landfills, pre-existing but not operating mines that are in clean up phases. Others could be natural chemical and physical weathering of our earth by floods, volcanism and earthquakes and forest fires. The Final Environmental Impact Statement completed by the U.S. Army Corps of Engineers has brought all factors for our review. In this case, Donlin has completed environmental baseline studies, aquatic studies, transportation, engineering and socioeconomic studies, and more. These evaluations are readily available at [donlingoldeis.com](http://donlingoldeis.com).

Job demand in healthcare and educational professionals have remained steady, but exciting job opportunity growth remains on the horizon with the Donlin project. Donlin Gold careers provide Shareholders and Descendants with a chance to compete in the workforce. A Shareholder hire preference provides the opportunity for us to enjoy earning an income with a very attractive work schedule that complements our subsistence lifestyles. In 2006 and 2007, Donlin hosted an impressive 93 percent Shareholder hire during the advanced exploration drilling campaign, displaying incredible effort, commitment and partnership by Calista, TKC and Donlin Gold.

CONTINUES ON PAGE 6

# DONLIN GOLD BY THE NUMBERS

**3-4 YEARS**

estimated  
construction time

**1,000**

ongoing operations jobs

**90%**

Exploration phase  
local hire rate

**100**

number of required  
permits

**3 YEARS**

estimated state &  
federal permitting period

**3,000**

number of estimated  
construction jobs

**27**

number of years mine  
is expected to operate

**50%**

cuts in barge traffic due  
to Shareholder feedback

**22**

number of years since environmental  
& geological studies began

# HOW ONE MINE TRANSFORMED THE NORTHWEST ARCTIC BOROUGH

ROSIE BARR, VICE PRESIDENT, LANDS, CALISTA CORPORATION

As a NANA shareholder, former NANA vice president of Lands and now vice president of Lands and Natural Resources for Calista Corporation, I know how a mine and indigenous people can both co-exist and complement each other.

I personally saw how the Red Dog Mine has been a positive transformation for the men, women and children of the Northwest Arctic Borough. I saw how Teck, a mining company, strived to do its best to be respectful of our culture and support our subsistence way of life.

I worked closely with Teck and the Red Dog Subsistence Committee (comprised of Kivalina and Noatak residents) to discuss mine operations and ways to avoid impacts to the environment and subsistence activities. We met on a quarterly basis and increased the frequency of our meetings during the spring seal and fall caribou hunting periods. I personally saw how the timing of the annual shipping schedule for Red Dog concentrate is built around the needs of the subsistence hunts for bearded seals and beluga. I also saw the benefits of having the concentrate trucks traveling from the mine to the port site halted during caribou migration across the transportation corridor.

I also witnessed the stream downriver from the mine grow healthier because the mine created diversion ditches, moving the natural flow of water away from the ore bed. Before the mine, the water upstream and water flowing through the Red Dog Mine had very high levels of naturally occurring metals, which created a naturally toxic environment, incapable of supporting aquatic life. Red Dog's treated water discharge has helped to improve the water quality downstream of the mine so that the stream now sports a thriving Dolly Varden population where one could not exist before. This improvement occurred because the mine has discharged treated mine water for more than 25 years, which is of better quality than the natural receiving waters.

The mine has done more than focus on being culturally sensitive and protective of the environment. It has served as an agent of positive change for the Northwest Arctic Borough. The economic activity sparked by the mine has increased villagers' economic opportunity, increased median household incomes and provided good-paying jobs. Revenue from the mine also allowed the Northwest Arctic Borough to fund the construction of new schools in the region.



Red Dog Mine

NANA assisted in the formation of the borough in anticipation of Red Dog Mine operations.

It takes foresight, commitment, strong partnerships and continuous communication to develop our natural resources in a way that protects our subsistence way of life and delivers real economic benefits to our neighbors.

The YK Delta now has a similar opportunity with the great treasure it has in Donlin Gold. Calista Corporation and The Kuskokwim Corporation have signed strong agreements with the mining company, agreements that will make certain that mining is done responsibly, and the residents benefit from the asset they own. As the Vice President of Lands and Natural Resources for Calista, my responsibility is to work with Shareholders, residents and organizations of the YK Delta, the project staff, and the regulatory agencies. I work to keep the water and subsistence resources—such as salmon—protected. This is critical for any project development and the highest priority for Calista. As Shareholders, I hope that many of you will pursue higher education for mining careers, and particularly, environmental sciences. Our goal is to have as many Shareholders as possible working at the mine, ensuring that the mine operates to the highest environmental standards. Please join us.

The Donlin Gold Project gives us hope and opportunity.

## RED DOG MINE BY THE NUMBERS

**57%**

Red Dog Mine workers who are NANA Shareholders/Alaskan Native

**\$99,000**

average annual wage

**\$617 MILLION**

Red Dog Mine 7(j) revenue sharing to other ANCSA corporations through 2014

**715**

total number of jobs brought to NANA region by Red Dog

## THE OPPORTUNITY TO PROVIDE: MY CAREER AT DONLIN

CONTINUED FROM PAGE 3

Calista takes pride in having a region with many villages and Shareholders, yet we all know jobs are hard to find locally. Our families can find it more difficult to succeed in the new way of subsistence life without earning an income. These career paths can only be successful if we are able to show that we are available, capable and choose to live a healthy life.

Calista, TKC and Donlin Gold have created ways for us to educate ourselves and become prepared to earn employment through the Talent Bank and apprenticeship programs. The people of our Region are adaptable, talented and strong. The Donlin Gold Project provides many opportunities for our Shareholders and businesses across the Region and state. It also fulfills Calista's land entitlement for development under ANCSA and is our only natural land resource that permits our Region to participate in the world economy. Just as NANA has the Red Dog Mine and ASRC has North Slope oil and gas production, Calista is seeing a positive, environment-led passion in development and infrastructure opportunities at the Donlin project.

I am confident our strong workers and youth will succeed in life by joining Calista, TKC and Donlin's efforts for a new and exciting workforce while continuing to enjoy our traditions. To do this successfully, we need people who know and understand our environment, so that best management practices and reclamation objectives are reached. As the Geologist at Calista, with years of geology and environmental and water quality baseline studies at the Donlin project, experience in placer mining and oversight of placer operations in the Region, I have seen operations receive excellence awards for reclamation by state and federal agencies. Responsible

development is an absolute requirement for Calista and we are proud to bring revenues from our environmentally successful operations to our Shareholders.



## JOINT MESSAGE FROM THE BOARD CHAIR AND PRESIDENT

CONTINUED FROM PAGE 2

a natural gas pipeline from Cook Inlet to the project site, the creation of two new ports, a power generation plant, water treatment plant, access roads, housing and an airstrip to name a few. Local businesses will grow by providing supplies and materials to these projects. The natural gas energy and fiber optic infrastructures can be expanded into the communities of the YK Delta.

The Donlin Gold Project will provide economies of scale and will improve the socio-economic conditions of our Shareholders. The project will ensure investment in the YK region—village corporations will receive revenue sharing distributions and increased revenues can also provide greater dividends and other benefits to our Shareholders from royalty payments. The trickle-down effect from Donlin Gold operations will serve as a catalyst for growth within Calista, creating more jobs for our Shareholders within the various subsidiaries and business lines such as those in construction. Lastly, our youth will be interested in graduating from high school to obtain trade certification or college degrees for jobs provided in-region. This will be beneficial to YK Delta families by providing opportunities to stay in their home communities.

Some have asserted that mining will ruin our environment. **We want to be clear that the Donlin Gold Project will be managed in accordance with best practices, while abiding by stringent state and federal regulations related to mining operations.** Current day mining operations include extensive risk mitigation beginning with exploration, continuing throughout the mining process, and carrying on after the mine closes. It is important to note that the rigorous environmental review process that Donlin Gold has just completed as

required by the National Environmental Policy Act, implemented in 1970, has led to substantial improvements to environmental safety. We need to only look at the 5 largest mines operating in Alaska today to see how modern mining techniques tied with stringent environmental protection standards can result in safe operations. The Fort Knox mine near Fairbanks, AK is a good example of a gold mine safely operating in the headwaters of the Yukon River and providing good paying jobs to the local residents.

We must strike a balance between economic, social and environmental responsibilities to improve the quality of life for our communities, Shareholders and non-shareholders of our Region. We will do this while ensuring that our water, fish and subsistence foods are protected. Our intent is to make a positive contribution to the environment and communities within our Region and the state of Alaska. The Donlin Gold Project could be a model of success between a mining company and the communities of the YK region.

Our goal is to continue providing honest and accurate information regarding the development of the Donlin Gold Mine project to our Shareholders, employees, and to the public. We cannot let outside interests dictate what we believe is beneficial to our Region. Opportunities and advancements are made with people working together—people creating bridges of understanding.

Quyana!

Robert Beans,  
Board Chair

Andrew Guy,  
President & CEO

# DID YOU KNOW?

More than a dozen organizations have passed resolutions in support of the potential Donlin Gold Project.

*Supporting Resolutions 2005-2008*

## **AVCP**

Resolution #06-10-14

## **VILLAGE CORPORATIONS**

Akiachak Ltd

Askinuk

Atmautluak Ltd.

Azachorok

Chinuruk

Kongnigkilmomuit Yuita

Kwethluk, Inc.

Nerklikmute

Nunakauiak Yupik

Nunapiglluraq

Pilot Station NC

Pitka's Point NC

Qinarmiut

Russian Mission NC

Tulkisarmute

Tununrmiut Rinit

## **TRADITIONAL COUNCILS**

Crooked Creek TC

Iqurmiut TC

Newtok TC

## **CITY OF**

Aniak

Chuathbaluk

Kotlik

Nunam Iqua

Pilot Station

St. Mary's

# STORYKNIFE

THE VOICE OF THE REGION

*Yaarnin*



PRESORTED  
STANDARD  
U.S. Postage  
**PAID**  
Permit # 165  
Anchorage, AK

CALISTA CORPORATION  
[www.calistacorp.com](http://www.calistacorp.com)

5015 Business Park Blvd., Suite #3000  
Anchorage, Alaska 99503



## PERSONAL DATA FORM - SEPTEMBER 2018

Shareholder Name \_\_\_\_\_

New Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Last 4 SSN \_\_\_\_\_

Birth Year \_\_\_\_\_

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 internally and in accordance with law.

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

Date \_\_\_\_\_

Signature of Witness 1 \_\_\_\_\_

Signature of Witness 2 \_\_\_\_\_

Mail to: 5015 Business Park Blvd., Suite 3000  
Anchorage, AK 99503  
Toll Free 800-277-5516 • Fax 907-275-2922  
[www.calistacorp.com](http://www.calistacorp.com)