

July - September 2000

S E  L A S K A

Shareholder

Hoonah students carve Raven totem for High School



photo by John Hillman

Sealaska & Sealaska Timber Corp. contributed logs -- story in October issue

Sealaska invests in So. California Indian gaming operation

San Pasqual Band plans operation on their reservation near Escondido

Sealaska Corporation announced today an investment in the entertainment industry by investing in a gaming operation owned by the San Pasqual Band of Indians in Southern California. "We are very pleased to enter this relationship with the San Pasqual Band and participate in the development of temporary and permanent gaming facilities in the San Diego area," Sealaska President & CEO Robert W. Loescher said. "This is an important milestone in our initiatives to diversify



Conceptual drawing of San Pasqual Band's elegant casino resort facility near San Diego

and broaden our revenue sources."

The Sealaska Board of Directors recently authorized management to finalize negotiations on an agreement with First Nation Gaming, LLC

who represents the San Pasqual Band. The Band is investing in a major casino gaming operation on the San Pasqual Indian reservation

Please turn to Gaming, back page

Inside

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- New on our web site 2
- Proposed ethanol plant in Southeast 3
- Business briefs 3

Insert: Change of address card

Be sure your address is up-to-date before the December distribution!

TriQuest Vancouver plant to merge with ASRC-owned Puget Plastics operation

Arctic Slope Regional Corporation and Sealaska Corporation announced in June that work has begun on merging two Northwest plastics manufacturing companies, TriQuest (located in Vancouver, WA, and owned by Sealaska Corporation) and Puget Plastics (owned by Arctic Slope Regional Corporation, and located in Tualatin, OR).

Leadership in both companies welcomed the move. In a joint statement agreed upon in mid-June, Chief Operating Officer of Arctic Slope Regional Corporation (ASRC) Conrad V. Bagne,

and Sealaska Corporation CEO Robert W. Loescher, expressed support for the merger. "The industries and customers we serve are changing rapidly. They have expressed a desire for us to offer more comprehensive manufacturing services."

"This merger will bring the resources of two complimentary plants together, and that in turn will make us better able to pro-

vide for our customers. Plus, we believe this merger will enhance our competitiveness in the plastics-manufacturing market,"

the joint statement read.

TriQuest was acquired by Sealaska in 1997. Puget Plastics was acquired by

ASRC in 1995. Both make precision injection-molded plastics parts such as computer and keyboard casings, telephones, intri-

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"This merger will enhance our competitiveness in the plastics-manufacturing market."

SHF scholarship deadlines & information



Sealaska Heritage Foundation's Scholarship Program provides scholarships and grants for Sealaska Corporation shareholders and descendants. SHF currently administers scholarship programs for Sealaska Corporation, Goldbelt, Inc., and Cape Fox Corporation. The table below shows the various types of scholarship programs, grants, and deadlines:

Types of Programs	Opens	Closes
SHF Endowment & 7 (i) Scholarship Programs	Jan. 1	March 1
Voc Tech Scholarship Program (1 st deadline)	Jan. 1	March 1
Voc Tech Scholarship Program (2 nd deadline)	March 1	Aug 15
Heritage Study Grant	Jan. 1	March 1
Culture Camp Grant	Jan. 1	March 1
Tlingit & Haida Kusteeyí Language Institute	Jan. 1	March 1
Goldbelt Scholarship Program	Jan. 1	March 1
Cape Fox Eugene Trout Scholarship Program	Jan. 1	March 1

The Scholarship Coordinator is Marilyn R. Doyle. Cathy Martin is the Scholarship Administrative Assistant. Call our direct phone number at (907) 586-9177, our toll free line, (888) 311-4992, or email us at scholarship@sealaska.com if you would like more information about any of the scholarship programs.

Scholarship applications will be available by late December, 2000 and January, 2001 for Academic Year 2001-2002.

In Memory

Sealaska pays tribute to shareholders who have recently passed on:

George Franklin Adams Jr., 47
Barton Daniel Allen, 31
Patrick John Bryant, Sr., 71
Brian Paul Campbell, 30
Glenn Owen Charles, 67
Donald Anthony Cook, Jr., 51
Lorraine K. Christomos, 71
Duncan Cogo, 86
Margaret Elizabeth Cogo, 77
Judson Cranston, Sr., 80
Martha Davis, 86

Featured this month on www.sealaska.com:

- Job openings
- Lost shareholders -- update your address before the next distribution!
- Native Values by Dr. Walter Soboleff
- Aug web traffic -- 73,677 hits

And much more ...

Forrest DeWitt, Jr., 56
Frances Fischer, 84
Norman Keith Franzen, 43
Phillip Michael Goodell, 77
Lynne G. Hansen, 64
Christopher L. Hanson, Sr., 67
Frederick B. Harris, 85
Martha Jackson, 92
Suzie A. Jensen, 74
George Jackson, 83
Betty Lou Kahklen, 56
Betty K. Lauth, 61
Alice Lawson, 74
Stephen Wilbur Lindoff, 33
Haida Cheyenne Littleboy, 19
George Vernon Lyness, 71
Hazel Violet Maltsberger, 87
Alice Meredith Marsden, 71
Sophie Francis Marvin, 70
Raymond Donald Moran, 66
Patrick Bevans Moy, 67
Mae Philpott, 92
David Roberts, 70
Margaret Esther Sherar, 83
Larry Peter Stewart, 57
Margaret Vivian Thomas, 79
George W. Tullos, Jr., 41
Patricia Walker, 63
Dorothy Edith Wallace, 81 (of Ketchikan)
Jeffrey Cole Ware, 24
George E. Williams, Jr., 58
Winifred Jean Williams, 45
Daniel Bert Wynne, 42



If you know of shareholders who have recently passed on, please let us know.

Welcome New Shareholders

Sealaska Corporation welcomes these new shareholders to the Sealaska Family:

Robert F Rogers, Maple Valley, WA
Rolland M Gregg, Camano Island, WA
Charlie R Carle, Castle Rock, WA
Carena R Franzen Gordon, Bellingham, WA
Michael N Franzen Gordon, Bellingham, WA
Lindsay Nicole Hasten, Newhall, CA
Gordon M Martin, Bellingham, WA
James W Romantic III, Parma, Ohio
Michael J Romantic, Parma, Ohio
Jerry H Knapp, Wrangell, AK
Arthur B Nelson Jr., Poulsbo, WA

Aimee C Durgan, Mapleton, OR
Adam T Williams, Yakutat, AK
Dawn M Karnes, Wallingford, CT
Rebecca Jaine Galaktianoff, Canby, OR
Jamiann V Stevens, Juneau, AK
Catherine L Johnson, Juneau, AK
Anthony G Beaston, Seattle, WA
Regina D A Beaston, Seattle, WA
Warren R Sheakley III, Juneau, AK
Kenneth Scott Paulo, Seattle, WA
Charles Dillard Jones, Everett, WA
Fredrick C Bemis, Astoria, OR
Chase N Powers, Auke Bay, AK
Adam Cass Karnes Jr., Wallingford, CT
Darren A Simpson, Sammish, WA
Kevin Simpson, Sammish, WA
Lynelle G Dobson, Des Moines, WA
Danelle Barlow, Wrangell, AK

Stacey L Skan Elliott, Beaverton, OR
Eliza Chappell, Juneau, AK
Brodie A Dowd, Spokane, WA
Lorraine Shane, Adak, AK
Alecia Groce, Everett, WA
Selina J Groce, Everett, WA
Jamie Archibald, Tacoma, WA
Jerome Nathan, Seattle, WA
Benjamin W Nathan, Seattle, WA
Ian Kimball, Bremerton, WA
Marjorie L Baguya, Douglas, AK
Kessandra Sollie, Juneau, AK
Brittni Sollie, Juneau, AK
William Buchkoski, Mililani, HI
James Buchkoski, Mililani, HI
Raymond C Nolan, Eugene, OR
Sandra J Nolan, Juneau, AK
Joseph D Nolan, Juneau, AK
Mia F Hansen, Seattle, WA

For more information and forms for gifting stock, please contact Sealaska Shareholder Records, (907) 586-1512 or toll free (800) 848-5921. Or download forms from www.sealaska.com

SEALASKA Shareholder

The Sealaska Shareholder is published for shareholders by Sealaska Corporation & sent free of charge to them. Information on subscriptions for non-shareholders is available by writing the Office of Corporate Communications at the address below.

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Copy deadline for next issue:
Sept. 22, 2000

CEO's Business Update



Robert W. Loescher
President & CEO

Sealaska Corporation, the Alaska Energy Authority and U.S. Department of Energy National Renewable Energy Laboratory are evaluating the feasibility of designing, constructing and operating an ethanol manufacturing facility in Southeast Alaska. The facility would convert wood residues, such as bark, sawdust, and other wood that is unsuitable for manufacturing or is being sent to community lands fills, into a value added product.

Renewable energy source

Ethanol, a renewable energy source, is used as a fuel additive to improve air emissions from automobiles and is an octane booster. The ethanol facility would also produce other valuable by-products such as electrical energy. The \$45 million facility would produce 6 million gallons of ethanol annually, creating 80 direct jobs and 120 indirect jobs in the Southeast region.

Alaska imports, annually, over 4 million gallons of fuel-grade ethanol for use as an oxygenate additive in Anchorage gasoline. Unlike MTBE (methyl tertiary butyl ether), which raised substantial health concerns among the residents of Anchorage and Fairbanks, ethanol is well-accepted as a means of meeting Clean Air Act goals and reducing carbon monoxide air emissions from vehicles.

Creative solutions, sustainable economic development

During the last decade, Southeast Alaska experienced a substantial loss of jobs in the wood products industry due to land management decisions in the Tongass National Forest, changes in the global market, and other factors. Forest product utilization

has been an essential component of the Southeast Alaska economy for over 40 years, and historically accounted for nearly one-third of the region's overall economy. The economic impacts of the decline in the Tongass National Forest timber industry continue to have dramatic adverse effects on the region's population, employment and income.

Forest industry officials, the public, and government regulators agree that the industry must develop profitable value-added uses of lower-grade timber and other wood residues (e.g. bark,

"Making ethanol, we will create economic opportunity & jobs while maximizing the value we realize from our forest resources."

sawdust and other wood waste) in order to be competitive on a long-term basis.

The intent of the proposed

plant is to produce a product that will help Alaskan communities meet Clean Air Act standards, creating value from wood waste and residue – industry by-products that are currently an expense and environmental management disposal concern for every business that manufactures wood products.

Distilling value from unusable by-products

Producing ethanol provides an alternative, and environmentally friendly, method of managing wood residue and providing value recovery from these under-utilized fiber sources. In addition the conversion of wood into ethanol is beneficial in reducing the effects of global warming by recycling one of the green house gases, carbon dioxide.

If continuing studies prove that ethanol production is feasible, Sealaska projects that construction could start in the next 3 years.

There is no current market for wood waste and by manufacturing ethanol we propose to create economic opportunity and jobs while maximizing the value we realize from our forest resources.

Sincerely,

Robert W. Loescher

Business Briefs

State DEC gives high marks to Hoonah log transfer facility

In May, Sealaska Corporation and Sealaska Timber Corporation hosted officials from the State of Alaska Dept. of Environmental Conservation, Log Transfer Facility Program. State officials toured and inspected the Long Island log transfer and sortyard facility in Hoonah, one of Sealaska's oldest and most-used facilities.

Dave Sturdevant of the DEC Air & Water Quality Program said the tour was "an opportunity for DEC to see an LTF in operation in light of the new General Permits that regulate the discharge of bark and wood debris to marine waters." Sturdevant said that its important for DEC staff to have a realistic view of actual layout, operations and practices. "Our aim of gaining impressions was more than satisfied," he said.

He said DEC was particularly impressed by the storage of petroleum products in sheds with sawdust and sorbent materials, the practice of filling equipment tanks to 90% instead of 100%, use of vegetable-based chainsaw bar oil and hydraulic fluid, and the relatively gentle entry of log bundles into the water. He noted that bark which fell off the logs was regularly collected and disposed of, and that much of the loose bark is removed before the logs enter the water.

Sealaska Sr. VP Rick Harris commended STC staff and contractors, saying that their hard work and cooperation resulted in "sterling reviews" from the DEC. Harris particularly thanked STC's Bob Girt, John Hillman, Bill Bennett, Dennis Gray, Lizabeth LaPorta-North, and John Morris; and Whitestone Logging's Jay Beattie and Keith Walker.

"Frankly, a facility that has been used intensely for many years could get bad reviews by regulatory agencies," Harris said. "Our folks have worked long and hard, and put their best thinking into making this LTF work right, and that effort really shows."

Bear mask from Sealaska going into space

Sealaska Corporation has been cooperating with Boeing and NASA on a project to place one of Sealaska's Native artifacts on the International Space Station. Last year, at the request of Sealaska shareholder Richard Cogo, Sealaska sent a wooden bear mask which will be sent up on the Space Shuttle in early October. Cogo, a friend of US Astronaut William Shepherd, works at Boeing on space missions. Cogo told him that he needed an Alaska Native on his space crew. After a laugh, Shepherd agreed that something representing Alaska Native heritage would be appropriate. At that point, Cogo contacted Sealaska. "What an opportunity we have!!", Cogo said. "This can only mean goodness for Alaska Natives." The launch date of the Space Shuttle is in the first week of October. Stay tuned...

Stock of 4 long-lost shareholders to "escheat" -- return to Sealaska & be cancelled

Under a policy adopted a year ago, stock for long-lost shareholders will "escheat" -- return to Sealaska and be cancelled. Stock for four shareholders will be escheated before the end of this year. As a last step in the policy, Sealaska will publish the names of the individuals in our newsletter.

The names of shareholders whose stock will escheat are:

Joseph Douglas Fitzpatrick, missing since 1992

Shirley Hensley, missing since 1982

Arnold Sergius McLean, missing since 1978

Mariano Sapinoro, Jr., missing since 1978

For more information, contact Sealaska Shareholder Records, 1-800-848-5921 toll free, or (907) 586-1512. 

Gaming investment (continued from front page)

near Escondido, California. "There is an estimated population base of about 15 million people in this area, and we feel that this area is one of the most promising regions for gaming investment in the State of California," Loescher said.

Sealaska will participate in the financing of two construction phases of the project. The first phase is constructing a 40,000 square foot temporary facility, and the second phase is construction of a 67,000 square foot casino resort facility. "Our company is positioned to provide this type of venture capital financing to Indian Tribes," he said. "It is a great opportunity to work with other Indian tribes and to advance the economic development opportunities for both parties."

Sealaska has been involved in corporate development initiatives to diversify revenues sources for the company for the past 5 years. "Our management team is very strong in this particular investment area," he said. "A number of our top executives have hands-on experience with other tribal business organizations who have invested in tribal gaming operations, and we also have in-depth knowledge and experience with federal policy and regulatory agencies."

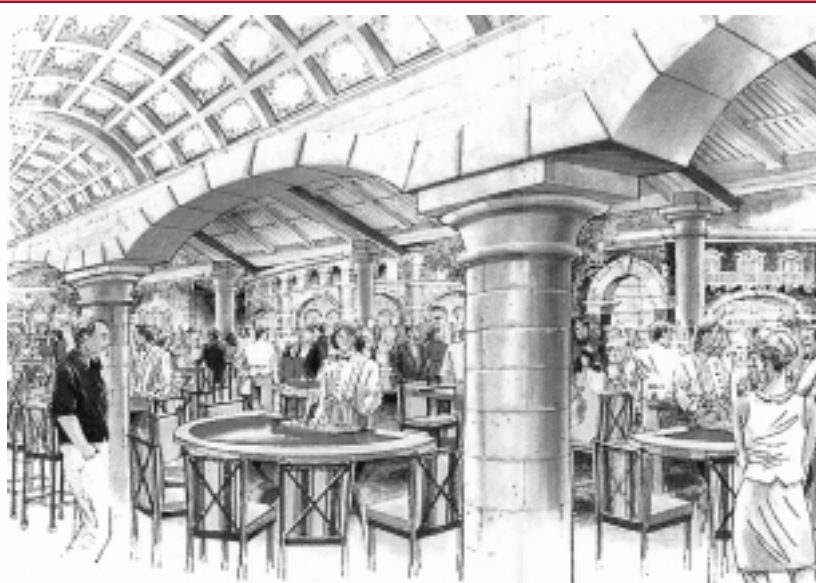
"First Nation Gaming, LLC are experienced in Indian casino gaming financing and have an established track record in gaming operation management. They are a limited liability corporation owned by the Tunica Biloxi Tribe of Louisiana

and R&R Gaming of America," Loescher said. "They have very good credentials.

"Since California passed Proposition 1A, there has been tremendous growth in the gaming industry in the state. We think that there are some great opportunities for Sealaska in this rapidly growing

area," he said.

[For a full story on the current boom in the California Indian Gaming industry, see The American Indian Report, August 2000 issue, subscriptions available at website: www.americanindianreport.com/AIR/index.html.]



San Pasqual investment highlights

- ☑ Sealaska will invest in development of temporary & permanent gaming facilities on San Pasqual Indian reservation lands in Escondido, California.
- ☑ Estimated population base of 15 million in the area.
- ☑ Temporary facility is 40,000 square feet, permanent facility is 67,000 square foot casino and resort.
- ☑ Since California voters passed Proposition 1A last March, the gaming industry in the state has grown significantly.
- ☑ "California is about to become the second largest venue for gaming in this country," Jacob Coin, Executive Director, California Nations Indian Gaming Association.
- ☑ First Nation Gaming, LLC, San Pasqual Band's business partner has a successful track record in financing and managing gaming operations. First Nation Gaming is owned by the Tunica Biloxi Tribe of Louisiana, and R&R Gaming of America.

Plastics plants merger (continued from front page)

cate medical equipment, appliance parts and prototypes.

Loescher and Bagne stress that all customer contracts will continue to be filled, as usual. "We want our customers to benefit from this. We want our shareholders to benefit from this. This proposed merger is a win-win situation," they concurred. The newly created operation will become the largest plastics manufacturing plant in the NW region.

The letter of intent signed on June 13, 2000 is the first step towards completion of the merger. Final agreement is to be announced in late-September.

The name of the new operation is TriQuest - Puget Plastics, LLC. The new corporation will be located at the current site of

"We want our customers and shareholders to benefit from this. This proposed merger is a win-win situation."

TriQuest Vancouver in Vancouver, Washington.

Jerry McMurry, Puget Plastics Vice President of Business Development, is the new entity's

Corporate General Manager. McMurry has extensive experience in operations management and the plastics industry at various top-100 injection-molding corporations, including Puget Plastics.

Other appointments made to the TriQuest - Puget Plastics, LLC management include James M. Miller as Plant Manager. Miller is the current General Manager of TriQuest Vancouver.

Both TriQuest and Puget Plastics own and operate other domestic and foreign (Mexico) manufacturing operations. None of them are included or affected, by the proposed merger.

Calendar

September

- 13 **National Tribal Judicial Conference, Seattle, WA**
- 19-21 **Southeast Conference, Ketchikan, AK**
- 22 **AFN National Leadership Forum, Washington, DC**

October

- 7 **San Francisco Tlingit & Haida Culture Camp, San Francisco**
- 8 **Last day to register/ update registration for General Election**
- 16 **Official Election Pamphlet mailed to Alaska voters**
- 18 **Alaska Day Festival, Sitka, AK**
- 18 **Alaska Day Holiday**
- 19 **Alaska Federation of Natives meeting, Anchorage, AK, 907-274-3611**
- 18 **AFN Elder/Youth Conference, Anchorage, AK**
- 19-21 **AFN Annual Convention, Anchorage, AK**
- 28 **Seattle T&H Chapter Halloween Party, Seattle, WA, 425-775-9761**
- 23 **Fax voting available for General Election; absentee in-person voting available**
- 30-Nov 3 **Grand Camp ANB/ANS Convention, Juneau, AK, 907-586-2049**
- 31 **Absentee voting by mail ballot application deadline**

November

- 7 **National and State General Election Day -- Get Out & Vote!**
- 7 **Last day to postmark absentee by mail ballots; faxed ballots must be received by 8 pm**
- 10 **Veterans Day Holiday**
- 23-24 **Thanksgiving Holiday**