



GOLDBELT, INCORPORATED

ShareholderS

Newsletter

Vol. 1, No. 5

Juneau, Alaska

July, 1989

Five-Year Plan guides Goldbelt's business, investment decisions

Early in 1989, Goldbelt management prepared a Five-Year Plan which was approved by the Board of Directors. This business plan also presented a revised mission statement, which was included in Goldbelt's annual report this year. Goldbelt's mission has been restated to more realistically focus on the company's capabilities and the business environment in which it operates today.

The primary focus of the plan is on the management of Goldbelt's financial assets. These assets are comprised largely of Net Operating Loss (NOL) Trusts, which are restricted to investments in high-quality, short-term fixed income instruments. Other investments of NOL trusts are prohibited until the IRS has reached a final determination on the company's NOL values. Meanwhile, Goldbelt receives approximately sixty percent of the earnings from these NOL trusts, with the balance reinvested under the terms of the trust agreements.

The Five-Year Plan also addresses the investment of Goldbelt's unrestricted or discretionary cash. These funds resulted primarily from the sale of the company's remaining stumpage at Hobart Bay and the repayment of the mortgage on Goldbelt Place. These funds represent the company's basic liquid capital until the tax issues are resolved with the Internal Revenue Service. Because this could take three to five years, the primary management objective for these funds is to preserve

Totems carved by Beasley brothers dedicated in traditional ceremony at Fred Meyers store in Juneau

The managers of the Fred Meyers store in Juneau wanted to "make it more Alaskan," so they commissioned Rick and Mick Beasley to carve totems for the front entry. The brothers are both Goldbelt shareholders, and Rick is also a member of the Goldbelt, Incorporated Board of Directors. The Beasleys accepted the commission not only because of the income, but because they wanted the totems displayed by Fred Meyers to be works of art that would truly represent the high quality of traditional Native carving.

Fred Meyers wanted the poles to be installed in June, so after they received the commission the brothers moved down to Saxman where they worked

the principal (protect it from decreasing in value due to inflation), using only the safest types of investments to maximize income from the funds.

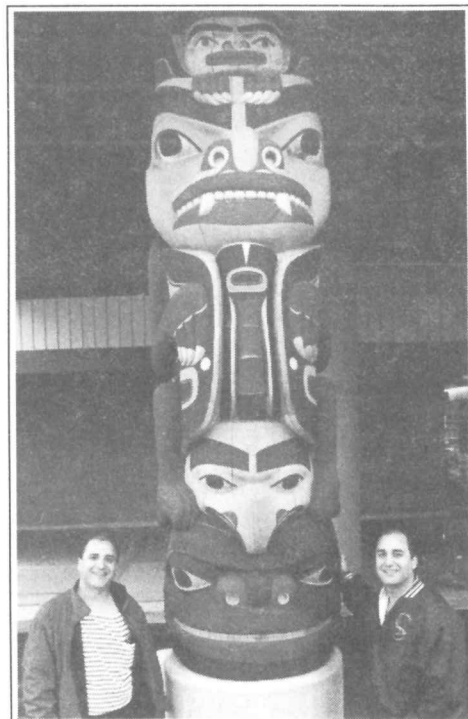
Although the plan speaks to Goldbelt's other business investments (Sand and Gravel, Goldbelt Enterprise Management and Hobart Bay Adventures), these are not expected to have a significant impact on the company's cash reserves. Overall operating expenses under the Five-Year Plan are projected to increase very little. Staff additions will be limited, while outside expertise is relied upon for legal, accounting, investment and other advice.

Under this conservative plan, Gold-

Continued on page 3

seven days a week for four months to complete the carvings. The poles were delivered to the store on June 7.

Because they represent both of the major clans, the Raven and Bear (Eagle clan) totems were dedicated in a centuries-old ceremony involving members of both clans. Al McKinley spoke for the Eagle clan and Cyril George, Sr. spoke for the Raven clan. The Juneau Tlingit Dancers, led by Cecilia Kunz, performed the traditional dances for the ceremony.



Rick and Mick Beasley stand beside the Bear totem they carved for display at Fred Meyers store



Goldbelt Chairman Josephine Armstrong and President Joe Wilson meet with Japanese guests.



Goldbelt staff members Ann Armstrong and Linda Carson help to prepare a luncheon for the guests.

Japanese businessmen visit Goldbelt

Goldbelt, Incorporated played host to more visitors from Japan on July 14. Kenjiro Arai and Matt Nakamura, both presidents of companies in Japan, journeyed across the Pacific to explore

business opportunities in Juneau and to visit with Blake Kazama and his family. Blake is the manager of Goldbelt's Hobart Bay Adventures, and Arai and Nakamura are in the hotel and seafood import businesses.

According to Blake, the visitors were impressed with the warmth and congeniality of the Goldbelt Board of Directors, who hosted a luncheon for them at the Goldbelt, Incorporated of-

fices. "Goldbelt certainly provided a first class visit for our guests, and much praise was shared about the leadership of Joseph Wilson," said Blake.

Because of the language barrier, Blake was fortunate to have his father, Francis Kazama, available to interpret for all parties.

A SHAREHOLDER'S BUSINESS

North Star Gifts

237 Front Street
Juneau, Alaska 99801
(907) 463-3530

In May, Albert Wilson (Eagle/Seal, Killerwhale House) and Gene Chilton (Raven/Beaver) opened a new gift shop on Front Street in Juneau.

The two Goldbelt shareholders had been planning the business for three years. North Star Gifts specializes in Alaska Native arts and crafts, paintings, and sterling silver hand engraved by Gene and Al. Recently, Al bought out Gene's interest and is now full owner of the shop.

In addition to Southeast art, North Star Gifts features Eskimo soapstone and ivory carvings from the Kotzebue area and the Aleutian Islands. With plans to carry items from other areas and to add a line of gold nugget jewelry, the future looks bright for North Star Gifts.

The store caters to visitors from the Lower 48, but Al invites Juneauites and other Southeast Alaskans to stop by and see what they have.

Special 1991 inserts to appear in newsletter

Juneau committee studies "1991" issues to prepare for shareholder education campaign

The Juneau 1991 Shareholders' Committee for Goldbelt was re-organized last June and has been meeting about once a week in the past year. According to the committee's goal statement, the purpose of the group is "to thoroughly educate ourselves on the 1991 Amendments and identify the most effective methods for educating our shareholders."

To educate themselves, committee members spent many hours sifting through extensive materials and information surrounding the legal, corporate and shareholder aspects of the 1991 legislation.

In the next few months, the committee will be putting together special inserts for the *Goldbelt Shareholders Newsletter* and a resource handbook for

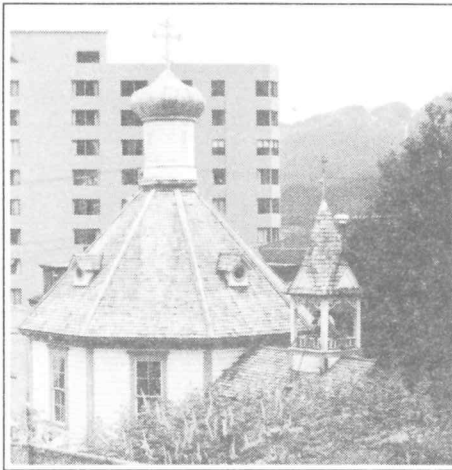
the use of individuals and groups of shareholders. They also plan to develop a format for facilitating workshops on 1991 issues and to survey as many Goldbelt shareholders as possible to gather their opinions regarding the 1991 options.

According to Joanne Riley, chairman of the committee, "talking amongst ourselves as shareholders and sharing our ideas and views seems to be the strongest format for educating shareholders on the key issues relating to the 1991 Amendments."

For further information, contact Joanne Riley in Juneau (907-586-6716), Dennis Katzeek in Seattle (206-783-8121), or Beatrice Halkett in Anchorage (907-243-6269).



Dome of St. Nicholas Orthodox Church to receive gold leaf finish



Goldbelt shareholder Edith McHenry and friends scrape 95-year-old structure to prepare it for painting.

Goldbelt shareholders pitch in to help with St. Nicholas face-lift

A number of Goldbelt shareholders were among the volunteers scraping, painting and repairing the St. Nicholas Orthodox Church in Juneau during work parties held July 15 and 22. The oldest original Russian Orthodox church in Southeast Alaska, St. Nicholas was built in 1894 (the older Orthodox church in Sitka was destroyed by fire and rebuilt).

The beautiful Juneau church underwent a major renovation about ten years ago, but in order to look its best and be preserved for the future, the structure required some additional repairs and complete repainting. The tiny church has a small congregation, so a newly formed group, Friends of St. Nicholas, was organized by members of the community to raise funds and provide free labor.

As part of this renovation, the dome roof, built by Vern Metcalfe in the 1950's, will be temporarily removed. It will be taken to a local auto body shop where the old gold paint will be taken off and artist Charles Rohrbacher, who created icons for the church, will apply real gold leaf. The church's priest, Father Nicholas Bullock, says the gold leaf is not actually such an expensive finish. He told a reporter for the *Juneau Empire* that "gold does not tarnish" and "will look much more brilliant and last longer" than paint.

Local merchants are also being asked to donate supplies. Community contributions are fitting, since the church is one of Juneau's major tourist attractions and its historical charm is enjoyed by residents as well.

Those who wish to help pay for the renovation can send checks to Friends of St. Nicholas in care of the church post office box (Box 20130, Juneau 99802).

Five-Year Plan

continued from page 1

belt will be able to experience modest but steady growth, while providing regular dividend payments to its shareholders. Depending upon the success of these investments, as well as Goldbelt's other businesses, special dividends may be distributed in a particularly successful year.

Native artists receive Governor's Award

Two Goldbelt shareholders, Nora Marks Dauenhauer and Emma Marks, were among the artists who received the 1989 Governor's Award for the Arts at a ceremony July 8 in Anchorage. The two Native artists were also the guests of honor at a reception co-hosted by Sealaska and the Juneau Arts and Humanities Council on July 20.

POSITION ANNOUNCEMENT

Goldbelt, Incorporated is soliciting applicants for the following position:

Chief Financial Officer

Location: Corporate Headquarters, Juneau, Alaska

Salary: Depends on experience and qualifications. In addition, certain health care and fringe benefits are provided.

Application period: Applications will be accepted through August 10, 1989.

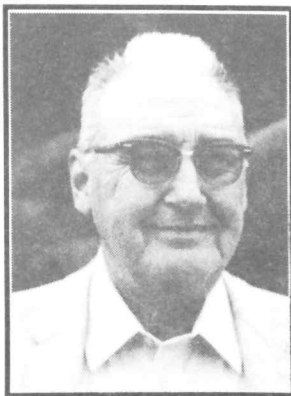
Duties: Reports to the President and Chief Executive Officer. Acts in a fiduciary capacity for the maintenance of accurate and timely accounting records. Analyzes and interprets statistical and accounting data and reports trends. Develops and maintains relations with financial service institutions, including outside audit firms and banks. Oversees corporate investments. Directs corporation's financial organization.

Minimum qualifications: Graduation from an accredited four-year institution of higher education with course work and major in accounting. CPA certification preferred. Five years professional experience as an accountant. Three years management-level experience. Computer and business accounting experience preferred.

Submit application and resume to

Goldbelt, Incorporated
Goldbelt Place
801 West 10th Street, Suite 300
Juneau, AK 99801
(907) 463-4846

Equal Opportunity Employer



Shareholders of the Month

*Our shareholders of the month
began productive, varied work
early in life.*



Emory Hunter, Hoonah, was born in Fortuna Ledge, Alaska, a village on the Lower Yukon River (population: 200). He left to attend Eklutna Vocational School near Anchorage in 1939. He began his career as a merchant seaman when he got his first job on the BIA supply ship "North Star." After leaving from the Merchant Marine after WWII in 1945, he went to work for the Federal Aviation Agency. His first assignment was in Bethel on the Yukon River near his home town. Later he worked on the FAA's fleet of boats in Southeast Alaska in radio communications, servicing the electronic repeater stations.

In 1980, Emory retired from the FAA after 37-1/2 years of service with the federal government. Emory says he and his wife, Freida, picked Hoonah to live in after his retirement "because we liked the community spirit." He is presently a maintenance mechanic with a local salmon cannery, Excursion Inlet

Packing Co. "I am the superintendent of winter operations," Emory comments, "I enjoy working on fishing boats in the summer and watching the cannery through the winter months."

Cynthia Flood, Eagle, is Eskimo and Tlingit and was born in Mt. Edgecumbe. She received her education in the Juneau school system, graduating from Juneau-Douglas High School in 1981. After getting her first job at the Bureau of Indian Affairs, she worked for the Alaska Department of Community and Regional Affairs. In 1987, she worked as an executive secretary in Governor Sheffield's office, and in 1988 she left state government to work for a non-profit organization, KTOO-FM/TV in Juneau. KTOO FM/TV is a large organization which serves all of Southeast Alaska. Cynthia started as a receptionist and now serves as executive secretary to the president and general manager of the station. She

prepares correspondence, sets up meetings, orders supplies and supervises the clerical staff. She also provides secretarial and research support to the KTOO Board of Directors. She records the minutes for board meetings and makes sure that board actions are in compliance with KTOO's by-laws and Articles of Incorporation.

Cynthia feels that people who work for KTOO have to be dedicated, because the station is one of the top three public radio stations in the U.S. She would like to encourage Native people to pursue an education in communications (radio, journalism and television) because "it is a fascinating field." Volunteering at KTOO is a good way to explore this field and gain valuable experience, because KTOO provides free training for radio and television volunteers, she explains.

Cynthia is the mother of two children, Carolyn and Edward.

COMING IN THE NEXT ISSUE: The first in a series of special inserts on "1991"



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801 West 10th Street
Suite 300
Juneau, Alaska 99801