



Arctic Iñupiat Offshore

**-PRESS RELEASE-**

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**ASRC, NORTH SLOPE VILLAGE CORPORATIONS AND SHELL ANNOUNCE HISTORIC VENTURE**

Anchorage - - In a ground-breaking announcement today, Arctic Slope Regional Corporation (ASRC) and six (6) North Slope village corporations have joined together to create a new company known as the Arctic Iñupiat Offshore, LLC (AIO). AIO and Shell Gulf of Mexico Inc. (Shell) have entered into a binding agreement that will allow AIO the option to acquire an interest in Shell's acreage and activities on its Chukchi Sea leases. This interest will be managed by AIO.

AIO members include ASRC, Ukpeaġvik Iñupiat Corporation, Tikigaq Corporation, Olgoonik Corporation, Kaktovik Iñupiat Corporation, Atqasuk Corporation and Nunamiut Corporation. These corporations represent the communities of Barrow, Point Hope, Wainwright, Kaktovik, Atqasuk and Anaktuvuk Pass.

Rex A. Rock, Sr., president and CEO for ASRC, will also serve as the president for AIO. He commented, "Our region has always been a leader in strategic partnerships that provide meaningful benefits to our shareholders, to our people." Rock further stated, "I am humbled to acknowledge that this arrangement balances the risk of OCS development borne by our coastal communities, with the benefits intended to support our communities and our people."

Ukpeaġvik Iñupiat Corporation president and CEO, Anthony E. Edwardsen will serve as Chairman of AIO. Edwardsen remarked, "Our values teach us that we achieve success by putting the needs of our community at the center of all that we do. It is important that our community has a seat at the table to represent the subsistence and economic needs of our shareholders. Through AIO we will have meaningful input into this process while providing benefits back to our shareholders."

"This is an important day for our Alaska Venture," said Shell Alaska Vice President, Pete Slaiby. "A regional alliance with so many respected Alaska Native Corporations provides Shell the opportunity to collaborate with savvy and experienced North Slope business partners going forward. It also underscores our commitment to provide opportunities for North Slope communities to directly benefit from Shell's activities offshore Alaska."

Sayers Tuzroyluk, Chairman of the Board of Tikigaq Corporation, will also serve as the secretary and treasurer of AIO. Tuzroyluk explained, "Tikigaq borders the Arctic coastline, and we finally have a

mechanism to share in the benefits from responsible off-shore oil and gas development. The creation of AIO opens the opportunity to do business with respect to oil and gas development.”

Olgoonik Corporation’s President, Steve Segevan, commented, “The community of Wainwright is at the forefront of OCS development, and our community has taken a progressive approach in support of responsible OCS development. AIO strengthens our approach to the OCS and provides us with a solid seat at the table. It’s a new day, where the village corporations join together with the regional corporation – it’s a new way of doing business on the North Slope.”

Phillip Tikluk, President of Kaktovik Inupiat Corporation, said “KIC and its Board of Directors believes this opportunity, brought forth to the village Corporations across the North Slope by ASRC and Rex Rock, to join AIO is unprecedented; it stands to bring financial stability and alignment to the village corporations across the North Slope from responsible off-shore development.”

“Formation of AIO provides for unity amongst our corporations which makes us stronger in time of new changes. This agreement allows us to be better prepared for the unknown that’s coming to us in the near future and we must stand united in our respective communities, including the whole North Slope,” said Margaret Ahngasuk, President of Atqasuk Corporation.

Patrick Mekiana, President of Nunamiut Corporation, said, “This partnership creates alignment with most of the North Slope villages. Through AIO, even Nunamiut shareholders and the inland community of Anaktuvuk Pass will benefit from responsible OCS development. We are happy to be included in this opportunity because we are all one people and related across the North Slope region.”

Through this option agreement, Shell would assign to AIO an overriding royalty interest in oil and gas produced from specific Chukchi Sea leases. In addition, AIO would have the option to participate in project activities by acquiring a working interest at the time Shell makes the decision to proceed with development and production.

Shell and AIO will hold quarterly meetings to exchange information and address regional and development issues.

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### **ABOUT AIO**

Arctic Iñupiat Offshore, LLC (AIO) is a privately held corporation established to promote sustainable economic development within the Arctic Slope region. Members of AIO include Arctic Slope Regional Corporation (ASRC), and village corporations Ukpeaġvik Iñupiat Corporation (UIC), Tikigaq Corporation, Olgoonik Corporation, Atqasuk Corporation, Kaktovik Iñupiat Corporation, and Nunamiut Corporation. Communities represented by these corporations include Barrow, Point Hope, Wainwright, Atqasuk, Kaktovik and Anaktuvuk Pass. AIO’s primary focus includes creating alignment for responsible development within the Arctic Slope region, planning for the future, providing a voice for Arctic Slope Iñupiat with a seat at the development table, and economic stability.

### **ABOUT ASRC**

Arctic Slope Regional Corporation is owned by and represents the business interests of the Arctic Slope Iñupiat. Since opening enrollment in 1989 to Alaska Natives born after 1971, the Corporation's shareholder base has nearly tripled, growing from the 3,700 original enrollees to around 11,000 today. Corporate headquarters are based in Barrow, Alaska, with administrative and subsidiary offices located in Anchorage and throughout the United States. ASRC, along with its family of companies, is the largest Alaskan-owned company, employing approximately 10,000 people worldwide. The company has six major business segments: petroleum refining and marketing, energy support services, construction, government services, industrial services.

### **ABOUT SHELL**

Shell Gulf of Mexico, Inc. (Shell) is an affiliate of the Royal Dutch Shell plc, a global group of energy and petrochemical companies in more than 70 countries. We deliver a diverse range of energy solutions and petrochemicals to customers worldwide.

These include transporting and trading oil and gas, marketing natural gas, producing and selling fuel for ships and planes, generating electricity and providing energy efficiency advice.

We also produce and sell petrochemical building blocks to industrial customers globally, and we are investing in making renewable and lower-carbon energy sources competitive for large-scale use. In the U.S., we operate in 50 states and employ more than 20,000 people delivering energy in a responsible manner.

### **ABOUT VILLAGE CORPORATIONS**

#### **UKPEAGVIK IÑUPIAT CORPORATION**

Ukpeagvik Iñupiat Corporation (UIC) is the Alaska Native Village Corporation of Barrow, Alaska and provides social and economic resources to over 2,500 Iñupiat shareholders and their descendants. Since its establishment, UIC has diversified its investments and consistently ranks among the top largest Alaskan-owned companies. UIC has over 3,400 employees and provides services to clients worldwide in a variety of industries, including operations in Barrow, construction, architecture and engineering, regulatory consulting, information technology, marine operations, logistics, and maintenance and manufacturing. More information about UIC and its family of companies can be found at [www.uicalaska.com](http://www.uicalaska.com).

#### **TIKIGAQ CORPORATION**

The corporation has approximately 1,400 Inupiat shareholders. A majority of our shareholders are in Point Hope, and are also shareholders of the Arctic Slope Regional Corporation (ASRC). Tikigaq has proven arctic construction capabilities, rural and urban environmental expertise, logistics services experience, and supports local hire throughout various projects. Resources include staff engineers, scientists, project managers, superintendents, office managers, purchasing agents, quality control personnel, and safety specialists. Tikigaq has operations in Virginia Beach, Virginia, and in Anchorage, Fairbanks and Point Hope, Alaska.

#### **OLGOONIK CORPORATION**

Olgoonik Corporation is an Alaska Native-owned village corporation established under the terms of the Alaska Native Claims Settlement Act. Headquartered in [Wainwright](#) along the coast of the Chukchi Sea, the Corporation is owned by more than 1,100 Alaska Native shareholders, almost half of whom live in

the community. Since incorporation in 1973, Olgoonik has steadily assembled a proven record of past performance through its distinguished companies.

#### **KAKTOVIK IÑUPIAT CORPORATION**

Kaktovik Inupiat Corporation (KIC) is an ANCSA Corporation incorporated in 1973. KIC is located on the eastern Beaufort Sea Coast of Alaska and is the only Native Corporation within the boundaries of the Arctic National Wildlife Refuge. KIC grew from 112 original shareholders to 209 shareholders today.

#### **ATQASUK CORPORATION**

The village of Atqasuk is located along the Kuulugruaq River (Meade River) 60 miles southwest of Barrow. The Atqasuk area was traditionally fishing and hunting camps. The present day population of Atqasuk is about 250 people. Atqasuk Corporation is the Village Corporation established pursuant to the Alaska Native Claims Act of 1971. Atqasuk Corporation has over 100 shareholders and owns approximately 73,000 acres of surface lands in and around the community.

#### **NUNAMIUT CORPORATION**

Nunamiut Corporation (NC) is an ANCSA Corporation incorporated in 1973. NC is located in the central Brooks Range and is the only native Corporation within the boundaries of the Gates of the Arctic National Park. NC has 230 shareholders and owns and operates 8 businesses.