

A Message from the Board of Directors



On The Hunt...

The Eyak Corporation

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Dear Shareholders,

It was great to see so many of you at the Seattle Shareholder Informational Meeting in January. We are thankful to all of the Shareholders and Descendants who attend The Eyak Corporation's meetings and events each year in Anchorage, Cordova, and Seattle. For those who have not attended TEC events in recent years, we hope to visit with you in 2020.

The Eyak Corporation's 46th Annual Meeting of Shareholders is scheduled for Saturday, May 16, at the Embassy Suites Anchorage. There will be door prizes, swag, salmon spread, and a silent auction to benefit The Eyak Foundation. Please mark your calendars!

This year's annual meeting will reflect on 2019, which we are pleased to report was another profitable year for your corporation. The meeting will also provide an update on 2020, a year in which we intend to keep moving forward through the growth and diversification of our business lines.

Three seats on The Eyak Corporation's Board of Directors are up for election at this year's annual meeting. Voting is one of your most important rights as a Shareholder and we encourage you to vote your shares. The official notice of the meeting, proxy materials, and annual report will be mailed to you in mid-April, after the independent auditors issue the corporation's audited financial statements.

We hope each of you can attend this year's annual meeting. Whether or not you expect to make it, we urge you to vote by proxy. Voting helps the corporation reach a quorum to ensure a valid meeting can be held. To encourage proxy voting, Shareholders who submit proxies to the corporation by May 15 have the option of receiving \$25 or donating the \$25 proxy incentive payment to The Eyak Foundation. There will also be early bird prizes. Submitting a proxy increases your chance of winning a prize.

Thank you for the enthusiasm and interest you are showing in your corporation; we look forward to seeing you at this year's annual meeting.

**March
2020**

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Management Report, by Rod Worl

Spotlight on Alaska Glacier Products Investment

I am pleased to provide this spotlight on our 2019 investment into Alaska Glacier Products, LLC (AGP). The investment advances the Board's five-year strategic plan to increase our financial security through diversification of assets and income. We expect the investment to provide long-term financial returns and opportunities for Shareholder hire.

AGP is a small, Alaska owned and operated business that bottles and sells award-winning water sourced from Eklutna Glacier. The company is a consolidation of all bottled water companies in Alaska. It is very much like a new company with new ownership, management, structure, and strategy. The primary focus is on growing markets in Alaska and the Pacific Northwest while improving operational efficiencies. Long-term, AGP wants to expand its product line beyond plastic bottled water.

A key factor in AGP being highly competitive in the bottled water market is its water source, which is unlike any other in the country. AGP water is naturally alkaline. At an average of approximately 7.8 on the pH scale, the alkalinity acts as a whole-body combatant of acidic imbalances in living cells. Intra- and extra-cellular body fluids must maintain healthy alkaline levels to help displace and dispose of acidic environments while supporting an increased uptake of oxygen in the cells during metabolizing.

AGP water is internationally acclaimed for its taste and has won numerous quality awards. In fact, it was the only water from the USA to receive a medal at the 2017 Gourmet Waters International Competition in Lyon, France. In contrast to depleted aquifers in many other parts of the country, Eklutna Lake is continuously fed by the Eklutna Glacier at an estimated recharge rate of 175,000,000 gallons daily. AGP is committed to careful stewarding of this precious resource, using less than .001% annually in its bottles.

AGP recognizes the importance of an environmentally friendly footprint and recently earned a Carbon Neutral certification. The company has a goal of using 100% recycled plastic by 2022. In addition (and as requested by TEC Shareholders), Alaska Glacier Products plans to roll out aluminum bottles this summer to help offset some of the environmental downsides of plastic.

During 2020, AGP will begin selling water in at least 273 new store locations in the Pacific Northwest. AGP has been busy marketing and building relationships in the Pacific Northwest. It has recently hired a new Sales Manager for this area and expects to hire one or two more sales staff during this year. AGP currently sponsors many local events to enhance its brand in the Pacific Northwest and Alaska. For example, it provides free bottled water to many outdoor races and other community activities. While expensive, TEC sees this practice as an investment in brand building that will drive more sales.

Operational improvements continue that will drive down costs and increase efficiencies. The new gas-driven turbine generator reduces electrical and heating costs. Waste heat from the generator is used to heat the offices. The production line has been modified and upgraded such that AGP will need one less operator to run the line this year. The bottle forms are now sourced out of Washington instead of Georgia. This means freight costs are cut in half and bottle form costs are significantly less. The new supplier uses reusable pallet containers to reduce cardboard waste, cost, and space requirements.

TEC's investment in AGP was \$900,000, in return for a 10% ownership interest in the company. Although this investment, as with any investment, entails certain risks (Alaska operational and logistical costs are high; potential changes in regulations; etc.), the Board and Management believe the potential upsides of the investment significantly outweigh those risks.

For more information on Alaska Glacier Products, please check out their website (www.alaskaglacier.com).

Chairman's Message

The Board of Directors held our annual strategic planning session in Seattle on January 24 and an in-person Board meeting on January 25. I am pleased to share with you the following highlights from each event.

Strategic Planning Session

For the second straight year, Catherine Woods, from Raven Management Consulting, facilitated the Board's strategic planning session. The session covered best practices on several topics, including: corporate risk and oversight; Board development; Board succession planning; and CEO succession planning.



In addition, the Board reviewed its 2019 priorities and Management's efforts to address those priorities. The Board then confirmed the following three priorities for 2020:

- Grow Business;
- Continue to Address TEC's Land Issues; and
- Shareholder and Descendant Engagement.

The Board and I are confident in Management's ability and dedication to accomplish the Board's 2020 priorities.

Board Meeting

During our in-person Board meeting in Seattle, among other things, the Board:

- Analyzed and approved the 2020 budget;
- Received a detailed report from the leadership of our main subsidiary group on performance in 2019 and expectations for 2020;
- Discussed subsidiaries and potential investment opportunities in furtherance of the Board's priority to grow and diversify our businesses;
- Received an update on ethics and compliance;
- Received updates and acted on recommendations from the following committees: Communications, Donations, Finance/Investment, Governance, and Shareholder Advisory;
- Approved an amendment to TEC's Bylaws; and
- Received a detailed update on The Eyak Foundation.

We are looking forward to a successful 2020 and are grateful for your support.

EPFST Declares Distribution

On February 26, the Eyak Permanent Fund Settlement Trust Committee declared a distribution, subject to completion of the annual audit, of \$12.34 per share, to be paid on or about April 3, 2020 to TEC Shareholders of record as of March 27, 2020.

The Eyak Permanent Fund Settlement Trust Committee manages the Trust for long-term sustainable growth. The Committee includes the following members: Alex Slivka (Chair); Nancy Barnes; Kim Jaime; Matt McDaniel; and Rod Worl. Alex Slivka will attend The Eyak Corporation's Annual Meeting of Shareholders on May 16, 2020 and will be available to answer any questions that Shareholders may have about the Settlement Trust.

WELCOMING NEW SHAREHOLDERS

Allan Bagley

Ann Keil

Pamela Graff

Ailie Johnson

Lisa Lange

Lillyanna Lockyer

William Lockyer

Candidates Sought for 2020 Board Election

The Eyak Corporation's Board of Directors is seeking qualified Shareholders who want to serve on TEC's Board. There are three director seats, each with a term of three years, to be filled by Shareholder election at the May 2020 TEC Annual Meeting of Shareholders. The seats are currently held by **Jerry O'Brien, Jr., Jim Ujioka, and Martin M. Parsons.**

To be listed as a candidate in TEC's proxy materials, the interested Shareholder must submit a complete Candidate Application Form. TEC must receive completed forms no later than 5 p.m. Alaska Time on Friday, March 20, 2020. Please note this an application receipt deadline and not a postmark deadline.

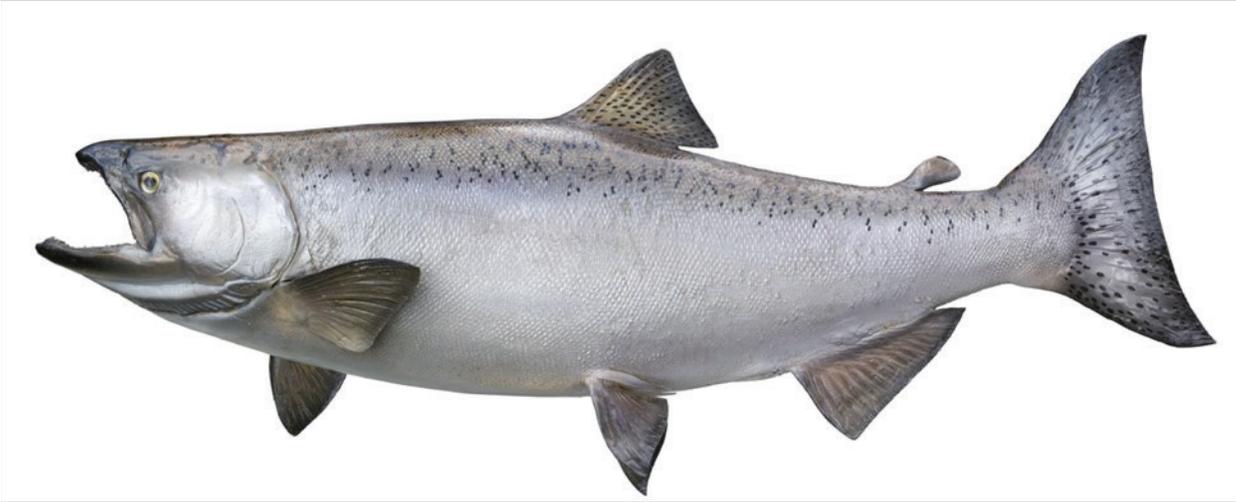
Qualifications to serve on TEC's Board of Directors are as follows: you must be at least 18 years old; hold voting stock of TEC; execute and comply with TEC's code of conduct and confidentiality agreement; not serve on the board of directors or as an officer of another corporation organized under the Alaska Native Claims Settlement Act; and not serve on the board of directors or as an officer of a non-Corporation owned entity that is participating in the Small Business Administration's 8(a) Business Development Program.

Candidate Application Forms are available at TEC's Anchorage and Cordova offices; on our website: (<http://www.eyakcorporation.com/website/shareholder-services/forms.html>); or via email (shareholder@eyakcorp.com). The Candidate Application Form can also be requested by telephone: (Anchorage office (907.334.6971; or toll-free 1.800.478.7161); Cordova office (907.424.7161).



Kid's Corner

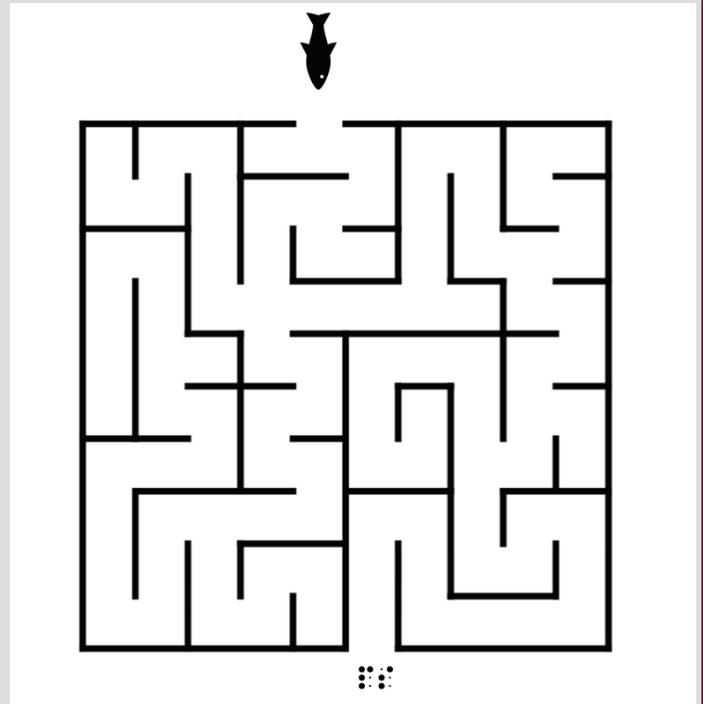
Chinook Salmon (King) – **te'ya'lee** (Eyak Word)



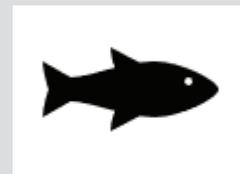
Coho Salmon (Silver) - **AdAte'ya'** (Eyak Word)



Sockeye Salmon (Red) – **GingaadAG** (Eyak Word)



Fish Maze



Seattle Shareholder Informational Meeting

The Eyak Corporation's annual Seattle Shareholder Informational Meeting was held on January 25, at the DoubleTree by Hilton Hotel-Southcenter. We had an exceptional turnout, with more than 60 Shareholders and Descendants attending the event, including several first-time attendees.

This year, the traditional "meet and greet" period was followed by an energizing and heartwarming performance by the Cordova Ikumat Dance Group. Several brave Shareholders and Descendants in the audience participated in several of the dances. The idea for the "cultural activity" came from a comment card submitted during the 2019 Seattle informational meeting.

President Nancy Barnes provided opening remarks, and Chairman Martin Parsons recognized Nick Tiedeman as TEC's Shareholder of the Year. CEO Rod Worl provided the Management report. Vice President of Finance Sue Jolin followed with a financial update.

Several Board members then gave brief presentations on matters they oversee. Brooke Mallory, Chair of the Land Committee, first provided an update on TEC land issues and the committee's 2019-2020 strategic land priorities. Jerry O'Brien, Jr., Chair of the Donations Committee, provided an update on TEC's donations in 2019 and 2020 to date. Rocky Dolfi, Board liaison to the Shareholder Advisory Committee, provided an update on the committee. Brooke Mallory, who also serves as President of The Eyak Foundation, concluded the presentations with an update on the Foundation.

A silent auction was held on behalf of The Eyak Foundation. With the Board's match, the silent auction raised \$2,020 for The Eyak Foundation's scholarship program. Thank you to our donors and all who bid on items at the auction.

We greatly appreciate everyone who traveled from near and far to attend the meeting. For those Shareholders and Descendants who live outside of Alaska, the Seattle Shareholder Informational Meeting is a great opportunity for an in-person update on your corporation, while visiting with family and friends. We look forward to seeing you next year!



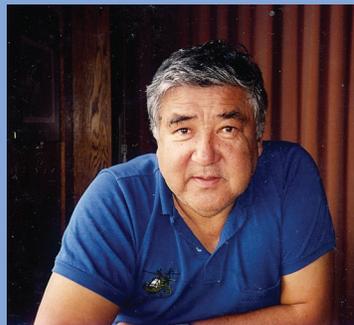


Throwback Thursday Photo Raffle Winners

Unlike last year's Fish Pun contest, which was a flop, our Throwback Thursday Photo raffle "netted" many great entries. Thanks to everyone who submitted photos, and congratulations to the six lucky winners who each won \$50: Carla Barnes-Arreygue; Jason Barnes; Seana Essex; Hilary Fell; Adina Fuggetta; and Kelly Sullivan.



Remembrance



Jim Foode



Harry Elie Jr.

Update on The Eyak Foundation, by Brooke Mallory

It is my pleasure to provide this update on The Eyak Foundation. The Foundation's Trustees met by teleconference in early January. During that meeting, the Trustees:

- Received a Management report from Heidi Van Gilder;
- Reviewed the financials with Sue Jolin;
- Reviewed the Trustees' strategic plan and annual priorities;
- Discussed criteria for vocational scholarships;
- Discussed funding cultural classes and cultural activities;
- Discussed the 2020 budget and annual spend requirements; and
- Discussed fundraising efforts.

I am grateful for the volunteer efforts of our Board of Trustees, whose members include: Thomasina Andersen; Rockele Jones, Todd Lilleness, Martin D. Parsons, Nick Tiedeman, Jim Ujioka; and me. If you are interested in serving as a Trustee, now or in the future, please let me or one of the other Trustees know. The Trustees recognize the importance of succession planning.

I am pleased to announce the Trustees awarded a total of \$59,000 in scholarships to Shareholders and Descendants in 2019. We hope to issue even more scholarships in 2020 and encourage our eligible Shareholders and Descendants to apply. For more information on scholarships, please visit our website: www.eyakfoundation.org and/or contact: Heidi Van Gilder at (907) 334-6971 ext. 1.

On behalf of the Trustees, thanks for your continued support.



Frequently Asked Questions

Q: *Are the distributions issued by the Eyak Permanent Fund Settlement Trust in April and December of 2019 taxable to Shareholders?*

A: The 2019 distributions from the Eyak Permanent Fund Settlement Trust are NOT taxable to Shareholders. As a result, Shareholders will not receive IRS 1099-DIV forms for those distributions.

Q: *Will there be an Elder Dividend in 2020? Will it be taxable to Shareholders?*

A: We anticipate the Eyak Benefits Trust will issue an Elder Dividend in 2020. Elder Dividends issued by the Eyak Benefits Trust are NOT taxable to Shareholders. We will let Shareholders know when the Trustees finalize the amount and timing of the 2020 Elder Dividend.

Q: *I submitted a stock will to Chugach Alaska Corporation. Do I have to fill out a separate stock will for The Eyak Corporation?*

A: Yes. A stock will for Chugach Alaska Corporation does not apply to TEC stock. Similarly, a TEC stock will does not apply to Chugach Alaska Corporation stock. Completing a stock will is an easy way to make certain your shares go to the individuals you want to inherit those shares. TEC stock wills are available at our Anchorage and Cordova offices, and on our website. We also encourage Shareholders to prepare “regular” wills to address their other assets.

Q: *Can you please explain, at a high-level, what the Corporation looks for when making investments?*

A: Although each investment opportunity is unique, there are several things that the Corporation looks for. First, we expect a long-term return on our investment of at least 7%. Second, we strongly prefer to invest in entities whose business lines are consistent with our mission. Third, we prefer investment opportunities in Alaska that enhance Native communities. Fourth, we seek investment opportunities that provide hiring opportunities for Shareholders.

Q: *Does the Corporation have a “Board slate” of endorsed director nominees?*

A: No. TEC encourages Shareholders to vote for the nominee(s) that they believe will do the best job as director (s) and does not have a “Board slate.” Additionally, to maximize the voting rights of Shareholders, TEC does not impose term limits on directors and provides for directed, rather than discretionary, voting. In the last decade, at least nine “non-incumbent” Shareholders have become directors, some more than once, including: Jim Ujioka (2017); Brooke Johnson (2016); Todd Lilleness (2016); Rikki Addy (2015); Roxanne Dolfi (2013); Mildred Johnson (2012); Jerry O’Brien Jr. (2011); Martin Parsons (2011); and Jason Barnes (2010).

Q: *When will the Shareholder Land Use Program (SLUP) be re-opened?*

A: We are continuing efforts to address flaws with the SLUP that were identified by Shareholders and others. We do not have a set date for reopening the SLUP but hope to do so in 2021.

Q: *Does The Eyak Corporation invest in Shareholder businesses?*

A: Although we are happy to advertise Shareholder businesses in our Shareholder newsletter and on our Facebook page, we very rarely invest in Shareholder businesses. Any investments TEC makes in Shareholder businesses occur after we perform due diligence on the business and ensure that any potential conflicts of interest are disclosed and addressed.

Dates to Remember & Special Announcements

May 16– Annual Meeting– Embassy Suites Anchorage

July 25– Shareholder Picnic– South Anchorage Sports Park

On The Hunt...

For Culturally-Relevant Articles

Several shareholders have requested we include more culturally-relevant articles in these newsletters. Do you have a favorite salmon recipe, a historical photo, or other culturally significant information you'd like to share with your Eyak Corporation family? Please submit ideas to info@eyakcorp.com for possible inclusion in future newsletters.

Board of Directors



Martin Parsons, Chairman

Nancy Barnes, President

Brooke Mallory, Vice Chair

Jerry O'Brien Jr., Vice President

Rikki Addy, Treasurer

Roxanne Dolfi, Secretary

Todd Lilleness, Director

Jim McDaniel, Director

Jim Ujioka, Director

Alaska Staff



Rod Worl

Chief Executive Officer

Ext 1



Brennan Cain

VP & General Counsel

Ext 5



Sue Jolin

VP of Finance

Ext 7



Peggy Fisher

Senior Accountant

Ext 3



Heidi Van Gilder

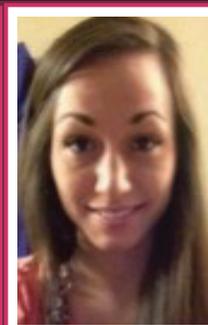
Office & Shareholder Relations Manager

Ext 1



Angela Butler

GM Cordova Operations



Tiffany Beedle

Project Manager and Operations Assistant



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<http://www.facebook.com/eyakcorp>

www.eyakcorporation.com

The Eyak Corporation in Cordova has moved into a new office located at:

622 First Street, Suite 105.

We welcome you all to stop in, say hello, and have a cup of coffee.



The Eyak Corporation Mission

The Eyak Corporation will return financial benefits to present and future shareholders through the development of economic opportunities and growth of our assets while protecting the ownership of our ANCSA lands and Native cultural heritage.