

# KEEP IT IN THE GROUND CONSERVATION OPPORTUNITY

## BERING RIVER COALFIELDS, CHUGACH NATIONAL FOREST, ALASKA



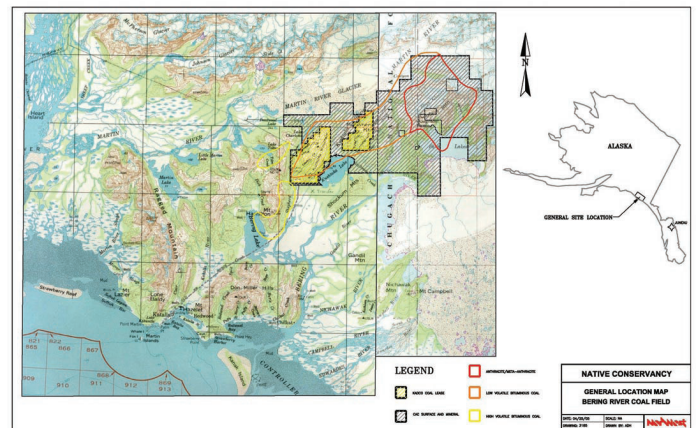
### For Sale – Development or Conservation?

- **ACREAGE:** 11,000 acres
- **LOCATION:** Bering and Martin River Glacier region: Chugach National Forest; 155 miles southeast of Anchorage; 18 mile easement to Katalla; 55 miles east of the Copper River Highway
- **SELLER:** Korea Alaska Development Corporation (KADCO) Seoul, South Korea
- **TITLE:** Quitclaim deed was executed in 1987 between Chugach Alaska Corporation (CAC) to KADCO.
- **PRICE:** Subject to negotiation; potentially dependent on appraisal; indicated \$8 to \$10 million
- **QUALITY & QUANTITY:** 14,000 BTU, low Sulphur (4%); volatile matter (16%), merchantable 60 to 160 million tons; hypothetical 350 million tons
- **APPRAISAL SAMPLE:** “O” NPV with discount rate 14% and coal price \$40
- **RIGHT OF WAY:** KADCO retains two Notices of Right of Way easements to the property. Access roads and coal port building guaranteed by U.S. statute and ANILCA (55-Mile road across Copper River Delta and a 25-Mile road to the Coast near Katalla)
- **PRIMARY KADCO EXECUTIVE:** Dr. Joo Shin, the controlling shareholder, is aging (80+ years); he is the only KADCO shareholder willing to sell the title for conservation and is receiving extreme pressure to relinquish control. Without Dr. Shin, the conservation opportunity for the Bering Coal title will be forever lost to the United States.

### The Bering River / Copper River Delta Region

- 17 million acres of pristine, wilderness – one of the largest roadless pristine wild salmon watershed ecosystems of its kind on Earth
- Hundreds of thousands of birds, animals, fish and life forms
- A wild shorebird flyway stopover designated for Northern Hemispheric importance
- 1 – 1.5 million wild Copper and Bering River salmon return to their spawning grounds each year
- Intact watersheds and ancient rainforest comprised of glaciers, mountains, rivers, lakes and deltas

- Paradise for sport fishers, hunters, gatherers, scientists, mountain adventurers
- Indigenous ancestral lands of Alaska’s Native people with coastal village sites
- Sustainable world-class fisheries of incalculable value



### If the Bering River Coal Is Ever Mined

- 55-mile Carbon Mountain Road and 25-mile Katalla Road would be built, as well as additional access roads and infrastructure across the roadless Copper River Delta
- Mountain top removal and strip mining would take place at Kushtaka Mountain, Cunningham Ridge, and adjacent valleys
- Massive earthmoving equipment would be transported and used in pristine wilderness
- 20 tons of overburden (gravel & rock) for every one ton extracted would result in at least 700 million tons of overburden blasted away and moved
- Watershed and wild salmon devastation – sediment would erode into streams, tributaries and the Bering River, Martin River and the Copper River Delta estuary
- New roads and blasting would pollute and block salmon runs to historic spawning grounds, irrevocably destroying commercial and subsistence fishing

- Coal mining would lead to catastrophic environmental damage; oil and gas drilling, industrial tourism, over hunting
- Huge carbon emissions would occur from the ensuing burning of over 60 million tons of coal

## Options: Placement of Title

- 100% private funding; Place coal title in the Eyak Trust and the conservation easement in the Native Conservancy Land Trust for preservation in perpetuity
- Government and private funding; the Exxon Valdez Trustee Council (EVOSTC), LWCF, USFS and private partners place the title in the DOI or USFS with a demand for the extinction of leasing options, and placement of the conservation easement into the Native Conservancy Land Trust

## Permanent Protection – What it Means

- Saves world-class wild salmon fishery and preserves intact baseline ecosystem
- Preserves commercial, subsistence and existing Indigenous traditional access and use rights
- Feasibility for Carbon Mountain Road and Katalla Road evaporates
- Further diminishes all proposed road access for all future development
- New carbon sequestration model becomes a major influence in Alaska and worldwide
- The long-term conservation and financial opportunities of preserving carbon and natural resources in perpetuity continue to present real-value equations

## A Historic Opportunity

### POINTS OF HISTORY:

- **1907-1911:** President Theodore Roosevelt and First Chief of the U.S. Forest Service Gifford Pinchot extended the Chugach

National Forest so the Bering River Coal Fields could not be mined by the Morgan-Guggenheim “Alaska Syndicate.” The Bering River Coal Fields struggle helped define the start of the conservation movement in the early 20th century.

- **1971:** During the Alaska Native Claims Settlement Act, the Chugach Alaska Corporation (CAC) selects the Bering River Coal Fields (73,000 acres) as part of their land claims.
- **1959:** Alaska becomes the 49th state.
- **1991:** As part of the CAC bankruptcy reorganization proceedings, the rights to the westernmost 11,000 acres of the Bering River coal title transfers to the Korean Alaska Development Corporation (KADCO).
- **1997:** The Eyak Preservation Council (EPC) and the Native Conservancy Land Trust (NCLT) began working to permanently retire mineral rights in the Bering River Coal Fields.
- **2016:** In December, EPC and NCLT worked in collaboration with New Forests Inc. and The Nature Conservancy to purchase and retire the mineral rights owned by Chugach Alaska Corporation (CAC). This additionally protected 115,000 acres of old-growth forests in the region through a carbon offset transaction that was negotiated and brokered with New Forests Inc. This allows CAC shareholders to retain title and receive carbon offset payments to leave their trees standing.
- **2019:** In May KADCO publicly announced the sale of their Bering River Coal Field title.

## Conservation Team and Advisors

- **DUNE LANKARD:** Executive Director, Native Conservancy Land Trust
- **CAROL HOOVER:** Executive Director, Eyak Preservation Council
- **U.S LEGAL COUNSEL:** Roy Jones, Esq. Stiefel & Jones LLC, Orrick Law LLP
- **ADVISORS:** Theodore Roosevelt IV, Tim Richardson (Wildlife Forever), Dr. Jane Goodall (Founder of the Jane Goodall Institute & UN Messenger of Peace), Denis Hayes (ED, Bullitt Foundation), Al Sample (ED emeritus, Pinchot Institute for Conservation), Bill Meadows (ED emeritus, Wilderness Society), Dinah Bear Esq. (ret. Office of Environmental Quality), Gifford Pinchot III

