

**ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY**

RESOLUTION NO. G23-07

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY RELATING TO THE DEVELOPMENT
OF THE AMBLER PROJECT THROUGH THE CONSOLIDATION OF
PREVIOUSLY APPROVED PROJECT FUNDING RESOLUTIONS
G20-19, G21-09, AND, G22-03 IN ORDER TO RECORD PROJECT
EXPENDITURES BY FUND SOURCE**

WHEREAS, one of the purposes of the Alaska Industrial Development and Export Authority (the “Authority”) is to develop and provide financing for industrial development and facilities that “are essential to the development of the natural resources and the long-term economic growth of the state, and will, directly and indirectly, alleviate unemployment in the state...” AS 44.88.010(a)(4), 44.88.070(1).

WHEREAS, the Ambler Mining District Industrial Access Project (“Project”) is aimed at the development of an industrial road that provides access for multiple mining companies to the Ambler Mining District for exploration and mine development and is the type of development that AIDEA was established to pursue.

WHEREAS, the Arctic Infrastructure Development Fund (“AIDF”) was set up by the Legislature so that it could accept funds transferred into the fund by the Board.

WHEREAS, the opening of new areas for natural resource development through the construction of access roads is important in supporting economic development and is in furtherance of the Authority’s statutory mission, and is in the public interest;

WHEREAS, the Project was funded and declared to be an Arctic infrastructure development project under the Arctic Infrastructure Development Program and Fund in Board Resolution G20-11;

WHEREAS, the Authority under the AIDF is authorized to contract for services with a professional advisor, including an attorney or other technical expert necessary to fulfill the purposes of the program.

WHEREAS AIDEA is in the process of developing an industrial access road to the Ambler Mining District consistent with the March 2020 Ambler Road Final Environmental Impact Statement, the July 2020 Ambler Road Joint Record of Decision issued by both the U.S. Bureau of Land Management and the U.S. Army Corps of Engineers, and the July 2020 Record of Decision issued jointly by the Secretaries of Interior and the U.S. Department of Transportation on Alignment of the Ambler Road through the Kobuk Preserve;

WHEREAS, the Authority and Ambler Metals, LLC (Ambler Metals) have entered into an Ambler Access Development Agreement that addresses funding and oversight of the Project's feasibility and permitting activities through 2024;

WHEREAS, the Authority has approved three Resolutions, 620-19 for 2020 Pre-Development costs, G21-09 for 2021 Field Season Plan and Budget, and G22-03 for the 2022 Filed Season Plan and Budget, each of which provided authorization for expenditures on various aspects of the Ambler Project;

WHEREAS, AIDEA proposes consolidating Board resolutions G20-19, G21-09, and G22-03 into a single Resolution for accounting purposes to allow for the recording of Ambler Project expenditures by fund source and permit the alignment of tracking costs by the task performed both of which will assist in the production of management reports generated from the Authority's accounting system that are consistent with budgetary controls already in place;

WHEREAS, making these decisions to advance and manage the Project are all in

furtherance of the Authority's statutory powers and advance the public interest.

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY, AS FOLLOWS:

Section 1. The Authority approves consolidating AIDEA Board resolutions G20-19, G21-09, and G22-03 into this single Resolution G23-07 for accounting purposes to allow for the recording of Ambler Project expenditures by fund source and permit the alignment of tracking costs by the task performed both of which will assist in the production of management reports generated from the Authority's accounting system that are consistent with budgetary controls already in place as shown in Exhibit 1 to this Resolution.

Section 2. The Authority authorizes future expenditures under this Resolution G23-07 based on future ratification by the Board consistent with required expenditures for the development of the Ambler Road Project and expenditures under the Ambler Access Development Agreement entered into with Ambler Metals;

Section 3. The Executive Director of the Authority is authorized to take such actions as may be necessary or appropriate to carry out the actions intended by this Resolution, including, the preparation of management reports;

Section 4. The Executive Director is authorized to sign all documents and instruments and take other actions as may be necessary or convenient in implementing this Resolution.

DATED at Anchorage, Alaska, on this 1st day of March 2023.

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY



A handwritten signature in black ink, appearing to be "S. J. R.", written above a horizontal line.

Chair

A handwritten signature in black ink, appearing to be "A. J. A.", written above a horizontal line.

Secretary



To: Board Members
Alaska Industrial Development and Export Authority

From: Randy Ruaro
CEO/Executive Director

Date: March 1, 2023

RE: Resolution G23-07 Ambler Road Project Budget Reporting

Project Funding and Expenditures:

Ambler Project funding to date is \$63.0 million. To date, approximately \$38.5 has been expended and \$24.5 is encumbered. See attached Summary, by fund source and resolution.

Funding and Development Agreement – AIDEA & Ambler Metals:

AIDEA Board Resolution G20-11 authorized the transfer of \$35M from AIDEA’s Revolving Fund to the Arctic Infrastructure Development Fund (AIDF). The \$35M was set aside to fund AIDEA’s 50% share of the \$70M funding agreement approved in Resolution G21-03 “Funding and Development Agreement”. Under the funding agreement AIDEA and Ambler Metals, LLC would split certain developments cost for the Ambler Road Project construction through 2024.

Subsequently, the following Board Resolutions authorized field work and approved associated budgets based on the Project and Season Plans that are jointly approved by AIDEA and Ambler Metals:

Number	Year	Name	Approved Budget *	Actuals	Encumbered	Balance
G20-19	2020	2020 Predevelopment Work	1,000,000	840,277	18,790	140,933
G21-09	2021	2021 Field Season Plan & Budget	13,000,000	9,471,243	3,500,903	27,854
G22-03	2022	2022 Field Season Plan & Budget	30,800,000	8,678,032	20,805,520	1,316,448
			44,800,000	18,989,552	24,325,213	1,485,235
	*	AIDEA & Ambler Metals 50/50 cost share				

AIDEA proposes in Resolution G23-07 to consolidate Board resolutions G20-19, G21-09, and G22-03 into one resolution to allow for the recording of Project expenditures by fund source. This change will facilitate the production of management reports consistent with AIDEA’s accounting systems. If approved, proposed Resolution G23-07 would work through the use of

budget increments based on amendments to the proposed G23-07 board resolution. As part of a restructure of the Project budgetary controls, the Finance Division is working with the AIDEA management and the program manager to produce budget reports that align with tracking costs by task/work breakdown structures (in addition to fund sources) resulting in management reports generated from the Authority's accounting system that provide improved budgetary reporting.