



HAIDA
CORPORATION

FALL 2017
NEWSLETTER

www.HaidaCorporation.com



SAVE THE DATE!

Our Annual Meeting will be Saturday, Dec. 2nd at 1pm in Lynnwood, WA

Can't make it? Be sure to complete your proxy

For more information visit HaidaCorporation.com

WELCOME

The Haida Corporation has had a very busy year. With new leadership and an outstanding staff, we have many new and exciting projects to share with this update. Further, in our ongoing effort to provide our shareholders information on your Corporation, we have added all the information found in this newsletter to our website: HaidaCorporation.com

SHAREHOLDERS ARE ENCOURAGED TO VOTE

Early Bird Prizes

- \$1,500.00
- \$1,000.00
- 15 - \$100.00 Prizes

* Early Bird Prizes are for shareholders who vote by Proxy. Your proxy must be received by the Inspector of Elections or Haida Corporation by Wednesday November 17th, 2017

All Prizes will be awarded before and during the Annual Meeting of Shareholders on December 2, 2017

All Included Prizes

Any Shareholder that votes by Proxy or at the Annual Meeting qualifies for the following prizes:

- Grand Prize \$2,500.00
- First Prize \$1,000.00
- Second Prize \$ 500.00
- Third Prize \$ 300.00

Prizes for Annual Meeting Attendees

- 22 - \$100 Prizes
- Visa Gift Card x 2

Want to qualify for all prizes? Be an Early Bird, fill out your Proxy and attend the meeting!

**December 2nd at 1pm
Embassy Suites Seattle in Lynnwood
20610 44th Avenue West
Lynnwood, WA 98036**

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Cover photo: Haida Carver TJ Young performs at Hydaburg's annual Culture Camp
Image courtesy of Bethany Goodrich/Sustainable Southeast Partnership

SHAREHOLDERS ARE ASKED TO VOTE ON RESOLUTIONS | IMPORTANT!

Haida Corporation requests shareholders affirm the boards approval for the lease of certain Haida Corp lands to Haida Energy. A majority affirmative vote will allow the lease and the Hiilangaay Hydroelectric Project to move forward as supported by our shareholders.

The Hiilangaay Hydroelectric Project is a longtime multi-million dollar hydroelectric project that will provide renewable energy for Prince of Wales Island. Further, the income generated from this venture will benefit Shareholders in both increased dividends and by diversification of Haida Corporation investments beyond timber extraction.

Shareholders are asked to vote your approval of both resolutions. A yes vote would allow the Hiilangaay Hydroelectric Project to complete and begin service for Prince of Wales.

Hiilangaay Hydroelectric Project

Background: The Hiilangaay Hydroelectric Project is a 5-megawatt hydroelectric resource currently under construction on Prince of Wales Island (POW), Alaska, approximately ten miles east of Hydaburg. The objective of the Project is to interconnect with the existing transmission grid on Prince of Wales Island, increasing the hydroelectric generation capability by 5 MW, eliminating the need for diesel generation, increasing the reliability of the electrical system, and allowing the interconnected portion of the island to have 100 percent renewable energy generation.

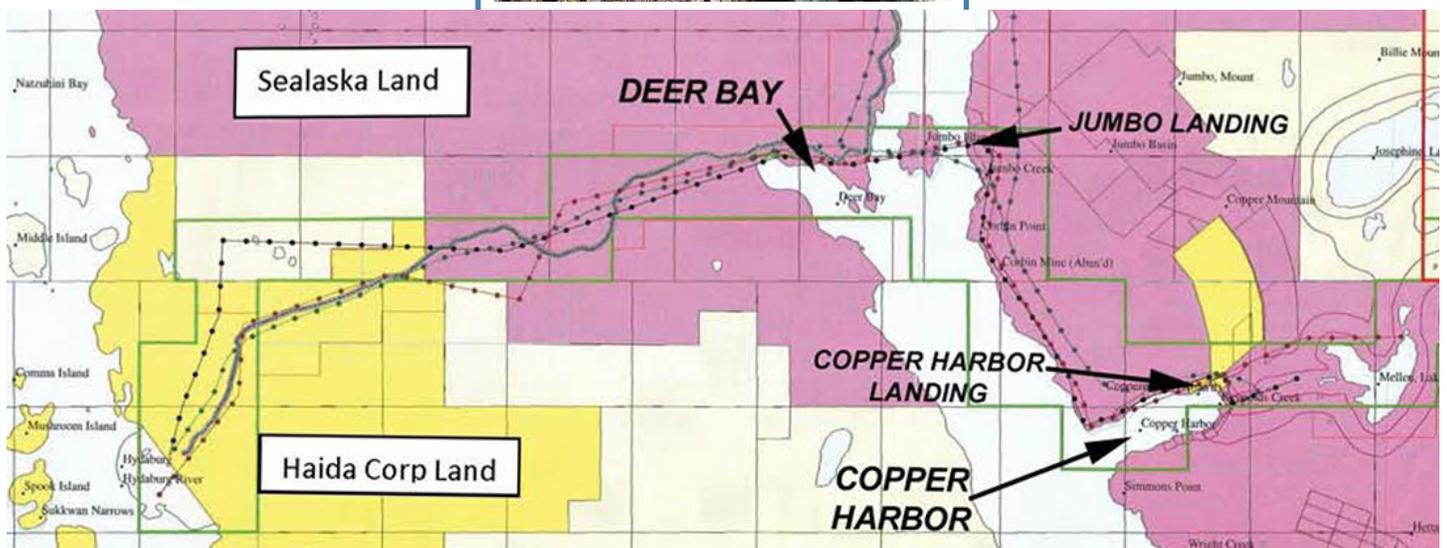


Pre-construction activities, funded in part by the Department of Energy (DOE) including construction planning, permit coordination and compliance, and final design have made it possible to move forward with construction of the Hiilangaay Project.



Despite repeated delays to the schedule, persistence and long-term planning will culminate in the construction of the Project, and make Prince of Wales independent of diesel fueled energy by allowing the sale of clean energy on the Island. Further, the passage of the resolution will ensure that Haida

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Hiilangaay Continued

Corporation receives its initial investment back at the completion of the construction, and receive long-term rental and usage fees.



Powerhouse footing rebar

Progress: Significant progress on this project has been completed in recent years. Phase 1 and 2 work has completed. Phase 3 work is currently ongoing with installing powerhouse and other foundations. Transmission lines have been completed from Copper Harbor to the powerhouse site. Additional significant project milestones have been also met by 2017.

Phase 4 design is scheduled to begin in 2018. One of the final needs to be met by Haida Corporation Shareholders is an approval of a very important resolution necessary to complete the construction and operation of the Hiilangaay Hydroelectric Project.

Shareholders! Looking for a Job working on the Hiilangaay Hydro Project?

For available jobs, visit:
www.aptalaska.com/careers

HAIDA CORPORATION FINANCIALS

Haida Corporation has completed the audits of the 2016 financial statements which includes audit of the Shareholder Trust and Elder Trust financial statements. The financial statements are mailed to each shareholder with the Notice of Annual Meeting and proxy form.

The Haida Corporation board of directors reviewed the 2017 third quarter report, and evaluated the performance of TIAA, the financial managers for our Trusts and funds. The outstanding performance of our portfolio provided the board assurance that fiduciary responsibility of evaluation and review of the Shareholder and Elder Trust assets was met. Our Haida Shareholder Trust investment account has increased significantly over the last three years and our Trust continues to grow.

LAND RELATED PROJECTS

14(c)(3) - ANCSA LANDS SURROUNDING HYDABURG

Background: Section 14(c) of the Alaska Native Claims Settlement Act of 1971, as amended, required village corporations to re-convey approximately 1280 acres of land to the local city or the Municipal Land Trust in trust for a future city. Efforts to accomplish the re-conveyance of land to the City of Hydaburg began in the early 1980's with negotiations between the City and Corporation. In 2014 the effort to agree on the lands to be conveyed was restarted, and a resolution on the conveyance was signed by the Board. In 2016 the final agreement between the City and the Corporation was signed, and the Map of Boundaries was accepted by the BLM. In August of 2017 the BLM awarded Haida Corporation the Section 638 contract to survey the lands to be conveyed to the City.

Progress: The survey work was subcontracted to Far Point Land Services, who began the field survey work in September. The final survey field work will be completed in early 2018. If all goes well, the conveyance of title, per ANCSA section 14(c) requirements, to the City of Hydaburg will occur late in 2018 or early 2019.

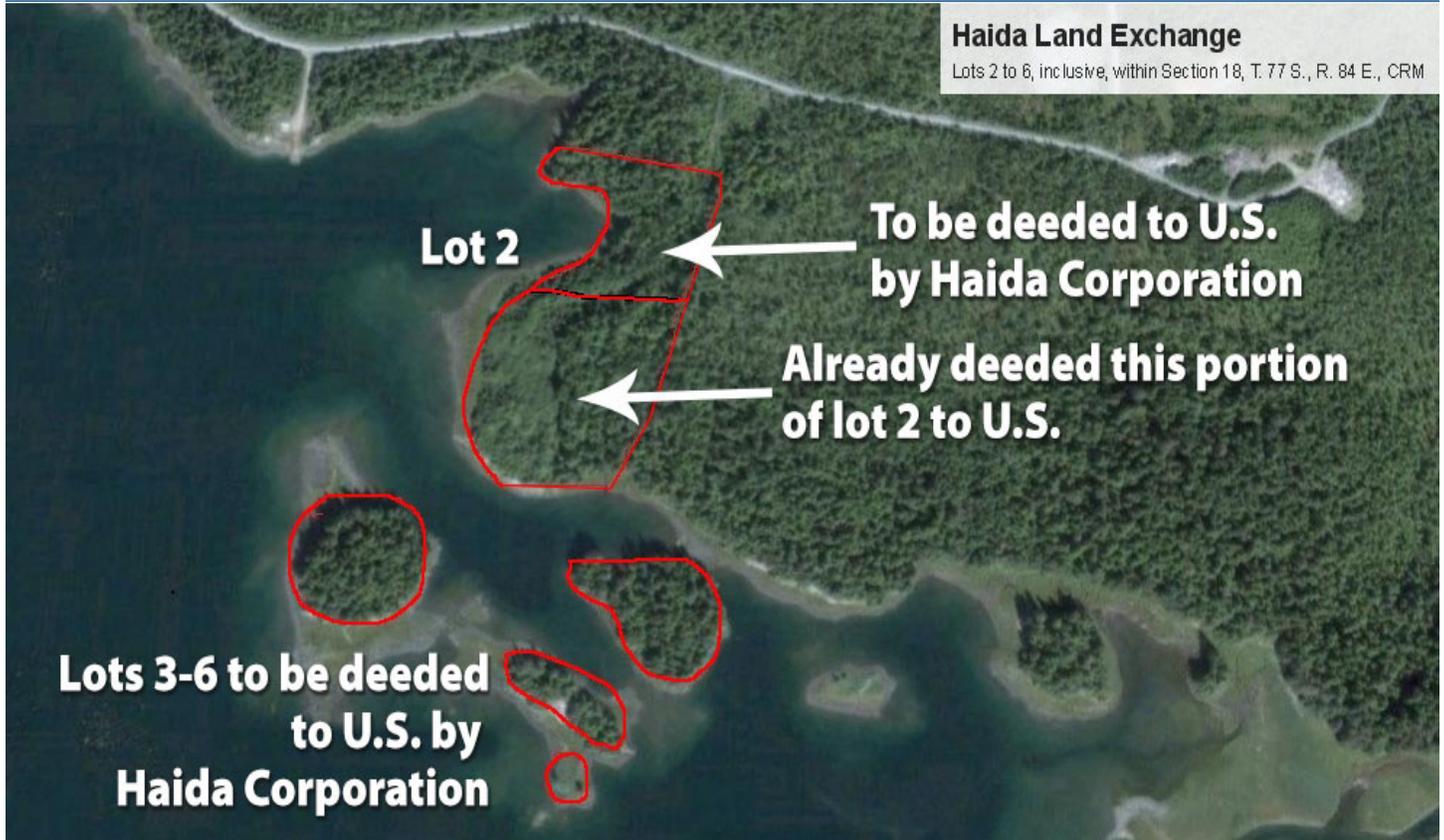
LAND EXCHANGE WITH USFS

Background: USFS – Haida Corporation land exchange: The 1992 Amendment to the 1986 Haida Land Exchange Act provided for Haida Corporation to convey to the United States Government approximately 13.5 acres located on the south east side of Hydaburg, known as the “cooperative information and education branch site” and a road easement to the site, in exchange for the subsurface estate of the Haida Traditional Use Sites.

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Haida Land Exchange

Lots 2 to 6, inclusive, within Section 18, T. 77 S., R. 84 E., CRM



Land Exchange Continued

The Haida Corporation Traditional Use Sites include 13 parcels with a total of 4,395 Acres. The exchange with the Forest Service transfers the 13.5 acres to the Federal Government, and Haida Corporation will receive the subsurface estate to the Traditional Sites. The significance of this is that under ANCSA, Village and Urban Corporations did not receive the subsurface estate under their lands; that was conveyed to the Regional Corporations. Haida Corporation will control the entirety of their lands, with no possible threat of subsurface development that is not controlled by Haida Corporation.

Progress: After several interrupted attempts, it appears that this exchange may be complete by the end of 2017.

LAND TO TRUST

Background: Parallel with the 14(c) conveyances to the City, Haida Corporation is working with Hydaburg Cooperative Association on conveying 4 culturally significant parcels to HCA, which will in turn convey the parcels to the Bureau of Indian Affairs to be put into trust status as a means of protecting them in perpetuity. Two of these parcels are located on the north end of Sukkwan Island (an ancient village site), one is the entire Cemetery Island, and the fourth is on the east side of Spook Island. The total acreage is approximately 31.8 acres.



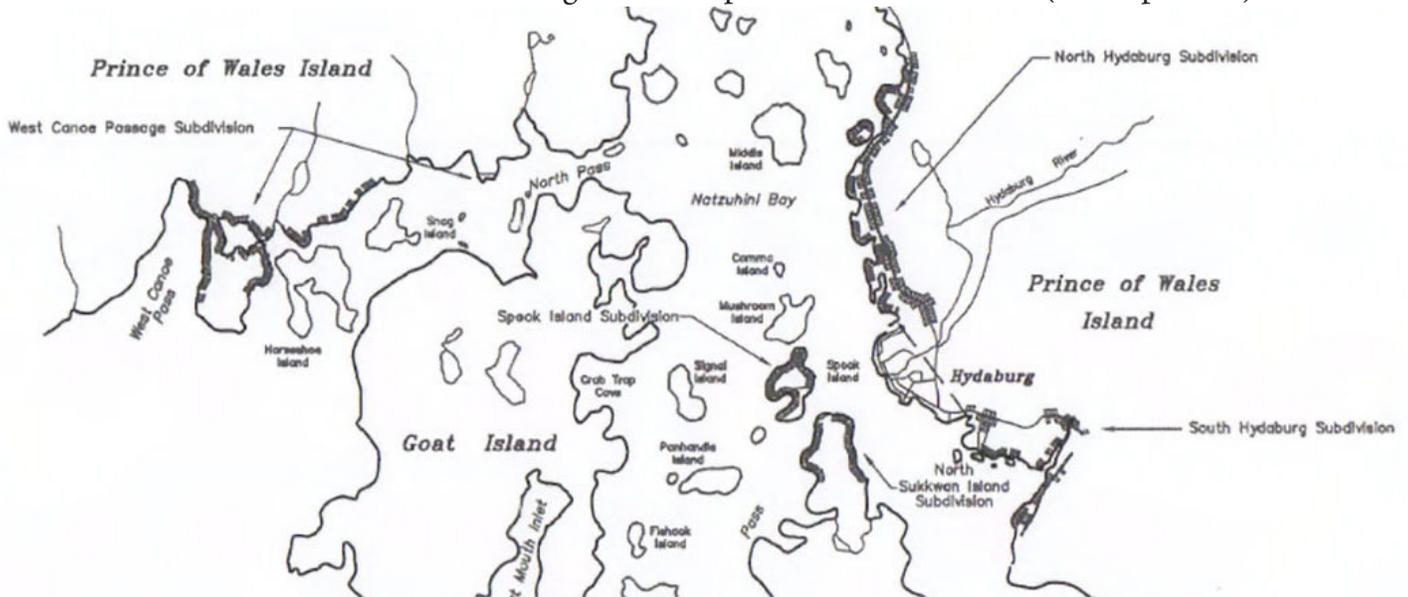
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Land To Trust Continued

Progress: Two of the parcels have prior surveys, the remaining two were surveyed during September, at the same time as the 14(c)(3) field survey work was being accomplished. The survey plats should be approved before the end of 2017, which will then allow the conveyance to HCA, and the application process to proceed.

SHAREHOLDER LEASE PROGRAM

Background: Management and the Board have for many years worked to develop a shareholder lot program that would retain an ownership interest for the Corporation to prevent the lots from being alienated from shareholder ownership. Further, an important goal of the program is to enable shareholders to have a property interest that would enable individual financing and development of residential lots (see map below)

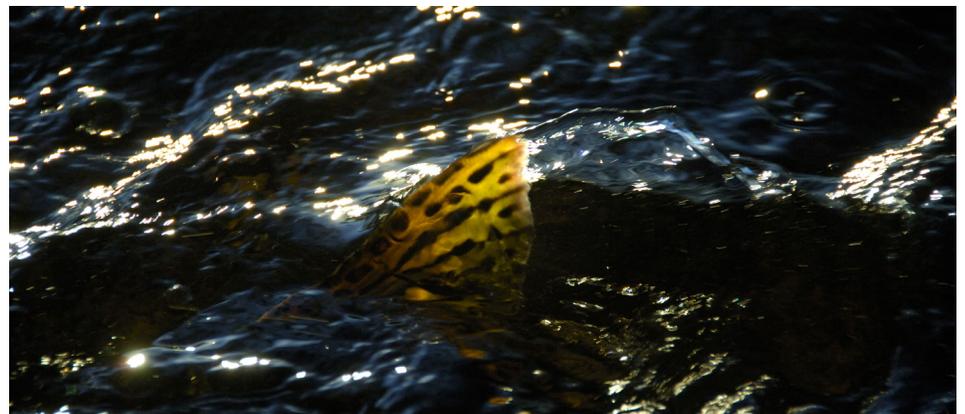


Progress: There are several steps to finalization of the program: a) Board approval of the Shareholder Lot Lease Program policies; b) approval and acceptance of the lease to be used with all shareholder lots; c) Board approval of a budget for completing the survey of the lots to be leased; d) approval of the method of allocating lots to eligible shareholders, and; e) prioritizing areas for leasing.

Areas with unrecorded surveys (which must be completed before lots are leased) are located along the Hydaburg Highway, road to the landfill, Saltery Point Road, North Sukkwan Island, Spook Island, and North Pass.

LAND USE PROGRAM

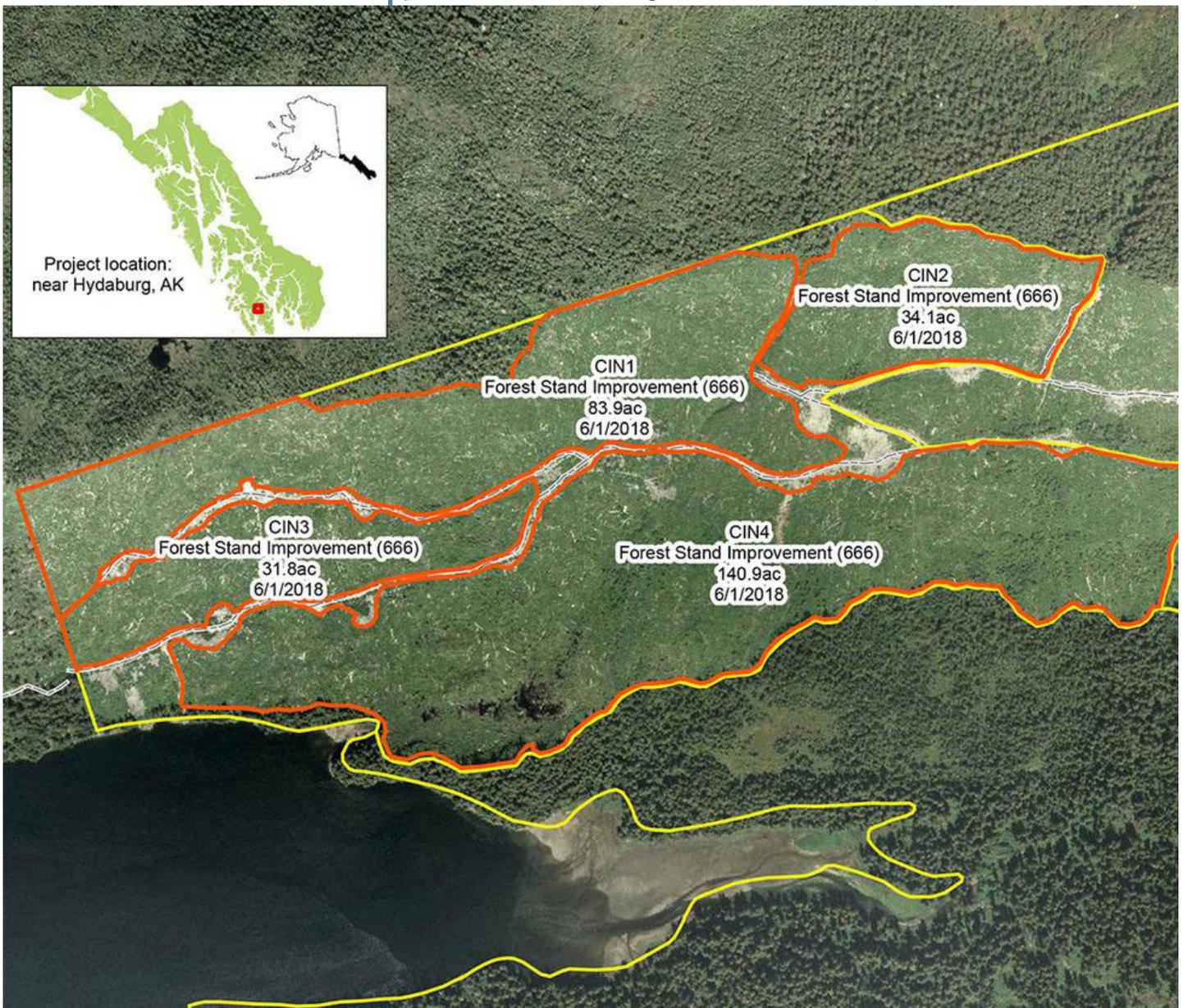
The Board has approved a Land Use Policy, and a Land Use Permit for people other than Haida Corporation shareholders to gain permission to access Haida Corporation lands for a fee. The purpose of a land use permit is to provide an alternative to trespass for access to Haida Corporation lands. The permits are for specific activities and time frames, and include the payment of a fee to help offset the cost of administering the program.



SILVICULTURE GRANT

Background: In 2016 Haida Corporation, Hydaburg Cooperative Association, the US Forest Service, the Natural Resource Conservation Service (NRCS), Sealaska, and several other organizations participated in the “Joint Chiefs” initiative that was designed to coordinate watershed improvement projects in the Hydaburg area.

Progress: One of these projects was a grant by NRCS to Haida Corporation for precommercial thinning of harvested areas in the Sulzer Portage area. The first phase of the project was for 291 acres, the grant amount was \$97,811, and the work was completed in 2017. Sealaska Corporation managed the thinning contract, and Johnson Brothers of Klawock did the actual work. Additional acres and grant funding for work in 2018 are in the application process; the goal is to precommercially thin all the areas that have been harvested. Precommercial thinning is a process of removing smaller and less productive trees thus allowing the remaining trees to grow faster, which in turn improves the watershed. The optimum age for precommercial thinning is between 15 to 20 years old.



HYDABURG CAFE/LAUNDRETTE PROJECT

Background: The Haida Corporation hired Jon Wunrow as a grant-writer and the board agreed that building our infrastructure to meet the needs of Cultural Tourism were both a need and a demand. Jon wrote the first grant in the previous year and fell short five points of an award. He immediately informed the board, revised and polished our application and resubmitted to the Indian Community Development Block Grant Program (ICDBG). The award was made in July of 2017. Haida Corporation has put \$40,000.00 into the match for a \$599,000.00 benefit.

The ICDBG demonstrated two things. Hiring our grant writer was significant in developing our local economy because we were able to compete at a high level of competition for funding and that with a strategic plan and business plan in place Haida Corporation was demonstrating what planning could achieve. Haida Corporation is aware and planning for the budget issues which the State of Alaska has clearly announced, and planned ahead to create jobs, future income and infrastructure needed for our cultural tourism goals.

Progress: The land site for the project is on Haida land and was recently reviewed for clearance. The next steps will be to hire a competent contractor to work with our Project Manager Jon Wunrow to set down the timelines and goals for completing the Washeteria Cafe within the next year. Jon Wunrow reports monthly to our board on all his current projects including this building.

SPECIAL PROJECTS

HYDABURG RENTAL CABIN PROJECT

Background: As part of a collaborative Tourism Plan that is being developed for Hydaburg, a need for additional visitor accommodations has been identified. The Haida Corporation currently has 3 apartments for rent in Hydaburg, which are consistently booked with shareholders who come to visit, business people who come to work, tourists, etc. Hydaburg has a great need for additional visitor housing.

Progress: A grant was received from NABDI (Native American Business Development Institute) to develop a feasibility study for Rental Cabins. The Board of Directors in line with the development of the economy in Hydaburg, voted to build a vacation rental cabin in Hydaburg. The development plan is to build one cabin initially with funds from the Economic Development Fund, and as funding permits, build two more additional cabins.

HAIDA WILD SEAFOOD

Background: The Haida Wild Alaska Seafood plant was established with a grant from EDA (Economic Development Administration) and is owned by Hydaburg Cooperative Association and the City of Hydaburg. The plant began operating in June 2016 with the purchase of troll caught salmon. The plant also purchased shrimp in October. Haida Corporation established an Economic Development fund with funds which were reimbursed to Haida from an Department of Energy Grant. The Haida Corporation Board is strongly committed to Economic Development in the community of Hydaburg as outlined in their Strategic Plan and the Hydaburg Twenty Year Community Development Plan 2016-2036.



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HAIDA CORPORATION

Haida Seafood Continued

Progress: In 2017, the Haida Corporation Board adopted a resolution to provide a loan to the Haida Wild Alaska Seafood Plant with funds from the newly established Economic Development Fund in the amount of \$100,000 to assist in the first year of operation. The plant hired 5 local people and shareholders during the salmon season and 16 local people and shareholders during the shrimp season. This loan assisted in economic development and provided jobs to shareholders and community members of Hyدابurg.



LAST REMINDER:

Be sure to vote by Proxy or in person at the Shareholder Meetings.

Please consider voting yes on the Haida Energy Resolutions for the future of your Corporation.

**The Annual Meeting is on:
December 2nd at 1pm
Embassy Suites Seattle in Lynnwood
20610 44th Avenue West
Lynnwood, WA 98036**