



SITNASUAK NATIVE
CORPORATION

Venture

Fall 2016



Tank Farm and Street Dedication: HONORING FRANKLIN D. OKLEASIK

Okleasik family in front of the Franklin D. Okleasik memorial plaque at the Bonanza Tank Farm

On July 8, 2016, Sitnasuak and the City of Nome honored the memory of shareholder Franklin D. Okleasik with a dedication of the road to Bonanza Fuel's tank farm as well as the Tank Farm itself. Many family members and friends gathered at the tank farm in Nome to share their admiration for his dedication to making Nome and the community a better place.

"It is a true honor to our late father to have this Avenue and Fuel Terminal dedicated to his memory recognizing the contributions he made during his lifetime to our community of Nome and with our Native Corporation," his son Tom Okleasik said.

Okleasik held many jobs in Nome and served on the Nome Volunteer Fire Department. He was employed at Bonanza Fuel for 24 years, working primarily as the tank farm manager. "Frank is remembered as a hard-working man deeply committed to his faith, his family, his friends, his community, and his co-workers," said Bonanza Fuel CEO, Scot Henderson.

Our Inupiaq values of hard work, sharing, cooperation and reverence towards nature were strongly rooted and demonstrated by Okleasik. His dedication to the community of Nome as well as Bonanza Fuel will forever be remembered.

Letter from THE PRESIDENT

Greetings!

Summer is in full swing here in Nome, and it's my true pleasure to send you greetings after our 2016 Annual Meeting. Our Annual Meeting in Nome was a success, with 140 non-staff/non-Board shareholders participating in person and 250 viewers online.

During this Annual Meeting and our three Outreach sessions, we were able to reflect on how we are changing as a people and adapting to our new environment. Despite this change our shareholders expressed a strong desire to preserve our heritage and values. Our goal at Sitnasuak is to bring pride to our shareholders by incorporating our Inupiaq values into every aspect of business, while adapting to the changing environment we operate in.

Just as we were able to provide more options for shareholders to join the Annual Meeting (webcast via mobile devices), we need to continually look for ways to bring unity and involvement to our shareholders. With nearly 150 shareholders participating in the Annual Meeting via mobile device, we see that shareholders are using new technology to engage with our Corporation.

The Annual Meeting also provided us valuable direction on eight proposals that were brought to shareholders for action; two of these proposals met the voting standard for our Corporation to begin taking action:

- The issuance of Shareholder Identification cards
- Beginning a feasibility study to operate a "Qargi" in Nome

We look forward to the next steps in each action, and I'm pleased that we've been able to get direct feedback from our shareholders on what is important. Both proposals reflect on our shareholders desire to create a participative community.

Finally, one of the key outcomes of our Outreach sessions was a very clear message from shareholders that our Corporation needs to be a leader in practicing Inupiaq values. We are looking at ways to better incorporate these Values into our workplace, and I look forward to reporting in the next Venture about our progress towards this goal. I encourage you to contact me at morr@snc.org if you have ideas on how Sitnasuak can better represent our values in the business community.

Quyana,

Michael "Ataata" Orr



Welcome

We would like to welcome our newest shareholders to the SNC family:

Irvin Barnes Jr.
Lydia Beals
George Langton
Roberta Richardson

2016 OUTREACH AND INFORMATIONAL MEETINGS UPDATE

By: Ukallaysaaq Tom Okleasik, Northwest Planning and Grants Development

Sitnasuak has successfully outreached with shareholders to give voting information, share company updates, and listen directly to shareholders' input and ideas. A series of three outreach and informational meetings were held with an estimated 300-400 shareholders, families and descendants attending in Anchorage on April 30, in Nome on May 14, and in Teller on May 21. The meetings gave a forum for dialogue with management and board members to share a number of ideas for improving the corporation as well as time for visiting with friends and family, networking with staff, updating shareholder records, and learning more about our corporation.

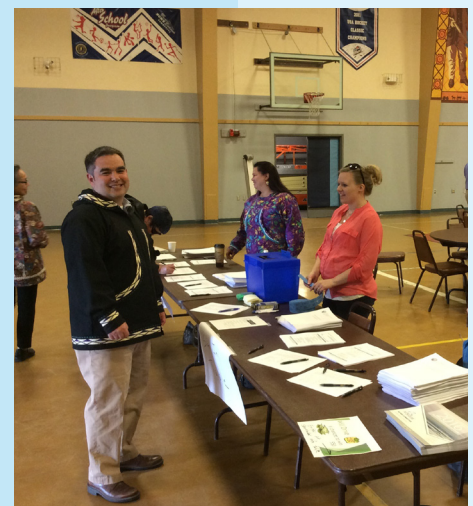
The management and board are currently reviewing the input from shareholders that has been recorded into 5 areas of governance, voting, shareholder relations, company operations and business developments. The shareholder input is very valuable to the ongoing quality improvement processes at the corporation to promote positive changes in the corporate culture, strategic planning, shareholder services, new business developments, and overall profitability and success of the corporation.

The meetings included a presentation on ANCSA Corporation voting to help address issues raised by shareholders during the last year. This was an important way to present facts and provide voter education with shareholders as corporation voting has its own rules, methods and processes. A good resource for shareholders is the State of Alaska booklet titled Information for Shareholders of ANCSA Corporation – a free download at https://www.commerce.alaska.gov/web/Portals/3/pub/ANCSA_booklet.pdf

The outreach meetings were facilitated by a shareholder business: Northwest Planning and Grants Development owned by Ukallaysaaq Tom Okleasik in Nome. The meetings were also supported by a number of Sitnasuak staff working as a team. Quyuana to all the shareholders for participating and staff for supporting to help our corporation. Working together we can continue to make our corporation successful for everyone and our communities.



PRESIDENT MICHAEL ORR AND CHAIRMAN ROBERT (BOBBY) EVANS AT THE ANCHORAGE SESSION.



PRESIDENT MIKE ORR, ACCOUNTS PAYABLE TECHNICIAN DANI SMITH-HISLER, AND ASSISTANT LAND MANAGER THERESA KENICK AT THE NOME INFORMATIONAL SESSION

IN MEMORIAM

Our sincere condolences to the family and friends of the recently deceased.

Charles Achayok, Jr.
Mesonga Atkinson
Evelyn A. Calvert
Lydia F. Douglas
Robert L. Fagerstrom

Adrienne V. Hearsey
John D. Klementson
Ruth Hannah Seetot
Clarence Waghiyi

PLEASE SEND
OBITUARY
INFORMATION TO
REBECCA NEAGLE AT
RNEAGLE@SNC.ORG

Hello Sitnasuak Shareholders and Descendants,

We send greetings from Nome. I hope this message finds you having a great summer with your freezers getting stocked with fish, berries and other goodies. With moose and caribou hunting right around the corner, I've been thinking about how fortunate we are to live on our land, to subsist and to pass on our culture. Just as our ancestors did, we love this land, we have learned to respect each other and together we are building a better community.

I'd like to take a second to thank all of you that participated in person or by proxy in the 2016 SNC Annual meeting of Shareholders as well as Willie Hensley for inspiring us to work together and sharing his knowledge and the history of ANC's. We would like to welcome new Board of Director Edna Baker and thank Crystal Andersen-Booth for all her years of service.

Now, as we look back, we should celebrate and acknowledge a simple truth; **our history matters**. We are who we are because of all that has preceded us. We find this in our Inupiaq values as well as Western values. The wisdom and teachings from of our parents, our grandparents, and our great grandparents are lessons that shape how we treat each other, how we respect each other and how we find our common community.

For the past six years the leadership of SNC has worked tirelessly to honor our values and to integrate them in all that we do. We have worked to strengthen our corporation and our people through the values that our ancestors have passed on to us. At times we have found ourselves in conflict with others – and passionate belief can lead to conflict – but in the end we are a community. It is in a spirit of reconciliation, respect and hope that we come together, for we are stronger when we work together.

This summer SNC and the City of Nome began working together on the White Alice site on Anvil Mountain. This land exchange honors our common history and recognizes that we no longer walk in two worlds. While it might seem at times that these two worlds speak to opposite values, the truth is they are very similar. When we apply our values to our work and our decision-making, we all win. That is what SNC is doing in all of its actions and what this exchange represents.

We bring pride in our culture and reverence toward nature when we work with others that recognize our heritage and protect our lands. We honor the commitment to family and respect of elders when we seek an exchange that provides opportunities that benefit our shareholders. We have patience and respect others when, through cooperation, we develop partnerships and lastly, we have open communication and are honest by conveying all our activities to all shareholders.

For today, let me finish by saying this: **"may we all live and share in community"** because by working together, we can do great things.

Quyanna and God Bless -

Robert "Bobby" Evans



Message from THE CHAIRMAN

Career Opportunities

Sitnasuak Native Corporation and its subsidiaries are always looking for talented, motivated and innovative individuals to join our staff.

We believe that the core of any organization is its people and we continue to make great strides in recruiting and building a pool of first-class talent.

Please visit
www.snc.org/employment/job-openings
for our current career opportunities.

Proposal Results

Issue shareholder ID Cards (3)

Yes%	No%
64.8%	35.2%

Operate a Qargi in Nome (4)

Yes%	No%
61.0%	39.0%

See our website www.snc.org for detailed information on the Proposal Results.

The Sitnasuak 43rd Annual Meeting was held on June 4th in Nome. Qu yana to our shareholders for engaging by submitting proxies, casting ballots, attending in-person or online, and sharing comments. Approximately 390 shareholders attended -- 140 in-person, and 250 online. A total of 94,610.1797 shares were represented, or 48.26% of active and eligible shares entitled to vote. Sitnasuak reported positive financial performance with \$5.3 million in 2015 net comprehensive income. Dividends of \$6.20 per share – one of the highest – were distributed in 2015 as well as a special Elder dividend of \$500. In 2015, our corporation was able to donate \$588,869 to nonprofits, programs and schools, and provided \$189,625 in scholarships through Sitnasuak Foundation. Our profitability reflects the hard work of the employees, board and executive team with the support of shareholders.

The Elders Committee proudly recognized Robert Joe, Sr. as Elder of the Year. He is one of the original incorporators and has contributed to the start and development of Sitnasuak. The Nome St. Lawrence Island dancers shared song and dance which uplifted the spirits and brought culture into the meeting. President Michael Orr also gave a special recognition of our shareholder, descendant and employee veterans.

Willie Hensley was the special guest speaker – addressing shareholders in both Inupiaq and English. He shared our ANCSA Corporations are a modern tool for using to make solutions that can work for our people. Profits are important and needed, but a means for our people to continue to be connected to our culture and land. He shared our values are ancient and have relevance in today for both the corporation and people that will help us go a long way.

Shareholders gave a diversity of comments from discretionary voting to issuing after-born shares, and camp sites to 8a contracting. Management shared information on the various topics and will be considering the many comments with the board in the coming year. Three shareholders were elected to the board: Edna “Becka” Baker, Bobby Evans, and Louis Green, Jr. **Two advisory proposals also passed: issuing shareholder identification cards, and conducting a feasibility study for operating a building for cultural events in Nome.** The annual meeting was supported by a number of people including many staff, Nome Girl Scouts for set-up/clean-up/lunch serving, NANA Management Services for catering, Northwest Planning and Grants Development for coordination, 907 Network Services for sound, Talking Circle Media for webcasting, Seaside for set-up/clean-up, and BDO as the election judge. Qu yana for all for a successful Annual Meeting!

2016 ANNUAL MEETING RECAP

Door Prize Winners

Dorothy Thomas
William Kunnuk
Iva Scott
Gina Appolloni
Robert Sherman, Sr.
Chuck Fagerstrom

John Penatac
Jack Hoogendorn
Dan Karmun
Grace Olanna
Becka Baker
John Joe

Elizabeth Kendra
Carl Topkok
Robert Joe, Jr.
Dawn Warnke
Philip Castel

Welcome to Board Member EDNA "BECKA" BAKER

Sitnasuak Native Corporation is pleased to announce that Edna "Becka" Baker has joined the Board of Directors. Baker was recently elected by shareholders at the 43rd Annual Meeting of Shareholders.

Becka brings 30 years of experience, serving as a public servant with the Alaska State Legislature and the Office of the Governor. Ms. Baker's positions included: a Temporary Election Clerk, Clerk Typist, Legislative Information Officer, and a Regional Election Supervisor.

Ms. Baker was born and raised in Nome, Alaska. Her parents are Stanley and Valerie Sobocienski. Becka is married to John Baker and has two children, Kellen (25) and Klay (19).



FAREWELL TO BOARD MEMBER CRYSTAL ANDERSEN-BOOTH

The Board of Directors would like to thank outgoing Board Member Crystal Andersen-Booth whose term is now finished, but whose work will not be forgotten. We extend our sincere appreciation for Crystal's perseverance and insight.

Crystal served on the Board of Directors from May 2004 - June 2016 and prior to that from 1994 - 2012. Ms. Andersen-Booth held the following positions: Chair of the Land Committee, a member of the Finance and Subsistence Committee, as well as the President of the Sitnasuak Foundation.

During her time on the Board, Crystal has been a constant advocate for open communication, accountability, and encouraging management to find new ways to provide value and benefits to our shareholders and descendants. Taikuu, Crystal for your dedication and service.



Election Results

Edna "Becka" Baker	72,928.0570	Bruce Davis	14,298.1530
Robert "Bobby" Evans (I)	45,455.5920	Lincoln T. Trigg, Sr.	12,806.0430
Louis Green, Jr. (I)	40,810.5280	Jeanette "Jeannie" Yuman	8,839.5090
Crystal Andersen-Booth (I)	34,593.7100	Dennis L. Bahnke	8,052.4670
Gloria "Aclossy" Karmun	17,763.5540	Angus N. Mazonna	7,793.2560
Mary Jane David	16,541.7430		

MID-YEAR FINANCIAL UPDATE: OUTPERFORMING BUDGETED EXPECTATIONS

By: Sitnasuak CFO, Tom Delamater

Sitnasuak has outperformed budgeted expectations during the first six months of 2016. During the year we pay very close attention to Business Unit Income (BUI), which is comprised of:

- 1) Operational earnings before interest, taxes and depreciation (EBITDA)
- 2) Corporate General and Administrative Expenses (G&A)

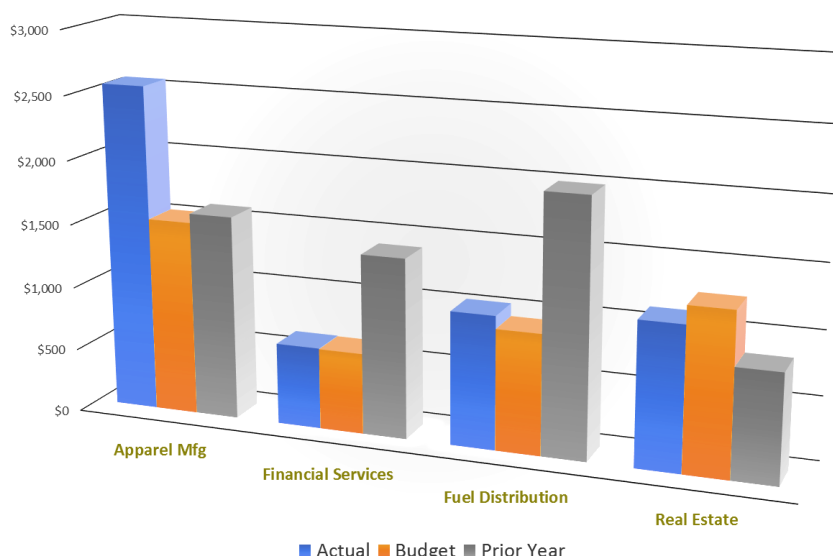
Through June 2016, Sitnasuak had recorded \$2.58 million in BUI, exceeding budget by \$701 thousand. This positive variance is attributed primarily to increased delivery orders at Apparel Manufacturing. All other areas of the company (including G&A), continue to track fairly close to budgeted expectations.

We knew in late 2015 that income levels would drop in 2016, and budgeted accordingly. We believed the economic slowdown in Alaska would have a negative effect of Financial Services (Title Insurance) and Fuel Distribution operations in Nome. Sitnasuak also had "one-time" sources of income in 2015 associated with the Rock Creek land sale and realized gains on marketable securities. Consequently, it was no surprise to see us exceed plan for the first six months of 2016 while at the same time, underperforming against this same period in 2015. BUI was down \$574 thousand in 2016 versus the prior year and as expected, the slowdown occurred in both Financial Services and Fuel Distribution. This is offset by a great year so far in Apparel Manufacturing, which again illustrates the benefits of diversified operations.

In addition to BUI, non-operating (other) income is down versus the prior year by \$1.79 million, with \$1.24 million of the decline associated with reduced 7(j) receipts.



**Sitnasuak Operations
Business Unit Income (BUI)
(in thousands)**



BUI = EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

Board of Directors

Robert "Bobby" Evans, Chairperson
Louis Green, Jr., 1st Vice Chairperson
Mark Allred, 2nd Vice Chairperson
Jason Evans, Treasurer
Helen Bell, Secretary
Neal Foster, Director
Charles Fagerstrom, Director
Barb "QasuGlana" Amarok, Director
Edna "Becka" Baker, Director
Andrew Miller, Jr., Director
Trudy Sobocienski, Director

SITNASUAK GIVES BACK: DONATION TO NOME PUBLIC SCHOOLS

Sitnasuak recently donated \$20,000 to Nome Public Schools (NPS) for the use in engaging students, families and the community in activities that support and encourage participation in postsecondary education and training opportunities. "The support from Sitnasuak Native Corporation to our school district the past decade has been amazing. We look forward to continuing partnerships by working on developing our next generation of teachers, locally raised and locally employed," says Shawn Arnold, NPS Superintendent.

This donation, when combined with contributions from the Alaska Commission on Postsecondary Education (ACPE) and the College Advising Corps National Office will support staffing, event, and direct student service costs for College & Career Guides at Nome-Beltz High School.



SNC CHAIRMAN, BOBBY EVANS (LEFT)
AND NOME PUBLIC SCHOOLS SUPERINTENDENT, SHAWN ARNOLD

CAMERON PISCOYA NAMED HUMAN RESOURCES MANAGER

We are pleased to announce the promotion of Sitnasuak's shareholder employee, Mr. Cameron Piscoya to Human Resources Manager. Cameron started his new role on June 6, 2016.

Cameron began working for the Bonanza Express store in October 2006 as a temporary part time clerk, working his way up to temporary Office Assistant in the Land Department. After a few years, holding several positions in the Land Department, Cameron transitioned to Human Resources Generalist in 2014.

Recognized for his hard work and skills, Cameron was selected to participate in the Sitnasuak Executive Leadership Program and completed the program with exemplary results. He became the first employee to be identified in a succession plan which is a progressive system used to develop and promote employees in their chosen field or department.

"Cameron's promotion is well deserved. He is a trustworthy and highly capable team member who always puts the interest of Sitnasuak Native Corporation first. His level of commitment to the Corporation and our employees sets the standard for all other employees," said SNC President Mike Orr.



"I am constantly impressed with Cameron's initiative and dedication to his work which is even more amazing considering the busy life he leads raising three children and serving as Vice President for Solomon Traditional Council and the Chair of the Head Start/Early Head Start Policy Council for Kawerak, Inc." - Rich Dyson, Vice President Human Resources

SHAREHOLDER REINDEER DOG LUNCH

On Friday, July 22nd, the Anchorage Shareholder Department held a Reindeer Dog Lunch for shareholders interested in coming in to visit staff, update their information and have lunch. Shareholders had the opportunity to sign up for direct deposit, fill out talent bank forms, update their will and much, much more. The event was held from 11:00 a.m. to 3:00 p.m. at the SNC Anchorage office.

This was a very positive event; shareholders thanked staff frequently and many stayed to visit with old friends. Over 52 shareholders attended, 18 signed up for direct deposit and one gifting was made. "This was a great event, especially for a first to be hosted in the Anchorage office. I hope we can increase attendance for opportunities like these in the future," said Shareholder Relations Manager, Rebecca Neagle.



SITNASUAK SUBSIDIARY ACQUIRES MOCEAN HOLDING COMPANY, LLC

A bigger move into the Commercial Goods arena

On July 20, 2016 SNC Technical Services (SNCT), a wholly owned subsidiary of Sitnasuak Native Corporation (Sitnasuak) acquired Mocean Holding Company, LLC., a Commercial Manufacturing company located in Costa Mesa, California. Mocean manufactures performance apparel, specializing in technical policemen's uniforms. SNCT plans to use Mocean as a way to diversify its business lines and its assets.

The synergies of products and staff will significantly enhance SNCT's opportunities to serve their customers, improve performance and create value for Sitnasuak's shareholders. "Mocean will be the first brick of a very solid structure of commercial sales for SNCT... it will satisfy our objective of diversification of the company to create a steady growth and better earnings," stated Humberto Zacapa, Chief Executive Officer of SNC Technical Services, LLC.

About Mocean Holding Company, LLC – Mocean is a manufacturing company who designs and manufactures performance apparel. They provide apparel for law enforcement professionals all across the country including: private security, EMT's, Marine, Equine and Bike Patrol. Their high quality fabrics and designs provide maximum protection and comfort.





Name:
Esther Kugzruk
Age:
18
Born:
Fairbanks, AK

SITNASUAK FOUNDATION: SCHOLARSHIP RECIPIENT SPOTLIGHT

As a young girl, her dreams of traveling the world and attending an educational institution for theater and art in the United Kingdom began. At age five, Esther Kugzruk, daughter to Phil and Margaret Kugzruk joined the Fairbanks North Star Ballet company in Fairbanks, Alaska, where she found her love for the Nutcracker and other ballet productions. According to her father, this experience was what spurred her desire to experience all things “European/Old World”. In her final year of high school, with the help of her mother Margaret, she accepted an offer from Swansea University in Wales, UK.

“Tenacity, firmness, determination; these describe my daughter. Her patience, research, and self-discipline when it comes to study as well as other good habits are what it takes for a 17-year-old to travel literally across the world (on her own) chasing her desires and dreams,” says her father.

Esther, calling herself a nomadic, knew studying abroad was for her. Though her dreams of studying theater and production has changed since she was five, now to media and communications, her love for the unique culture and language of the “European/Old World” country still exists. When she’s not studying Esther finds herself walking the country’s beaches, watching football matches (soccer games) and learning about Welsh culture and language. For Esther, what started as a dream of traveling the world, getting educated and learning about new cultures has become a reality.

Missing Shareholders

ADRIENNE ORR
ALIE D. DOUGLAS
ANISHA OKSOKTARUK-LUMIANSKY
ANNOKAZOOKA Z. SANCHEZ
ARTHUR A. NAGOZUK
AVELIN WAGHIYI
BEVERLY A. VAN VALKENBURGH
BRYAN L. OUTWATER
CHARLENE A. CALLAHAN
CHARLIE BARGER JR.
CHELSEA R. BORKOWSKI
CHERI KREMPER
CHRISTOPHER EUBANKS
DANIEL EUBANKS
DANIELLE WAGHIYI
DAVID VERNON SLWOOKO
DOUGLAS N. LANE
EMILY SELMA SUTTON
ERIC M. COLEMAN
ESTHER A. SMITH
FRANK B. WITTIE
FREDERICK E. ERNAK II
HAZEL N. JACK
IVAN SILOOK
JAMIE W. WITTIE
JENNIFER E. OLSON
JENNIFER L. RUSSELL
JOE D. ALEXANDER
KANANI A. COCKETT
KATHERINE CARLTON
KATHERINE G. ANDERSON-TIMMONS
KENDRA MORGAN
LAMOYNE I. BROWN
LARS P. WILLOYA, JR.
LEAH M. NOYAKUK
LINDA HOYT
LOUIE A. J. OZENNA
MAMIE N. MILLER
MARK D. SEEGANNA
MARY BUCK
MICHAEL MAYAC
MICHELE R. KULUKHON
MICHELLE J. RYLANDER
MILTON R. RUDZAVICE
MITCHELL L. TESTU
NORMAN L. GOFF
QUINN E. OKSOKTARUK
REGGIE R. KOMAKHUK
RICHARD R. OMELAK
ROBERT SEBRING-STROUT
ROMALD K. KATEXAC
SCOTT LITTLEFIELD
STARLA R. SMITH
STEFFANNITA WILLOYA
STEVEN C. MURPHY
TERRENCE R. EARNSHAW
TIMOTHY M. GREINER
TIMOTHY P. WALUNGA
TINA L. ROBERSON
VICKI M. OLIVER
WILLIAM L. WALLUK
WILLIAM W. HIGGINS SR.
WILLIAM W. WILLOYA

If you know the whereabouts of a missing shareholder please contact Sitnasuak’s Shareholder Relations Manager, Rebecca Neagle with updated information at rneagle@snc.org or (907) 929-7032.



P.O. Box 905
Nome, Alaska 99762

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SITNASUAK NATIVE CORPORATION IÑUPIAQ VALUES

Spirituality – ukpaisrun
Commitment to the Family - munnakLui kinunnaisi
Love of Children - nagguagiktut ilagit
Respect of Elders - utuqannat kammagiralui
Respecting Others - nagguagiktut ilagit
Hard Work - sagiknatuak sauag
Reverence Toward Nature - kammakLui
nunamiitua
Cooperation - kattiiLutiṅ sahuagat
Sharing - pikkaagupsi aitturalui
Honesty - nagguatun kulliagluti
Obedience – kammakLui
Patience – uttakiragagin
Humor – quyniunṅiq
Humility – qinuinnaq
Responsibility – aṅalataasran
Pride in Culture - puyaunau iupiaqtun iLLusiṅ
Avoidance of Conflict - aziusrat sugunnai
Open Communication - kanniglusi
Speaking Our Traditional Language - inupiuraḡluta