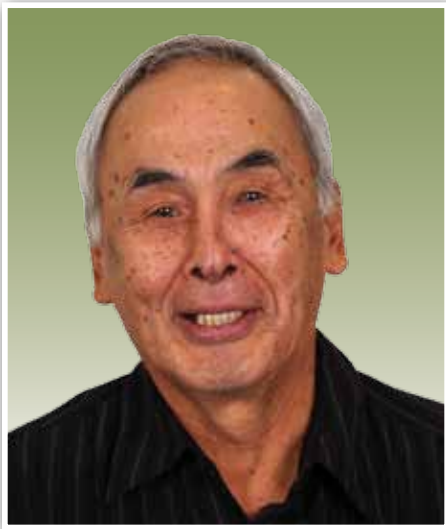




SITNASUAK NATIVE CORPORATION

VENTURE

SPIRITUALITY • COMMITMENT TO FAMILY • LOVE OF CHILDREN • RESPECT FOR ELDERLY • RESPECTING OTHERS • HARD WORK • REVERENCE TOWARD NATURE • COOPERATION • SHARING HONESTY • OBEDIENCE • PATIENCE • HUMOR • HUMILITY • RESPONSIBILITY • PRIDE IN CULTURE • AVOIDANCE OF CONFLICT • OPEN COMMUNICATION • SPEAKING OUR TRADITIONAL LANGUAGE



BOARD PROFILE: **Lincoln Trigg**

Lincoln T. Trigg, Sr. is an old hand at serving on the board of Sitnasuak. Although he was most recently elected in 2012, he was also on the board from 1983 to 1998.

Trigg has worn many hats over the decades. Encouraged by elders, he won a seat on the Nome City Council. He

[continued on page 2]



NOME EMPLOYEE: **J.T. Sherman**

J.T. Sherman loves his job. Sherman is supervisor/manager at Bonanza Fuel, where he's worked for 20 years. He doesn't even mind being essentially on call 24 hours a day.

"I love doing this job. It keeps me busy. I talk with the community, with the shareholders. I'm the guy who tries to fix every-

[continued on page 2]



ANCHORAGE EMPLOYEE: **Bobbie Heinz**

Bobbie Heinz might be the most familiar Sitnasuak employee in the Anchorage office. As office manager, Bobbie is the friendly greeter, the helpful resource who explains who to talk to and where to go, whatever your need.

"My favorite part of the job is seeing shareholders have a place to come to," she said.

[continued on page 2]



SNC Profiles:

LINCOLN TRIGG, J.T. SHERMAN AND BOBBIE HEINZ

BOARD PROFILE: **Lincoln Trigg**

[continued from page 1]

chaired the Nome Eskimo Community, served as president of the Arctic Native Brotherhood in Nome, and has been on the board of Bering Straits Native Corporation. He also pursued and won appointment to the BIA Budget Advisory Committee.

Trigg learned community activism from his uncle, Jerome Trigg Sr., who was very active in local politics. “One time, we had a family meeting. One of my cousins was already pretty active so it was decided I would stay low-profile, at least for awhile,” Trigg recalled. “We just didn’t want to create conflicts.”

Trigg was born at the old hospital in Nome but spent most of his younger life at Cape Nome where his parents had a cabin. He earned his welder certification in California, which paved the way for work on the North Slope.

Trigg and his wife Janet raised five children and one grandson; the latter is now a student at University of Alaska Anchorage. They have three other grandchildren – one in Nome and three in Anchorage including the grandson at UAA.

Trigg enjoys spending time in the family cabin at Cape Nome, 12 miles from town, where they continue their subsistence traditions of hunting, fishing, picking berries and greens, and of course, sharing.

He is happy to see so many young people getting educated and pleased that scholarships are available to young shareholders.

“Times change and I look forward to the younger ones taking over. It makes me feel better that we elders will be able to sit back and take it easy,” Trigg said.

He gives SNC high marks. “It takes a long time to build businesses. I think we’re very much on the right track. I’m proud to be with Sitnasuak. I feel good about that. We have a good staff – in Anchorage and Nome,” he said.

NOME EMPLOYEE: **J.T. Sherman**

[continued from page 1]

thing. I do a lot of work with the community and our people,” Sherman said.

Born and raised in Nome, he is a 1983 graduate of Nome-Beltz High School. His mother was the late Nancy Sherman. His father and step-mother are Mike and Dorothy Sherman. J.T. and his wife Myrtle (Fagerstrom) have nine children, age 6 to 30. The two youngest are still at home.

J.T. earned a heavy equipment certificate in Western Oregon, a credential that he puts to good use at Bonanza Fuel.

“My job is to keep the tank farm running, keep fuel running to houses. I tell the boys where to go, what to do. We do a lot of dealing with heavy equipment. In the winter, it’s mainly residential, the hospital and Alaska DOT.

“Summer is really busy with all the vessel traffic, mining and construction work.

“It’s a challenge. As supervisor, I get to do a lot more. Most of us are certified in hazardous materials, which allows us to off-load tankers. It’s a busy time from June to October,” Sherman said.

In his “spare” time, he coaches 1A basketball in Golovin, Myrtle’s village. During basketball season, Bonanza Fuel lets him take off Thursday through Sunday each week. He appreciates the flexibility since it lets him support kids in another community.

“How can I not love this job?”

ANCHORAGE EMPLOYEE: **Bobbie Heinz**

[continued from page 1]

“We really are an extension of the Nome office. I like that we give shareholders face-to-face access to Sitnasuak. I like being able to help them.”

An Anchorage resident since 1995, Bobbie is originally from Nome. Her parents were Bernard and Catherine Kasgnoc. She has five children, nine grandchildren and one great grandchild. Since most of them live in Anchorage, Bobbie squeezes in as much family time as her work schedule permits.

Bobbie first began working at Sitnasuak as a temporary employee in June 2010 and was hired fulltime in 2011. It’s the first job she’s had with one of her Native corporations.

“I like it. You feel more connected; more part of what you’re in. Being a shareholder, I feel more responsible. It’s not just another 8 to 5 job. You feel part of an entity,” she said.

Bobbie likens the SNC Anchorage office to a family. “It’s been like seeing a family grow, seeing a family develop. I see a sense of teamwork. I see people working to incorporate SNC values,” she said.

Elder spotlight:

BILLY HOOGENDORN SR.

William “Billy” Hoogendorn, Sr. has Nome roots stemming back to Nome’s Gold Rush. Louise Ross, daughter of an 1890s Nome hotelier Charles Ross, married Holland immigrant Dirk Hoogendorn and together began a homestead for mining along the Immachuck River, 26 miles south of Deering. In September of 1921, Billy was born into a family of 11 children. The children were homeschooled and taught the importance of living off of the land: growing up on reindeer, fish and ptarmigan, as well as vegetables from their family garden.

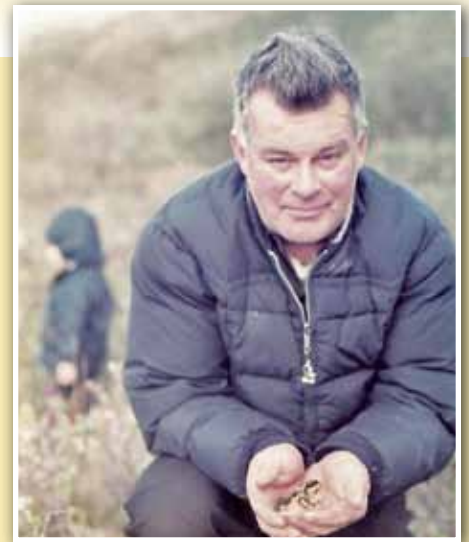
Following the death of his mother at the age of five, Billy and his siblings essentially raised one another. At age 11, Billy and his older sister Minnie were in charge one year of stocking up the family’s personal and dog team winter needs of salmon, putting away 11,000 salmon. Most siblings had their own dog teams to care for as mushing was their only means of transportation to hunt, trap and haul freight.

Growing up on his father’s mine, Billy learned at a very early age how to run a Forsgen tractor and the inner workings of mining. After leaving home, Billy worked various jobs on the Kougaruk until he was drafted into the U.S. Army during World War II. He insisted on completing all his Army time in Nome enlisting in the Infantry. Over the next three years and three months, Billy ran a tool shop for 2,100 carpenters, managed the

powerhouse, and ultimately completed his military service as a fire inspector. For the Army Corps of Engineers, Billy singlehandedly cleared the Nome beach with a tractor, and the following year he used his crane operating skills to place the boulders for Nome’s seawall.

Billy married Lena Iutok Brown, daughter of Ruth (King Island) and Harold (Cape Nome). They raised seven children in Nome while he worked for Lomen Brothers (Alaska Steamship), assumed ownership of Arctic Sanitary Service, and as a port crane operator.

After the tragic loss of three teenage daughters and Willie, Jr., Billy returned to his love of mining and spent the remainder of his years focusing on his family and mining. Billy’s life enjoyment has always been spending time and sharing stories with his children, grandchildren, and now an abundance of great-grandchildren, plus his lot of tractors.



Although most of Billy’s siblings had left the Seward Peninsula as young adults to work in the Seattle area, Billy remained and has pioneered nearly a century of change and experiences in Alaska. A humble man, Billy has modeled hard work and love for family and community for future generations.

2013 ELDERS OF THE YEAR

Vincent Pikonganna (photo below) and Billy Hoogendorn have been named Elders of the Year by the Sitnasuak Elders Committee. Profiles of both honorees will be featured in the 2013 Annual Report.

Congratulations to them both.



From the Chairman:

BOBBY EVANS

With the passing of Christmas and New Years not so long ago, we all look to count our blessings and look forward to our future.

Our blessings have been many. Sitnasuak Native Corporation had another good year and we were able to give a healthy dividend to all shareholders and another Elders dividend. We continue to give heating fuel discounts and give Nanuaq apartment discounts. We also help those Shareholders in need with the Bereavement Benefit Program and Sitnasuak Foundation Scholarships.

SNC staff and directors work very hard to be able to continue these benefits for our shareholders and descendants.

The future continues to look bright for SNC. Our recent diversification has proven to work. As some of our companies do well, some sometimes struggle in this economy. With diversification they balance each other out and the overall picture is very bright. This year we will again see the fruits of all our labor in the new tank farm in Nome and completion of the new Tudor Bingo Complex in Anchorage. We also will see the second year with our title companies.



We the Board of Directors extend to you all our best wishes. We would love to hear from you, either by mail, email, on our website and through Facebook. Please let us know how we can help, how we are doing and just to keep in touch.

Quyaanna and God Bless,
Robert (Bobby) Evans

From the President:

CHUCK FAGERSTROM

On February 9, 2014, SNC celebrated its 41st birthday. Our numbers have grown from the original 2,054 shareholders to 2,840 shareholders today. Our most senior shareholder is Lena Oman, 98.

In the early years of our corporation, shareholder benefits were meager at best. Today we shareholders should be very thankful for the benefits we receive.

We have to be satisfied with the efforts of our Board of Directors and staff, past and present, to make SNC what it is today. Net worth has grown from contributed capital of \$12.4 million in 1973 – or \$6,026 per shareholder – to \$59.3 million on Dec. 31, 2012. That's an astounding \$20,871 per shareholder.

Our employees are first class in everything they do. They are dedicated to SNC and are the foundation of our successes.

Many are long time employees. To name a few, there's Jim Abbott, Nanuaq manager, who has been with us more than 23 years. Land Manager Bruce Tungwenuk retired recently after 21 years. And Lesli Smith has served as our controller for more than 16 years.

SNC has to constantly make sure we maintain and upgrade our buildings and land. Staff has made great progress over the past two years in painting SNC building fronts to cleaning the very back hidden corners of storage areas.

Over the last 41 years we have stored more than 400 boxes of records. This year, we plan to develop a records and information management system. This system will bring us into the 21st century and help us sort out which documents can be discarded and which must be retained.



This summer we plan to make final upgrades to the Eskimo Cemetery to honor 170 victims of the 1918 Flu and others. The plans call for placement of a 12-foot painted white cross.

I feel Sitnasuak should take the lead in having a strong presentation in organization and cleanliness in every one of our operations. Let's set the example. As Vince Pikonganna's father told him "Let your work do the talking for you"! "Dust management" as our CFO Tom Delamater says. And "Never stop Improving" from Lowe's.

Let's be PROUD! Let's do it right!

From the CEO:

DAVID HOFFMAN



The fourth quarter of 2013 was a very busy and productive time for all of the business units of Sitnasuak. We are bringing considerable positive momentum into the new year. Let me summarize major new developments at our two largest subsidiaries:

SNC Technical Services (SNCT): The push to increase efficiency and productivity at SNCT accelerated in the fourth quarter. We hired a new CEO, Humberto Zacapa, (who will begin work on March 1) and a new COO, Enrique Denegri.

Both have very strong operations backgrounds and have lead highly profitable companies in the extremely competitive commercial sector of the apparel industry. Their offices will be located within our primary factory in Camuy, Puerto Rico. Our current CEO, Tom Pease, has been reassigned to the position of Executive Vice President of Business Development and will continue to work from his current office in Boston.

Bonanza Fuel: Construction is almost complete on the tank farm expansion, which will provide additional storage capacity of 2.3 million gallons – a 60 percent increase. This new capacity will provide opportunity for growth and innovation in 2014.

In another important development, Bonanza and Delta Western have signed a preliminary agreement to settle the \$1.6 million lawsuit Bonanza filed in January 2012 in response to Delta Western's inability to make the fall fuel delivery in 2011. We expect a final comprehensive settlement agreement will be signed soon.

Shareholders RECEIVE DIVIDEND

SNC shareholders received a dividend late last year of \$6.16 per share. In addition, elder shareholders (65 or older as of Nov. 13, 2013), received an elders' benefit of \$500. All shareholders of record on Nov. 8, 2013 received dividends.

"On behalf of the board and management, I'm delighted to announce this dividend and extra benefit for elders," said Bobby Evans SNC board chair. "It is important for SNC to give back to our shareholders, especially during the winter months by providing them with financial assistance. We appreciate each and every shareholder's support of our corporation."

The dividend amount is based on SNC's dividend policy and a review of projected income for calendar year 2014. This is the second year that SNC has distributed an extra benefit to its elders.

In MEMORIAM

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

Martha Adams
Reginald K. Aningayou Sr.
Ethel Karmun
Edward S. Muktoyuk Sr.
Richard T. Norbert
Barbara M. Nunoorkuk
Teresa A. Waters
Jones O. Wongittilin Sr.
Franklin D. Okleasik Sr.
Harriet Simpson

Please send obituary information to Larry Keller at lkeller@snc.org or Dave Evans at devans@snc.org.

SNC mourns loss of two employees

Sitnasuak recently lost two valued and respected employees, Frank Okleasik and Harriet Simpson.

Frank was a 20-year employee at Bonanza Fuel, where he was the first manager of the tank farm. He passed away Jan. 8, 2014. Harriet was stockholder registrar at Sitnasuak. She worked for the company for 15 years. She passed away Dec. 28, 2013. Both Frank and Harriet loved spending time with their respective families.

We mourn their loss and extend our sincerest sympathies to their families.



Sitnasuak Properties, LLC

Sitnasuak Properties, LLC is a wholly owned subsidiary of SNC. Formed in July 2013, Sitnasuak Properties is the holding company for SNC's four for-profit real estate subsidiaries that specialize in real estate development and construction management: Nanuaq, LLC; Nanuaq Development, LLC; Sitnasuak Construction Services, LLC; and Kiska Properties, LLC.

Nanuaq, LLC owns and operates residential and commercial real estate properties in Nome. It leases out 80 residential apartment units ranging from efficiencies to four bedroom units on a long-term basis. Nanuaq is now offering a shareholder discount for apartment rentals with 18 tenants receiving a shareholder

discount. Nanuaq is also cleaning up and developing a deferred maintenance plan for properties owned by SNC.

Nanuaq Development, LLC was established in 2011 and is owned 51 percent by SNC and 49 percent by Pfeffer Development. In conjunction with Pfeffer Development, Criterion Construction and kpb Architects, Nanuaq Development is building the new Tudor Road Bingo Facility in Anchorage.

Kiska Properties, LLC was formed in 2013 and is 80 percent owner of property on Tudor Road in Anchorage, where the new Tudor Road Bingo is under construction. Kiska is operating and receiving rents from Parker Drilling and Lily's Restaurant, which are located on the

property. Kiska will receive income from Tudor Road Bingo after construction is complete and the facility is operational.

Sitnasuak Construction Services, LLC was established in 2012 and serves as the general contractor for the expansion of Bonanza Fuel's tank farm in Nome, which is nearing completion. SCS has also positioned itself to perform construction management services for the new Port MacKenzie Tank Farm Storage Facility located across Cook Inlet from Anchorage.

For additional information about Sitnasuak Properties, LLC, contact Charles Sassara at (907) 929-7028.

Kaatiluta A GREAT SUCCESS

Approximately 350 people attended the 2013 Kaatiluta November 30 and by all accounts, it was a great success. Every elder went home with a gift. And what gifts they were: tea, crackers and jam; blackmeat and seal oil, salmon fillets, homemade hand salve, fishing poles – even a round trip ticket on Bering Air.

Kaatiluta is a celebration of Alaska Native and Native American heritage. Kaatiluta means 'all of us together' in King Island Inupiaq.

"The goal was to bring the community together, to celebrate each other, to celebrate our cultures and to have everyone leave happy. I think the goal was achieved," said Moriah Sallaffie, executive vice president at Bering Straits Foundation.

Sallaffie coordinated this year's celebration. The event was first held in 2012,

to bring the Native community together to celebrate each other, and the diverse cultures represented in the Bering Strait Region.

The 2013 event included a potluck with reindeer soup and salmon. The Methodist church Inupiaq choir sang and Lilly Rose gave the prayer. After the potluck, attendees enjoyed performances by the Nome-Beltz High School Cultural Dance Group, the Savoonga Dance Group, and the King Island and Diomedé Drummers and Dancers.

A survey of participants after the 2013 celebration indicated strong interest in making Kaatiluta an annual event. Those responding to the survey said most enjoyed the dancing and drumming and sharing traditional foods. And they want to see even more dance groups next year, Sallaffie said.



PHOTOS BY MEGHAN TOPKOK

Bering Straits Foundation hosted Kaatiluta in partnership with Kawerak, Northwest Campus, Nome Eskimo Community, and Nome Public Schools. Donors included Kawerak, Sitnasuak Native Corporation, Bering Sea Lions Club, the City of Nome, First Alaskans Institute, Norton Sound Economic Development Corporation, Aurora Inn, Bering Straits Native Corporation and Bering Air.

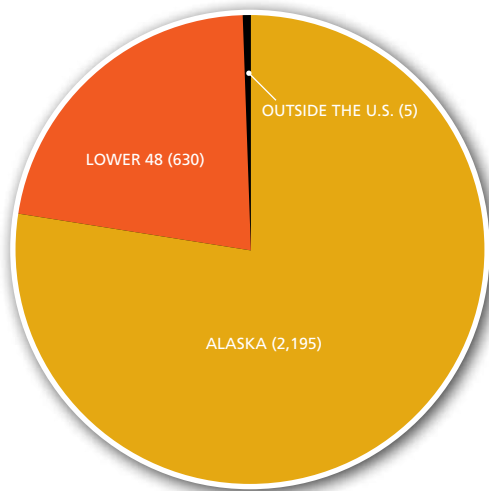
Where Sitnasuak shareholders live

The SNC Shareholder Department recently released charts and graphs showing where SNC's shareholders live. Anchorage tops the list with 732 shareholders, followed by Nome with 671, and Fairbanks with 106.

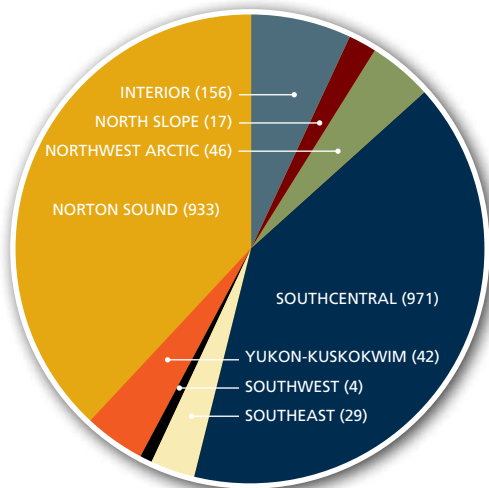
In all, 37 communities in Alaska are home to at least five SNC shareholders. More than three-quarters (2,195 or 78%) of SNC's 2,828 shareholders live in Alaska.

Shareholders also live in the Lower 48 states. Of the 630 shareholders residing in the Lower 48, 188 are in Washington State, 64 in Oregon, and 56 in California. Forty-two other states are home to at least one SNC shareholder. Outside the United States, three shareholders live in Canada, one in Germany and one in Switzerland.

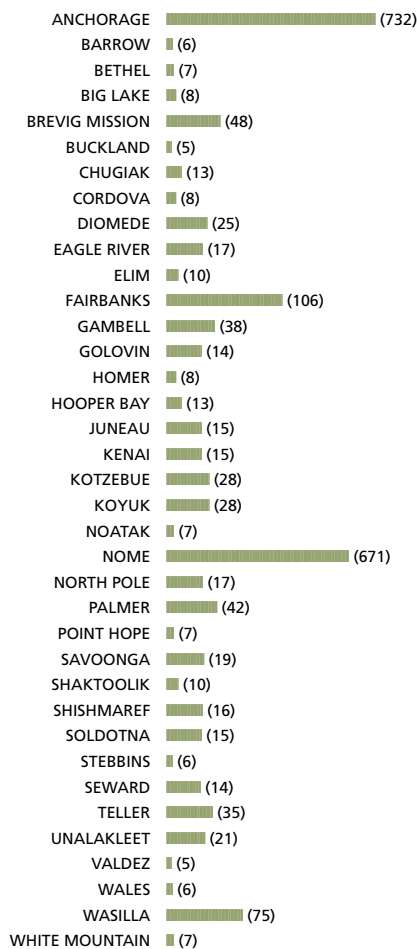
Shareholders AROUND THE WORLD



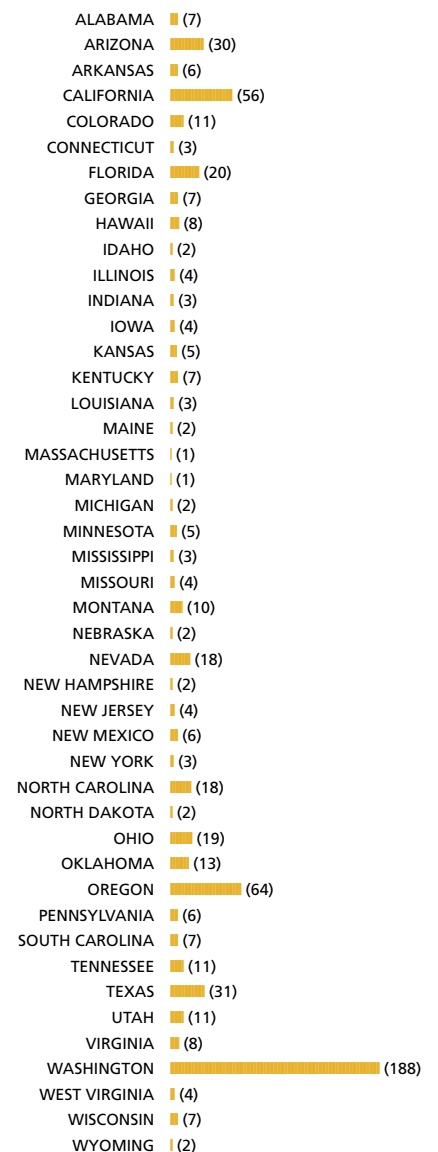
Shareholders BY ALASKA REGION



Shareholders BY ALASKA CITY



Shareholders IN THE LOWER 48





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Nome, Alaska 99762

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SNC Venture • Winter 2014

Welcome NEW SHAREHOLDERS:

Gerald W. Aningayou
Thomas C. Asila
Cathryn L. Aukongak
Kelly L. Bogart
Elizabeth M. Braxton
Katrina Butcher
Robert W. Cole Jr.

Allan C. Hayes
Benjamin J.T. Heinz
Jessica C. Heinz
Krystal L. Hensley
Travis Johnson
Cherish I. Maldonado

Jaden S. Maldonado
Aimee K. Musgrove
Rebecca C.K. Neagle
Andrew P.T. Neagle
Michael T.U. Neagle
Laraine R. Olanna
Daniel G. Olanna

Dean W. Towarak
Donald C. Towarak
Rosemarie D. Tyler
Colleen K. Washington
Michael J. Wongittilin
Jon J. Wongittilin

Missing SHAREHOLDERS:

Vem M. Abloogalook
Ralph Barger
Emily T. Brooks
Mary Buck
Theresa L. Carraher
Daniel R. Coleman
Eric M. Coleman
Kaylin J. Coleman
Edmund J. Cook Jr.
Frank E. Dennis
Amanda Dorn
Andrew L. Earp
Frederick E. Ernak, II
Anthony L. Fry
Laura Giffin
Timothy M. Greiner
Sherri F. Harris

James N.P. Heidlebaugh
Gordon S. Iya
Helen S. Iyapana
Hazel N. Jack
Annie C. Joule
Romald K. Katexac
Chalmer Kingik Sr.
Jennifer Kinney
Patricia Koopmans
Louis Kost
Robert L. Macneven
Chauncey Malewotkuk
Nellie L. Mayer
Jack W. McCann Jr.
Patricia C. McCann
Patricia McClary
Gerald D. Mogg

Elizabeth Nelson
Donna M. Norbert
Joseph S. Norbert Jr.
Jennifer E. Olson
Richard R. Omelak
Susan Osborne
Anthony D. Roberts
Louise Seeganna
Marvin P. Seton
Jacqueline Silook
Anthony Soolook
Emily Selma Sutton
Alaine L. Tate
Bernard William Toloff
Blanche T. Trigg
Gretchen H. Utnage
Katheryn L. Venuto

William L. Walluk
Steffannita Willoya

If you know the whereabouts of a missing shareholder please contact Sitnasuak's Shareholder Liaison with updated information.

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Shareholder Liaison
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