Peak moves Doyon drill rig for BP project

Peak Oilfield Service Co. (Peak) moved Doyon Drilling Inc.'s brand new drilling rig roughly 16 miles from Deadhorse to K-pad on April 5 for a BP drilling project. The move took about one day. The structure in the forefront weighs approximately 1.5 million pounds and stands at about 65 feet tall.

CATC early bookings are looking up

Targeted marketing, direct flights improves CATC’s 2011 prospects

CIRI Alaska Tourism Corp. (CATC) reports that its year-to-date pre-season bookings and reservations for independent and international travelers, groups, wholesale, conferences, conventions and weddings have surpassed 2010 numbers during the same period. Targeted international marketing and direct flights to Alaska appear to have improved CATC’s outlook for the 2011 season.

CATC expanded its international presence this year to capture a larger share of the market. In January, CATC staff traveled to German-speaking Europe and Asia to meet with tour operators and media representatives and to talk with travelers at consumer-oriented events. Foreign travel to Alaska is projected to increase in 2011 and beyond.

Korean Airlines and JetBlue will inaugurate direct flights to Alaska this summer. Condor, a German airline, will operate several flights each week between Anchorage and Frankfurt starting May 7. Edelweiss Airlines, based in Zurich, Switzerland, will also offer new flight service this summer between Anchorage and Zurich.

Marine tour bookings are looking up since CATC began its popular gray whale watch tours in early April. The daily tours, which often star gray whales, humpback whales and orcas in Resurrection Bay, will begin April 29. CATC will begin its national parks tours mid-May.

“Our guests are ecstatic about the abundance of wildlife they are seeing on our tours,” said Paul Landis, CATC chief operating officer. “Everyone at CATC is looking forward to the 2011 season and to showcasing the very best lodging and marine tours Alaska has to offer.”

CATC is Alaska’s largest, locally owned visitor services company. It helps travelers experience the best of Alaska, including national parks, wildlife and glaciers. CATC is a wholly owned CIRI subsidiary and a certified Minority Business Enterprise. Learn more about CATC at www.ciritourism.com.
North Wind Inc. also delivered a strong performance in 2010. It supplied environmental remediation and construction services for a variety of projects including U.S. Department of Energy nuclear waste cleanups in Los Alamos, N.M., and at the Hanford site near the Columbia River in southeastern Washington state.

CIRI Alaska Tourism Corp. (CATC) produced good returns for CIRI’s tourism and hospitality division despite Alaska’s weak 2010 visitor season. The Company’s aggressive marketing and yield management program increased day cruise passenger counts at both Kenai Fjords Tours and Prince William Sound Glacier Cruises. We are cautiously optimistic about CATC’s 2011 visitor season because its presale bookings are tracking slightly ahead of last year, although cruise ship visitors are again predicted to decline.

CIRI Land Development Co.’s acquisition of high-quality multifamily properties is consistent with our strategic plan to diversify our real estate portfolio, bring assets into the Company that are already developed and deliver positive cash flows in the near term. CIRI recently invested in four large multifamily apartment properties in Tucson and Phoenix, after market prices there adjusted downward.

Our Company continues to pursue emerging market trends by expanding its energy and cleantech business investments. It is moving forward with an underground coal gasification development on CIRI land on the west side of Cook Inlet. Additionally, the Company plans to proceed with wind power generation project investments.

I am excited by the investments and projects that we have underway because they promise to improve the Company’s performance, even if we must be patient to see the full benefit of these investments. CIRI has historically been a successful, investment-focused company that produced strong but uneven profits. Now we are intent on transforming the Company to support long-term growth and sustainable income by including more investments in stable operating businesses that will help the Company weather unforeseen, perhaps even catastrophic, economic events.

I am honored to have the opportunity to lead CIRI, and I am grateful for the support shown by my fellow shareholders, the Board of Directors and my colleagues as we work together to ensure that CIRI will continue to benefit shareholders and their descendants for generations to come.

Thank you,

Margie Brown

CIRI Board of Directors

Charles G. Anderson, Aleut, Chairman
Roy M. Huhndorf, Yup’ik, Chairman Emeritus
Patrick M. Marny, Aleut, Vice Chairman

Thomas P. Huhndorf, Yup’ik, Secretary
Michael R. Boling, Athabascan, Treasurer
Douglas W. Jexen, Tlingit, Assistant Secretary

Penny L. Cottle, Aleut, Assistant Treasurer
Hallie L. Bissett, Athabascan
B. Agnes Brown, Athabascan
Rolf A. Dagg, Yup’ik

Erik I. Frontad, Athabascan
Jeffrey A. Gonnason, Haida
Katrina M. (Dolchok) Jacuk, Aleut
Ted S. Kroto Sr., Athabascan
Louis "Lau" Nagy Jr., Yup’ik

CIRI Alaska Tourism Corp. (CATC) is recruiting a sales and marketing coordinator

This position is located in Anchorage, Alaska. Please visit www.ciri.com to review the job description and access the CATC employment application. If you meet the minimum qualifications and would like to apply, please submit a resume, letter of interest, and a CATC application to CIRI Human Resources, P.O. Box 99320, Anchorage, AK 99510-9320, or fax it to (907) 263-5508. If you have questions regarding this position, please contact CIRI Human Resources at 907-263-5641 or hrreplies@ciri.com. CIRI shareholders are invited to apply.

Alaska Interstate Construction LLC (AIC) was awarded two Governor’s Safety Awards of Excellence at the 2011 Governor’s Safety and Health Conference in late March. AIC’s North Star logistics team and the Alaska Aggregate Products’ Deadhorse shop each received an award for its commitment to hazard analysis and reduction. AIC is Alaska’s civil contractor of choice when public works projects require specialized expertise and fleets of heavy equipment. Learn more about AIC at www.aiclcc.com.
Former CIRI Director Claré Swan inducted into Alaska Women’s Hall of Fame

Swan recognized for commitment to Alaska Native issues

Former CIRI Director Clare Swan was recently inducted into the Alaska Women’s Hall of Fame. Swan was recognized for her achievements in political activism related to issues that affect Alaska Native people, including subsistence fishing rights and community health.

Swan was born and raised on the Kenai Peninsula. She served on CIRI’s Board of Directors from 1991 to 2005 and on Cook Inlet Tribal Council’s Board of Directors since 1998, where she has been board chair since 2000.

Swan was honored as Elder of the Year by the Alaska Federation of Natives in 2009. She is most thankful for her husband of 60 years “who has supported me as a person.”

CIRI needs your help locating shareholder addresses

The following CIRI shareholders do not have a current mailing address that includes the new address, telephone number, birth date and social security number.

- Merrianna Marie Baehm
- Roseanna Alexandria Baehm
- Susan Eva Bates
- Roberta Lee Blakemore
- Rita Joan Bonner
- William Clayton Bouveng Jr
- Ryan Jay Bridenbaugh
- Erik Otto Broad
- Amber Marie Christensen
- Frank Ross Cooper
- Wendy Kaye Crowell
- Dominik Kai Dalton
- Kamakana Charles-Nukapigak Danner
- Mark Christopher David
- Eric Lindsay Devlin
- Richard Leslie Erickson
- Eric Oswald Esplin
- Richard Philip Estelle
- Michelle Ann Tremblay
- Robert Charles Snyder
- Donald James Dale Fleek
- Robert Allen Garner
- Brenda Kelli Gish
- Earl Mathew Regan
- Debra Leigh Stone
- Ruth Ann Stephan
- Anisha Lee Oskittak-Lumiansky
- Diana Dawn Henderson
- Mary Josephine Johnson Jr
- Dominica Marie Jones
- Patricia Ann Jones
- Thomas S Korn
- Kyle L Larson
- Linda Sue Larson
- Echo Vatina Lehrkind
- Gloria Jean Miller
- Quinten D Norman
- Bertha Lee Noll
- Raymond Wayne Oezenna
- Donna Florence poster
- Debbie Ann Poe
- Richard Clay Powell
- Monica Marie Prewett
- Robert Charles Snyder
- James Edward Swartz
- Rachel Ann Stephan
- Lisa Andrea Thieu
- Robert C Thomas
- Steven Edward Toms
- Michelle Ann Tremblay
- Roger Ivar Wallin Sr
- David Edward Watson
- David Clifford Weston
- Virginia Bernice Wilcoxson
- Anthony “David” Christiansen

CIRI shareholder news

April 2011

In Touch with shareholders

Professor

CIRI shareholder and professor Shari Huhndorf, Ph. D., will join the University of California Berkeley’s Department of Ethnic Studies. Professor Huhndorf formerly served on the board of directors for The CIRI Foundation. She joins Berkeley from the University of Oregon, where she was a professor of ethnic studies, women’s and gender studies.

Commercial diver

CIRI descendant Kurt Hermansen-Jent recently graduated from the Commercial Diving Academy in Jacksonville, Fla., with numerous professional diving, welding and medic certifications. Hermansen-Jent has been selected to enter the apprenticeship program with Alaska Pilddrivers and Divers Local 2520. He thanks his family and The CIRI Foundation for their support.

Baby Kaydin

CIRI shareholder Jeanita Pickering and her husband Rick proudly announce the birth of their second grandson, Kaydin Vaughn Messenger. Baby Kaydin was born March 15. He weighed 8 pounds, 8 ounces and was 20 inches long. His parents are Jessica and Brian Messenger.

University graduate

CIRI shareholder Kellie Marie Nelsen recently graduated magna cum laude from Western Washington University with a Bachelor of Arts in education. Nelsen is the daughter of Kevin and Sue Nelsen of Payyulup, Wash., and the granddaughter of CIRI shareholder Herman Nelsen of Seward, Alaska. She thanks The CIRI Foundation for its support.

Baby Eli

CIRI shareholders Susan and John Allison and Jeannette Agney proudly announce the birth of their grandson, Eli Woflered Whiteley. Baby Eli was born March 13 at the Alaska Native Medical Center in Anchorage. His loving parents are CIRI descendants Nicole Allison and Demetrius Whiteley.

Baby Madeline

Madeline Ruby Hains, granddaughter of CIRI shareholder Remona Ruiz Budnick, was born on March 12 in Walla Walla, Wash., to proud parents Lt. Col. Decker and Mrs. Caroline Hains.

University Graduate

Anthony “David” Christiansen, CIRI descendant and The CIRI Foundation recipient, will graduate from Alaska Pacific University on April 30 with a bachelor’s degree in business administration and management. He is the son of CIRI shareholder Anthony Dale Christiansen and CIRI employee Michele Christiansen. He plans to pursue a second bachelor’s degree in spring 2012 to pursue his passion for music.

CIRI chooses respect

CIRI participated in the Choose Respect rally on March 31 to take a stand against domestic violence and sexual assault. Learn more about Choose Respect at http://gov.alaska.gov/parnell/priorities/choose-respect.html.

Alaska Laborers

Provide

Career Opportunities

The Alaska Laborers are currently accepting applications for an upcoming opening into their Apprenticeship Program.

This is a great opportunity for Alaska Native people and CIRI shareholders to learn valuable skills in multiple aspects of construction while working as a team. On the job training provides good wages and excellent benefits while building the foundation for a successful career.

Contact the Alaska Laborers’ Training School at (907) 345-3853.
2010 annual report
How to read CIRI’s financial statements

CIRI recently released its 2010 annual report. This document summarizes the Company’s performance last year and contains information that shareholders and interested readers can use to better understand CIRI’s business and investments. Annual report financial statements can be difficult to understand. This guide explains key parts of the financial statements that are on pages 24-27 of CIRI’s 2010 annual report.

The consolidated financial statements include:

- **Balance sheets**
- **Statements of operations**
- **Statements of changes in shareholders’ equity and comprehensive income (loss)**
- **Statements of cash flows**

They are accompanied by footnotes that provide additional details about the Company’s investments and discuss Company earnings and its financial position at year-end. Following the financial statements is additional information about the Company’s operations and holdings. An independent auditor, KPMG, LLP, audits the financial statements and issues its opinions as to CIRI’s conformity with generally accepted accounting principles.

### Consolidated Balance Sheets

<table>
<thead>
<tr>
<th>Liability and Shareholders' Equity</th>
<th>2010</th>
<th>2009</th>
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</thead>
<tbody>
<tr>
<td>Total liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td></td>
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<tr>
<td>Common stock dividend per share</td>
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<tr>
<td>Accumulated other comprehensive income, net of unrealized gains and losses on derivatives (note 6)</td>
<td>627,454</td>
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<tr>
<td>Total shareholders’ equity (as reported in loss per share)</td>
<td>295</td>
<td>17</td>
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<tr>
<td>Total liabilities and shareholders’ equity</td>
<td>735,158</td>
<td>732,482</td>
</tr>
</tbody>
</table>

### Consolidated Statements of Operations

CIRI’s revenues and expenses are reported by operating segment:

- **Real estate income** includes property leases, property management fees and brokerage commissions as well as revenues from the sale of real estate holdings.
- **Construction income** is CIRI’s share of earnings in its 50 percent ownership in two construction and oilfield service companies.
- **Government income** includes CIRI’s operations that provide services to local, state and federal government agencies.
- **Telecommunications income** is from CIRI’s ownership interest in a joint venture with T-Mobile.
- **Tourism income** is from CIRI’s Alaska tourism company and CIRI’s interests in out-of-state hospitality properties.
- **Natural resources and energy income** is primarily from oil and gas royalty revenues and from the (7) resource sharing payments received from other ANCSA corporations.
- **Private equities income** is from investments in general private equity and venture capital funds that invest in a broad variety of industries, both foreign and domestic.

**Incomes per share of common stock** divides the net income by 627,800, the number of outstanding CIRI shares, to report the amount of income earned per share.
The Consolidated Statements of Changes in Shareholders’ Equity and Comprehensive Income (loss)

This financial statement shows the year’s activity in each of the components of shareholders’ equity including current year net income and dividends paid to shareholders.

Net income as reported in the statements of operations
Total dividends paid to shareholders during 2010

Consolidated Statements of Cash Flows

This financial statement shows how CIRI used or received cash during the year.

- CIRI generated net $16.1 million from its operations in 2010
- CIRI invested net $6.3 million in cash in 2010 in operating assets, affiliates and marketable securities
- CIRI paid $22.2 million in shareholder dividends in 2010.

Consolidated Statements of Cash Flows

Glossary of financial terms

Asset: Something of value that is owned, including cash and items that are convertible to cash. Examples of assets include receivables (monies owed to the company), inventories (supplies), property and equipment (buildings, land, machinery, etc.).

Consolidated Balance Sheets: These reports show what a corporation and its subsidiaries own (assets) and owe (liabilities) at a certain date. They also show shareholders’ equity.

Consolidated Statements of Cash Flows: These reports show the amount of cash received and spent during a fiscal year, including:
- Cash received or spent operating a business
- Cash received or spent buying and selling assets
- Cash borrowed or paid on debt and/or paid to shareholders.

Consolidated Statements of Operations: These reports show the combined revenues, expenses and net income or net loss of a company.

Equity: Total assets minus total liabilities equals total shareholders’ equity.

Expenses: The costs required to generate revenue. For example, fuel to operate construction equipment.

Fiscal year: Also called a financial year; any yearly period without regard to the calendar year at the end of which a company or organization determines its financial condition. CIRI’s fiscal year is Jan. 1 through Dec. 31.

Liability: A company’s legal debts or obligations that arise during the course of business operations.

Limited liability company (LLC): A LLC is a business organization that combines elements of both partnership and corporations. It limits the legal risk to its owners to only the amount of their investment.

Liquidity: Cash and current assets sufficient to satisfy a company’s liabilities and commitments as they come due.

Marketable securities: A general term for stocks, bonds or other investments that can be sold on the open market.

Net income: When total revenues exceed total expenses.

Net loss: When total expenses exceed total revenues.

Revenue: The money made by operating a business or earned from holding an asset.
CIRI volunteers!
Shareholders and the public are invited to take part in community activities

CIRI is dedicated to being a responsible corporate citizen and encourages employees to share their time and talents with charitable nonprofit organizations. CIRI employees often volunteer at local nonprofits.

CIRI invites shareholders and the public to join CIRI in making Anchorage a better place to live through volunteerism. To learn more about volunteer opportunities, call Justina Meyer at (907) 263-5113 or keep an eye on CIRI's Facebook page at www.facebook.com/cirinews.

In Memory

Martha O. McCarthy, 70
Martha O. McCarthy died Nov. 29, 2010, in Anchorage. Ms. McCarthy was born Aug. 23, 1940, at the Kanakanak Hospital in Dillingham, Alaska. “We'll miss her laugh and smile dearly,” said her family. She is survived by her daughter, Brenda Johnson; son-in-law, George Johnson; sisters, Hildur Duncan and Marie Hanson; brothers, Edwin Anderson and Carl Gronn and his wife, Nina; and many nieces and nephews.

Donald N. Outwater, 71
Donald N. Outwater died Mar. 1 at the Alaska Native Medical Center in Anchorage. Mr. Outwater was born Dec. 16, 1939, in Deering, Alaska. He is survived by his daughters, Denise Starr and Angeline DelReal; sons, Brent and Blayne Outwater; and stepsons, Mike Piscoya and Donald N. Outwater II.

Betty Pete, 76
Betty Pete died Mar. 12 at the St. Elias Hospital in Anchorage. "Betty had a surprising sense of humor, unexpected, joyful..." said her family. Ms. Pete was born Aug. 28, 1934, in Akiak, Alaska. She is survived by her children, Agnes Phillips, Pauline Pete and Raymond Pete; and many grandchildren and great-grandchildren.

Condolences

Louise Koweluk Blake, 57
Mary Catherine Hamilton, 45
William Joseph Hughes, 81

Stock will prize

The winner for the April 2011 stock will participation prize is Debra Ann Redmond. To be eligible for the monthly $200 prize drawings, shareholders must have a will disposing of their CIRI shares on file in CIRI’s Shareholder Relations Department. The CIRI stock will form and instructions are located on the CIRI website at www.ciri.com. Contact CIRI’s probate staff at (907) 263-5191 or toll-free at (800) 764-2474 to verify whether you have a will on file.

Shareholder / descendant-owned business

Alaskan Drums and Crafts
www.alaskandrumsandcrafts.com
(907) 740-0439
Wasilla_eagles@yahoo.com (email)

CIRI shareholder Sarah Dick owns Alaskan Drums and Crafts, a company specializing in handmade Alaska Native crafts and wearable art. She is Tlingit of the Eagle Clan, Athabascan and Inupiaq. Dick began her business twelve years ago when a friend bought a pair of Athabascan-style beaded gloves that she made. She operates her business out of Wasilla.

Email info@ciri.com or call (907) 263-5114 to submit your shareholder-or descendant-owned business information.