

Prosperity Investments (Alaska) LLC

Suite 214, 200 Carnegie Drive, St. Albert, Alberta T8N 5A7 phone 385 445 3389

To: Municipality of Skagway
700 Spring Street, Skagway, Alaska 99840

February 21, 2023

Re: Ore Terminal Removal (Ore Handling Equipment and Buildings Removal)
Skagway Ore Terminal

Attention: Brad Ryan, Borough Manager

Dear Brad,

Our firm is confidentially in the process of designing and building a new ore concentrate export terminal on an existing deep water permitted location in another community in Alaska.

The bulk terminal facility will be exporting several commodities including minerals and ore concentrates for several Alaska and Yukon mining clients. This includes building 5 new ore concentrate sheds of different sizes for different minerals.

As we are going to be ordering new high speed ore loading equipment and several new buildings, we are interested in seeing the existing older Skagway ore ship loading equipment and ore shed have a second life by being used at this undisclosed Alaska location.

We appreciate the initial cruise ships will be entering Skagway on or about April 27th, and as such would like to try to remove the ore loading equipment on or before April 22th, approximately 7 weeks from now.

If this equipment and structures removal program is approved by the Municipality of Skagway and all required permits are obtained, we will do our best to remove these items prior to the Cruise ship season starting and any residual items to be removed after October 4th, 2023.

Our management team has over 50 years of experience in construction, mining, energy, and remediation projects in the US and Canada. Members of our team have built large complex sites, plus reworking older industrial sites for reuse as an alternative application.

Our proposal is as follows:

- 1) Prosperity will make a best effort to obtain all permits as quickly as possible.
- 2) Prosperity Investments (Alaska) will hire qualified approved subcontractors to selective disassemble and move by barge all ore loading equipment, buildings, spare parts, HVAC, electrical, filter systems, and other building components from the Ore Terminal.
- 3) The project will take place during the coming 12-month period upon receiving all state authorizations.
- 4) Prosperity will pay the Municipality of Skagway \$1.00 for all items removed from the ore terminal.
- 5) The cost of this disassembly, movement onto the barges, barge costs, insurance, and placement on the new site shall be paid by Prosperity.
- 6) Work will be completed during an approved mutually agreed to schedule; the timing will reflect other port work authorized by the Municipality, plus upcoming cruise ship and other vessel traffic.

- 7) Prosperity will provide the Municipality of Skagway monthly reports of project progress during the prior month.

We are willing to attend the March 2, 2023 Municipality of Skagway meeting to answer any questions, as time is of the essence if this project is to be approved by the Municipality, plus obtaining any other necessary permits to commence and complete this project in 2023.

Sincerely,

Terry Woodthorpe

Project Manager

Prosperity Investments (Alaska) LLC

CC: Emily Deach, Deputy Borough Manager