Memorandum

To: Brent Fisher, Chair of the Board of Trustees
Through: Corri Feige, Resource Management Committee Chair
From: Jusdi Warner, Executive Director
Date: November 18, 2026
Subject: October 14, 2026 – Resource Management Committee Meeting Summary

Meeting Summary:

The Resource Management Committee met on October 14, 2026, where trustees received an update of key TLO activities from the Executive Director Report, including pending projects in the land, easements, minerals and timber programs, as well as updates on the subdivision development program and mineral reconnaissance program. Trustees also received a comprehensive briefing on the Shelter Cove Timber Sale and an update on the status of the Trust Authority Building HVAC project. Additionally, the TLO Chief Geologist provided a detailed report on the Icy Cape Gold & Industrial Heavy Minerals Project, after which the meeting proceeded into Executive Session. The committee was presented with four (4) consultations and one (1) approval by the TLO staff. The proposed actions require approval or concurrence from the full Board of Trustees. The four consultations will move forward to the board at the November full Board of Trustees meeting. And the approval (FY26 Icy Cape Gold and Industrial Heavy Minerals Project – DR. Rock prospect) will move forward to the February 2027 full board of Trustees meeting, however will also be presented at the Finance Committee January 2027 and therefore is not included in the actions for the Board to be taken up on November 18th, 2026.

***Board Action November 18th, 2026**: The following proposed actions requesting full board of trustees concurrence were recommended on October 16th from the RMC to the full board of trustees:*

1. **Consultation – Victoria Creek Waste Rock Expansion – MHT 9400734**

   ***MOTION:** "The Alaska Mental Health Trust Authority board of trustees concur with the disposal of trust land thru an expansion of an existing ground lease agreement issued to Fairbanks Gold Mining, Inc. for waste rock storage, serialized as MHT 9400734, on a portion of MH Parcel F70015 to facilitate the continued operations at the Fort Knox Mine."*

Anticipated Revenues/Benefits: The Trust will receive an additional annual rental for the new lands at the existing lease rate, with included escalations at the time of this consultation, approximately $17,000/year, with additional increases included within the lease agreement.

2. **Consultation – Walter Creek Heap Leach Expansion – MHT 9400937**

MOTION: *'The Alaska Mental Health Trust Authority board of trustees concur with the disposal of trust land thru a negotiated ground lease for the expansion of the Walter Creek Heap Leach, within a portion of MH Parcel F70015, to facilitate the continued operations at the Fort Knox Mine."*

Anticipated Revenues/Benefits: The Trust will receive an annual rental of 12% of the appraised land value until reclamation is complete.

3. **Consultation – Angel Creek TSF Expansion – MHT 9400935**

MOTION*: 'The Alaska Mental Health Trust Authority board of trustees concur with the disposal of trust land thru a negotiated ground lease for the expansion of the Angell Creek Tailings Storage Facility within a portion of MH Parcel F70015 to facilitate the continued operations at the Fort Knox Mine."*

Anticipated Revenues/Benefits: The Trust will receive an annual rental of 12% of the appraised land value until reclamation is complete.

4. **Consultation – Livengood Gold Project – MHT 9400248**

MOTION: *'The Alaska Mental Health Trust Authority board of trustees concur with the conditional disposal thru a negotiated lease of approximately 134 unpatented federal mining claims, approximately 3,680 acres, more or less, within MH Parcel F70536 and amend the Upland Mineral Lease, serialized as MHT 9200248, in support of this action."*

Anticipated Revenues/Benefits: Should any land meet all conditions for conversion/addition to the lease, the Trust stands to see an increased collection of Advance Production Royalty Payments, the primary revenue source when the project is not in the commercial production phase, via an increase in overall acreage. In addition, all new lands subject to the lease will carry variable production royalty rates should the project achieve commercial production. The new land affected by this decision, outside of the currently marked resource deposit will carry a 5% net smelter return production royalty requirement. The new land affected by this decision, within the currently marked resource deposit will carry a cumulative 2.5% net smelter return production royalty requirement. Should the conditional conversion of federal land not result in Trust ownership, existing revenue terms within the upland mineral lease would continue to govern the project.

Cc: Board of Trustees
Mary Wilson, CEO Alaska Mental Health Trust Authority

Board Action February 24-25th, 2027: *The following proposed action requesting full board of trustees approval was recommended on October 16th from the RMC to the full board of trustees:*

1. **Approval – FY26 Icy Cape Gold and Industrial Heavy Minerals Project – DR. Rock prospect**

MOTION: Motion 1: *"The Resource Management Committee recommends that the Alaska Mental Health Trust Authority board of trustees approve the proposed action Option 1 to fund the Icy Cape Gold and Industrial Heavy Minerals Project for exploration work at the Dr. Rock Prospect and for marketing the Grinder deposit from the Trust Land Office Development Account with $9M. These funds do not lapse. This approval includes the associated development and cost recovery plans for Option 1 included in these presented materials."*

Anticipated Revenues/Benefits: Anticipated Revenues/Benefits: The Property hosts the Grinder gold and garnet deposit, as well as the Dr. Rock, Hammersmith, Tailgunner, and several other highly prospective mineral targets. It has the potential to become the Trust's flagship mineral asset and generate greater long-term revenue than any other mineral property currently held by the Trust. As with any resource development project, additional investment carries risk. While the mineral potential of the Icy Cape district appears substantial, the area remains underexplored, and defining its resource base requires continued exploration expenditures. Through a systematic and disciplined exploration program, metallurgical test work, and collaboration with experienced consultants, TLO has achieved positive results at each stage of development. These efforts culminated in the delineation of the Grinder indicated gold resource, currently estimated at 1.126 million troy ounces. Dr. Rock represents the largest known gold and garnet target in the district and may ultimately exceed the economic potential of Grinder. Results from the 2017-2018 stratigraphic framework drilling program indicate a substantially larger mineralized system with the potential to support significantly greater gold and garnet resources. However, additional exploration and drilling are necessary to define a compliant inferred resource estimate and validate current expectations. Any discussion of future royalty revenues from a producing mine assumes that TLO will be successful in securing either a lease arrangement or a qualified development partner through a farm-in agreement capable of advancing Dr. Rock to production. As discussed in Exhibit E, the Trust has identified a clear pathway to further de-risk the Dr. Rock prospect through targeted exploration activities. Based on the results achieved to date, TLO believes that continued investment to advance Dr. Rock toward an inferred resource estimate is justified and represents the most effective strategy for maximizing the long-term value of this Trust-owned mineral asset.

Cc: Board of Trustees
Mary Wilson, CEO Alaska Mental Health Trust Authority