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Dear Shareholders

The terrorist attacks on 9/11/2001 not only had enormous impacts world wide, it severely damaged Goldbelt's tourism ventures and other businesses. We have been slowly recovering from those impacts and as reported to you in the past, we are now ready to turn the corner and to start making profits again. While we are not ready for shareholder distributions, we have come current on our elder benefits, are ready to restart our scholarship program and have been working very hard to make jobs available to our shareholders. Lots of jobs.

We can report to you that we are making good progress on our development in Cascade Point and that our agreement with Coeur Alaska will insure that Kensington Mine and Mill jobs will be available to shareholders, and that mine support jobs from Goldbelt will be available. These support jobs will be year around jobs including bus drivers, boat crews and security positions at Cascade Point and at the Kensington side of Berners Bay.

Even more jobs will soon be available in Hobart Bay as Goldbelt and its partners begin to design and to construct tourist facilities on our Hobart Bay lands. Numerous construction jobs will be available when construction begins on docks, floats and gangways, roads, buildings and lodges, trails, utilities and living quarters, to name a few. When those facilities are done, even more people will be needed to staff all of the venues and shops, including all types of tour guides, store keepers, cooks and wait people, cultural guardians and demonstrations, artists, boat tours and more. Moreover, year around jobs will be available for caretakers and maintenance duties. This will be a huge development and a great many people will be needed to ensure success. As this tourism development will feature our Native culture and a wilderness experience, the more shareholders we have the better it will be.

In the long term, we would also like to create jobs with our West Douglas lands but success in that area is dependent upon other agencies and developments such as the proposed golf course and a second channel crossing.

These job-creating developments are made possible by your understanding of the hard times we are just now coming out of and the hard work and accomplishments by our very small staff of dedicated employees.

I remain optimistic about our future and I want to thank you all for your support and encouragement.

Joseph E. Kahklen
Chairman of the Board