

39th ANNUAL ALASKA RESOURCES CONFERENCE

November 15, 2018

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AGDC.us



Introduction

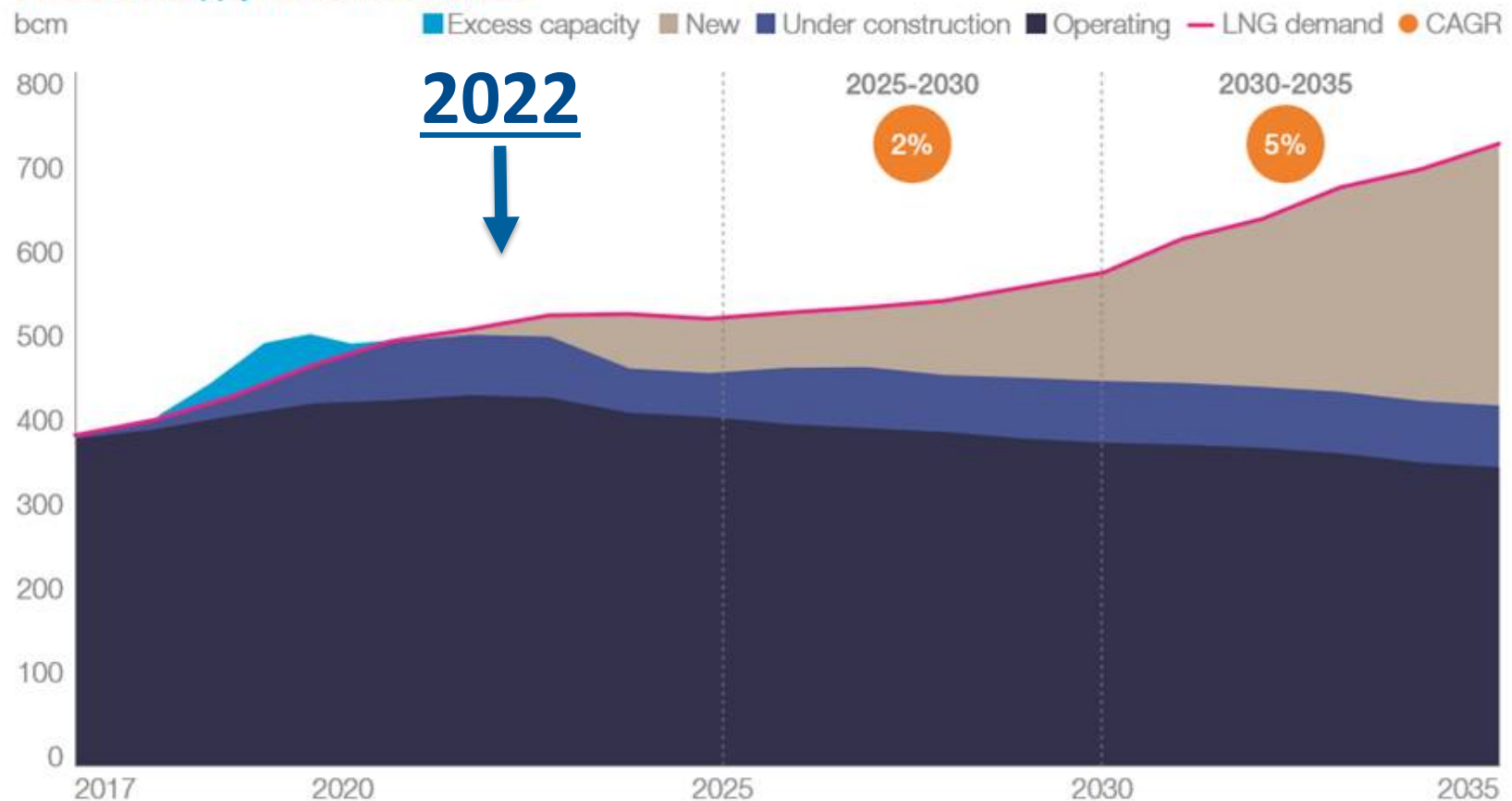
- We have momentum.
- We are winning over global competition.
- We all have to get ready.
- **2019: Accelerate!**



Accelerating Global Demand

Global supply/demand balance moves up from 2025 to 2022.

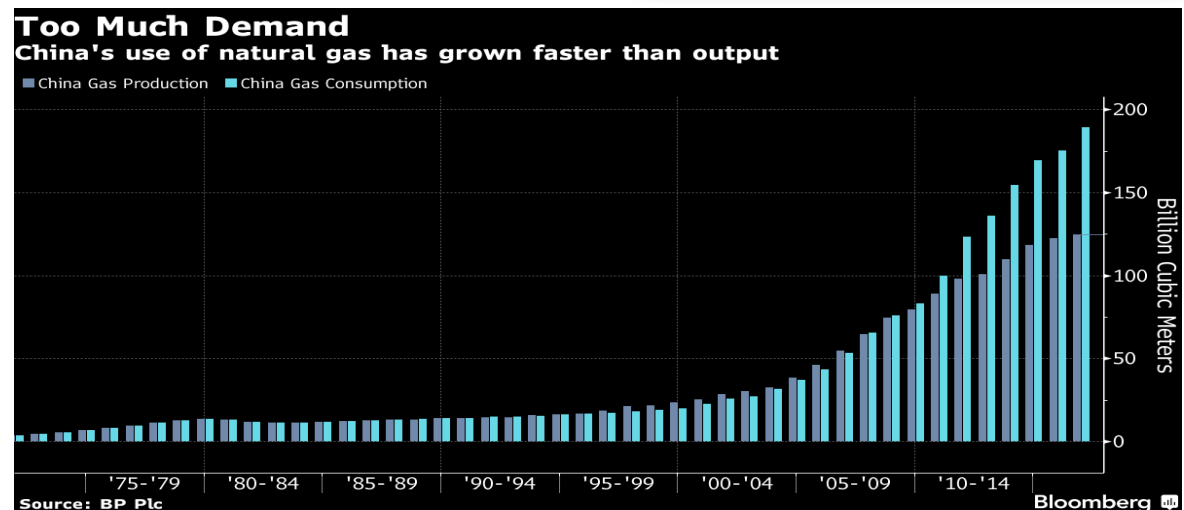
Global LNG supply and demand to 2035¹



Source: Energy Insights analysis, Energy Insights Gas Intelligence Model, IHS Vantage

China Serious about Conversion

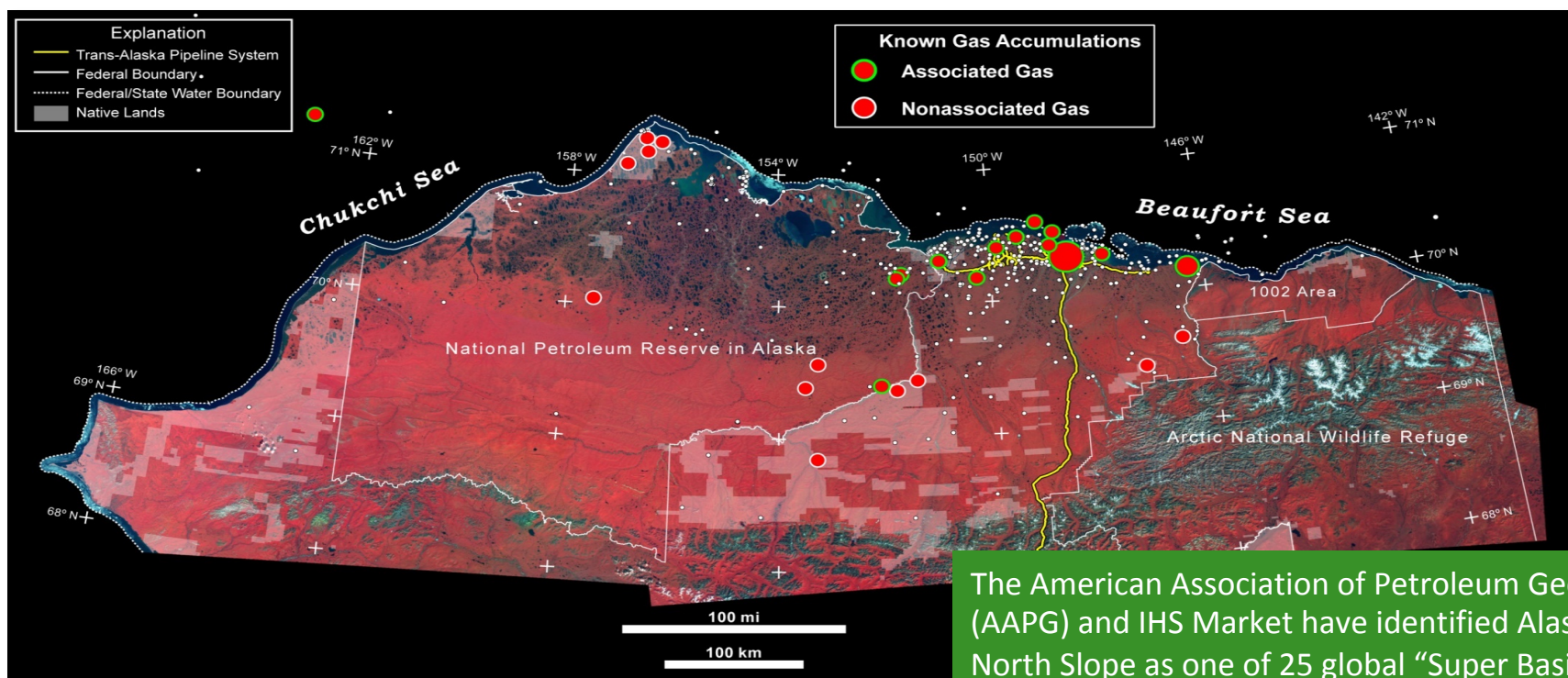
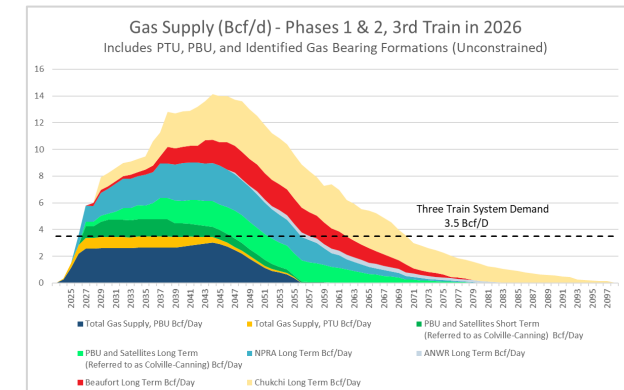
- China driving global supply/demand imbalance.
- National commitment to convert to gas.
- Lack of domestic supply.
- Rapidly expanding LNG import capacity.



North Slope – “Super Basin”

Alaska's Super Basin:

- One of only 25 Super Basins in the World.
- 100+ years of supply.
- Export revenue and Alaska Supply.



The American Association of Petroleum Geologists (AAPG) and IHS Market have identified Alaska's North Slope as one of 25 global "Super Basins".

Global Position

ALASKA GASLINE
DEVELOPMENT CORP. 



7 - 9 days
to Asian markets

**Alaska is Asia's
closest and most
direct source of
U.S. LNG**

Trade Friction



- Dealing with global trade issues.
- Alaska LNG will help balance trade.

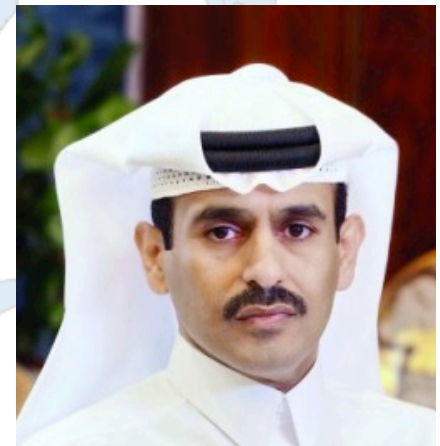


US Treasury Secretary Steven Mnuchin
in Alaska last month.



Supply competition increasing:

- Canada – launches, slams US supply.
- Russia – advancing, slams Alaska supply.
- Qatar – aggressive, trying to hold top spot.



Competitive Advantage

GLOBAL POSITION



Alaska LNG is North America's closest and most direct LNG supply to Asian markets.

ALASKA LNG

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A subsidiary of the Alaska Gasline
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SCHEDULE CERTAINTY



Alaska LNG provides direct and unrestricted access to Asian markets.

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SUPPLY SECURITY



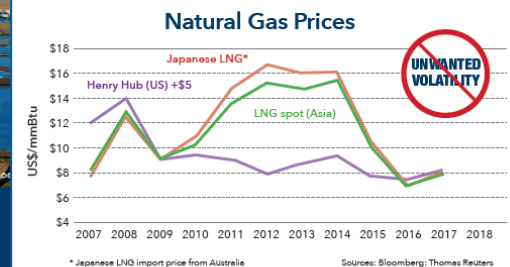
Alaska LNG provides access to the largest concentration of proven, conventional, stranded gas in North America.

ALASKA LNG

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Alaska LNG =

PRICE STABILITY



Alaska LNG offers an unprecedented level of price stability.

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ALASKA
GASLINE
DEVELOPMENT CORP.

Competitive Advantage

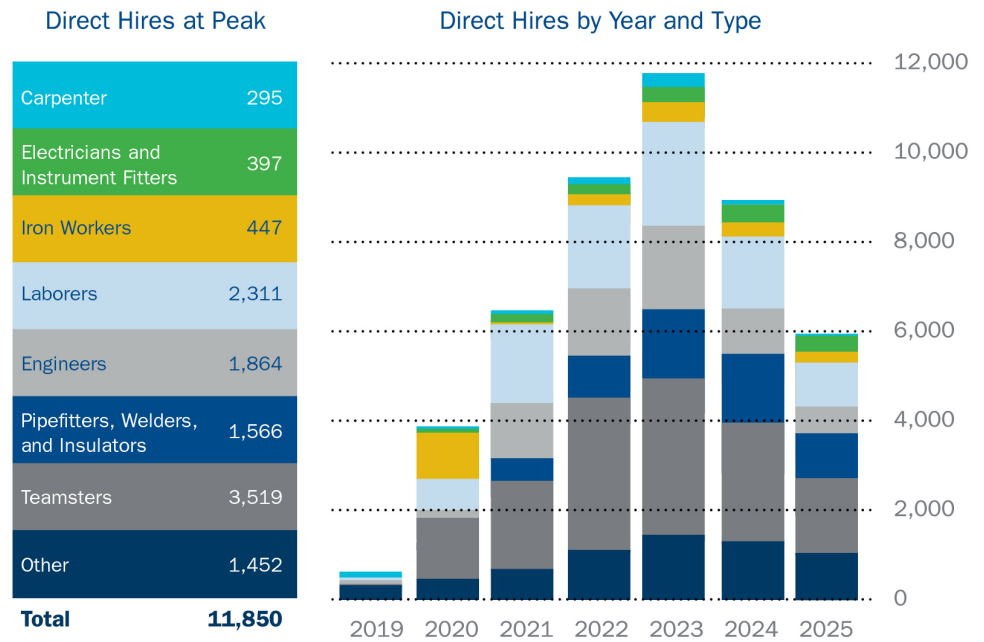
2019: Alaska in High Gear

Accelerate!



Jobs for Alaskans

- A construction employment boom.
- Long-term employment.
- Begin training now; demand for employment will require trained workforce.
- Indirect and induced jobs will spread the benefit of the Alaska LNG project to even more Alaskans.



Mining Benefits

- Lower gas prices in Australia led to significant additional mining activity.
- Alaska LNG project will produce similar positive outcomes, fueling existing mine expansion and attracting new mining.
- One study estimates the Alaska LNG project will generate up to \$151.6 billion in direct cost savings and \$266.5 billion in total additional spending over the 30-year project lifespan (TPG).

MINING

An estimated \$620 million was a result of direct and indirect payroll in 2014, employing 8,700 people.



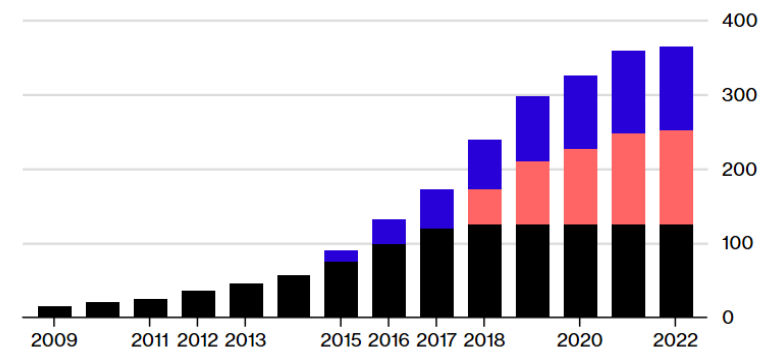
Tourism Benefits

- AMHS spends \$15 million annually on fuel; converting to LNG will save 60% and reduce emissions (TPG).
- AKRR locomotives convertible to natural gas without requiring replacement.
- Cruise industry is “responding to demands for cleaner air and pristine coastlines” by switching to LNG (Bloomberg.com).

Expanding Fleet

Confirmed LNG-powered ships

■ Ships in operation ■ Ships on order ■ LNG ready



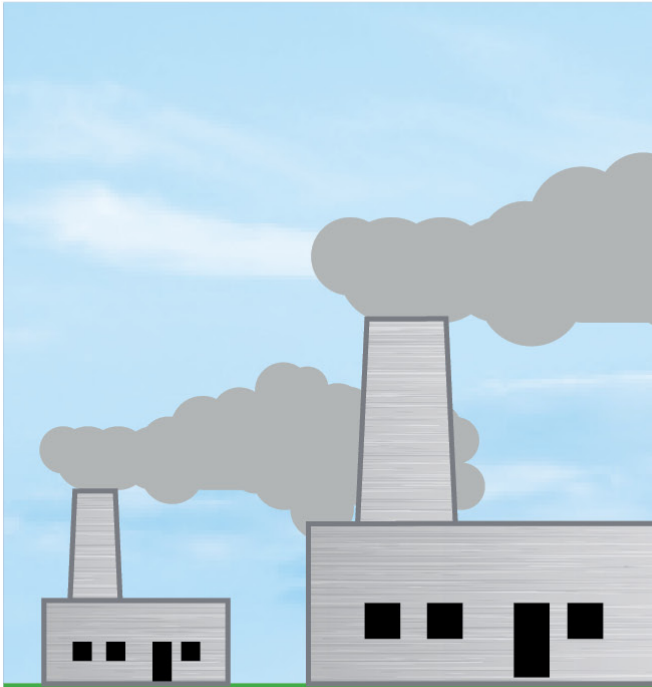
Source: DNV GL

TOURISM

Nearly two million visitors will come to Alaska this year, supporting 46,500 jobs with a payroll of \$1.3 billion.



Fisheries Benefits



- Alaska LNG will offset 80 million tons of CO2 per year from going into the atmosphere.
- “There is a significant acid rain fallout over the North Pacific due to air pollution in Asia. Cleaner air in Asia will lead to cleaner oceans and healthier fish in Alaska. It is a win-win situation for all of us.”

- Ricky Gease, Kenai River Sportfishing Association

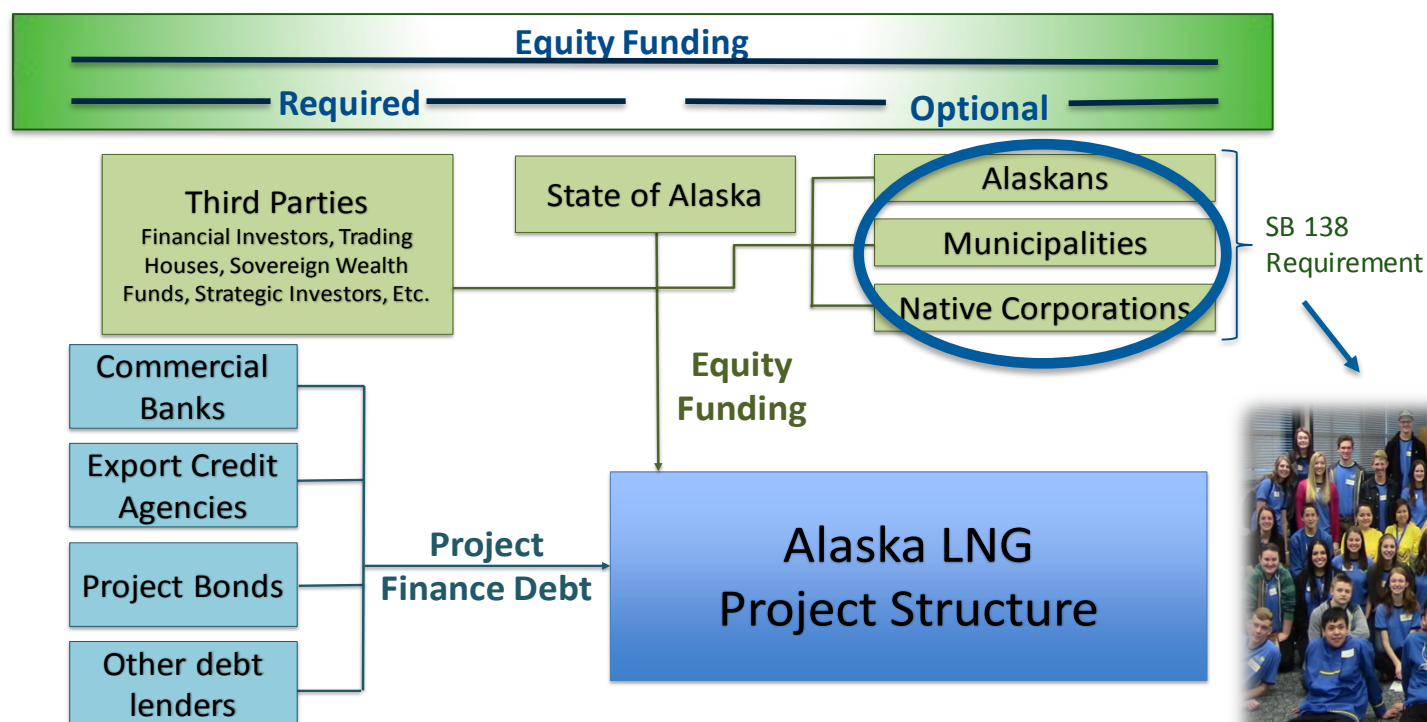
FISHERIES

The seafood industry in Alaska employs over 63,000 people and accounts for 55% of total U.S. commercial fisheries production.



System Funders will be Owners

Goal: Opportunity to own a share of Alaska's future!



100 years of gas supply = 100 years of revenue

2019

- **50th anniversary of 1st LNG shipment.**
- **Succeed together as Alaskans.**
- **Own a share of the future.**



For the latest news and information:

Online - AGDC.us



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