

Proposed Koniag Acquisitions
(Framework for Possible Agreement)

1. For a total consideration of \$28.5 million Koniag, Inc. agrees:

a. to convey in fee simple a total of 59,691 acres on Kodiak Island comprised of the following parcels:

01	8,090
02 East	2,462
02 W-1	2,503
02 W-3	623
02 W-4	349
03	16,110
05	24,112
06 A	<u>5,442</u>
TOTAL	59,691 acres

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b. and to convey a seven-year conservation easement on the following parcels:

02 W-2	960
04	36,865
06 B	17,094
K Parcel	<u>1,129</u>
TOTAL	56,048 acres

2. Under the terms of the conservation easement Koniag:

- a. will not sell or lease these lands to parties other than the U.S. Government, with the possible exception of the land in the Portage area of the Karluk River now under offer. The easement will apply to these Portage lands, if the pending sale is not closed by June 1, 1995;
- b. will not modify these lands physically or build any structures thereon beyond those existing structures identified in the purchase agreement;
- c. will provide access to Interior Department and Alaska Department of Fish and Game personnel to conduct population surveys and research on fish and wildlife resources and document salmon escapement; such access to be granted by mutual consent; and
- d. may extend the easement by mutual agreement of the parties.

3. The EVOS Trustee Council, through the Department of the Interior, agrees to establish jointly with Koniag a process that will lead to a fair negotiated price for

the lands covered by the conservation easement. Toward this end, the Council agrees to set aside an additional \$16.5 million from its future receipts for eventual purchase of these lands.

4. Of the total consideration, \$2 million is deemed to represent the cost of the conservation easement. These funds shall be amortized on an annualized, pro-rata basis. Any unamortized portion of that amount remaining at the closing of any subsequent purchase of the easement lands by the United States, shall be credited against the purchase price.
5. Koniag, Inc. will be paid the sum of \$10 million at closing and the balance over four years.

November 2, 1994