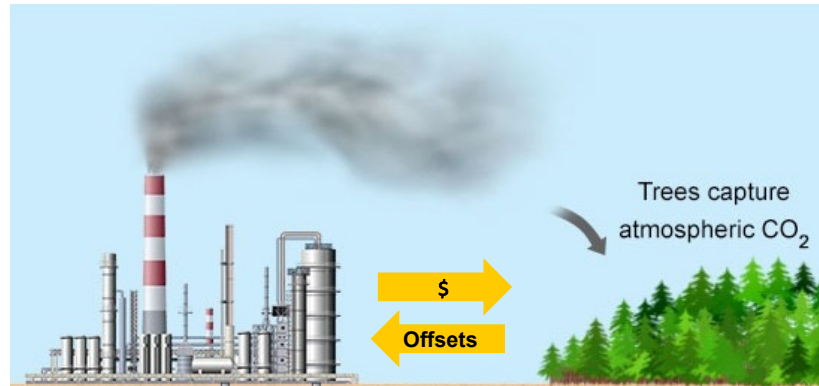


What Are Forest Carbon Offsets?

- Forests across the US sequester substantial amounts of CO₂
- By maintaining or increasing forest stocking, forest landowners can generate units of CO₂ emissions reductions (“Carbon Offsets”)
- Companies wishing to combat climate change are willing to pay forest owners for these Carbon Offsets, thereby claiming credit for reducing CO₂ emissions and mitigating some of the effects of climate change
- Available to Private Land Owners and States. Federal lands are excluded.



Markets and Pricing

Past and Current Market Pricing

- 2015 Pricing on the compliance market was around \$9.50/ton
- Late 2018 pricing on the compliance market is over \$13.00/ton
- Voluntary market pricing is over \$9.00/ton

Economic Impact for Alaska

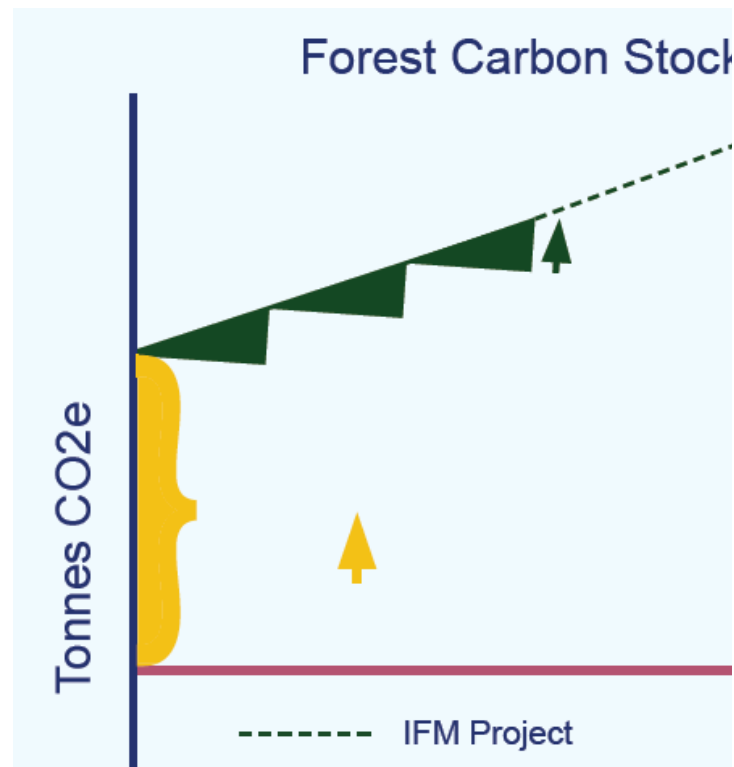
- Over \$120 million in credits already sold
- Over \$150 million more under development
- Over a dozen separate projects

Outlook for Alaska

- Projects continue to be developed into 2019
- Projects outside of California will be limited after 2021
- Currently the compliance program (market) extended until 2030
- Central and Western Alaska not yet included in Compliance Market



IFM Project Mechanics



Landowner Obligations

A compliance project must be maintained for **100 years** following final credit issuance

Monitoring

- A complete forest inventory must be updated at least every 12 years
- Monitoring documentation must be updated annually to account for harvesting, growth, or significant damage from natural disasters

Auditing

- A full verification with a site visit component must be undertaken every 6 years

