

MESSENGER Kookénaa

August 2006

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789-9762



Gary Droubay, President/CEO

Dear Shareholders,

The 2006 tourist season is almost complete, so we would like to provide you with a report on how things are going. While the exceptional bad weather this summer is hurting sales at the Tram and the Tour Center, other aspects of our business operations are doing fine.

The Mount Roberts Tramway is behind last year on a year-to-date basis, but still had a respectful showing through July with monthly revenues ahead of last July. The Tram gift shop has been doing exceptionally well this year. However, the rainy, foggy weather in August has

hurt August sales significantly. We are hopeful for a turnaround in September.

The Goldbelt Hotel set a record in July with its first month ever of room revenue in excess of \$400,000. The Hotel is benefiting from additional business resulting from the extended legislative sessions this year. August also looks like it will be a good month for the hotel.

The Tour Center/Tracy Arm tour has been most affected by the bad weather. Even though we only run the tour four days a week, we seldom get more than 50 people per tour. Our customers are usually hoping for a clear day to maximize the views and the scenery. We ended the tours this year on August 20.

We sold Alaska Cruises to Alaska Travel Adventures, effective May, 2006. Our catamaran, the Majestic Fjord, is currently under lease to the new owners who have an option to purchase it for its fair market value at the end of the season.

In July, we completed the sale of the Seward property to a group of investors from Anchorage and Kenai, retaining a small interest in the property. The proceeds from the sale (\$800,000) were used to reduce our debt to the Texas

Investment Group, which held a lien on the property.

In the government contracting arena, most of the revenue and earnings are still coming from Goldbelt Raven and Goldbelt Eagle, who each earned over \$1 million in the first half of the year. Projections to the end of the year now show that profits from these two 8(a) Companies will be higher than last year, and higher than what we budgeted.

The Elders who turned 65 in 2005 have now been paid their dividend, and those turning 65 this year will be paid by the end of the year.

We have set aside \$50,000 for the scholarship program this year, and expect to be able to disburse funds to eligible applicants by the end of the year. This program will be handled by the Goldbelt Heritage Foundation. (See article on page 3).

Preliminary projections show that 2006 will again be profitable. I look forward to a complete discussion of these matters with you at Fall shareholder meetings which we will hold in Anchorage, Seattle and Juneau.

Sincerely,

Gary Droubay, President & CEO

CASCADE POINT DEVELOPMENT

Bob Martin, VP Operations

Almost everything is in place for Goldbelt to begin development of our property at Cascade Point. We have the permits and the final design. We have an agreement to lease tidelands from the State, and, thanks to Governor Murkowski,

we have a completed pioneer road from Echo Cove to Cascade Point. Most importantly, we have a long term lease agreement with Coeur Alaska. All we need before beginning construction is a grading permit from CBJ and payment for a restoration bond that will

provide assurance to the State that Goldbelt is able to restore the tidelands to its previous condition once the Kensington Mine ceases operation.

Facilities to be constructed include a dock, float ,
(Continued Page 5)

SHAREHOLDER HIGHLIGHTS

Name: Jim Duncan Jr., *Kun Chu Hit*
Title: Director of Operations
Employed by: Mount Roberts Tramway

Jim Duncan Jr., Dakh'aweidi from Keet Hit (Killerwhale House), also called Wochdakadin Keet Hit (Killerwhales Facing Away From Each Other House), in Angoon, has the distinction of being the longest serving employee at the Mount Roberts Tramway. Jim began working at the Tram at the start of the 1997 season.

After High School Jim spent four years in the US Army before attending college in the mid-West. He returned to Juneau and worked at the Juneau Racquet Club for a number of years. In March 1997 he became the Retail Manager at the Tramway and in 2002 was promoted to Director of Operations.

As Director of Tram Operations, Jim works with every department, and helps keep the Tramway running smoothly. He might be found loading guests onto Tram cars, explaining the intricacies of a piece of Native artwork to

a potential customer, greeting patrons in the restaurant, or responding to a report of a bear on the trail. Jim is known for keeping up with the restaurant and retail cash register systems by doing ongoing research, and for having the ability to calmly step in when problems arise. Jim is certified in CPR and basic first aid and is part of the team that responds to medical emergencies on the mountain throughout the season. George Reifenstein, General Manager of the Tram, is quoted as saying, "Goldbelt is fortunate to have an employee such as Jim working for us. He is a dedicated, loyal and hardworking employee".



Name: Sammie Mae Osborne-Baxter
Currently: Serving in the US Navy
Stationed: California



Sammie was stationed on the Kitty Hawk located in the Indian Ocean when the Iraq conflict first began. Sammie's husband is also in the US Navy. Sammie's mother, Eileen Osborne of Anchorage, states, "We are all very proud of Sammie Mae and all that she is doing with her life. God Bless our Troops!".

GOLDBELT SECURITY SERVICE

By Michael Tagaban, General Manager
Goldbelt Security Services is celebrating its first year anniversary of being in business. We began providing security services to Coeur Alaska August 1, 2005. At that time we started with four employees. Since then we have grown to twenty employees. Of the twenty, eleven employees are Goldbelt shareholders, spouses, or descendants, or shareholders of other Native corporations. We are currently providing security services for fourteen clients.

Our Crossing Guard program currently has four employees staffing the various crosswalks in downtown Juneau. They continue to receive favorable review by our clients and businesses in the immediate area. The Crossing Guard contract will complete for the season September 2006 and will start up again May 2007. The staff will be on layoff status during this time. It is hoped that they will be available for next years season, reducing startup costs.

Goldbelt received a compli-

mentary letter from Grayline of Alaska staff thanking GSS for assisting visitors in getting around in downtown Juneau.



Araya Joy Johnson, Crossing Guard

Chef

The Goldbelt Tram is urgently seeking a Chef for the month of September, 2006. Experienced applicants should contact Goldbelt Human Resources, 9097 Glacier Highway, Juneau, AK 99801

JOBS

Executive Housekeeper

Position available for Executive Housekeeper. Position oversees the housekeeping and laundry staff, will be responsible for the overall cleanliness and appearance of guest rooms and common areas of the hotel. Will be the primary purchaser for the hotel and must be available for flexible hours and shifts. Previous experience is highly desirable.

General Manager Goldbelt Hotel

Seeking candidates for the position of Goldbelt Hotel General Manager. The position is expected to be vacated by October 2006 Ideal candidate should be available to start first of September to allow for some transition time between the current General Manager and the new employee. Apply for General Manager and Executive Housekeeper positions in person at the Goldbelt Hotel—51 Egan Drive, Juneau, Alaska, 99801.

HOBART BAY

Preliminary work at Hobart Bay is proceeding rapidly, although there is little work on the ground as yet.

All permits to construct the temporary dock have been received and the design is complete. Steel is ordered and construction can start as soon as steel for the ramp, floats and pilings are received. We do have a crew clearing alder from the roads, camp and sort yard. This work is expected to take three weeks.

A service boat is under construction and should be ready during the week of August 21. Electrical service has been restored except for the water pump and we are waiting for a report from the plumbers we sent down to evaluate the water lines and to recommend a replacement for the broken water pump. Geotechnical drilling, water well drilling and sub bottom profiling are scheduled to start in September.

We have not heard word on whether the housing units will be constructed this fall, or whether the effort will be delayed until Spring start of the construction season. In the meantime, the

developers are planning to do a preliminary investigation on a possible small air strip and a lodge for overnight visitors. They are also looking at the possibility of leasing (from Goldbelt, of course) various items of capital equipment such as boats, trucks, and 4-wheelers.

Finally, several companies have begun preparation of estimates to provide voice and computer communications in the Hobart Bay area. ACS is considering installing a cell that would provide communications in Hobart Bay, Frederick Sound and Stevens Passage.

When complete, the facility will serve as many as two cruise ships per day and will provide jobs for more than 200 people.



JOB OPPORTUNITIES

For more job information contact

Coeur Alaska Human Resources
Coeur Alaska, Inc.
3031 Clinton Drive, Suite 202
Juneau, Alaska 99801
(907) 789-1591



Goldbelt Scholarship Program

As we promised at the 2005 Annual meeting, Goldbelt, Incorporated will reinstate the Scholarship program for Shareholders and their descendants. We will administer the program through the Goldbelt Heritage Foundation, with scholarships commencing later this Fall.

To qualify, Shareholders or descendants need to meet the following criteria:

- Be enrolled in an accredited school, university or trade school
- Maintain a minimum grade point average of 2.0
- Awards are to be used for eligible expenses such as tuition, fees, books, room and board

A short essay will be required as part of the application process. Briefly describe your schooling plans and goals for the future.

A minimum of \$50,000 will be available to be allocated **among eligible applicants** for the 2006-2007 school year.

Applicants should watch our Website for further news. Applications will be available online just as soon as we finalize the funding process.

To download a scholarship application, Go to our address: www.goldbelt.com. At the Goldbelt main page, select: *Shareholder Services*, and then go to: *Scholarship Services*. You will then be able to download an application. Complete the application and mail to: Goldbelt Heritage Foundation, Attention: Gerry Williams, 9097 Glacier Highway, Suite 200, Juneau, AK 99801.

Have you Moved?

Shareholders who have moved or changed addresses are requested to fill out a Change of Address form and return it to the Corporation. If you know of a shareholder family or friend who has moved recently please pass this news on. It is important that Goldbelt maintains current shareholder information so that you may receive correspondence such as this newsletter, employment opportunity listings, and official documents such as proxy materials and for distributions. The Goldbelt Change of Address form is available at our website or through our Corporate office listed in this newsletter.

Shareholder E-mail address

Goldbelt would like to create a directory of shareholder e-mail addresses.

Goldbelt would like to e-mail shareholders information, including: available job positions, scholarship information, shareholder meetings and other opportunities available.

Future issues of Kookena'a will be e-mailed to those Shareholders who would like this timely service.

You may e-mail the Goldbelt webmaster listed below with your information including, e-mail address, shareholder name, and enrollment number.

Visit the corporate website often and send us your e-mail address. We will not sell the e-mail list and will keep it entirely confidential.

Mail.GBI@Goldbelt.com

10TH YEAR CELEBRATION AT THE TRAM!

The 10th Anniversary of the Tramway was celebrated with a reception for Shareholders on the evening of August 10 in the Timberline Bar & Grill. About 140 folks attended the event and enjoyed door prizes, music by the Yeess Ku Oo dance group, anniversary cake and discounted halibut burgers and hamburgers. The following day over 230 local guests bought discounted tickets and helped carry on the celebration. See pictures below of Shareholders, staff, dance group and celebrants.

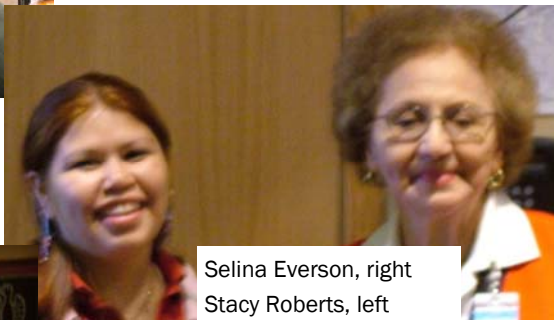
This July the Tramway carried 6500 more guests and earned \$89,000 more ticketing revenue than in July 2005. Interestingly the weather was almost identical with July '05; both had 23 days of measurable precipitation (one inch less rain this year) and the average temperature was about 56 degrees. Total ticketing revenue exceeded \$875,000 and overall Tram revenue was \$61,000 over budget. In late July Princess advised that the Tramway was being recognized as one of the top ten tour operators in Juneau for the month of June. This recognition is based on passenger shore excursion ratings for excellent customer service and quality



Lillian Austin



The Yeess Ku Oo Dance Group from Juneau



Selina Everson, right
Stacy Roberts, left



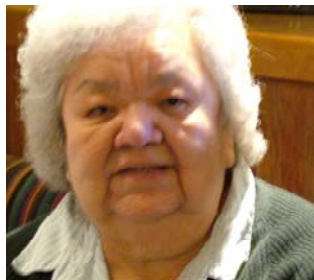
George Reifenstein, Jr., GM



Carmella Ransom



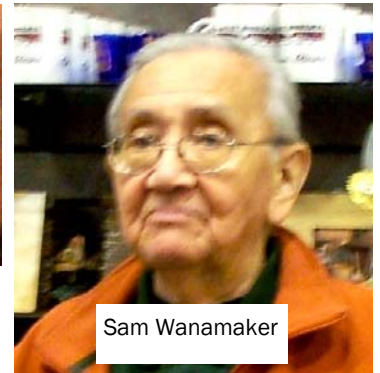
Caroline Noe, dance leader
and Yaan Yeidii Coronell



Flora Huntington



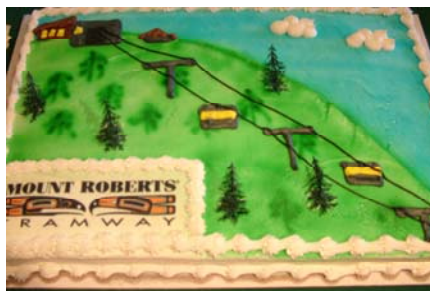
Jeannie Lee,
Drummer and
Song Leader



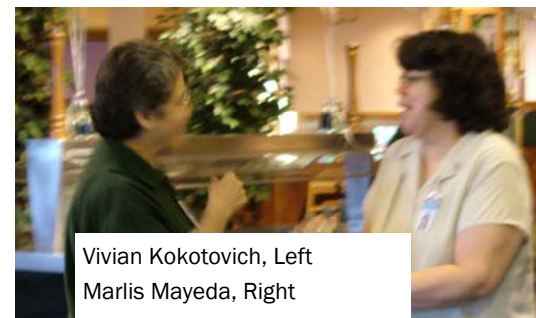
Sam Wanamaker



Marlis Mayeda, Left
Jim Duncan, Jr., Right



Tenth Year Anniversary Cake



Vivian Kokotovich, Left
Marlis Mayeda, Right



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Juneau, AK 99801

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MESSENGER Kookénaa

Kookénaa is a Tlingit noun that means "messenger." The Kookénaa is produced by Goldbelt, Inc. for its shareholders.

*Scholarships
Available!
www.goldbelt.com*

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VP Operations

(continued from front page)
and ramp that will be used to transport mine workers to the Kensington mine. Dredging of the float basin will be needed to allow use even at minus tides. A breakwater will be constructed to protect the float from northerly winds and waves. Several acres of uplands will be cleared and filled to provide parking and turnaround space for buses. Finally, a caretakers shelter, water, sewer, and generator for lights will be installed. We are planning to have the facility complete for operation by May 2007.

The Juneau Access Road has raised interest by contractors for use of our lands for temporary office and parking space. There is also a possibility that site security could be provided under contract with Goldbelt Security Service.

As for the Kensington Mine, construction of the mine and mill facilities are

proceeding 24/7 and should be ready for full operation by the end of next summer unless stopped by the SEACC lawsuit. Shareholders interested in employment opportunities should contact Berners Bay Consortium, at 789-6855

Chief Financial Officer

Goldbelt is seeking a chief financial officer. This position will be responsible for all financial aspects of the Company's operations, including budgeting, product pricing, financial reporting, coordinating the annual audit, negotiating financial agreements, and cultivating and maintaining relationships with financial institutions. The position will work closely with the budget and audit committee of the Goldbelt, Incorporated Board of Directors and the President for financial matters

Individuals applying for this position should have over 15 years experience in a responsible financial management position with a CPA

firm, and in private enterprise, and experience making presentations to the Board of Directors and shareholders. A knowledge of Federal government accounting practices and requirements would be helpful. Applicants should be able to show experience in structuring and negotiating acquisition contracts, etc., and an understanding of ANCSA land issues. The position will be in Juneau, Alaska.

Calling all Artists!

Goldbelt Incorporated subsidiary, Goldbelt Eagle, LLC is seeking a Northwest Coast logo. The logo should be of an Eagle in the totemic design style. The logo would be used specifically as Goldbelt, Eagle branding. The logo would be immediately recognizable as a unique identity for the LLC.

To recap: Goldbelt Eagle, LLC, is able to provide contracts through the Federal Government. Their expertise is in: Facility Operations Management; Information Specialized Technology & Training and Analytical Services.

For further information, log on to the Goldbelt Incorporated website: [Goldbelt.com](http://www.goldbelteagle.com) and look for: Goldbelt 8(a) Companies. Or you may go directly to the GBE site at: <http://www.goldbelteagle.com>

Entries are due by September 30, 2006. A commission is being offered for the winning entry.

*Goldbelt Tram
recognized as
one of "Top Ten
Operators in
Juneau".
(See article Page 4)*