

Raymond E. Auster

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In perspective, the big picture is about a shareholder being denied a contract and awarding the contract to a sitting board member of Goldbelt, Rick Beasley. Mr. Beasley is also an incumbent candidate in this 2018 Goldbelt Board of Director's Election and has served on the board for 15 years and is an accomplished artist. Mr. Rick Beasley was on the committee that rejected a contract award to a shareholder, in fairness, he should have recused himself, but he did not. No director should ever be allowed to compete for a business contract that can be awarded to qualified shareholders.

In an email, the CEO confirmed that Mr. Beasley is a contractor that works for the Goldbelt Mount Roberts Tramway. The rationale that he gave was that Mr. Beasley does not have a w-2 and that he is a contract employee. To me, a contractor is an employee because they are compensated for their services just as an employee. Rick Beasley carves at the Tram under a contract with monetary benefit.

Rules are established by the Goldbelt board and management and they have to be held to a higher standard because of their fiduciary trust. We complain when we see the injustice as dealt us by our board of directors yet nothing changes. We see friends and family who benefit and we know there is something wrong, but semantics is the defense of those who stand up to defend their appearance of wrongdoing. We want what is right and legal to preserve our corporation for years to come. The few that reap those benefits and receive money by testing the rules to justify it by skirting the very rules they swore to uphold. No one is above any rule, law or regulation, especially a director that wrongly benefits from shareholder money. Shame on any existing board member who knowingly breaks the trust of the shareholders.

The nomination process began about mid-February, the incumbents and candidates are required to submit their candidate disclosures by April 6, 2018. Richard Beasley knew that he was going to submit his name to be a contractor and also run for another term as a board member. The Mount Roberts Tramway should have started their contract awards for the featured artists that would be working for the summer at the Tramway about April 2018. These timeframes for the Tramway contract and the dates the Candidate Agreements are due. Based on the timeframes, Richard Beasley should have disclosed his monetary gain of being a Goldbelt contractor and an incumbent running for the board.

The State of Alaska has specific laws about disclosure and conflict of interest. The same for Goldbelt they have prohibitive rules designed to keep a sitting board member to compete for contracts. The rules of disclosure are clearly defined in the Candidates Disclosure and Agreement forms. Since Goldbelt is not enforcing any rules but is finding ways to circumvent them, it is up to Banking and Securities to step in to invalidate the votes of Rick Beasley, turn his votes to quorum only. The only way to set an example of a director that violates the rules is to make an example of him by taking him out of the election.

Remedies

The easiest way is to disqualify Mr. Beasley's votes and to turn them to quorum only votes. He served as a board member for 15 years and he knows better, instead, he preceded to violate the rules and gave no disclosure. Any other corrective process would only delay the Goldbelt Meeting and would cost Goldbelt Inc. money as well as the Shareholders and the independent's more money. This matter needs to be dealt with immediately because the annual meeting is scheduled for July 14, 2018.

Bylaws, Code of Ethics, Disclosure and the Candidate's Agreement

This is a violation of the Bylaws, Code of Ethics and the Candidates agreement. This matter is also a matter of disclosure with the rules of the State of Alaska Banking & Securities.

Bylaws

Article III, Section 21 Prohibition on Employment with the Corporation or its Subsidiaries. Article III, Section 16, Conflict of interest. Goldbelt Code of Ethics, Article IV

Section 21. Prohibition on Employment with the Corporation or its Subsidiaries. No director of Goldbelt may be an employee or corporate officer of the Corporation or its subsidiaries during his or her term as a director. If otherwise qualified to be a director of Goldbelt, a corporate officer or employee of Goldbelt or its subsidiaries may be a candidate for director on the Goldbelt Board of Directors, provided that if such candidate is elected to the Board, he or she must resign as an employee and/or corporate officer immediately upon such election. If the employee or corporate officer refuses to resign, Goldbelt shall terminate the employee or corporate officer immediately upon his or her election.

Section 16. Conflict of Interest. Directors and officers of the corporation shall not take part in the Board's consideration of, discussion regarding, or vote upon any matter in which the director or officer or a member of the director's or officer's immediate family have a personal or financial interest. Directors and officers shall disclose all such conflicts. In the event of a question as to whether a specific matter poses a disqualifying conflict of interest, the Chair shall rule on the question and exclude the Director for that portion of the meeting. The Chair's ruling shall be final. A disqualified director may be counted for quorum purposes.

Goldbelt Code of Ethics

- 4) A Board Member may not use the position for personal profit, gain, or other personal advantage to them or their family members.

Article IV.

A Board Member has a duty to disclose every personal conflict of interest to the Board.

- 1) A Board Member must make a prompt and full disclosure of any material conflict of interest, either direct or indirect, in any transaction to which Goldbelt is, or potentially is a party.
- 2) A Board Member shall not vote on or participate in discussions or deliberations on matters when a conflict is deemed to exist other than to present factual information or to respond to questions.
- 3) A Board Member shall ensure that the minutes properly record an abstention on any votes on matter for which a conflict may exist.
- 4) To carry out this duty, here are some guiding rules to follow:
 - a) A Board Member who has disclosed a conflict shall request that the disclosure be recorded in the official minutes of the meeting.
 - b) A Board Member may vote on an issue that benefits Goldbelt if the issue is decided for the general good of Goldbelt and Goldbelt shareholders.

Goldbelt's Candidate Disclosure Questionnaire

9. List all positions or offices that you currently hold in Goldbelt or Goldbelt-funded organizations, including any affiliates, subsidiaries, non-profit organizations or trusts.

10. The law requires disclosure of any financial transactions presently proposed or that have taken place since the beginning of Goldbelt's last fiscal year between Goldbelt and yourself or between Goldbelt and any entity if the transactions in the aggregate exceed \$20,000 and you, a participant (as defined), or a member of your family is employed by, is an officer or director of, or owns, directly or indirectly, an interest in such an entity.

Goldbelt's fiscal year begins each year on January 1st and ends on December 31st. The term "entity" includes individuals, sole proprietorships, partnerships, joint ventures, trusts, associations, firms, corporations, or other organizations, whether or not operated for profit, which are not wholly owned subsidiaries of Goldbelt. Please fully explain any such transactions below, or if there are none, please state "none."

11. Provide a brief description of all legal proceedings to which each nominee in the solicitation is a party to any legal action with interests adverse to the corporation or its subsidiaries during the last ten years. If there is a question as to whether or not an issue is considered a legal proceeding, please submit the query to Banking and Securities and include the status and/or ruling with this form. The final ruling is required to be submitted to Goldbelt, Inc. before April 18, 2018 at 12:00 PM Alaska Standard Time.

Candidates Agreement states:

2. I will comply with Goldbelt's Bylaws and Election Rules.

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4. _____
If I fail in any material respect to comply with Alaska law or Goldbelt's Bylaws or the Election Rules during the course of my campaign, I hereby authorize Goldbelt to invalidate, except for quorum purposes, any proxy votes directed to me.

You also agree to follow all local, state, and federal laws and remain in compliance with Goldbelt's Election Procedures and Bylaws.

Please sign and return this agreement with your completed candidate's packet. You are encouraged to retain a copy for your records.