



NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact: Vivian Hamilton
907-334-2531
vivian.hamilton@alaska.gov

Alaska Mental Health Trust Offers Coal Lease in MatSu Valley *Development Expected To Produce Long-Term Revenue for Mental Health Programs*

ANCHORAGE (October 7, 2011) – The Alaska Mental Health Trust Authority today announced it is offering 11,487 acres for lease in the Matanuska Valley for coal exploration and development. The proposed lease could result in significant long-term revenue to support programs and services for beneficiaries of The Trust.

The single tract near Chickaloon is believed to contain high-quality bituminous coal. Rental payments and royalties from future mining on the land will fund programs and services for Trust beneficiaries, who include people with mental illness, developmental disabilities, chronic alcoholism and other substance-related disorders, Alzheimer's disease and related dementia, and traumatic head injuries that result in brain injury.

The lease offering is being managed on behalf of The Trust by the Mental Health Trust Land Office (TLO), a division within the Department of Natural Resources that is solely responsible for managing the nearly one million acres that make up the Alaska Mental Health Trust. Interested parties have until Dec. 16, 2011, to submit a lease application. A prospectus and application form can be found on the TLO website at www.mhtrustland.org. The successful applicant will be announced no later than Dec. 30, 2011.

Annual rent for this lease offering is \$4 per acre per year, adjusted in five-year intervals. The Trust will receive a royalty of 5 percent of the gross value of any coal mined and sold from the land. The goal for issuing any coal or mineral lease by the TLO on Trust land is to obtain royalty payments for the value of the resource and to provide a long-term revenue stream for beneficiary programs.

The public will have 30 days to make written comments regarding the lease offering. Comments should be directed to the TLO no later than 2 p.m., Nov. 7, 2011. Details about how to submit comments can be found at www.mhtrustland.org.

###

About the Alaska Mental Health Trust Authority (The Trust):

The Trust (www.mhtrust.org) is a state corporation that administers the Alaska Mental Health Trust, a perpetual trust managed on behalf of people with mental illness, developmental disabilities, chronic alcoholism and other substance-related disorders, Alzheimer's disease and related dementia, and traumatic head injuries that result in brain injury. The Trust operates like a private foundation, using its resources to ensure that Alaska has a comprehensive integrated mental health program. Established in 1994 by the Alaska Legislature with one million acres of land and \$200 million in cash, The Trust is managed by a seven-member Board of Trustees. Since its inception Trust cash assets have grown to approximately \$480 million. Trustees annually budget approximately \$26 million to support services and programs for Trust beneficiaries.

About the Mental Health Trust Land Office (TLO):

The TLO (www.mhtrustland.org) manages Trust land and its other natural resources on behalf of the Alaska Mental Health Trust Authority. Revenue-generating uses of Trust land include leasing and sales of land; commercial timber sales; mineral exploration and production; coal, oil and gas exploration and development; and sand, gravel and rock sales.