



Peter Andrews
Chairman



Ray Atwood
CEO

2024 Year in Review and Operations Update

It has been a tumultuous yet productive year for Azachorok. We have managed to move forward and expand our footprint with new projects in Alaska and in the lower 48 through our 8(a) subsidiary Yukon West Defense Technologies, LLC (YWDT) dba Yukon West Solutions. After the loss of our long-term CEO Loren Peterson, we hired then employee Crystal Kowalke as Interim CEO who unfortunately stepped down for health reasons. We then selected YWDT CEO Ray Atwood as CEO for Azachorok, Inc, and subsidiaries. This helped us maintain current relationships with clients and minimize operational risk. Mr. Atwood has been with us since July of 2023 and has been a proven performer, having exceeded YWDT profitability goals for that subsidiary.

We have also worked to strengthen our relationships with the tribe and city and look forward to partnering with them on local opportunities. Our plan for the future is to grow our operating subsidiaries through competitive bidding, grants, sole source contracts, partnerships, and legislative pursuits. To increase our likelihood of success in the Federal marketplace we have significantly ramped up our digital security efforts and improved our record keeping, thus ensuring our compliance with federal and state requirements. It has been challenging moving forward in face of significant employee turnover in the first half of the year.

Additionally, we closed our Anchorage office and opened a new HUBZone office in Wasilla with qualified staff and the capacity to stage supplies and materials for rural Alaska projects. This investment was needed to prepare for future growth and avoid the pitfalls of operational hiccups caused by inadequate staffing.

All of these investments will eventually lead to bigger dividends and scholarships for our shareholders. In the near term there will be increasing job opportunities throughout Alaska and the lower 48 as we expand our contracting businesses. We are on a solid growth trajectory due to increased marketing efforts, excellent project management and smart profitable partnerships. We look forward to the coming years as we work hard to not only increase profitability but to better the lives of all of our shareholders.

Best Wishes

Ray Atwood

EMPLOYEE SPOTLIGHT

Ray Atwood, CEO

Mr. Atwood was born and raised in Fairbanks, Alaska. He is one of eleven children and is a Toghothele, Doyon and Chugach Alaska Corporation shareholder. He holds a Master of Business Administration, a Bachelors in Criminal Justice and an Associates in Paralegal studies.

Mr. Atwood has worked in executive and management roles at federal contracting companies for nearly 20 years. His organizational experience ranges from cash-strapped startups to companies exceeding 1B in annual revenues. He is a fair minded and decisive leader who has a track record of smartly growing companies. His goal is to work closely with the board to make Azachorok a company that provides benefits for all its shareholders for generations to come.

In Memoriam, Eric Walters Sr.



Mr. Walters was an Azachorok shareholder and a long-term employee of Azachorok Inc. He worked as the Fuel Manager and sadly passed away on May 28, 2024. This dealt our Mountain Village team a huge blow and leaves a void that will be hard to fill. He was known not only for his great work ethic and dedication to Azachorok, but also for his sense of humor and willingness to help anyone in need. We at Azachorok send our thoughts and prayers to the Walters family.



Manager John Charlie with the hard-working Mountain Village Staff



Materials and supplies arriving at New Stuyahok



The New Stuyahok Duplexes as of November 12, 2024



The New Stuyahok Construction Team



CEO Ray Atwood with the New Stuyahok Tribal Council



Yukon Northcon, LLC Superintendent Levi Ouja and CEO Ray Atwood at the Fairchild AFB Structural Repairs Project

Operations Update

YWDT formed a Joint Venture with Northcon, Inc. out of Hayden Idaho. Northcon is a former 8(a) Native Owned company with construction projects across the continental United States. The Joint Venture won a seat on the Fairchild AFB 8(a) MATOC as well as the seed project task order for \$249,000 for Structural Repairs, our first 8(a) contract. Great news considering 68% of 8(a) companies never win a single 8(a) contract! Additionally, we were also awarded a second task order for Repairing Snow Barn Trusses, in the amount of \$594,156.

YWDT Won a Design/Build project for 2 Duplexes for the New Stuyahok Tribal Council for – \$1,764,932.

YWDT secured a Logistics and Procurement project in 2023 from Arctic Tundra Supply & Services, LLC for \$573,000. We were paid for our final invoice this year and received a net profit margin of 27.5%

Azachorok, Inc. had a grant extended for Tank Farm Upgrades from the Alaska Energy Authority.

The Azachorok Board and Staff wish you a
Merry Christmas
& Happy New Year!

WATCH OUR FACEBOOK PAGE FOR AN UPCOMING FORM TO UPDATE SHAREHOLDER ADDRESSES.