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Our Culture Unites Us; Our Land Sustains Us; Our People are Prosperous

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FOR IMMEDIATE RELEASE

Ahtna's Tolsona Gas Exploration Well Reaches Drilling Milestone

Drilling phase complete with well testing to begin later this month

Glennallen, Alaska – Ahtna, Inc. is pleased to announce that its wholly-owned subsidiary, Tolsona Oil & Gas Exploration LLC, successfully completed the drilling of gas exploration well Tolsona No. 1 on December 5, 2016. The drilling rig has been released and demobilization will take place over the next week. The well was spudded on September 28, 2016 and is located just north of Milepost 175 of the Glenn Highway and about 11.5 miles west of Glennallen, Alaska.

The well proved to be very challenging due to the complex geology of the area and had to be drilled 700 feet deeper than anticipated to reach the final vertical depth of about 5,500 feet. The well was engineered to mitigate expected obstacles such as high pressure water zones, but additional challenges were encountered along the way that ultimately delayed the project. The next operator was cooperative and agreed to permit rig owner, Schlumberger, to extend the rig contract to allow additional time to complete the project. The drilling team was successful in isolating the potential gas zone from the high pressure water zone that was encountered above it. Despite the challenges, the drilling phase was safely completed in 70 days with zero Occupational Safety and Health Administration (OSHA) recordable incidents.

The well testing phase is expected to begin in mid-December. The area of interest is a roughly 220-foot section between 5,000 and 5,220 feet. During testing, the well casing will be perforated based on previously gathered logging information to determine if gas is present. If the initial flow test proves positive, it will take about two months to analyze the data and gain a better understanding of the potential prospect and its production capacity.

"We have learned so much throughout this drilling program and are thankful to have successfully reached our target and completed this important phase. It would not have been possible without the relentless commitment of our drilling team, guidance from other owner/operators, and the support of the Ahtna Board and leadership," says Michelle Anderson Ahtna, Inc.'s President. "We are very excited about the potential of this well and the impact it could have on our region if the testing proves positive," she adds.

About Ahtna, Inc.

Ahtna, Incorporated is one of 13 Alaska Native Regional Corporations formed under the Alaska Native Claims Settlement Act of 1971, and is based out of Glennallen, Alaska. The company currently has approximately 1,945 shareholders, the majority of whom are of Ahtna Athabascan descent, and employs more than 1,700 people worldwide. A premiere Alaskan-owned business, Ahtna, Incorporated is guided by its vision statement: "Our Culture Unites Us; Our Land Sustains Us; Our People are Prosperous."

To learn more visit www.ahtna-inc.com and to receive the latest news and updates follow us on Facebook.

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