

**AMENDMENT NO. 1 TO
ARCTIC BLUE WATERS ALASKA, Inc. ("ABWAI") PURCHASE AGREEMENT
FOR RAW WATER FOR EXPORT**

WHEREAS, the City and Borough of Sitka ("Sitka") and Arctic Blue Waters Alaska, Inc. ("ABWAI") entered into the "Arctic Blue Waters Alaska, Inc. ("ABWAI") Purchase Agreement for Raw Water in Bulk for Export" ("Agreement"), on April 13, 2021;

WHEREAS, this Amendment No. 1 extends ECKERT deadlines in Sections 3.1 & 3.2 on or before October 31, 2027 and Section 10.2 on or before September 30, 2026.

NOW, THEREFORE, Sitka and ABWAI agree to Amendment No. 1, which includes amending the Agreement as follows and as authorized pursuant to Section 20 of the Agreement (new language underline; deleted language stricken):

3. Water Volumes Contracted by ABWAI from Sitka.

3.1 Sitka will make available to ABWAI a total of 6,138 acre-feet of raw water on or before October 31, 2027 ~~for a period of 60 months after the effective date of this Agreement (the "60-month period")~~. On or before October 31, 2027 ~~During the 60-month period~~, ABWAI must take delivery of and export at least 50 million gallons of raw water. If ABWAI does not take delivery of and export at least 50 million gallons of raw water from Sitka on or before October 31, 2027 ~~during the 60-month period~~, this Agreement shall, at Sitka's election, terminate and expire without further action by Sitka on the forty-fifth (45th) day after Sitka's sending of the Administrator's notice to ABWAI, in accordance with section 23 below, that ABWAI has failed to comply with this subsection, unless within said 45-day period ABWAI cures its failure to take delivery of and export at least 50 million gallons of raw water from Sitka. At the conclusion of October 31, 2027~~of the 60-month period~~, ABWAI's access to such water will be governed by the stages set out in subsection 3.2 below, provided that ABWAI has met the minimum export volumes set out in this section.

3.2 The Stages described in this subsection start after October 31, 2027 ~~60 months after the effective date of this Agreement~~. The maximum quantity of raw water in bulk available for export by ABWAI from Sitka under this Agreement and the minimum export volumes requirements are set forth below as follows:

10. Delivery, Loading, and Transportation of Water in Bulk.

10.2 The parties agree that ABWAI shall be solely responsible for the costs of acquisition, construction and installation, maintenance and repair, operational costs of any structure, facility or vessel downstream of the point of delivery which

ABWAI is required to submit to Sitka all design and construction documents ABWAI deems necessary for the loading of bulk water from the Point of Delivery on or before September 30th, 2026 ~~within 48 months from the effective date of this Agreement~~. If ABWAI does not timely submit the documents, this Agreement shall, at Sitka's election, terminate and expire without further action by Sitka on the forty-fifth (45th) day after Sitka's giving notice to ABWAI, in accordance with section 23 below, that ABWAI has failed to comply with this subsection, unless within said 45-day period ABWAI cures its failure to submit the documents.

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The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by John Leach, Municipal Administrator of the CITY AND BOROUGH OF SITKA, ALASKA, an Alaska home rule municipality, on behalf of the municipality.

Notary Public in and for the State of Alaska
My commission expires: _____