



St. George Tanaq Corporation 2010 Newsletter

March 2010

Letter from the President/CEO

Dear Shareholders,

Greetings to you all. I am very pleased that this year, 2010, we launch our shareholder distribution program. This program was established to provide consistent quarterly distributions to be disbursed at the end of March, June, September and December of each year. The price per share was estimated during the budget setting process in 2009 and will be adjusted on an annual basis. Even though we are starting off with a small distribution this year, we anticipate growth in the share price for each subsequent year.

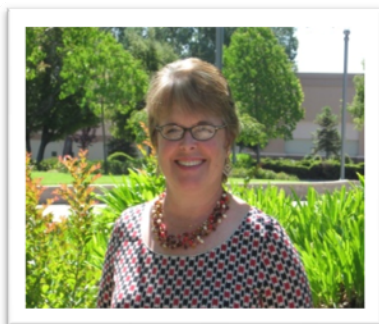
Also, at the end of last year we established a permanent fund for Tanaq. The purpose of this fund is to build a capital base that will ensure distributions to the shareholders in perpetuity. Our subsidiaries, St. George Chadux Corporation and Helios Resources LLC will make monthly payments to Tanaq, which will then be invested in the permanent fund. The shareholder distribution program and the permanent fund procedures have been adopted by the Board of Directors and are now part of the corporate policies.

I want to thank the Board of Directors for supporting the shareholder distribution program and the establishment of the permanent fund. Their action now is your future.

Our subsidiaries continue to perform quality work and provide excellent services to their clients. We continue to look at new opportunities with our large and small business partners.

- Helios Resources LLC, our new subsidiary, received its 8(a) certification on March 11, 2010. This will open the door for new government contracting opportunities.
- St. George Chadux has been awarded Government Services Agency (GSA) schedules to perform energy management and related services. The schedule allows government agencies to make direct awards to Chadux for the specific work covered in the schedule and at the approved price. You will see GSA advertised on the Chadux website along with our price list in the very near future.

Please let me know how I am doing. You may call the office in Anchorage or e-mail me at jforrest@stgcx.com.



Jaqualyn Forrest
President/CEO

Tanaq Foundation

The Tanaq Foundation granted one new scholarship for the first quarter of 2010 to Tanya Kashevarof to attend the Career Academy where she will study insurance coding and billing.

Tanaq Foundation scholarship deadlines are June 30, 2010 for the fall semester, and November 30, 2010 for the spring semester. You must be a shareholder of St. George Tanaq Corporation or a descendant of a shareholder to qualify for a scholarship.

Shareholder News

TANAQ NEEDS YOUR HELP TO LOCATE SHAREHOLDER ADDRESSES. The following St. George Tanaq Corporation shareholders do not have a current mailing address on record. A change of address form can be downloaded from the website at www.stgeorgetanaq.com/shareholder/shareholdersforms. You may also write a letter, signed by the shareholder, which includes the new address, telephone number, birth date and social security number.

Julia Raye Burlison Eugene Dunton Jr. Tanya Girardin Innokenty Lestenkof Jr.

Jodie Marie Martell George Pletnikoff Mark F. Swetsof Matthew A. Swetsof

Ruth A. Swetsof

If you are interested in a direct deposit of your quarterly dividend into your checking account, please fill out the direct deposit form on the website and send it to the Anchorage office with a voided check.

Condolences

St. George Tanaq Corporation offers condolences to the families of Julianna Linda Gaddis, 03/29/1951-03/23/2010; Keith Nikander Lestenkof, 12/19/1980-01/17/2010; and Peter Robert Lekanof, 09/02/1952-03/08/2010.

St. George Tanaq Corporation Board of Directors

Anthony Mercurief, Chairman; Phil Lekanof, Vice Chairman; Flore Lekanof, Sr., Director; Barry P. Lestenkof, Director; Laurence Lestenkof, Director; Georgia Kashevarof, Director; Darlene, Lekanof, Director; Andrew Malavansky, Director; Beverly Mierzejek, Director; Kimberly Kashevarof, Secretary/Treasurer.

Dear Shareholders,

It is with regret that I announce the resignation of Anthony Mercurief from the position of Chairman of the Board and from the Board of Directors. Anthony's steady commitment and leadership over the last several years have made an exceptional difference in the success of St. George Tanaq and its subsidiaries. On a personal note, I am very appreciative of what Anthony has taught me about Tanaq, St. George Island, and the confidence that he placed in me to lead the corporation.

Anthony, thank you very much for your years of service to St. George Tanaq Corporation.

Jaqualyn Forrest, President/CEO