

Management Letter to Shareholders



Dear Shareholders –

The Kuukpik Corporation Board of Directors is pleased to present for shareholder consideration creating a settlement trust. The Board of Directors has considered this for a few years, but thought it more important to focus on opening the rolls for our new class B shareholders. Enrollment was completed earlier this year, so now we can turn our attention to creating a settlement trust.

The settlement trust will have one purpose: making distributions to shareholders. Each year the Board of Directors reviews Kuukpik's financial condition and decides the amount to pay to shareholders as dividends based on Kuukpik's recent net profits. That process won't change.

What will change, if shareholders approve creating a settlement trust, is that instead of paying dividends directly to our shareholders, Kuukpik will pay the dividend amount to the settlement trust. Dividends will be called distributions and be paid out to shareholders from the trust. Unlike the dividends shareholders now receive from Kuukpik, when shareholders receive distributions from the Settlement Trust, shareholders will not have to pay federal income tax on the distributions. This is a significant benefit to all of our shareholders.

There are also direct benefits to Kuukpik Corporation. One benefit is that Kuukpik's tax obligation will be reduced. This will result in Kuukpik being able to dedicate more dollars toward shareholder benefits including dividends. This is a win-win for our shareholders.

Enclosed are the trust agreement that would create the settlement trust, a shareholder resolution that would approve creating the settlement trust, and a proxy statement that explains in detail how the settlement trust would work and discusses the pros and cons of the settlement trust. We encourage you to review these documents.

In addition to the information enclosed Kuukpik will publish on our website information explaining the proposed settlement trust, how to vote and how to participate in the Special Shareholders meeting on November 13, 2021. Please visit Kuukpik.com for more information.

We hope you join the Kuukpik Board of Directors in supporting creation of the Kuukpik Settlement Trust.



Joseph Nukapigak
President



Andrew Mack
Chief Executive Officer