



Cape Fox Corporation
PO Box 8558
Ketchikan, AK 99901

September 8, 2020

RE: Changes to the 47th Annual Meeting of Shareholders and Election of Directors

Dear Cape Fox Corporation Shareholders,

In light of the COVID-19 pandemic, the Cape Fox Corporation (“CFC”) Board of Directors and management team have been working hard to develop a safe, convenient, and efficient way to hold the 47th Annual Meeting of Shareholders, which is scheduled for November 7th, 2020. This year has certainly been unlike any other year in recent history and we want to prioritize the health and safety of Shareholders and staff while ensuring everyone has an opportunity to vote in the election. Due to the COVID-19 pandemic, large gatherings are being discouraged for the safety of all Alaska residents. So for the safety of our Shareholders and staff, the Board of Directors has decided that the 47th Annual Meeting of Shareholders and Election of Directors will be held “electronically” or “virtually” meaning that it will be broadcast live on the internet through our Shareholder portal, www.MyCapeFox.com and there will not be an in-person Annual Meeting. This letter outlines our plan for holding this “virtual” Annual Meeting of Shareholders and Election of Directors.

This year, you can think of the Annual Meeting in four primary parts: the Director Nomination process, the Proxy Voting process, the *electronic* or *virtual* Annual Meeting, and Voting the day of the Annual Meeting.

Let’s start with the Director Nomination process. The Director Nomination process is unchanged from prior years. There are three board seats with terms expiring and interested candidates can complete the Director Nomination forms and all other requirements to qualify as a candidate for the election.

Next is the Proxy Voting process. The Proxy Voting process will also remain unchanged from prior years. All Shareholders will receive a Proxy in the mail along with a Proxy Statement, a copy of the most recent CFC annual report and other supporting materials. These materials are being sent out 40 days in advance of the Annual Meeting in order to provide Shareholders with plenty of time to review and vote their Proxy. Due to the ongoing pandemic and potential delays in mail delivery, we strongly encourage Shareholders to submit their Proxy well before the due date. Your votes are very important, and we want to make sure your Proxy arrives on time.

The next part is the *electronic* or *virtual* Annual Meeting on November 7th, 2020 at 1:30 pm AKST. **THIS MEANS THAT YOU CANNOT ATTEND THE MEETING IN-PERSON, BUT YOU CAN**

VIEW AND ATTEND ONLINE! The Annual Meeting presentation and election this year will be held electronically and will be broadcast live on the internet through our Shareholder portal, www.MyCapeFox.com. This is the same portal that was used for the Shareholder Informational Meeting in July. All Shareholders will be able to log into www.MyCapeFox.com and view the live broadcast of the Annual Meeting presentations. The Annual Meeting agenda is similar to prior Annual Meetings and will be included in your Proxy Statement. Another change this year is that the number of shares present “in-person” for purposes of quorum will include the shares of those Shareholders who have registered to vote in-person and those have logged in to the Annual Meeting with their personal Shareholder login. If you need assistance with logging in to www.MyCapeFox.com or viewing the Annual Meeting on the site, please contact: Shareholder Services at (703)686-2285. All Shareholders who login to www.MyCapeFox.com to view the broadcast of the Annual Meeting presentation will be eligible for prizes to be given away during the virtual meeting. Please note, to be eligible for door prizes, you must be a Shareholder or a custodian of a Shareholder and individually logged into your own www.MyCapeFox.com account at the time of the award announcement. All prizes will be awarded by drawing, held during the virtual meeting.

The final part is Voting on the day of the Annual Meeting. While the Annual Meeting will be held virtually, we are also making on-site registration and voting available to Shareholders. In order to participate in registration and on-site voting each Shareholder must abide by all health and safety precautions set up at the registration site. Registration and on-site voting will be held at Cape Fox Lodge, Shaa Hit A, B, and C located at 800 Venetia Ave, Ketchikan, AK 99901. Registration will begin at 9:00 a.m. and ends at 4:00 p.m. AKST. In order to vote in-person, you must register to vote on the day of the Annual Meeting before registration closes. You do not need to register to vote at the Annual Meeting if you have already voted your shares by Proxy. While the Corporation is providing Shareholders with the option for on-site voting, the Corporation encourages you to vote in advance by Proxy because health and safety requirements may change which could prevent the Corporation from holding in-person registration and voting. To ensure your vote is counted, please send in your Proxy prior to the deadline. If in-person registration is later cancelled due to health and safety requirements, then we will notify Shareholders of the cancellation the alternative method for voting by posting the information and instructions at: 1) the CFC Saxman office located at 2851 S. Tongass Hwy, Ketchikan, AK 99901; 2) on the CFC website at www.CapeFoxCorp.com; 3) on the CFC Shareholder Portal at www.MyCapeFox.com, and; 4) on the CFC Facebook page at www.facebook.com/capefoxcorporation. Details about the alternative method for voting in the event of cancellation of in-person registration and voting is included on page 14 of the Proxy Statement.

We will be instituting a number of health and safety requirements to minimize the spread of COVID-19, including requiring masks and performing temperature checks on all individuals entering the registration and voting area. Additionally, all workers in the registration and voting area will be wearing masks, all desks will be appropriately spaced for social distancing, and all surfaces will be sanitized every 30 minutes. We will also have hand sanitizer and sanitized pens available on all desks. Shareholders will not be allowed to gather in groups in the registration and voting area.

Before entering the registration and voting area Shareholders will be given a mask and their temperature will be taken. Shareholders will enter through an entry-only door and you will be directed to the registration desk, followed by a Shareholder Services desk, and then you will proceed to the voting desk. After voting, the Shareholder will be directed to an exit-only door to exit the registration and voting area. **If you do not feel well or have been in contact with someone who is ill, please stay at home for the safety of your fellow Shareholders and our staff.**

Transportation will be available for all Shareholders from their home to the voting poll and back. To schedule transportation, please contact: Crista Thomas at (907)225-5163 x428.

The CFC Board of Directors and management team sincerely appreciate the understanding and commitment of the Shareholders. Even with this strange and challenging year we've been given, CFC and our Shareholders will persevere.

Respectfully,

A handwritten signature in cursive script that reads "Clifford Blair".

Clifford Blair
President of the Board
Cape Fox Corporation