

AN ALLETE COMPANY



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Giant equipment on the move for BNI mine expansion Dragline 'Liberty' removes shoes to ride instead of walk

Center, North Dakota—To advance the expansion of its lignite mine, BNI Coal, a subsidiary of ALLETE, Inc. (NYSE: ALE), is moving two of its giant draglines, including its 9-million-pound Liberty flagship, to new locations at the mine site near Center, N.D.

Regional governmental officials and media representatives were invited to witness this historic movement of heavy equipment today at the mine site near Center, N.D. It's the first time a dragline the size of Liberty has ever been moved by a wheeled vehicle in North Dakota. A smaller dragline, a Page 736, was transported about eight miles to its new location last week.

Liberty is a Bucyrus 8200 dragline with a 355-foot boom driven by two 3,000-horsepower motors. This workhorse of the BNI fleet first dug its 77-yard bucket into North Dakota soil in 2004.

"ALLETE has been deeply invested in North Dakota and its 'all of the above energy' strategies since the 1970s. It is symbolic that ALLETE is once more positively transforming North Dakota's energy landscape with this capstone dragline relocation today and by investing in and positioning BNI operations for continued success well into the future," said ALLETE Chairman, President and CEO Al Hodnik. "This enormous dragline, Liberty, may be on wheels. But our energy business strategies remain firmly grounded upon generation supply fuel diversity principles, as well as the responsible use and reclamation of abundant North Dakota natural resources."

Last year, the number of acres under permit at the Center Mine doubled to about 18,000 acres, and the draglines are being moved eight miles to a new area, located about four miles south of the Milton R. Young Generating Station. Nearly all the lignite coal mined by BNI is consumed at the Young station.

The Liberty and the smaller Page dragline are each equipped with a "walking" apparatus that can propel them by way of gears and camshafts connected to two huge mechanical "shoes." After much analysis, BNI officials determined that it would be more efficient, safe, and cost-effective to transport the draglines rather than "walk" them.

For one thing, using "self-propelled modular transporters" (SPMT) to move an enormous dragline is much faster than "walking" it – about one mile per hour compared to approximately 7 feet a minute. Walking the Liberty dragline a full eight miles would be hard on the equipment and would require more road construction and environmental expenditure. For the majority of the journey, the

transporters will be able to roll down a BNI haul road routinely traversed by large mine trucks running from lignite seams to the power plant.

Mammoet, a Dutch company known as a world leader in engineered heavy lifting and transport, was hired to haul the two draglines on the specially-configured SPMTs. These transporters have hydraulically- driven wheels pinned together lengthwise in "trains," each powered by a 600-horsepower engine. Moving the Liberty dragline will require seven trains of transports 65 feet wide, with 197 axles and 877 pneumatic tires.

First, the draglines' "walking shoes" were removed from each side of the dragline and a series of 500-ton climbing jacks were placed around the dragline so the giant shovel could be lifted six to eight inches to make room to place the SPMTs underneath.

During their eight-mile journey, the draglines must get past four high voltage power lines, including a direct current transmission line linking Center with a substation near Duluth, Minn. The power lines will be lowered prior to the dragline reaching them and raised again afterward. A bridge and county road will be bypassed, and BNI built a special haul road to negotiate Hagel Creek.

"This relocation is much more than just moving a dragline from point A to point B. It is a creative solution that required thoughtful planning and significant diligence. Many different teams at BNI— from engineering and environmental to maintenance and safety—worked in concert to pull off this big move," said Wade Boeshans, president of BNI Coal. "I'm proud to say it was done safely, with minimal impact to our neighbors. The ability to think creatively, navigate the uncertainties, and then to execute all the logistics to make it happen exemplifies the culture of BNI."

The statements contained in this release and statements that ALLETE may make orally in connection with this release that are not historical facts, are forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties and investors are directed to the risks discussed in documents filed by ALLETE with the Securities and Exchange Commission.

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