



Minnesota Power and Cleveland-Cliffs Make Joint Purchase Offer for LTV Mining Company Assets

(Duluth, MN)--Minnesota Power, a business of ALLETE, Inc. (NYSE:ALE), and Cleveland-Cliffs announced today that they have submitted a bid to acquire all of the assets of LTV Steel Mining Company in northeastern Minnesota. The mining operation was closed on January 5, 2001 after LTV initiated a Chapter 11 bankruptcy proceeding.

Under terms of the proposal, Cleveland-Cliffs would acquire the taconite processing plant along with all of LTV's property that is related to the mining operations. Minnesota Power would acquire the LTV electric generating facility at Taconite Harbor and non-mining property previously owned by LTV.

"We look forward to establishing a strong relationship with LTV, the state, and other key stakeholders on this project," said Bob Edwards, Minnesota Power President. "Working with Cleveland-Cliffs presents the opportunity for economic development and environmental stewardship--common goals shared by all of us who live in the region."

The LTV electric generation facility is comprised of three 75 MW (megawatt) electric generating units, all of which burn sub-bituminous coal. The facility is already interconnected to Minnesota Power's transmission grid. Minnesota Power will use the electricity generated for regional system capacity and energy needs, and a portion of the power will be reserved for redevelopment at the former LTV mining site. Upgraded environmental monitoring and control equipment would be installed as needed, subject to Environmental Protection Agency requirements.

"We're excited to join Minnesota Power in making this proposal to acquire the LTV facilities," said John S. Brinzo, Chairman and CEO of Cleveland-Cliffs. "With our presence already established in the area, we think this arrangement is the best way to promote future economic activity on the East Range," Brinzo said. LTV has solicited bids from interested parties. LTV has indicated its intent to select a party during the week of May 21 to commence negotiation of an asset purchase agreement.

Minnesota Power, a business unit of ALLETE, Inc. (NYSE:ALE), serves 144,000 customers in northeastern Minnesota and northwestern Wisconsin with low-cost electricity. ALLETE is a multi-services company with corporate headquarters in Duluth, Minnesota. Other ALLETE businesses include the second largest wholesale automobile auction network in North America; the leading provider of independent auto dealer inventory financing; the largest investor-owned water utilities in Florida and North Carolina and significant real estate holdings in Florida.