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NEWS

ALLETE's donation of retired corporate jet lifts Lake Superior College's aviation program to new heights

Duluth, Minn. — ALLETE Inc. (NYSE: ALE) today announced it is donating a retired corporate jet to Lake Superior College's Aviation Maintenance Technology program. Donation of the 1981 Hawker 700, the largest donation LSC's aviation program has ever received, comes just one day ahead of this weekend's Duluth Airshow.

ALLETE purchased the used jet in 1998 and used it to conduct company business. ALLETE operates in 50 states through its five companies: ALLETE Clean Energy; Minnesota Power; U.S. Water; BNI Energy; and Superior Water, Light and Power. The jet is no longer flyable because of upcoming federal aviation standards, but its engines, air frame and other equipment are intact and well-suited for training and workforce development purposes.

The two-engine Hawker 700 will be on display at LSC's Center for Advanced Aviation hangar at the Duluth International Airport during the Duluth Airshow July 7-8.

"We are thrilled to make this significant donation to LSC as a demonstration of our continued commitment to quality education in the region and the development of a skilled workforce," said Pat Mullen, ALLETE senior vice president of external affairs. "Instead of sending this plane to the scrapyard, it can serve as a valuable training tool to help meet the growing needs of our aviation sector in northeastern Minnesota."

Aviation plays a key role in the regional economy. In 2017 the Minnesota Department of Employment and Economic Development reported that aviation-related jobs in Duluth and Superior, Wisconsin, grew from about 2,300 in 2007 to more than 3,400 in 2017, a 39 percent increase. Today, Duluth is home to aviation leaders AAR, an aircraft maintenance firm, and Cirrus Aircraft, a general aviation manufacturer. The college maintains strong partnerships with both companies, which hire LSC graduates.

"This generous donation will be a valuable addition to LSC's aviation program, offering students another practical, hands-on learning opportunity involving a large, modern aircraft," said LSC President Patrick Johns. "We are grateful to ALLETE, a great corporate partner, for this donation. This contribution, worth over \$250,000, is the largest donation our aviation program has received and among the largest contributions ever to the LSC Foundation. This will benefit not only our aviation

program, but also our community's future workforce as we continue to train world-class aviation maintenance technicians in high demand."

LSC's aviation maintenance technician program trains students in the repair and scheduled maintenance of aircraft. This fully approved Federal Aviation Administration (FAA) program prepares graduates to work on the commercial and general technically advanced aircraft found in today's market. Delta Air Lines selected the program as an approved partner college in training aviation maintenance technicians after evaluating dozens of programs throughout the country.

ALLETE has a long history of supporting the region's educational institutions through scholarships, Minnesota Power Foundation grants and other gifts. The foundation has given more than \$500,000 to the University of Wisconsin Superior, including \$250,000 to create the Don Shippar/Bob Beam Economics Program Enhancement Fund to support student scholarships, research initiatives, internships and program enrichment. The Shippar Atrium and the Steve DeVinck North Atrium at the UWS student center were named in honor of former ALLETE executives Don Shippar and Steve DeVinck in recognition of separate gifts totaling \$250,000 to the university.

Other notable contributions made over the years to support education include:

- \$750,000 from Minnesota Power to establish the Jack F. Rowe Chair in Engineering at the University of Minnesota Duluth.
- \$750,000 from Minnesota Power to create the Arend Sandbulte Center for Ethical Leadership at the College of St. Scholastica in Duluth.
- \$125,000 to help establish the Iron Range Engineering program at Mesabi Range College in Virginia, Minnesota.
- \$25,000 to the Industrial Technology-Process Operations program at Itasca Community College in Grand Rapids, Minnesota.
- Donations of \$25,000 each from ALLETE Clean Energy and BNI Energy to the engineering program at the University of Mary in Bismarck, North Dakota.

"Our commitment to education in the regions we serve is rooted in a deep belief that partnerships between business and education are critical to building a sustainable economic future," said Al Hodnik, ALLETE chairman, president and CEO. "We are proud to support a variety of academic programs that provide and enhance opportunities for young people throughout northeastern Minnesota, northwestern Wisconsin and North Dakota."

LSC's aviation maintenance technician program was founded in August 2014 and more than 60 students have graduated from the two-year program since then.

The donated jet had been housed at ALLETE's hangar at the Duluth International Airport and was towed about a half-mile to its new home at LSC's Center for Advanced Aviation next to Cirrus Aircraft. The center, which opened in 2015, houses both the college's professional pilot and aviation maintenance technology programs.

ALLETE has replaced the Hawker 700 with a 2008 Hawker 900, which has newer technology and more efficient engines. The cost of the airplane is borne by ALLETE shareholders and not included in rates charged to customers of Minnesota Power or Superior Water, Light and Power.

ALLETE is an energy company headquartered in Duluth, Minnesota. In addition to its electric utilities, Minnesota Power and Superior Water, Light and Power of Wisconsin, ALLETE owns ALLETE Clean Energy, based in Duluth; U.S. Water Services headquartered in St. Michael, Minnesota.; BNI Energy in Center, North Dakota; and has an 8 percent equity interest in the American Transmission Co. More information about ALLETE is available at www.allete.com. ALE-CORP

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.

ALLETE's press releases and other communications may include certain non-Generally Accepted Accounting Principles (GAAP) financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP in the company's financial statements

Non-GAAP financial measures utilized by the Company include presentations of earnings (loss) per share. ALLETE's management believes that these non-GAAP financial measures provide useful information to investors by removing the effect of variances in GAAP reported results of operations that are not indicative of changes in the fundamental earnings power of the Company's operations. Management believes that the presentation of the non-GAAP financial measures is appropriate and enables investors and analysts to more accurately compare the company's ongoing financial performance over the periods presented.

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