



## **ALLETE Announces Redemption of \$125 Million Senior Notes**

DULUTH, Minn.--ALLETE, Inc. (NYSE:ALE) today announced the redemption of all of its \$125 million 7.8% Senior Notes due February 15, 2008. A notice of redemption is being sent to all registered holders of the notes. The redemption is scheduled to occur on July 26, 2004 and will further strengthen ALLETE's balance sheet, an ongoing strategic objective of the company.

With headquarters in Duluth, Minnesota, ALLETE provides energy services in the Upper Midwest and is the majority owner of ADESA, Inc., a leading provider of auctions and services for North America's vehicle remarketing industry. ALLETE also has significant real estate holdings in Florida.

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.