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## **BNI Coal, Minnkota sign 10-year extension to coal supply agreement**

BNI Coal, an ALLETE (NYSE: ALE) company, has reached an agreement with Minnkota Power Cooperative to continue supplying lignite coal to the North Dakota electric generating cooperative through 2037.

The agreement extends the current contract, which would have ended in 2027, by 10 years. BNI Coal owns and operates a surface lignite mine in Center, North Dakota, producing about 4 million tons annually. Virtually all of BNI's lignite production is consumed by the nearby Milton R. Young Station, the primary source of electrical generation for Minnkota.

Al Hodnik, ALLETE president, chairman and CEO, Robert "Mac" McLennan, Minnkota president and CEO, and Wade Boeshans, president and general manager of BNI Coal, finalized the agreement April 22 at BNI headquarters in Bismarck, North Dakota.

"The Minnesota Power-Minnkota Power Cooperative business relationship, first forged in the 1970's and furthered during ALLETE's acquisition of BNI Coal in the late 1980's, has always been about partnership and mutual interest," Hodnik said. "This BNI-Minnkota coal supply agreement extension reflects that same spirit, and we have appreciated the opportunity to work in close partnership with Mac McLennan and his team on this and other strategic matters important to our industry, our customers and to the state of North Dakota."

The new agreement is a strong signal of BNI and Minnkota's commitment to the Center mine and North Dakota coal.

"This contract extension supports Minnkota's ability to deliver the affordable and reliable energy generated by the Young Station to our members in North Dakota and Minnesota," McLennan said.

Boeshans said the agreement well positions BNI for long-term planning and investment opportunities necessary for continued safe and efficient mine operations. The stability afforded by extending the contract terms will help BNI compete for skilled workers in North Dakota's very competitive job market, he said.

"Coal plays a significant and essential role in a balanced energy-independent future for our nation. The lignite industry is committed to providing low-cost reliable energy to consumers while continuously reducing our environmental impact." Boeshans said. "We're in it for the long term."

BNI and Minnkota signed the original cost plus fixed-fee agreement to supply the Young station in 1974. The 10-year extension also includes the option to extend the agreement an additional five years through 2042.

*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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