

NACCO INDUSTRIES, INC. ANNOUNCES EXECUTION OF AGREEMENT TO BECOME EXCLUSIVE CONTRACT MINER FOR THE THACKER PASS LITHIUM MINE IN NEVADA

CLEVELAND, Sept. 25, 2019 /PRNewswire/ -- NACCO Industries, Inc. (NYSE: NC) announced today that a subsidiary has entered into a mining agreement to serve as exclusive contract miner for the Thacker Pass lithium project in northern Nevada. Thacker Pass is believed to be the largest known lithium deposit in the United States and is 100% owned by Lithium Nevada Corp., a wholly owned subsidiary of Lithium Americas Corp. (TSX: LAC) (NYSE: LAC). The North American Coal Corporation formed a wholly owned subsidiary, Sawtooth Mining, LLC, for this project.

Sawtooth will design, construct, operate, and maintain the Thacker Pass surface mine, which will supply Lithium Nevada's lithium-bearing claystone ore requirements. Consistent with North American Coal's business model, which is focused on long-term, management fee contracts, the mining agreement provides that Lithium Nevada will reimburse Sawtooth for its operating and mine reclamation costs, and pay Sawtooth a management fee per tonne of lithium delivered during the 20-year contract term. During the development of the project, Sawtooth will provide Lithium Nevada \$3.5 million in cash to assist in project development and provide certain engineering services related primarily to mine design and permitting. Under the terms of the mining agreement, Lithium Nevada will pay Sawtooth a success fee upon achievement of certain engineering, construction and production milestones. After Lithium Nevada secures required permits and financing for the project, Sawtooth intends to invest up to \$50 million on the initial fleet of mining equipment. Lithium Nevada will reimburse Sawtooth's equipment investment over a seven-year period from the equipment acquisition date. Lithium Nevada estimates that it will secure all major permits by the end of 2020, commence plant construction in 2021 and commence production of lithium products in 2023.

J.C. Butler, President and Chief Executive Officer of NACCO and North American Coal said, "We are pleased to partner with Lithium Americas to develop the Thacker Pass project, which we view as a key part of developing a strong lithium battery industry in the United States. We are highly confident that we can contribute to success at Thacker Pass. We have built five new surface mines for new customers in the last nine years, each providing an integrated solution to customer operations, and we have a strong track record of partnering with our customers for long-term success. This new mining agreement is a significant milestone in our strategic goal to grow and diversify by leveraging skills honed in our core mining operations."

Forward-looking Statements Disclaimer

The statements contained in this news release that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are made subject to certain risks and uncertainties, which could cause actual results to differ materially from those presented. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof. Among the factors that could cause plans, actions and results to differ materially from current expectations are, without limitation: (1) changes in tax laws or regulatory requirements, including changes in mining or power plant emission regulations and health, safety or environmental legislation, (2) changes in costs related to geological and geotechnical conditions, repairs and maintenance, new equipment and replacement parts, fuel or other similar items, (3) regulatory actions, changes in mining permit requirements or delays in obtaining mining permits that could affect deliveries to customers, (4) weather conditions, extended power plant outages, liquidity events or other events that would change the level of customers' coal or aggregates requirements, (5) weather or equipment problems that could affect deliveries to customers, (6) changes in the power industry that would affect demand for the Company's mineral reserves, (7) failure or delays by the Company's lessees in achieving expected production of natural gas and other hydrocarbons; the availability and cost of transportation and processing services in the areas where the Company's oil and gas reserves are located; federal and state legislative and regulatory initiatives relating to hydraulic fracturing; and the ability of lessees to obtain capital or financing needed for well development operations, (8) changes in the costs to reclaim mining areas, (9) costs to pursue and develop new mining and value-added service opportunities, (10) changes to or termination of a long-term mining contract, or a customer default under a contract, (11) delays or reductions in coal or aggregates deliveries, (12) changes in the prices of hydrocarbons, particularly diesel fuel, natural gas and oil, and (13) increased competition, including consolidation within the coal and aggregates industries.

About NACCO Industries, Inc.

NACCO Industries, Inc. is the public holding company for The North American Coal Corporation. The Company and its affiliates operate in the mining and natural resources industries through three operating segments: Coal Mining, North American Mining and Minerals Management. The Coal Mining segment operates surface coal mines pursuant to a service-based business model under long-term contracts with power generation companies and activated carbon producers. The North American Mining segment provides value-added contract mining and other services for producers of aggregates, lithium and other minerals. The Minerals Management segment promotes the development of the Company's oil, gas and coal reserves, generating income primarily from royalty-based lease payments from third parties. For more information about NACCO Industries and North American Coal, visit the companies' websites at www.nacco.com and www.nacoal.com.

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