

## **NACCO INDUSTRIES, INC. AND THE NORTH AMERICAN COAL CORPORATION RESPOND TO GREAT RIVER ENERGY'S COAL CREEK STATION ANNOUNCEMENT**

### **North American Coal supports the preservation of jobs and economic opportunity in McLean County**

CLEVELAND, May 7, 2020 /PRNewswire/ -- NACCO Industries, Inc. ® (NYSE: NC), together with its wholly owned subsidiary, The North American Coal Corporation ®, today responded to Great River Energy's announcement concerning its Coal Creek Station power plant in Underwood, ND – the sole customer of The Falkirk Mining Company, a subsidiary of North American Coal.

Earlier today, Great River Energy, the owner of the Coal Creek Station, issued a press release announcing its intent to prematurely retire the Coal Creek Station power plant in the second half of 2022 and modify the Spiritwood Station power plant in Jamestown, ND to be fueled with natural gas. Great River Energy and The Falkirk Mining Company have been contract partners since 1974 under an agreement to provide fuel to the 1,151-megawatt Coal Creek Station power plant through 2045.

"We believe Coal Creek Station is an efficient, economic and attractive generation and capacity asset, and the continued long-term operation of the facility is in the best interest of our employees, the local community, region and state," stated J.C. Butler, President and CEO of NACCO and North American Coal. "As Great River Energy is willing to consider opportunities to sell Coal Creek Station, we are actively engaged in the exploration of options to allow for the transfer of the plant to one or more third parties, which would preserve jobs at both Coal Creek Station and the Falkirk Mine."

The Falkirk Mining Company currently has 480 full-time employees and in 2019 delivered 7.4 million tons of lignite coal to Coal Creek Station, a modest number of which were then shipped to Spiritwood Station.

### **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 to or termination of a long-term mining contract, or a customer default under a contract, including any actions taken related to Great River Energy's Coal Creek Station power plant, (2) the duration, depth and severity of the COVID-19 pandemic, any preventive or protective actions taken by governmental authorities, the effectiveness of actions taken globally to contain or mitigate its effects and any unfavorable effects of the COVID-19 pandemic on the Company's suppliers' ability to provide products or replacement parts if the virus continues to spread or quarantines are extended, as well as other disruptions from natural or human causes, including severe weather, accidents, fires, earthquakes, terrorist acts, any of which could result in suspension of operations or harm to people or the environment, (3) changes in coal consumption patterns of U.S. electric power generators or the power industry that would affect demand for the Company's mineral reserves, (4) changes in tax laws or regulatory requirements, including changes in mining or power plant emission regulations and health, safety or environmental legislation, (5) changes in costs related to geological and geotechnical conditions, repairs and maintenance, new equipment and replacement parts, fuel or other similar items, (6) regulatory actions, changes in mining permit requirements or delays in obtaining mining permits that could affect deliveries to customers, (7) weather conditions, extended power plant outages, liquidity events or other events that would change the level of customers' coal or aggregates requirements, (8) weather or equipment problems that could affect deliveries to customers, (9) 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, (10) changes in the costs to reclaim mining areas, (11) costs to pursue and develop new mining and value-added service opportunities, (12) delays or reductions in coal or aggregates deliveries, (13) changes in the prices of hydrocarbons, particularly diesel fuel, natural gas and oil, and (14) increased competition, including consolidation within the coal and aggregates industries.

**About NACCO Industries, Inc.**

NACCO Industries, Inc.<sup>®</sup> is the public holding company for The North American Coal Corporation<sup>®</sup>. 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 under long-term contracts with power generation companies and activated carbon producers pursuant to a service-based business model. 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. In addition, the Company has launched a new business providing stream and wetland mitigation solutions. For more information about NACCO Industries and The North American Coal Corporation, visit the companies' websites at [www.nacco.com](http://www.nacco.com) and [www.nacoal.com](http://www.nacoal.com).

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