



ALLETE SHAREHOLDER FAQ

What is happening to ALLETE and my ALLETE stock?

- In May 2024, ALLETE entered into an agreement to be acquired and taken private in a \$67.00 per share all cash transaction. ALLETE has received all necessary federal and state approvals and upon receipt of a written order from the Minnesota Public Utilities Commission will close on the transaction shortly thereafter. Upon close of the transaction, all shareholders will receive \$67.00 per share in cash.

When will the sale be complete?

- ALLETE will close on the transaction shortly after receiving a written order from the Minnesota Public Utilities Commission. We expect to close before the end of 2025.

What do I need to do to receive my payout?

- The agreed upon price of \$67.00 per share will be paid out to registered shareholders automatically via a check mailed to the address on record. These shareholders do not need to do anything to receive the payment.
- Note: Shareholders who hold ALLETE stock with a broker will receive payment through their broker and should speak with them about receiving the payment.

Will I receive any more dividends from ALLETE?

- Subject to Board declaration, shareholders who hold ALLETE stock at closing of the transaction will receive a final stub period dividend payment as described in [ALLETE's Form 8-K](#). Payment of the stub period dividend, if declared, will be made after the transaction closes. Shareholders of record will not need to do anything additional to receive this payment.

How do I get my cost basis information?

- If you have ALLETE stock that was purchased in **2011 or later**, you will automatically receive your cost basis information on the Form 1099-B that will be mailed to you for tax purposes in early 2026.
- For shares purchased **prior to 2011**, you will need to utilize your year-end statements to calculate the cost basis of your shares purchased prior to 2011. If you do not have your year-end statements, you may request them online at allete.com/shareholders or by calling 218-355-3114 and choosing option 2 to speak to an ALLETE representative.

Why do I need my cost basis information?

- The sale of your ALLETE stock is a taxable event, and because of this you will need the cost basis information to calculate your capital gains for tax purposes. For more information on tax implications relating to the sale of your ALLETE stock, please reach out to your accountant or tax professional.

Important Information and Where to Find It

This communication may be deemed to be solicitation material in respect of the proposed transaction. In connection with the proposed transaction, ALLETE, Inc. ("ALLETE") expects to file a proxy statement on Schedule 14A with the Securities and Exchange Commission ("SEC"). ALLETE also may file other documents with the SEC regarding the merger. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors are or will be able to obtain such documents (if and when available) free of charge at <http://www.sec.gov>, the SEC's website, or from ALLETE's website (<http://www.investor.allete.com>).

Participants in the Solicitation

ALLETE and its directors, executive officers, other members of management, and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed merger. Information regarding ALLETE's directors and executive officers is contained in (i) the "Directors, Executive Officers and Corporate Governance," "Executive Compensation" and "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" sections of the Annual Report on Form 10-K for the fiscal year ended December 31, 2023 of ALLETE, which was filed with the SEC on February 20, 2024 and (ii) the "Item No. 1 – Election of Directors," "Compensation Discussion and Analysis," and "Ownership of ALLETE Common Stock" sections in the definitive proxy statement for the 2024 annual meeting of shareholders of ALLETE, which was filed with the SEC on March 28, 2024. To the extent the holdings of ALLETE's securities by ALLETE's directors and executive officers have changed since the amounts set forth in the proxy statement for its 2024 annual meeting of shareholders, such changes have been or will be reflected on Statements of Changes in Beneficial Ownership on Form 4 filed with the SEC. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, will be set forth in the proxy statement and other materials relating to the merger when they are filed with the SEC. You may obtain free copies of these documents using the sources indicated above.

Cautionary Statement Regarding Forward-Looking Information

This communication contains "forward-looking statements" within the meaning of the federal securities laws, including safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the proposed acquisition of ALLETE, shareholder and regulatory approvals, the expected timetable for completing the proposed transaction and any other statements regarding ALLETE's future expectations, beliefs, plans, objectives, financial conditions, assumptions or future events or performance that are not historical facts. This information may involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: failure to obtain the required vote of ALLETE's shareholders; the timing to consummate the proposed transaction; the risk that the conditions to closing of the proposed transaction may not be satisfied; the risk that a regulatory approval that may be required for the proposed transaction is not obtained or is obtained subject to conditions that are not anticipated; and the diversion of management's time on transaction-related issues.

When used in this communication, or any other documents, words such as "anticipate," "believe," "estimate," "expect," "forecast," "target," "could," "goal," "intend," "objective," "plan," "project," "seek," "strategy," "target," "may," "will" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the beliefs and assumptions of management at the time that these statements were prepared and are inherently uncertain. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. These risks and uncertainties, as well as other risks and uncertainties that could cause ALLETE's actual results to differ materially from those expressed in the forward-looking statements, are described in greater detail under the heading "Item 1A. Risk Factors" in ALLETE's Form 10-K for the year ended December 31, 2023 and in subsequently filed Forms 10-Q and 8-K, and in any other SEC filings made by ALLETE. These risks should not be considered a complete statement of all potential risks and uncertainty, and will be discussed more fully, along with other risks associated with the proposed transaction, in the proxy statement to be filed with the SEC in connection with the proposed transaction. Management cautions against putting undue reliance on forward-looking statements or projecting any future results based on such statements or present or prior earnings levels. Forward-looking statements speak only as of the date hereof, and ALLETE does not undertake any obligation to update or supplement any forward-looking statements to reflect actual results, new information, future events, changes in its expectations or other circumstances that exist after the date as of which the forward-looking statements were made, except as required by applicable law.



Additional information and stakeholder resources can be found on ALLETE's dedicated transaction website at **www.ALLETEforward.com**.