NEWS RELEASE

Knife River Acquires Baker Rock Resources and Oregon Mainline Paving

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BISMARCK, N.D., Nov. 22, 2021 /PRNewswire/ -- Knife River Corporation announced today it has acquired Baker Rock Resources and Oregon Mainline Paving, two premier construction materials companies that expand Knife River's platform in the Pacific Northwest. Knife River is the construction materials subsidiary of MDU Resources Group, Inc. (NYSE: MDU).

Baker Rock, headquartered in Beaverton, Oregon, has an estimated 83 million to 88 million tons of construction aggregates in key growth locations around the Portland metro area, which historically has been a strong market for Knife River. Oregon Mainline is one of the state's largest asphalt paving contractors, supporting Knife River's vertically integrated business model. Together, they add about 230 employees to Knife River's Northwest Region.

"Oregon overall and the Portland area specifically have been strategic growth markets for us for many years, generating strong earnings and overall returns," said David C. Barney, president and CEO of Knife River. "As the Portland metro area continues to grow, so has the demand for construction aggregates, which have become more scarce in recent years through depleting resources and increased land development. Acquiring this excellent aggregate resource helps replenish our reserves near the heart of the growth and positions us for continued success in an area we know very well.

"Additionally, Oregon Mainline provides greater reach for our paving operations in the Northwest," Barney said. "We are excited about bringing 230 employees from Baker Rock and Oregon Mainline to our team and look forward to the value they add in this important market."

The separate transactions for Baker Rock and Oregon Mainline occurred concurrently. While financial details were not disclosed, the acquisitions represent a significant investment in Knife River's future:

- Baker Rock's 83 million to 88 million tons of aggregate reserves complement Knife River's Portland Metro operations and replenish reserves in a market with high demand.
- Baker Rock also produces asphalt from two plants – one near Beaverton and one in Dayton, Oregon.
- Baker Rock was one of the largest family-owned construction materials companies in the Northwest and has a culture similar to Knife River's: Aggregates-based, vertically integrated and focused on safety, quality and taking care of its employees.
- Oregon Mainline, based in McMinnville, is among the largest asphalt paving companies in the state, with reach into California, Idaho and Washington.
- Oregon Mainline operates two portable asphalt plants and three paving crews.

"With Knife River's history of success in Portland and the growth anticipated there, we believe this is the right deal at the right time," said David L. Goodin, president and CEO of MDU Resources. "Aggregates close to this market are only going to become harder to find, so acting now to secure this long-term resource will benefit Knife River and MDU Resources today and for many years to come."

Forward-Looking Statements

Information in this release includes certain forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934. The forward-looking statements in this release, including an estimate on aggregate reserves and statements by the president and CEO of MDU Resources and the president and CEO of Knife River, are expressed in good faith and are believed by the company to have a reasonable basis. Nonetheless, actual results may differ materially from the projected results expressed in the forward-looking statements. For a discussion of important factors that could cause actual results to differ materially from those expressed in the forward-looking statements, refer to Item 1A – Risk Factors in MDU Resources' most recent Form 10-K and Form 10-Q.

About Knife River

Knife River Corporation mines aggregates and markets crushed stone, sand, gravel and related construction materials, including ready-mix concrete, cement, asphalt, liquid asphalt and other value-added products. It also performs integrated construction services. For more information, visit **www.kniferiver.com**.

About MDU Resources

MDU Resources Group, Inc., a Fortune 500 company and a member of the S&P MidCap 400 and the S&P High-Yield Dividend Aristocrats indices, is Building a Strong America® by providing essential products and services through its regulated energy delivery and construction materials and services businesses. For more information about MDU Resources, visit **www.mdu.com** or contact the Investor Relations Department at **investor@mduresources.com**.

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