

NEWS RELEASE



For Immediate Release

The North American Coal Corporation Receives Award for Excellence in Surface Coal Mining Reclamation

Dallas, TX – September 28, 2006 – The North American Coal Corporation received a 2006 Office of Surface Mining National Award for Excellence in Surface Coal Mining Reclamation for landscape stabilization and loblolly pine reforestation at its Red Hills Mine located in Choctaw County, Mississippi. The award was presented in Washington, DC on September 21, 2006 during the National Mining Association's Annual Conference. Robert L. Benson, President and Chief Executive Officer of North American Coal, and U.S. Representative Roger Wicker attended the awards presentation. Also in a congratulatory letter from Brent Wahlquist, Acting Director of the Department of Interior's Office of Surface Mining, Red Hills Mine was commended for *"efforts to overcome drainage problems and for the use of sequential plantings to aid the re-growth of native species, valuable forests, and establishing wildlife habitat"*.

The award recognizes Red Hills Mine's development of methods to quickly stabilize reclaimed landscapes and drainages using a combination of mulch, quick growing cover crops, temporary grasses, erosion control fabrics, specialized rock structures, and its establishment of loblolly pine forests and fish and wildlife habitat. The mine stabilized and reforested bare-ground landscapes with minimal erosion damage and rework in periods ranging from 9 months to 2 years despite receiving more than 55 inches of precipitation annually. The award also credits the company's revegetation contractor, Mr. Bill Robertson (Pro-Turf Inc.), for his expertise in Mississippi erosion control and revegetation establishment, and Dr. David Lang (Mississippi State University) for monitoring and providing data on the success of revegetation and reforestation establishment for use in final bond release determinations.

Since 2001, Red Hills Mine has reforested 250 acres with 198,000 trees, established forest wildlife openings and streamside hardwood corridors, developed former mine ponds into recreational fishing ponds for landowners, and constructed small wetlands.

North American Coal has received more than 33 environmental awards.

The North American Coal Corporation, a subsidiary of NACCO Industries, Inc. (NYSE: NC), mines and markets lignite coal primarily as fuel for power generation and provides selected value-added mining services for other natural resources companies. Corporate headquarters are located in Dallas, Texas, with surface mining operations in Texas, North Dakota, Louisiana and Mississippi, and limerock mining operations in Florida.

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For more information, contact:

The North American Coal Corporation
Dean Peterson
Manager, Governmental and Public Affairs
(701) 255-0022