

MDU RESOURCES GROUP, INC.

Policy on Majority Voting for Directors

Any proposed nominee for director shall, before he or she is nominated to serve on the Board, tender to the Board his or her irrevocable resignation that will be effective, in an uncontested election of Directors only, upon (i) such nominee's receipt of a greater number of votes "against" election than votes "for" election at the Company's meeting of stockholders and (ii) acceptance of such resignation by the Board of Directors. The resignation shall be sent to the Chairman of the Nominating and Governance Committee. A form of resignation letter is attached to this policy as Exhibit 1.

After the stockholder meeting, following certification of the stockholder vote, the Nominating and Governance Committee will promptly recommend to the Board whether or not to accept the tendered resignation. In considering whether to recommend that the Board accept or reject the tendered resignation, the Nominating and Governance Committee will consider all factors deemed relevant by the members of the Nominating and Governance Committee including, without limitation, the stated reasons why stockholders voted "against" the election of such Director, the length of service and qualifications of the Director, the Director's contributions to the Company, and the Company's Corporate Governance Guidelines.

The Board will act on the Nominating and Governance Committee's recommendation no later than 90 days following the date of the stockholders' meeting where the election occurred. In considering the Nominating and Governance Committee's recommendation, the Board will consider the factors considered by the Nominating and Governance Committee and such additional information and factors the Board believes to be relevant. Following the Board's decision on the Nominating and Governance Committee's recommendation, the Company will promptly publicly disclose the Board's decision whether to accept the resignation as tendered (providing a full explanation of the process by which the decision was reached and, if applicable, the reasons for not accepting the tendered resignation) in a Form 8-K filed with the Securities and Exchange Commission.

To the extent that one or more Directors' resignations are accepted by the Board, the Nominating and Governance Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.

Any Director who receives a greater number of votes "against" election than votes "for" election at the same meeting of stockholders will not participate in the Nominating and Governance Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. If a majority of the members of the Nominating and Governance Committee received a greater number of votes "against" their election than votes "for" their election at the same meeting, then the independent Directors on the Board who did not receive a greater number of votes "against" their election than votes "for" their election (or who were not standing for election) will appoint a Board committee amongst themselves solely for the purpose of considering the tendered resignations and will recommend to the Board whether to accept or

reject them. This Board committee may, but need not, consist of all the independent Directors who did not receive a greater number of votes “against” their election than votes “for” their election or who were not standing for election.

This corporate governance guideline will be summarized or included in each proxy statement relating to an election of directors of the Company.

Approved by the Board of Directors, February 16, 2006.
Amended by the Board of Directors, November 13, 2008.

February [], 200[]

Mr. John L. Olson
Chairman of the Nominating and
Governance Committee
c/o []
MDU Resources Group, Inc.
1200 West Century Avenue
Bismarck, ND 58503

Dear Mr. Olson:

In accordance with the Policy on Majority Voting for Directors and the MDU Resources Group, Inc. (the "Company") Corporate Governance Guidelines regarding majority voting in director elections, I hereby tender my irrevocable resignation as a director of the Board, which shall be effective, in an uncontested election only, upon (i) my receipt of a greater number of votes "against" my election than votes "for" my election at the Company's 200[] Annual Meeting of Stockholders and (ii) acceptance of my resignation by the Board of Directors.

If my resignation does not become effective as set forth above, it will be deemed null and void.

Very truly yours,

[Name of Director]