

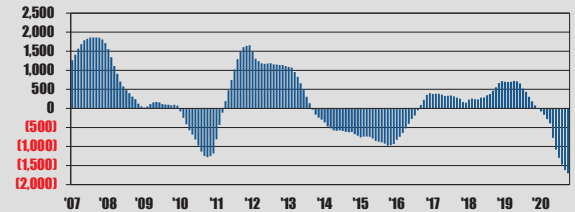


ECONOMIC UPDATE

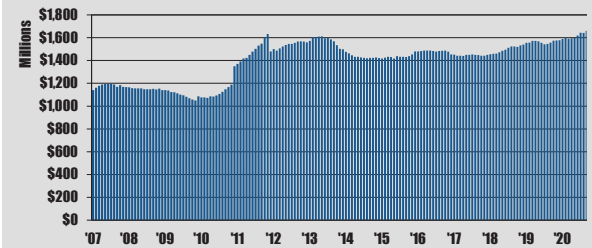
Elko County continues to weather the pandemic-induced economic recession far better than Nevada as a whole, maintaining the fourth-lowest unemployment rate of all counties in Nevada at just 4.3 percent. However, this rate is above where it stood in October of 2019 at just 2.6 percent. The statewide unemployment rate for October stood at 11.8 percent, heavily influenced by the 13.8 percent unemployment rate in Clark County, Nevada's largest population center. Outside of Clark County, the overall Nevada unemployment rate was just 6.2 percent for October, a significant increase since the beginning of the pandemic and business restrictions that began in March of 2020, but less severe than the statewide numbers alone would indicate. While much of the state has seen a modest economic downturn, Clark County has been the worst performer statewide with its heavy reliance on travel, tourism and gaming, an industry that has been severely impacted by the new market realities of the pandemic era.

Elko County has also outperformed the state in terms of consumer spending measures, such as taxable retail sales and gross gaming revenue, despite a decline in wages earned. Total private sector wages earned in Elko County declined by 8.9 percent in the second quarter of 2020 (latest data available), totaling \$233.0 million. As the economy has recovered from the steep downturn experienced in the second quarter, it is expected that wage data should show a rebound when third quarter data is released. In September, taxable retail sales in Elko County totaled \$155.9 million, an increase of 12.5 percent from August and 14.5 percent higher than the previous September. This is a significant departure from the indicator's performance statewide, as total taxable retail sales for Nevada declined 4.0 percent year over year in September. The same is true of gross gaming revenue. In October, Elko County posted a modest year-over-year increase of 1.3 percent, with a total of \$25.5 million in gaming revenue. Statewide, gaming revenue decreased by 19.5 percent. Because gaming revenue in Elko County is far more dependent on local spending, gaming revenue quickly rebounded to "normal" levels after casinos were allowed to re-open in June following their shutdown in March.

Elko County Employment Growth Trailing 12 Months



Elko County Taxable Retail Sales Trailing 12 Months



Elko County Unemployment Rate



	Most Recent Data Available	Indicator Values			Growth Rate	
		Current Period	Prior Period	Prior Year	vs. Prior Period	vs. Prior Year
Elko County Employment	Oct-20	25,357	25,414	26,571	-0.2% ▼	-4.6% ▼
Elko County Labor Force	Oct-20	26,492	26,561	27,272	-0.3% ▼	-2.9% ▼
Elko County Unemployment Rate	Oct-20	4.3%	4.3%	2.6%	0.0% ●	1.7% ▲
Nevada Initial Unemployment Insurance Claims	Oct-20	37,891	34,370	9,735	10.2% ▲	289.2% ▲
Nevada Private Average Weekly Hours Worked	Oct-20	34.9	34.7	34.2	0.6% ▲	2.0% ▲
Elko County Number of Private Business Establishments	Q2 '20	1,263	1,276	1,268	-1.0% ▼	-0.4% ▼
Elko County Private Sector Total Wages	Q2 '20	\$232,976,659	\$255,643,001	\$253,461,333	-8.9% ▼	-8.1% ▼
Elko County Taxable Retail Sales	Sep-20	\$155,914,752	\$138,549,341	\$136,129,190	12.5% ▲	14.5% ▲
Elko County Gross Gaming Revenues	Oct-20	\$25,496,640	\$25,232,751	\$25,164,282	1.0% ▲	1.3% ▲
Nevada Housing Price Index (Q1 1991 = 100)	Q3 '20	292.9	282.5	273.7	3.7% ▲	7.0% ▲

Applied Analysis ("AA") was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA's internal databases as well as national, regional and local data providers, including, without limitation, state and local governments. While we have no reason to doubt the accuracy of any of the data reported, we have not performed an audit or assurance procedures on these data, and as such, we cannot attest to their completeness.



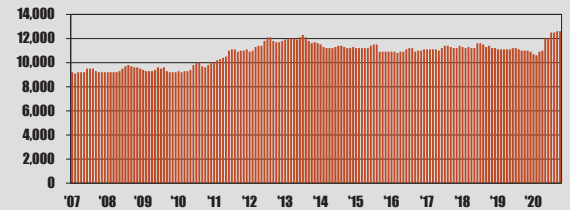


MINING AND AGRICULTURE UPDATE

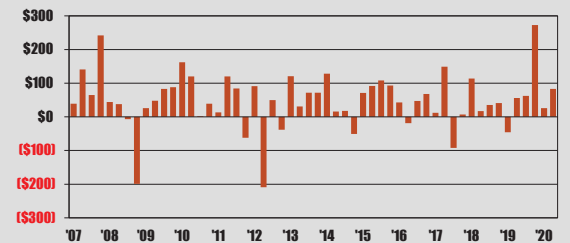
Mining has been a particular bright spot for the Nevada economy during the current recession, with mining employment surging to a record high on the strength of increased gold prices. Mining employment currently sits at 12,600 in Nevada after reaching the 12,000 mark in May for the first time since 2013. The price of gold, one of Nevada's most important exports, averaged \$1,869 per ounce in November, down slightly from an average of \$1,903 in October but up 26.9 percent year over year. The recent surge in gold prices led both Barrick Gold Corporation and Newmont Corporation, the largest mine operators in Nevada through their joint partnership Nevada Gold Mines, to stellar financial results in the third quarter of 2020. Barrick reported net earnings of \$726 million in the third quarter, more than double their net earnings of \$264 million in the third quarter of 2019. Newmont reported a similar increase in net earnings, bringing in \$697 million during the third quarter, up from \$292 million one year ago.

Aside from the benefits of rising gold prices in recent months, Nevada's mining industry looks poised for success well into the future with new exploration and mine expansion on the horizon. Nevada Gold Mines is expanding exploration near the Carlin Trend mine, which according to Barrick CEO Mark Bristow has multi-million-ounce potential. Additionally, construction of mining operations at Goldrush, now connected to the Four Mile deposit, is reportedly ahead of schedule and should reach gold ore in the first quarter of 2021 with production starting later that year. Again according to Bristow, the Goldrush deposit has the potential to produce 20 million ounces of gold, and should be a productive operation for decades into the future. With additional exploration by Nevada Gold Mines taking place near the Turquoise Ridge and Twin Creeks mines, the industry appears to be well positioned for the future.

Nevada Metal Ore Mining Employment



Growth in Nevada Metal Ore Mining Average Weekly Wages



US Price of Gold



	Most Recent Data Available	Indicator Values			Growth Rate	
		Current Period	Prior Period	Prior Year	vs. Prior Period	vs. Prior Year
United States Price of Gold	Nov-20	\$1,869	\$1,903	\$1,472	-1.8% ▼	26.9% ▲
Nevada Metal Ore Mining Employment	Oct-20	12,600	12,600	11,000	0.0% ●	14.5% ▲
Nevada Gold Production (Metric Tons)	2019	151.41	173.59	173.59	-12.8% ▼	-12.8% ▼
Elko County Metal Ore Mining Employment	Q2 '20	995	1,004	1,063	-0.9% ▼	-6.4% ▼
Nevada Metal Ore Mining Average Weekly Wages	Q2 '20	\$2,018	\$2,285	\$1,935	-11.7% ▼	4.3% ▲
Nevada Metal Ore Mining Total Wages	Q2 '20	\$295,361,659	\$332,023,386	\$278,914,894	-11.0% ▼	5.9% ▲
Nevada Mining and Support Taxable Retail Sales (TTM)	Sep-20	\$248,261,119	\$246,454,789	\$284,721,672	0.7% ▲	-12.8% ▼
Elko County Cattle Ranching and Farming Total Wages	Q2 '20	\$1,292,651	\$1,184,166	\$2,908,688	9.2% ▲	-55.6% ▼
Nevada Cattle Inventory (Including Calves)	2020	480,000	470,000	470,000	2.1% ▲	2.1% ▲
Nevada Price of Hay (Per Ton)	Oct-20	\$180.00	\$181.00	\$179.00	-0.6% ▼	0.6% ▲

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