



December 22, 2014

✉ 246-14

Mr. Lourenco Goncalves  
Chairman, President and  
Chief Executive Officer  
Cliffs Natural Resources  
200 Public Square, Suite 3300  
Cleveland, OH 44114-2589

Dear Mr. Goncalves:

Subject: Confidential Agreement in Principle Dated February 9, 2010

Further to the announcement by Cliffs Natural Resources regarding the decision to permanently close Lake Bloom mine, we remind you of your obligations under the agreement in principle signed on February 9, 2010, between the Sept-Îles Port Authority (SIPA) and Consolidated Thompson Iron Mines Limited, now Cliffs Québec Iron Mining Limited (Cliffs Québec).

Under Section 11 of the agreement, the parties agreed that the equipment servicing berth 31 be installed on a temporary basis and that at the first of the following eventualities, i.e., that Cliffs Québec cease using the facility or upon the commissioning of the multi-user dock, these facilities and equipment be offered for sale to SIPA at fair market value. Should SIPA decide not to acquire them, they would be dismantled by Cliffs Québec.

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Given that Cliffs Quebec's ore-loading operations will cease by the end of 2014 and the multi-user dock will become available in Q2 2015, we hereby offer to purchase the facilities at nominal value, which would allow you to avoid the cost of dismantling them. This offer is valid for 30 days, failing which Cliffs Quebec will have 180 days to fully dismantle the facilities identified inside the red circle on the attached map.

Sincerely,



Pierre D. Gagnon  
President and Chief Executive Officer

PDG/cg

Enclosure: Map

c.c. Mr. Clifford Smith, Executive Vice President, Seaborne Iron Ore, Cliffs Natural Resources  
Mr. James Graham, Executive Vice President, Chief Legal Officer & Secretary,  
Cliffs Natural Resources  
Mr. Carol Soucy, Chairman of the Board, Port of Sept-Îles  
Ms. Patsy Keays, Director, Corporate Affairs, Port of Sept-Îles

# Localisation des installations temporaires de Consolidated Thompson

#30

#31

Chargeur à navire fixe

Galerie de convoyeur

Longueur du convoyeur  
 $\pm 230$  m

Tour de transfert T-4

