

December 22, 2014

112-11

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: Block Z

In the event that Cliffs Natural Resources (Cliffs) is unable to conclude a transaction with any given third party for the sale of its assets, the Sept-Îles Port Authority (SIPA) wishes to express its interest in acquiring the property known as Block Z as outlined in the attached plan.

In accordance with section 2 of the 1977 Agreement between Wabush Iron Co. Limited, The Steel Company of Canada Limited, Dominion Foundries and Steel Limited now Cliffs and the National Harbours Board now the SIPA, in the case where Cliffs wishes to sell or transfer any part of Block Z to a third party, it must first give SIPA the opportunity to purchase the said part of Block Z.

We are available to discuss the details surrounding such a transaction at your convenience.

Sincerely,



Pierre D. Gagnon
President and Chief Executive Officer

PDG/cg

Enclosure: Block Z Map

c.c. Mr. Clifford Smith, Executive Vice President, 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



Bloc Z