



## NEWS RELEASE

### **Cliffs Natural Resources Inc. to Pursue Exit Options for its Eastern Canadian Operations**

**CLEVELAND – Nov. 19, 2014** – Cliffs Natural Resources Inc. (NYSE: CLF) announced today that it is pursuing exit options for its Eastern Canadian iron ore operations which may result in the closure of the Bloom Lake mine.

Lourenco Goncalves, Cliffs' Chairman, President and Chief Executive Officer said, "Despite the continued interest of the prospective equity partners in Bloom Lake and in its high quality ore, the potential investment is not achievable within a time frame acceptable to Cliffs. With expansion no longer viable, we have shifted our focus to executing an exit option for Eastern Canadian operations that minimizes the cash outflows and associated liabilities."

The Company previously disclosed that to make Bloom Lake viable, the development of the mine's Phase 2 was necessary. The investment was estimated to cost \$1.2 billion. In the event of a closure, the estimated closure costs are expected to be in the range of \$650 million to \$700 million in the next five years.

Cliffs stated also that the Company's subsidiary, Cliffs Quebec Iron Mining Limited, along with Bloom Lake General Partner Limited and The Bloom Lake Iron Ore Limited Partnership, recently lost an arbitration claim they filed against a former Bloom Lake customer relating to the August 2011 termination of an iron ore sales agreement. In November 2014, the arbitrators decided in favor of the former customer and awarded it damages in an amount of approximately \$71 million as well as attorneys' fees and accrued interest from the date of termination of the offtake agreement in August 2011. Cliffs Quebec Iron Mining Limited is currently reviewing the award to determine appropriate next steps.

#### **About Cliffs Natural Resources Inc.**

Cliffs Natural Resources Inc. is a leading mining and natural resources company. The Company is a major iron ore producer in the Great Lakes region and a significant producer of high-and low-volatile metallurgical coal in the U.S. Additionally, Cliffs operates iron ore mines in Eastern Canada and an iron mining complex in Western Australia. Driven by the core values of social, environmental and capital stewardship, Cliffs' employees endeavor to provide all stakeholders

operating and financial transparency. News releases and other information on the Company are available at: <http://www.cliffsnaturalresources.com>.

### **Forward-Looking Statements**

This release contains forward-looking statements within the meaning of the federal securities laws. Although the Company believes that its forward-looking statements are based on reasonable assumptions, such statements are subject to risks and uncertainties relating to Cliffs' operations and business environment that are difficult to predict and may be beyond Cliffs' control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by forward-looking statements for a variety of reasons including without limitation: our ability to successfully execute an exit option for Bloom Lake mine that minimizes the cash outflows and associated liabilities of our Canadian operations; trends affecting our financial condition, results of operations or future prospects, particularly the continued volatility of iron ore and coal prices; our actual levels of capital spending; uncertainty or weaknesses in global economic conditions, including downward pressure on prices, reduced market demand and any slowing of the economic growth rate in China; our ability to successfully integrate acquired companies into our operations and achieve post-acquisition synergies; our ability to successfully identify and consummate any strategic investments and complete planned divestitures; the outcome of any contractual disputes with our customers, joint venture partners or significant energy, material or service providers or any other litigation or arbitration; the ability of our customers and joint venture partners to meet their obligations to us on a timely basis or at all; our ability to reach agreement with our iron ore customers regarding any modifications to sales contract provisions; the impact of price-adjustment factors on our sales contracts; changes in sales volume or mix; our actual economic iron ore and coal reserves or reductions in current mineral estimates, including whether any mineralized material qualifies as a reserve; the impact of our customers using other methods to produce steel or reducing their steel production; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets; the results of prefeasibility and feasibility studies in relation to projects; impacts of existing and increasing governmental regulation and related costs and liabilities, including failure to receive or maintain required operating and environmental permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity and costs related to implementing improvements to ensure compliance with regulatory changes; our ability to cost-effectively achieve planned production rates or levels; uncertainties associated with natural disasters, weather conditions, unanticipated geological conditions, supply or price of energy, equipment failures and other unexpected events; adverse changes in currency values, currency exchange rates, interest rates and tax laws; availability of capital and our ability to maintain adequate liquidity and successfully implement our financing plans; our ability to maintain appropriate relations with unions and employees and enter into or renew collective bargaining agreements on satisfactory terms; risks related to international operations; availability of capital equipment and component parts; the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; problems or uncertainties with productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, employee-benefit costs and other risks of the mining industry; and other factors and risks that are set forth in the Company's most recently filed reports with the

U.S. Securities and Exchange Commission (the "SEC"). The information contained herein speaks as of the date of this release and may be superseded by subsequent events. Except as may be required by applicable securities laws, we do not undertake any obligation to revise or update any forward-looking statements contained in this release.

**Contact:**  
Patricia Persico  
Director, Global Communications  
(216) 694-5316

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