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Cliffs Natural Resources Inc. Addresses Recent Minnesota Media Reports

CLEVELAND, Oct. 19, 2015 /PRNewswire/ -- Cliffs Natural Resources Inc.**(NYSE: CLF)** today stated that in July 2015, Cliffs' CEO and three other Cliffs' executives accepted the invitation by Essar Minnesota's CEO Madhu Vuppuluri to tour the Essar Minnesota construction site. As a result of the site visit and Cliffs' decades of experience in the business, Cliffs believes that Essar's claims of the project's state of completion are substantially overstated and, as a result, the projected timeline for pellet production in 2016 is inaccurate. Cliffs had previously reported during its second-quarter 2015 earnings call that until Essar starts producing iron ore pellets at a sustainable rate, the Essar project in Minnesota is nothing more than a construction site. This remains Cliffs' position.

The original intention of the State of Minnesota's loans of $73 million ($67 million from the state and $6 million from IRRRB) to Essar was not to subsidize iron ore pellet overcapacity in the U.S., but to support the construction of a new steel mill in the Great Lakes region. Media reports failed to state that the Essar Minnesota project, if it were to come online, would create iron ore pellet overcapacity in the U.S. It is Cliffs' position that Essar Minnesota should be required to immediately repay its construction subsidy due to Essar unilaterally changing the scope of its project.

Cliffs Natural Resources Inc. clarifies that it does not have any current plans to permanently idle or close any of its Minnesota mines.

About Cliffs Natural Resources Inc.

Cliffs Natural Resources Inc. is a leading mining and natural resources company in the United States. The Company is a major supplier of iron ore pellets to the North American steel industry from its mines and pellet plants located in Michigan and Minnesota. Cliffs also operates an iron ore mining complex in Western Australia. Additionally, Cliffs produces low-volatile metallurgical coal in the U.S. from its mines located in Alabama and West Virginia. Driven by the core values of safety, 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 www.cliffsnaturalresources.com.

Forward-Looking Statements

This release contains statements that constitute "forward-looking statements" within the meaning of the federal securities laws. As a general matter, forward-looking statements relate to anticipated trends and expectations rather than historical matters. Forward-looking statements are subject to uncertainties and factors relating to Cliffs' operations and business environment that are difficult to predict and may be beyond our control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by the forward-looking statements. These statements speak only as of the date of this release,

and we undertake no ongoing obligation, other than that imposed by law, to update these statements. Uncertainties and risk factors that could affect Cliffs' future performance and cause results to differ from the forward-looking statements in this release include, but are not limited to: our ability to successfully execute an exit option for our Canadian entities that minimizes the cash outflows and associated liabilities of such entities, including the Companies' Creditors Arrangement Act (Canada) process; trends affecting our financial condition, results of operations or future prospects, particularly the continued volatility of iron ore and coal prices; availability of capital and our ability to maintain adequate liquidity; uncertainty or weaknesses in global economic conditions, including downward pressure on prices caused by oversupply or imported products, reduced market demand and any change to the economic growth rate in China; our ability to successfully identify and consummate any strategic investments and complete planned divestitures, including with respect to our North American Coal operating segment; our ability to successfully diversify our product mix and add new customers beyond our traditional blast furnace clientele; 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, renewals or new arrangements; the impact of price-adjustment factors on our sales contracts; changes in sales volume or mix; our actual levels of capital spending; 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, as well as any resulting impairment charges; 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; 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 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.

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/cliffs-natural-resources-inc-addresses-recent-minnesota-media-reports-300161851.html

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