February 12, 2013

Cliffs Natural Resources Inc. Announces Public Offering of Common Shares and Mandatory Convertible Preferred Shares

CLEVELAND, Feb. 12, 2013 /PRNewswire/ -- Cliffs Natural Resources Inc. (NYSE: CLF) (Paris: CLF) (the "Company") today announced that it is offering to sell, subject to market and other conditions, 9,000,000 of its common shares, par value $0.125 per share ("Common Shares") (or up to 10,350,000 Common Shares if the underwriters of such offering exercise their option to purchase additional Common Shares) (the "Common Shares Offering"), and 20,000,000 of its depositary shares ("Depositary Shares"), each representing a 1/40th interest in a share of its new mandatory convertible preferred stock, Class A ("Mandatory Convertible Preferred Shares"), $1,000 liquidation preference per Mandatory Convertible Preferred Share (equivalent to $25 per Depositary Share) (or up to 23,000,000 Depositary Shares if the underwriters of such offering exercise their over-allotment option in full) (the "Mandatory Convertible Preferred Shares Offering") in separate registered public offerings.

The Depositary Shares entitle the holders, through the bank depositary, to a proportional fractional interest in the rights and preferences of the Mandatory Convertible Preferred Shares underlying the Depositary Shares, including conversion, dividend, liquidation and voting rights, subject to certain limited exceptions. Unless converted earlier at the option of the holders, each Mandatory Convertible Preferred Share (and, correspondingly, each Depositary Share) will automatically convert into a variable number of Common Shares on or around Feb. 15, 2016. The conversion rates, dividend rate and other terms of the Mandatory Convertible Preferred Shares will be determined by negotiations between the Company and the underwriters of the Mandatory Convertible Preferred Shares Offering.

The Company intends to use the net proceeds from the Common Shares Offering and the Mandatory Convertible Preferred Shares Offering to repay borrowings outstanding under its term loan facility. Any remaining net proceeds will be used for general corporate purposes.

The Common Shares Offering is not contingent upon the successful completion of the Mandatory Convertible Preferred Shares Offering and the Mandatory Convertible Preferred Shares Offering is not contingent upon the successful completion of the Common Shares Offering.

Currently, no public market exists for the Depositary Shares. The Company intends to apply to list the Depositary Shares on the New York Stock Exchange under the symbol "CLV." If the application is approved, the Company expects trading of the Depositary Shares on the New York Stock Exchange to commence within the 30-day period after the initial delivery of the Depositary Shares.

J.P. Morgan and BofA Merrill Lynch are serving as joint book-running managers for the Common Shares Offering and the Mandatory Convertible Preferred Shares Offering.

A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission and is effective. Each of the Common Shares Offering and the Mandatory Convertible Preferred Shares Offering may be made only by means of a prospectus supplement and an accompanying prospectus. A copy of the preliminary prospectus supplement and the accompanying prospectus relating to the Common Shares Offering or the Mandatory Convertible Preferred Shares Offering, as the case may be, may be obtained by contacting: J.P. Morgan Securities LLC, Attention: Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, or by calling 1-866-803-9204, or by contacting BofA Merrill Lynch, 222 Broadway, New York, NY 10038, Attn: Prospectus Department, email: dg.prospectus_requests@baml.com.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any of the Common Shares, the Depositary Shares, the Mandatory Convertible Preferred Shares or any other securities, nor will there be any sale of the Common Shares, the Depositary Shares, the Mandatory Convertible Preferred Shares or any other securities in any state or jurisdiction in which such an offer, solicitation or sale is not permitted. A registration statement relating to these securities has been filed with the Securities and Exchange Commission and is effective. The Common Shares Offering and the Mandatory Convertible Preferred Shares Offering do not require a prospectus to be submitted for approval to the French *Autorite des marches financiers*.

About Cliffs Natural Resources Inc.
Cliffs Natural Resources Inc. is an international mining and natural resources company. A member of the S&P 500 Index, the Company is a major global iron ore producer and a significant producer of high- and low-volatile metallurgical coal. Cliffs' strategy is to continually achieve greater scale and diversification in the mining industry through a focus on serving the world's largest and fastest growing steel markets. Driven by the core values of social, environmental and capital stewardship, Cliffs associates across the globe endeavor to provide all stakeholders operating and financial transparency.

The Company is organized through a global commercial group responsible for sales and delivery of Cliffs' products and a global operations group responsible for the production of the minerals the Company markets. Cliffs operates iron ore and coal mines in North America and an iron ore mining complex in Western Australia. In addition, Cliffs has a major chromite project, in the feasibility stage of development, located in Ontario, Canada.

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: 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; trends affecting our financial condition, results of operations or future prospects, particularly the continued volatility of iron ore and coal prices; our ability to successfully integrate acquired companies into our operations and achieve post-acquisition synergies, including without limitation, Cliffs Quebec Iron Mining Limited (formerly

Consolidated Thompson Iron Mining Limited); 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 modifications to sales contract pricing escalation provisions to reflect a shorter-term or spot-based pricing mechanism; 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 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.

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