May 26, 2010

Cliffs Natural Resources Inc. Comments on Proposed Merger Announcement from KWG Resources and Spider Resources

CLEVELAND--(BUSINESS WIRE)-- Cliffs Natural Resources Inc. (NYSE: CLF) (Paris: CLF) today commented on the announcement that KWG Resources Inc. (TSXV: KWG) and Spider Resources Inc. (TSXV: SPQ) have entered into a binding letter agreement regarding a proposed merger between the two companies.

Cliffs believes this proposed share-exchange merger between the two junior mineral exploration companies, which lack the technical expertise and financial strength required to develop the Big Daddy chromite deposit, provides little, if any, value to either KWG or Spider shareholders. Cliffs believes that its proposals of $0.13 per share in cash to the shareholders of each company are clearly superior to the proposed KWG-Spider combination from the standpoint of both company's shareholders.

Cliffs urges shareholders of KWG and Spider to consider the following points:

- Spider shareholders should choose the proposed cash takeover bid from Cliffs, at a premium of 62.5% to the closing price of Spider on May 21, 2010, the trading day prior to disclosure of Cliffs' proposals.
- Spider shareholders should reject the share-exchange merger with KWG, which would result in KWG's share count being doubled while delivering virtually no premium to Spider shareholders when factoring in the distribution of Debuts Diamonds Inc. shares to KWG shareholders only.
- KWG and Spider only formed special committees and hired financial advisors a few days ago. It is entirely premature for either company to have already completed a thorough analysis and concluded that a merger between the two companies is both superior to Cliffs' intended offers and in the best interest of both sets of shareholders, particularly given the significant risks and uncertainties that would face the combined entity.
- The practical effect of the proposed merger is to deprive KWG shareholders of the opportunity to vote on the proposed merger with Spider, despite the fact that KWG is exposing its shareholders to very substantial dilution.
- Neither KWG nor Spider currently possesses the technical or financial ability to develop the Big Daddy deposit.

Cliffs will carefully review its options in context of the KWG-Spider announcement and respond further as appropriate.

KWG shareholders, banks and brokers who have questions or requests for assistance regarding the proposed transactions should contact Georgeson, Cliffs' information agent, toll free at 1-866-656-4118. Spider shareholders, banks and brokers can call Georgeson toll free at 1-866-656-4120. Georgeson can also be contacted via email at askus@georgeson.com.

To be added to Cliffs Natural Resources' e-mail distribution list, please click on the link

below:

http://www.cpg-llc.com/clearsite/clf/emailoptin.html.

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, we are the largest producer of iron ore pellets in North America, a major supplier of direct-shipping lump and fines iron ore out of Australia and a significant producer of metallurgical coal. With core values of environmental and capital stewardship, our colleagues across the globe endeavor to provide all stakeholders operating and financial transparency as embodied in the Global Reporting Initiative (GRI) framework. Our Company is organized through three geographic business units:

The North American business unit is comprised of six iron ore mines owned or managed in Michigan, Minnesota and Canada and two coking coal mining complexes located in West Virginia and Alabama. The Asia Pacific business unit is comprised of two iron ore mining complexes in Western Australia and a 45% economic interest in a coking and thermal coal mine in Queensland, Australia. The Latin America business unit includes a 30% interest in the Amapa Project, an iron ore project in the state of Amapa in Brazil.

Other projects under development include a biomass production plant in Michigan and Ring of Fire chromite properties in Ontario, Canada. Over recent years, Cliffs has been executing a strategy designed to achieve scale in the mining industry and focused on serving the world's largest and fastest growing steel markets.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

This news release contains predictive statements that are intended to be made as "forward-looking" within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. Although we believe that our forward-looking statements are based on reasonable assumptions, such statements are subject to risk and uncertainties.

Actual results may differ materially from such statements for a variety of reasons, including potential steps taken by the target corporations or their directors or shareholders to impede our ability to proceed with or complete the proposed take-over bids. Other factors that could impact actual results include the following: demand for ferrochrome by global integrated steel producers; the impact of consolidation and rationalization in the steel industry; availability of capital equipment and component parts; availability of rail and float capacity; availability and cost of capital; ability to maintain adequate liquidity and access capital markets; events or circumstances that could impair or adversely impact the viability and carrying value of the Freewest assets; inability to achieve expected production levels; reductions in current resource estimates; impacts of increasing governmental regulation, including failure to receive or maintain required environmental permits; problems with productivity, third-party contractors, labor disputes, disputes with indigenous tribes in the area, weather conditions, fluctuations in ore grade and changes in other cost factors, including energy costs and transportation.

Reference is also made to the detailed explanation of the many factors and risks that may cause such predictive statements to turn out differently, set forth in our Annual Report on

Form 10-K, Quarterly Reports on Form 10-Q and previous news releases filed with the Securities and Exchange Commission, which are publicly available on Cliffs' website. The information contained in this document speaks as of the date of this news release and may be superseded by subsequent events.

News releases and other information on the Company are available on the Internet at: http://www.cliffsnaturalresources.com or www.cliffsnaturalresources.com/Investors/Pages/default.aspx?b=1041&1=1.

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