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Cliffs Natural Resources Inc. to Dissolve Michigan Iron Nuggets Joint Venture with Kobe Steel

CLEVELAND, Feb. 7, 2012 /PRNewswire/ -- Cliffs Natural Resources Inc. **(NYSE: CLF) (Paris: CLF)** announced today that it plans to dissolve its Michigan Iron Nuggets Joint Venture with Kobe Steel. The joint venture was originally formed in 2007 to explore the viability of constructing a commercial operation to produce a pig iron substitute using Kobe's ITmk3 technology and Cliffs' iron ore assets. This product was anticipated to be marketed as a feedstock to the electric arc furnace and foundry markets. The plant was designed and permitted for construction adjacent to Cliffs' operations in the Upper Peninsula of Michigan.

(Logo: https://photos.prnewswire.com/prnh/20101104/CLIFFSLOGO)

Cliffs indicated that throughout the life of the venture it had conducted a number of feasibility studies on the possibility of pursuing a commercially viable process, but ultimately concluded that given its strategic priorities to focus on its core business, continued work on the project should be ended.

Joseph Carrabba, chairman, president and chief executive officer of Cliffs, said, "We are disappointed that we are not able to move forward with the iron nugget facility, but remain very appreciative of the efforts made by federal, state, county and township officials who worked with Cliffs over several years on this project. We are grateful for their support in the exploration of this potential industrial operation in Michigan."

Cliffs said it had less than 10 employees exclusively working on the joint venture and plans to reassign nearly all to other positions within the Company. In addition, there are no anticipated material financial impacts as a result of the decision.

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 two iron ore mining complexes in Western Australia. The Company also has a 45% economic interest in a coking and thermal coal mine in Queensland, Australia. In addition, Cliffs has a major chromite project, in the pre-feasibility stage of development, located in

Ontario, Canada.

News releases and other information on the Company are available on the Internet at: http://www.cliffsnaturalresources.com

Forward-Looking Statements

This release contains "forward-looking" statements within the safe harbor protections of the federal securities laws. Although the Company believes that its forward-looking statements are based on reasonable assumptions, such statements are subject to risk 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: the uncertainty or weakness in global economic and/or market conditions; trends affecting our financial condition, results of operations or future prospects, particularly any slowing of the economic growth rate in China for an extended period; Cliffs' ability to achieve the synergies and the strategic and other objectives related to the acquisition of Consolidated Thompson; the outcome of any contractual disputes with our customers or significant suppliers of energy, materials or services; our ability to successfully complete the repair and refurbishment work at the Oak Grove Mine in the expected time frame; the amount and timing of any insurance recovery proceeds with respect to Oak Grove Mine; the impact of price-adjustment factors on our sales contracts; availability of capital equipment and component parts; the failure of plant, equipment or processes to operate as anticipated; unanticipated downturns in business relationships with customers or their purchases from us; customers' ability to meet their obligations to us on a timely basis or at all; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets; unexpected claims, charges, litigation or dispute resolutions; the impact of acquisitions and divestitures; unanticipated difficulties integrating acquisitions; our ability to obtain any permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity; new laws and governmental regulations; the ability to achieve planned production rates or levels; our actual economic ore reserves; reductions in current resource estimates; the ability to maintain adequate liquidity and successfully implement our financing plans; other problems or uncertainties with productivity, third-party contractors, labor disputes, weather conditions, natural disasters, tons mined, changes in cost factors, the supply or price of energy, transportation, mine-closure obligations and 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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