November 19, 2014

Cliffs Natural Resources Inc. Announces Tender Offers for Certain of Its Senior Notes

CLEVELAND, Nov. 19, 2014 /PRNewswire/ -- Cliffs Natural Resources Inc. (NYSE: CLF) announced today the commencement of tender offers to purchase (each offer a "Tender Offer" and collectively, the "Tender Offers") for cash, subject to certain terms and conditions, up to the maximum aggregate principal amount of its outstanding 3.95% Senior Notes due 2018 (the "2018 Notes"), 5.90% Senior Notes due 2020 (the "March 2020 Notes"), 4.80% Senior Notes due 2020 (the "October 2020 Notes" and, together with the March 2020 Notes, the "2020 Notes"), 4.875% Senior Notes due 2021 (the "2021 Notes") and 6.25% Senior Notes due 2040 (together with the 2018 Notes, the 2020 Notes and the 2021 Notes, the "Securities") that it can purchase for up to $600.0 million in cash (the "Maximum Payment Amount"), excluding accrued and unpaid interest up to the Settlement Date, at the prices set forth below.

The Tender Offers are scheduled to expire at midnight, New York City time, at the end of the day on December 17, 2014 (the "Expiration Date"), unless extended or earlier terminated by the Company. The Tender Offers are being made pursuant to an Offer to Purchase dated November 19, 2014 and a related Letter of Transmittal dated November 19, 2014 (together, the "Tender Offer Materials"), which set forth a more detailed description of the Tender Offers. Holders of the Securities are urged to carefully read the Tender Offer Materials before making any decision with respect to the Tender Offers.

The Company is offering to purchase the maximum aggregate principal amount of the Securities that may be purchased for the Maximum Payment Amount, subject to the acceptance priority levels set forth in the table below (the "Acceptance Priority Levels"). Furthermore, the principal amount of the Securities of each series that may be purchased pursuant to the Tender Offers will not exceed any applicable tender caps set forth in the table below (the "Tender Caps"). As discussed in more detail in the Tender Offer Materials, the Company reserves the right, but is under no obligation, to increase or decrease the Tender Caps and the Maximum Payment Amount, at any time, subject to compliance with applicable law.

The following table sets forth certain terms of the Tender Offers:

Title of Security	CUSIP Number	Principal Amount Outstanding	Tender Caps	Acceptance Priority Level	Dollars per $1,000 Principal Amount of Securities		
					Tender Offer Consideration(1)	Early Tender Premium	Total Consideration(1)(2)
6.25% Senior Notes due 2040	18683K AC5	$800,000,000	$400,000,000	1	$650.00	$50.00	$700.00
3.95% Senior Notes due 2018	18683K AF8	$500,000,000	$100,000,000	2	$800.00	$50.00	$850.00
4.875% Senior Notes due 2021	18683K AD3	$700,000,000	None	3	$710.00	$50.00	$760.00
4.80% Senior Notes due 2020	18683K AB7	$500,000,000	None	4	$715.00	$50.00	$765.00
5.90% Senior Notes due 2020	18683K AA9	$400,000,000	None	5	$735.00	$50.00	$785.00

(1) Excludes accrued and unpaid interest up to, but not including, the applicable Settlement Date, which will be paid in addition to the Tender Offer Consideration or Total Consideration, as applicable.

(2) Includes the Early Tender Premium.

The total consideration (the "Total Consideration") payable for each $1,000 principal amount of Securities validly tendered at or prior to 5:00 p.m., New York City time, on December 3, 2014 (such date and time, as it may be extended, the "Early Tender Date") and accepted for purchase pursuant to the Tender Offers will be the applicable total consideration for such series of Securities set forth in the table above. The Total Consideration includes the early tender premium for such series of Securities also set forth in the table above (the "Early Tender Premium"). Holders must validly tender and not subsequently validly withdraw their Securities at or prior to the Early Tender Date in order to be eligible to receive the Total Consideration for such Securities purchased in the Tender Offers.

A soliciting dealer fee equal to $2.50 for each $1,000 principal amount of Securities that are validly tendered, not validly withdrawn and accepted for purchase pursuant to the Tender Offers will be paid to retail brokers that are appropriately designated by their beneficial holder clients to receive this fee. The soliciting dealer fee will only be paid to each designated retail broker for each beneficial owner that submits Securities with an aggregate principal amount of $250,000 or less.

Subject to the terms and conditions of the Tender Offers, each Holder who validly tenders and does not subsequently validly withdraw their Securities at or prior to the Early Tender Date will be entitled to receive the Total Consideration, plus accrued and unpaid interest up to, but not including, the applicable Settlement Date (as defined below) if and when such Securities are accepted for payment. Holders who validly tender their Securities after the Early Tender Date but at or prior to the Expiration Date will be entitled to receive the tender offer consideration equal to the applicable Total Consideration less the Early Tender Premium (the "Tender Offer Consideration"), plus accrued and unpaid interest up to, but not including, the applicable Settlement Date, if and when such Securities are accepted for payment.

The Company reserves the right but is under no obligation, on any business day following the Early Tender Date and before the Expiration Date, to accept for purchase any Securities validly tendered at or prior to the Early Tender Date (the "Early Settlement Date"). The Early Settlement Date will be determined at the Company's option, subject to all conditions to the Tender Offers having been satisfied or waived. Irrespective of whether the Company chooses to exercise its option to have an Early Settlement Date, the Company will purchase any remaining Securities that have been validly tendered by the Expiration Date and that it chooses to accept for purchase, subject to the Tender Caps, the Maximum Payment Amount, the application of the Acceptance Priority Levels and all conditions to the Tender Offers having been satisfied or waived by the Company, promptly following the Expiration Date (the "Final Settlement Date" and each of the Early Settlement Date and Final Settlement Date, a "Settlement Date"). The Final Settlement Date is expected to occur promptly following the Expiration Date, subject to all conditions to the Tender Offers having been satisfied or waived by the Company. The expected Final Settlement Date is December 18, 2014, unless extended by the Company, assuming all conditions to the Tender Offers have been satisfied or waived.

To receive either the Total Consideration or the Tender Offer Consideration, holders of the Securities must validly tender and not validly withdraw their Securities prior to the Early Tender Date or the Expiration Date, respectively. Securities tendered may be withdrawn from the Tender Offers at or prior to, but not after, 5:00 p.m., New York City time, on December 3, 2014, unless extended, by following the procedures described in the Tender Offer Materials.

The Tender Offers are not conditioned upon any minimum amount of Securities being tendered, and the Tender Offers may be amended, extended, terminated or withdrawn in whole or with respect to one or more series of Securities. The amounts of each series of Securities that are purchased on any Settlement Date will be determined in accordance with the Acceptance Priority Levels, with 1 being the highest Acceptance Priority Level and 5 being the lowest Acceptance Priority Level. In addition, no more than the aggregate principal amount of each series of Securities that is established by the applicable Tender Caps will be purchased in the Tender Offers.

The Company currently intends to finance the purchase of Securities tendered in the Tender Offers by issuing at least $1.1 billion in aggregate principal amount of senior secured debt securities that will mature prior to the 2020 Notes (the "New Debt Financing"), but, subject to market conditions and at the Company's sole discretion, the Company may elect to enter into alternative debt financing. In addition to the New Debt Financing, we intend to enter into a new secured asset-based revolving credit facility to replace our existing revolving credit facility with availability of $500.0 million to $550.0 million (the "New Credit Facility") at or prior to the settlement of the Tender Offers. The net proceeds of the New Debt Financing remaining after the purchase of the Securities tendered in the Tender Offers is expected to increase our cash on hand, which together with availability under the New Credit Facility is expected to provide additional liquidity.

Subject to the applicable Tender Caps, all Securities validly tendered and not validly withdrawn on or before the Early Tender Date having a higher Acceptance Priority Level will be accepted before any tendered Securities having a lower Acceptance Priority Level are accepted in the Tender Offers, and all Securities validly tendered after the Early Tender Date

having a higher Acceptance Priority Level will be accepted before any Securities tendered after the Early Tender Date having a lower Acceptance Priority Level are accepted in the Tender Offers. However, Securities validly tendered and not validly withdrawn on or before the Early Tender Date will be accepted for purchase in priority to other Securities tendered after the Early Tender Date even if such Securities tendered after the Early Tender Date have a higher Acceptance Priority Level than Securities tendered prior to the Early Tender Date.

In addition, we will only accept for purchase Securities up to a combined aggregate principal amount that can be purchased for $600.0 million in cash, excluding accrued and unpaid interest up to the Settlement Date. If purchasing all of the tendered Securities of a series of an applicable Acceptance Priority Level on any Settlement Date would cause the Maximum Payment Amount to be exceeded, the amount of that series of Securities purchased on that Settlement Date will be prorated based on the aggregate principal amount of that series of Securities tendered in respect of that Settlement Date, such that the Maximum Payment Amount will not be exceeded. Furthermore, if the Tender Offers are fully subscribed as of the Early Tender Date, Holders who validly tender Securities after the Early Tender Date will not have any of their Securities accepted for payment regardless of the Acceptance Priority Level of their Securities.

The obligation of the Company to accept for purchase and to pay either the Total Consideration or Tender Offer Consideration and the accrued and unpaid interest on the Securities pursuant to the Tender Offers is not subject to any minimum tender condition, but is subject to the Tender Caps, the Maximum Payment Amount, the application of the Acceptance Priority Levels and the satisfaction or waiver of the Refinancing Condition (as defined below) and certain other conditions described in the Tender Offer Materials. Specifically, the Company's obligation to accept for purchase, and to pay for, Securities validly tendered pursuant to the Tender Offers is subject to, and conditioned upon, having obtained the New Debt Financing in a minimum aggregate principal amount of $1.1 billion and having replaced our existing revolving credit facility with the New Credit Facility, subsequent to the date hereof and on or prior to the Final Settlement Date, on terms and conditions reasonably satisfactory to the Company (the "Refinancing Condition").

The Company has retained Credit Suisse Securities (USA) LLC and Jefferies LLC to serve as Dealer Managers for the Tender Offers. Global Bondholder Services Corporation has been retained to serve as the Information Agent and Depositary for the Tender Offers. Questions regarding the Tender Offers may be directed to Credit Suisse Securities (USA) LLC at 11 Madison Avenue, New York, New York 10010, Attn: Liability Management Group, (800) 820-1653 (toll-free), (212) 538-2147 (collect) or Jefferies LLC at 520 Madison Avenue, New York, New York 10022, Attn: Liability Management Group, (877) 877-0696 (toll-free), (212) 284-2435 (collect). Requests for the Tender Offer Materials may be directed to Global Bondholder Services Corporation at (866) 470-3700 (toll-free) or (212) 430-3774 (collect for banks and brokers) and the Tender Offer Materials are available at the following Web site address: http://offeringdocs.gbsc-usa.com/cliffs.

The Company is making the Tender Offers only by, and pursuant to, the terms of the Tender Offer Materials. None of the Company, the Dealer Managers, the Information Agent and the Depositary make any recommendation as to whether Holders should tender or refrain from tendering their Securities. Holders must make their own decision as to whether to tender

Securities and, if so, the principal amount of the Securities to tender. The Tender Offers are not being made to holders of Securities in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Tender Offers to be made by a licensed broker or dealer, the Tender Offers will be deemed to be made on behalf of the Company by the Dealer Managers, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

This press release does not constitute an offer to purchase securities or a solicitation of an offer to sell any securities or an offer to sell or the solicitation of an offer to purchase any securities, including in connection with the New Debt Financing, nor does it constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is unlawful.

About Cliffs Natural Resources Inc.

Cliffs Natural Resources Inc. is a leading mining and natural resources company. Cliffs is a major iron ore producer in the Great Lakes region and a significant provider 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 Cliffs 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 Cliffs believes that these forward-looking statements and the underlying assumptions are reasonable, we cannot assure you that they will prove to be correct. Forward-looking statements involve a number of risks and uncertainties, and there are factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements. These risk factors include without limitation: our ability to successfully execute an exit option for the 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; availability of capital and our ability to maintain adequate liquidity and successfully implement our financing plans; 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 or capital projects and complete planned divestitures; our ability to cost-effectively achieve planned production rates or levels; changes in sales volume or mix; 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 impact of price-adjustment factors on our sales contracts; 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 or renewal of contracts; 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; 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; 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; the potential existence of significant deficiencies or material weakness in our internal controls over financial reporting; problems or uncertainties with leasehold interests, productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, employee-benefit costs and other risks of the mining industry; the satisfaction of (i) the Refinancing Condition and (ii) the General Conditions and our ability to consummate any or all of the Tender Offers; 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.

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