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Cleveland-Cliffs Adopts Shareholder Rights Plan

CLEVELAND--(BUSINESS WIRE)--

Cleveland-Cliffs Inc (NYSE: CLF), which will officially be renamed Cliffs Natural Resources tomorrow, announced today that its directors have adopted a shareholder rights plan. The plan is intended to protect the Company and its shareholders from potentially coercive takeover practices or takeover bids that are inconsistent with the interests of the Company and its shareholders. The plan is not intended to deter offers that are fair and otherwise in the best interests of all of the Company's shareholders. The adoption of a shareholder rights plan is a well-accepted approach to ensuring that all shareholders receive a fair price and are treated equally in the event of a takeover.

Under the plan, the rights will initially trade together with the Company's common shares and will not be exercisable. In the absence of further action by the Company's directors, the rights generally will become exercisable and allow the holder to acquire the Company's common shares at a discounted price if a person or group were to acquire beneficial ownership of 10% or more of the Company's outstanding common shares, or, in the case of a person or group that currently beneficially owns 10% or more of the Company's outstanding common shares, that person or group acquires beneficial ownership of any additional common shares of the Company. Rights held by persons that exceed the applicable threshold will be void.

The term "beneficial ownership" is defined in the rights plan and includes, among other things, certain derivative or synthetic arrangements having characteristics of a long position in the Company's common shares.

The rights plan also includes an exchange option. In general, after the rights become exercisable, the Company's directors may, at their option, effect an exchange of part or all of the rights - other than rights that have become void - for the Company's common shares. Under this option, the Company would issue one common share for each right, subject to adjustment in certain circumstances.

The Company's directors may, at their option, redeem all rights for $0.001 per right at any time prior to the time the rights become exercisable. Unless earlier amended, redeemed or exchanged, the rights would expire three years after the date that they are distributed.

The issuance of the rights is not a taxable event, will not affect the reported financial condition or results of operations (including earnings per share) of the Company and will not change the manner in which the Company's common shares are currently traded.

To be added to Cleveland-Cliffs' e-mail distribution list, please click on the link below: http://www.cpg-llc.com/clearsite/clf/emailoptin.html

ABOUT CLEVELAND-CLIFFS INC

Cleveland-Cliffs Inc, headquartered in Cleveland, Ohio, is an international mining company, the largest producer of iron ore pellets in North America and a major supplier of metallurgical coal to the global steelmaking industry. The Company operates six iron ore mines in Michigan, Minnesota and Eastern Canada, and three coking coal mines in West Virginia and Alabama. Cliffs is also majority owner of Portman Limited, a large iron ore mining company in Australia, serving the Asian iron ore markets with direct-shipping fines and lump ore. In addition, the Company has a 30% interest in the Amapa Project, a Brazilian iron ore project, and a 45% economic interest in the Sonoma Project, an Australian coking and thermal coal project.

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

Source: Cleveland-Cliffs Inc