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Cliffs Natural Resources Inc. Urges Freewest Shareholders To Disregard Noront's False and Misleading Claims

Noront has grossly overstated the value of its bid for Freewest

Cliffs and Freewest petitioning AMF to investigate Noront's public statements and potential trading irregularities in Noront stock

CLEVELAND--(BUSINESS WIRE)-- Cliffs Natural Resources Inc. (NYSE: CLF) (Paris: CLF) is urging shareholders of Freewest Resources Canada Inc. (TSX-V: FWR) to disregard false and misleading statements being made by Noront Resources Ltd. in support of its increasingly desperate take-over bid for Freewest.

Counter to what Noront promotes:

- Noront's chromite deposits are smaller, thinner and deeper than Freewest's, are unlikely to be developed for decades and, as a result, there are no synergies in consolidating Noront's and Freewest's chromite deposits;
- Noront has grossly overstated the value of its bid by, among other things, using inappropriately aggressive assumptions to value the warrant component of its offer, an indisputable fact based on market trading;
- There are no significant tax savings from Noront's offer, only a tax deferral if a shareholder does not sell the Noront shares.

Cliffs and Freewest are petitioning the Quebec Autorite des marches financiers to investigate Noront's public statements, deficiencies in its regulatory filings and potential irregularities in the trading of Noront stock, and to take appropriate action.

"Noront is exaggerating the value of its bid as well as the potential for synergies between Freewest's and Noront's chromite assets," said Joseph Carrabba, president, chairman and CEO of Cliffs. "We believe only one mine will be developed. It will be a surface operation on one of the Freewest properties rather than an underground mine on Noront's deeper, thinner and discontinuous deposit. The simple fact is that the scale and quality of Freewest's massive 2.5 km long chromite deposits render the Noront chromite properties completely irrelevant in the Ring of Fire.

"Based on a year of technical work by Cliffs, we can say with confidence that Freewest's deposits are readily developable and more than sufficient to meet market demand for the foreseeable future. Consequently, we believe it is highly unlikely that Noront's inferior properties will be developed. This underscores the risk to Freewest shareholders of owning Noront shares. It explains why Noront wants to acquire Freewest. And it is why Cliffs has no interest in acquiring Noront or its chromium deposits. Freewest shareholders should not be taken in by Noront's false and misleading claims," Mr. Carrabba added.

Cliffs urges Freewest shareholders to consider the following facts.

- -- Noront's offer includes a fraction of a warrant for each Freewest share that has a much lower value than advertised and which ultimately may prove to be of zero value to Freewest shareholders. Noront promoted a value for that fractional warrant of $0.22 per Freewest share. Traditional valuation methods - and the market trading activity on the date of that announcement - indicate the actual value of the warrant is less than half that amount. Only inappropriately aggressive assumptions can be used to arrive at the warrant valuation claimed by Noront. We believe Noront did this deliberately to mislead investors who are not experts in valuing such complex and speculative securities. Based on Noront's valuation, the fractional warrant represents 26% of the consideration it has offered to Freewest shareholders.
- -- Excluding the fractional warrant, Noront's offer had an implied value of just $0.64 per Freewest share upon its announcement on November 30, and has traded as low as $0.55 within the past 21 days. While Noront's share price has increased since then, it appears to have done so on the basis of false and misleading statements. At $0.64 per Freewest share, the announced value of Noront's increased share consideration represents a 29% discount to the fixed and certain value of $0.90 per share being offered by Cliffs.

- -- Noront has made bold pronouncements about the value of its offer in press releases that it has chosen not to include in filings with securities regulators, which must be certified by officers or directors of Noront. These omissions violate applicable securities law and are a strong indication that Noront knows its public statements are misleading.
- -- Noront's CEO Wes Hanson has publicly stated that Noront believes that Cliffs is inexperienced in mine development, and inferred that Noront is more capable of developing these properties and associated infrastructure. This is an absurd statement. Cliffs has 160 years of mine development and operating experience and is the largest producer of iron ore pellets to the North American steel industry. The steel industry is the ultimate customer for the products of a new chromite operation in the Ring of Fire. Cliffs has a market capitalization in excess of US$6 billion and has the capability to finance the development of Freewest's chromite deposits. Noront is an exploration company with no track record of bringing mines into production and working capital at July 31, 2009 of only $15.4 million.
- -- Current and future Noront shareholders are at risk of significant dilution that could depress the value of Noront shares. Noront currently contemplates diluting its existing shareholders by 39% without requesting its shareholders' approval. Cliffs estimates that development of Freewest's deposits would require up to $800 million in capital. With a market capitalization range of $250 to $400 million over the last 21 days, Noront's shares would be subject to significant dilution - also without shareholder approval -- should Noront attempt to develop a chromite mine or attract a strategic partner.
- -- Contrary to false claims by Noront, the tax treatment for Freewest's Canadian resident shareholders receiving Cliffs shares is equivalent to the tax treatment of receiving cash. In general, any taxes resulting from the Cliffs transaction will not be payable by individual Freewest shareholders resident in Canada until April 2011. Noront has compared the after-tax value of receiving Cliffs shares by a hypothetical Freewest shareholder having a low cost base to the pre-tax value of receiving Noront's shares and warrants. This is deliberately misleading to Freewest shareholders and exaggerates the tax benefits of Noront's offer. Freewest shareholders that tender to Noront's bid and receive Noront shares and warrants as consideration will not save any tax, but

merely defer the payment of taxes for so long as they continue to hold the Noront shares and warrants. Cliffs believes the comparison of pre-tax and after-tax values is blatantly inappropriate and advises Freewest shareholders to seek independent tax advice rather than rely on Noront's misleading claims.

-- In considering the value of Noront shares, Freewest shareholders also should be aware of the recent timing and questionable disclosure of certain Noront press releases. Before market open on Thursday, November 19, 2009, Noront released its very first public statement of "mineralized material" at its Eagle's Nest property, quoting both estimated tonnage and grades. None of these statements were supported by National Instrument 43-101, which governs how public companies disclose scientific and technical information about mineral projects in Canada. The timing and disclosure were in Cliffs' view meant to manipulate the Noront share price and impact the perceived value of its bid for Freewest. After aggressively marketing these statements to investors throughout the day, resulting in an 39% increase in Noront's share price, Noront released a "clarification" of its earlier press release at 3:27pm ET that afternoon stating that its earlier release had not followed the requirements of NI 43-101. Those requirements include disclosing that their results were conceptual in nature, there has been insufficient exploration to define a mineral resource, and that it is uncertain whether further exploration will result in discovery of a mineral resource.

  The requirements of NI 43-101 are well understood by Noront and its legal and financial advisors. Cliffs does not believe the omission of the above cautionary language was made in error.

-- Freewest's Board of Directors continues to unanimously recommend Cliffs' offer, which has also received strong support from the vast majority of Freewest shareholders canvassed to date.

-- Moreover, when Cliffs and Freewest entered into a definitive arrangement agreement on November 23, 2009, Freewest's senior management agreed to reduce the change of control payments due to them from $6.5 million to $2.5 million. Management did so because they believe Cliffs' offer is in the best interests of Freewest and its shareholders.

Cliffs strongly believes that, after considering all of the facts, Freewest shareholders will conclude that the Cliffs transaction provides far superior value, certainty and liquidity for Freewest shareholders.

Cliffs currently owns approximately 12.4% of Freewest Resources. Freewest's Board unanimously supports the amended definitive agreement and recommends that all shareholders accept Cliffs' offer. This recommendation is also supported by a Fairness Opinion from Freewest's independent financial advisor. The transaction is expected to close shortly following the meeting of Freewest shareholders scheduled to be held on January 15, 2010, subject to a number of customary conditions including approval by Freewest shareholders and consent of the court.

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 (NYSE: CLF) (Paris: CLF) is an international mining and natural resources company. 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 Eastern 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 South American business unit includes a 30% interest in the Amapa Project, an iron ore project in the state of Amapa in Brazil.

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.

News releases and other information on the Company are available on the Internet at:

http://www.cliffsnaturalresources.com

"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 the inability to close the proposed transaction as a result of competing acquisition proposals, the inability to obtain necessary court approvals for the acquisition and the failure to receive the necessary affirmative vote of Freewest shareholders. 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 to 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 Natural Resources' 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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