November 2, 2020

Cleveland-Cliffs Applauds President Trump's Actions to Address Imports of Laminations and Cores from Electrical Steel

CLEVELAND--(BUSINESS WIRE)-- Cleveland-Cliffs Inc. **(NYSE: CLF)** today praised President Trump and his Administration for taking action to save 1,400 jobs at AK Steel's Butler, Pennsylvania and Zanesville, Ohio operations. President Trump's Administration will be moving forward with a Section 232 action implementing a remedy covering imported laminations and cores of Grain Oriented Electrical Steel (GOES). GOES is used in the production of electric transformers that support the power grid and equipment required by the U.S. military. In addition, the Administration will take action to address recently-granted Section 232 product exclusions for more than 40,000 tons of GOES greater than 920 mm wide from South Korea. The U.S. market only requires 1,400 tons of GOES in that width or greater.

Imports of laminations and cores have surged into the United States since the imposition of steel Section 232 tariffs in 2018 as certain foreign and domestic companies sought to circumvent those steel tariffs. Cleveland-Cliffs' wholly-owned subsidiary, AK Steel, is the sole producer of GOES in the United States, and all of North America, with the capacity to produce up to 250,000 net tons of electrical steel annually from plants in Butler, Pennsylvania and Zanesville, Ohio.

Lourenco Goncalves, Chairman, President and Chief Executive Officer said, "On behalf of Cleveland-Cliffs and 1,400 workers who melt and manufacture electrical steel, I strongly commend and thank President Trump, U.S. Trade Representative Ambassador Robert Lighthizer, and Secretary of Commerce Wilbur Ross, for taking action under Section 232 to end the circumvention of existing national security tariffs covering GOES. Furthermore, I am pleased that the Department of Commerce will take action to re-evaluate recently-granted GOES Section 232 product exclusions. These actions should be viewed as a condemnation of those seeking to circumvent tariffs and quotas imposed under our trade laws and of companies abusing the steel Section 232 product exclusion process."

Cleveland-Cliffs greatly appreciates the leadership and engagement of Senator Rob Portman (OH), Congressman Mike Kelly (PA), Congressman Troy Balderson (OH), Senator Bob Casey (PA), Senator Sherrod Brown (OH) and Congresswoman Marcy Kaptur (OH). These Congressional leaders have worked tirelessly to preserve America's electrical steel industry and maintain 1,400 steel jobs in Pennsylvania and Ohio. In addition, the advocacy of our UAW partners at Butler Works and Zanesville Works was critical to bringing about this positive outcome.

Following these important actions, the dedicated and highly-skilled workers at AK Steel's Butler and Zanesville operations will continue manufacturing the highest-quality electrical

steel products in the world and, in doing so, support the national and economic security of the United States.

About Cleveland-Cliffs Inc.

Founded in 1847, Cleveland-Cliffs is among the largest vertically integrated producers of differentiated iron ore and steel in North America. With an emphasis on non-commoditized products, the Company is uniquely positioned to supply both customized iron ore pellets and steel solutions to a quality-focused customer base. AK Steel, a wholly-owned subsidiary of Cleveland-Cliffs, is a leading producer of flat-rolled carbon, stainless and electrical steel products. The AK Tube and Precision Partners businesses provide customer solutions with carbon and stainless steel tubing products, die design and tooling, and hot- and cold-stamped components. In 2020, Cliffs also expects to be the sole producer of hot briquetted iron (HBI) in the Great Lakes region. Headquartered in Cleveland, Ohio, Cleveland-Cliffs employs approximately 11,000 people across mining and steel manufacturing operations in the United States and Canada. For more information, visit www.clevelandcliffs.com or www.aksteel.com.

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