March 30, 2015

Cliffs Natural Resources Inc. Announces Successful Completion of Refinancing Transactions

CLEVELAND, March 30, 2015 /PRNewswire/ -- Cliffs Natural Resources Inc. (NYSE: CLF) ("Cliffs" or the "Company") announced today that, on March 30, 2015, it entered into a new senior secured asset-based revolving credit facility (the "New ABL Facility") and successfully completed its previously announced private offering (the "Offering") of $540 million aggregate principal amount of 8.250% Senior Secured Notes due March 31, 2020 (the "New First Lien Notes"). From the Offering of the New First Lien Notes, the Company received net proceeds, after the initial purchasers' discounts and the payment of fees and expenses, of approximately $491.4 million. The Company used a portion of the net proceeds from the Offering to repay all amounts outstanding under its former revolving credit facility and intends to use the remainder for general corporate purposes. Additionally, the New ABL Facility is expected to provide up to $550 million in borrowing availability on a revolving basis, subject to a borrowing base limitation and the issuance of letters of credit.

The Company also announced today that it has successfully completed its previously announced private offers (the "Exchange Offers") to exchange its newly issued 7.75% Senior Secured Notes due 2020 (the "New Second Lien Notes") for certain outstanding senior unsecured notes of Cliffs (the "Existing Notes"). The Company has accepted for exchange approximately $675 million aggregate principal amount of Existing Notes that were tendered in the Exchange Offers in exchange for approximately $544 million aggregate principal amount of New Second Lien Notes. The entry into the New ABL Facility, the Offering and the Exchange Offers are referred to collectively as the "Refinancing Transactions." The Company stated that with the new financing structure, Cliffs is no longer subject to the covenants associated with its former revolving credit facility, such as Interest Coverage and Secured Debt-to-EBITDA tests. Also as a consequence of the completion of the Exchange Offers, Cliffs was able to remove approximately $130 million of long-term debt from the balance sheet.

Lourenco Goncalves, Cliffs' Chairman, President and Chief Executive Officer, stated, "We believe that our new financing structure just put in place through the completion of the Refinancing Transactions will give us all the liquidity and financial flexibility we need to successfully complete the strategy we have executed in a disciplined manner since August 7, 2014, and which differentiates Cliffs from any other iron ore producer in the world. As the largest supplier of pellets in the U.S. and no longer a major participant in the volatile seaborne market, we are very pleased with the backing received from the investment community." Mr. Goncalves added: "The success of our refinancing makes clear that the investors understand and support our overall strategy, and that Cliffs is better positioned than all other iron ore producers in the world whose fundamentals are fully dependent on supplying sinter feed to China."

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any

securities. The New First Lien Notes and related guarantees and the New Second Lien Notes and related guarantees were offered only to qualified institutional buyers in reliance on the exemption from registration set forth in Rule 144A under the Securities Act of 1933 (the "Securities Act"), and outside the United States to non-U.S. persons in reliance on the exemption from registration set forth in Regulation S under the Securities Act. The New First Lien Notes and the related guarantees and the New Second Lien Notes and related guarantees have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction, and may not be offered or sold in the United States without registration or an applicable exemption from the Securities Act and applicable state securities or blue sky laws and foreign securities laws.

About Cliffs Natural Resources Inc.
Cliffs Natural Resources Inc. is a leading mining and natural resources company in the United States. The Company is a major supplier of iron ore pellets to the North American steel industry from its mines and pellet plants located in Michigan and Minnesota. Cliffs also operates an iron ore mining complex in Western Australia. Additionally, Cliffs produces low-volatile metallurgical coal in the U.S. from its mines located in Alabama and West Virginia. Driven by the core values of safety, social, environmental and capital stewardship, Cliffs' employees endeavor to provide all stakeholders operating and financial transparency. News releases and other information on the Company 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 our Bloom Lake mine that minimizes the cash outflows and associated liabilities of our Canadian operations including the Companies' Creditors Arrangement Act (Canada) process; 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; availability of capital and our ability to maintain adequate liquidity and successfully implement our financing plans; 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; our ability to successfully identify and consummate any strategic investments and complete planned divestitures; 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 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; the impact of price-adjustment factors on our sales contracts; changes in sales volume or mix; 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; the results of prefeasibility and feasibility studies

in relation to projects; 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; our ability to cost-effectively achieve planned production rates or levels; 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; availability of capital equipment and component parts; the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; problems or uncertainties with productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, 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 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.

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/cliffs-natural-resources-inc-announces-successful-completion-of-refinancing-transactions-300057897.html

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