September 30, 2008

Cleveland-Cliffs Announces Convertibility of Preferred Stock

CLEVELAND--(BUSINESS WIRE)--

Cleveland-Cliffs Inc (NYSE: CLF) today announced that the trading price condition for the conversion right of its 3.25 percent redeemable cumulative convertible perpetual preferred stock is satisfied and, as a result, the preferred stock may be surrendered for conversion at any time during the fiscal fourth quarter ending Dec. 31, 2008. Cliffs said it currently has only 205 convertible perpetual preferred shares outstanding.

The trading price condition was satisfied because the closing share price of Cleveland-Cliffs' common shares for at least 20 of the last 30 trading days of the fiscal 2008 third quarter exceeded 110 percent of the then applicable conversion price of the preferred stock. The satisfaction allows conversion of the preferred stock only during the fiscal 2008 fourth quarter. Conversion may continue after the fiscal 2008 fourth quarter if certain conditions set forth in Cleveland-Cliffs' amended articles of incorporation are satisfied.

The preferred stock was also convertible during each of the previous 15 fiscal quarters due to the satisfaction of the trading price condition during the applicable periods of the relevant preceding fiscal quarters.

The conversion rate is currently 133.0646 common shares per share of preferred stock. This equates to a conversion price of approximately $7.52 per common share, subject to adjustment in certain circumstances including payment of dividends on the common shares.

Beginning Jan. 20, 2009, Cliffs may redeem shares of the preferred stock by paying cash, its common shares valued at a discount of 2.5 percent from their market price or any combination thereof in an amount equal to the liquidation preference, plus any accumulated and unpaid dividends to the redemption date. Other conditions and terms can be found in the related prospectus dated July 22, 2004.

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

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

ABOUT CLEVELAND-CLIFFS

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 also owns 85% 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.

Source: Cleveland-Cliffs Inc