

SCHEDULE 14A
(RULE 14a)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934
(AMENDMENT NO.)

Filed by the Registrant /X/

Filed by a Party other than the Registrant / /

Check the appropriate box:

<TABLE>
<S> <C>
/ / Preliminary Proxy Statement / / CONFIDENTIAL, FOR USE OF THE COMMISSION
ONLY (AS PERMITTED BY RULE 14a-6(e) (2))
/X/ Definitive Proxy Statement
/ / Definitive Additional Materials
/ / Soliciting Material Pursuant to sec.240.14a-11(c) or sec.240.14a-12
</TABLE>

CLEVELAND-CLIFFS INC
(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

XXXXXXXXXXXXXXXXXXXX
(NAME OF PERSON(S) FILING PROXY STATEMENT, IF OTHER THAN THE REGISTRANT)

Payment of filing fee (Check the appropriate box):

/X/ \$125 per Exchange Act Rules 0-11(c) (1) (ii), 14a-6(i) (1), 14a-6(i) (2) or
Item 22(a) (2) of Schedule 14A.
/ / \$500 per each party to the controversy pursuant to Exchange Act Rule
14a-6(i) (3).
/ / Fee computed on table below per Exchange Act Rules 14a-6(i) (4) and 0-11.
(1) Title of each class of securities to which transaction applies: _____
(2) Aggregate number of securities to which transaction applies: _____
(3) Per unit price or other underlying value of transaction computed
pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the
filing fee is calculated and state how it was determined): _____
(4) Proposed maximum aggregate value of transaction: _____
(5) Total fee paid: _____

/ / Fee paid previously with preliminary materials.

/ / Check box if any part of the fee is offset as provided by Exchange Act Rule
0-11(a) (2) and identify the filing for which the offsetting fee was paid
previously. Identify the previous filing by registration statement number, or
the Form or Schedule and the date of its filing.

(1) Amount Previously Paid: _____
(2) Form, Schedule or Registration Statement No.: _____
(3) Filing Party: _____
(4) Date Filed: _____

Cleveland-Cliffs Inc
1100 Superior Avenue * Cleveland, Ohio 44114-2589

March 23, 1995

To the Shareholders of
CLEVELAND-CLIFFS INC

Your Board of Directors and management hereby inform you that the Annual
Meeting of Shareholders of Cleveland-Cliffs Inc will be held at The Forum
Conference Center, located in One Cleveland Center, 1375 East Ninth Street,
Cleveland, Ohio 44114 on Tuesday, May 9, 1995 at 9:00 A.M. (Cleveland time).

At the meeting, shareholders will act upon the election of Directors and a
proposal to ratify the appointment of Ernst & Young LLP as independent public
accountants. An explanation of each of these matters is contained in the
attached Proxy Statement.

The Board of Directors and management believe that the proposed actions are
in the best interests of your Company. Whether or not you expect to be present
at the Annual Meeting, we urge you to exercise your voting right by signing and
dating the enclosed proxy card and returning it in the accompanying envelope to
ensure that your shares will be represented. Please note that failure to vote
surrenders voting power to those who exercise their voting right. If you attend,
you will be entitled to vote in person.

We look forward to meeting with shareholders at the Annual Meeting.

Sincerely,

/s/ M. THOMAS MOORE

M. THOMAS MOORE
Chairman and Chief Executive Officer

IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE MEETING. WHETHER OR NOT YOU INTEND TO BE PRESENT, PLEASE SIGN AND DATE THE ENCLOSED PROXY CARD AND RETURN IT IN THE ENCLOSED POSTAGE-PREPAID ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.

Cleveland-Cliffs Inc
1100 Superior Avenue * Cleveland, Ohio 44114-2589

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

March 23, 1995

Dear Shareholder:

The Annual Meeting of Shareholders of Cleveland-Cliffs Inc, an Ohio corporation ("Company"), will be held at The Forum Conference Center, located in One Cleveland Center, 1375 East Ninth Street, Cleveland, Ohio 44114 on Tuesday, May 9, 1995 at 9:00 A.M. (Cleveland time) for the purpose of considering and acting upon:

1. A proposal to elect 11 Directors to hold office until the next Annual Meeting of Shareholders and until their successors are elected;
2. A proposal to ratify the appointment of Ernst & Young LLP as the firm of independent public accountants to examine the financial statements of the Company and its consolidated affiliates for the year 1995; and
3. Such other matters as may properly come before the Annual Meeting and any adjournment or adjournments thereof.

Shareholders of record at the close of business on March 13, 1995, are entitled to notice of and to vote at such meeting and any adjournment or adjournments thereof.

Very truly yours,

/s/ John E. Lenhard

John E. Lenhard
Secretary and Assistant General Counsel

 * IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE MEETING. *
 * WHETHER OR NOT YOU INTEND TO BE PRESENT, PLEASE SIGN AND DATE THE *
 * ENCLOSED PROXY CARD AND RETURN IT IN THE ENCLOSED POSTAGE-PREPAID *
 * ENVELOPE, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES. *
 * *****

Cleveland-Cliffs Inc
1100 Superior Avenue * Cleveland, Ohio 44114-2589

PROXY STATEMENT

MARCH 23, 1995

SOLICITATION, USE AND REVOCATION OF PROXIES

The accompanying proxy is solicited by the Board of Directors of Cleveland-Cliffs Inc, an Ohio corporation ("Company"), for use at the Annual Meeting of Shareholders to be held on May 9, 1995, and any adjournment or adjournments thereof ("Meeting"). Any proxy may be revoked by a later proxy, by notice to the Company in writing or in open meeting, without affecting any vote previously taken.

OUTSTANDING SHARES AND VOTING RIGHTS

As of March 13, 1995, the record date for the determination of persons entitled to vote at the Meeting, there were 12,104,892 of the Company's Common Shares, par value \$1.00 per share ("Common Shares"), outstanding. Each Common Share is entitled to one vote. This Proxy Statement and accompanying proxy card are being first mailed or otherwise distributed to shareholders on or about March 23, 1995.

ELECTION OF DIRECTORS

(PROPOSAL NO. 1)

It is intended that proxies received will be voted, unless contrary instructions are given, to elect the 11 nominees named in the following table to serve until the next Annual Meeting of Shareholders and until their successors shall be elected.

Should any nominee decline or be unable to accept such nomination to serve as Director, an event which the Company does not currently anticipate, the persons named as proxies reserve the right, in their discretion, to vote for a lesser number or for substitute nominees designated by the Directors, to the extent consistent with the Company's Regulations.

INFORMATION CONCERNING DIRECTORS AND NOMINEES

Based upon information received from the respective Directors as of February 28, 1995 (except as otherwise indicated), the following information is furnished with respect to each person nominated for election as a Director.

<TABLE>
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NAME, AGE AND PRINCIPAL OCCUPATION AND EMPLOYMENT DURING PAST FIVE YEARS	FIRST BECAME DIRECTOR
ROBERT S. COLMAN, 53, Founder and Partner since February, 1991 of Colman, Furlong & Co., a private merchant banking firm; previously Mr. Colman formed R. S. Colman Company, also a merchant banking firm; from September, 1978 through December, 1988, Mr. Colman was founding partner of Robertson, Colman & Stephens, an investment banking firm. Mr. Colman is a Director of Access Healthnet, Inc., HealthCare COMPARE Corp. and New Image Industries, Inc.	1991
JAMES D. IRELAND III, 45, Managing Director since January 1, 1993 of Capital One Partners, Inc., a private merchant banking firm; Mr. Ireland is also President since before 1990 of Briseis Capital Corporation, a private merchant banking firm. Mr. Ireland is a Director of Sun Coast Industries, Inc.	1986
G. FRANK JOKLIK, 66, Retired. Former President and Chief Executive Officer since before 1990 of Kennecott Corporation, an international mining company. Mr. Joklik is a Director of First Security Corporation. Mr. Joklik is also Chairman of the Salt Lake City Bid Committee for 2002 Olympic Winter Games.	1994
E. BRADLEY JONES, 67, Retired. Former Chairman and Chief Executive Officer from July 1, 1982 through December 31, 1984 of LTV Steel Company, a major steel manufacturer. During the same period, Mr. Jones was a Group Vice President and Director of The LTV Corporation, a diversified manufacturer of steel, aerospace and defense products. Mr. Jones is a Director of Birmingham Steel Corporation, Consolidated Rail Corporation, NACCO Materials Handling Group, NACCO Industries, Inc., RPM, Inc. and TRW Inc. Mr. Jones is also a trustee of Fidelity Funds and First Union Real Estate Equity and Mortgage Investments.	1985
LESLIE L. KANUK, 65, Professor of Marketing since before 1990 at Baruch College, City University of New York; Dr. Kanuk is also President of Leslie Kanuk Associates, management consultants. Dr. Kanuk is a former Chairman of the Federal Maritime Commission and, since before 1990, a Director of the Containerization and Intermodal Institute; member of the Board of Visitors, Maine Maritime Academy; Board of Trustees, United Seamen's Service; and since 1994, Board of Advisors, Weissman Center for International Business.	1991
M. THOMAS MOORE, 60, Chairman and Chief Executive Officer of the Company since May 10, 1988, and President and Chief Executive Officer since January 1, 1987. Mr. Moore is a Director of Capitol American Financial Corporation, KeyCorp, and The LTV Corporation. Mr. Moore is also a Director of the American Iron and Steel Institute, American Iron Ore Association, and National Mining Association.	1986

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<TABLE>
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NAME, AGE AND PRINCIPAL OCCUPATION AND EMPLOYMENT DURING PAST FIVE YEARS	FIRST BECAME DIRECTOR
STEPHEN B. ORESMAN, 62, President, since January, 1991, of Saltash, Ltd., management consultants; from September, 1988 through December, 1990, Mr. Oresman served as Vice President of The Canaan Group, Ltd., management consultants. Mr. Oresman was with Booz-Allen & Hamilton, Inc., management consultants, for 19 years where he was Senior Vice President and Chairman of Booz-Allen & Hamilton International. Mr. Oresman is a Director of Grossman's, Inc., Osiris Therapeutics Inc., Technology Solutions Company and TriNet Corporate Realty Trust Inc.	1991
ALAN SCHWARTZ, 54, Professor of Law at the Yale Law School and Professor at the Yale School of Management since before 1990. Mr. Schwartz was a Professor of Law and Social Science at the California Institute of Technology since before 1987 through July, 1987.	1991

SAMUEL K. SCOVIL, 71, Retired. Former Chairman and Chief Executive Officer of the Company since before 1990. Mr. Scovil is a Director of Holnam Inc.	1973
JEPHA H. WADE, 70, Retired. Former partner in the law firm of Choate, Hall & Stewart since before 1990; from January 1, 1988 through December 31, 1989, Mr. Wade was of counsel to that law firm. Mr. Wade is a trustee of the State Street Research and Met-Life State Street Mutual Funds.	1957
ALTON W. WHITEHOUSE, 67, Retired. Former Chairman and Chief Executive Officer since before 1990 of The Standard Oil Company (Ohio), an integrated petroleum company. Mr. Whitehouse is a Director of The Timken Company.	1972

</TABLE>

THE DIRECTORS RECOMMEND A VOTE FOR EACH OF THE NOMINEES LISTED ABOVE.

BOARD OF DIRECTORS AND BOARD COMMITTEES

The Board of Directors have diversified professional experience in general management, mining, finance, law, education, and other fields. There is no family relationship among any of the nominees and executive officers of the Company. Nine of the eleven nominees have no present or former employment relationship with the Company. None of the nominees have any business relationship with the Company. All members of the Audit, Board Affairs, and Compensation and Organization Committees are independent Directors. A majority of the members of each other committee are independent Directors. The average age of the nominees is 61, ranging from 45 to 71. The average service of the Directors is 11 years, ranging from one year to 37 years.

The Company has maintained a progressive and independent Board governance process for many years. During 1994, eight regularly scheduled and special meetings of the Board of Directors were held and nineteen meetings of all standing Board committees were held. Directors also discharge their responsibilities by review of Company reports to Directors, visits to Company facilities, correspondence with the Chairman, and telephone conferences with the Chairman, Directors, and others regarding matters of interest and concern to the Company. The Board of Directors have Executive, Audit, Board Affairs, Compensation and Organization, Finance, Long Range Planning, and Public Affairs Committees. All committees regularly report their activities, actions, and recommendations to the Board. Eight Directors attended 100 percent of the meetings of the Company's Board of Directors and Board Committees of which they were a member; one Director attended over 95 percent of such meetings; and two Directors attended over 80 percent of such meetings.

The Executive Committee consists of Messrs. Ireland, Jones, Moore, Oresman, Scovil and Wade and Mr. Moore serves as Chairman. This Committee normally meets only when action is required before a regular Board meeting. It is empowered to act for the full Board of Directors on all matters, except it has no authority to fill vacancies among Directors or in any Committee of Directors, change officers of the Company, or declare

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dividends. Its members presently consist of the chairmen of the other standing committees. The Committee held one meeting during 1994.

The Audit Committee consists of Dr. Kanuk and Messrs. Oresman and Schwartz and Mr. Oresman serves as Chairman. The Committee reviews with the Company's management, the internal auditors and the independent public accountants, the Company's policies and procedures with respect to internal control; reviews significant accounting matters; approves the audited financial statements prior to public distribution; approves any significant changes in the Company's accounting principles or financial reporting practices; reviews independent public accounting services; and recommends to the Board of Directors the firm of independent public accountants to examine the Company's financial statements. The Committee held two meetings during 1994.

The Board Affairs Committee consists of Messrs. Colman, Jones, Wade and Whitehouse and Mr. Wade serves as Chairman. The Committee administers the Company's compensation and benefit plans for Directors; monitors the Board governance process and provides counsel to the Board and the Chairman and Chief Executive Officer on Board governance and other matters; recommends changes in membership and responsibility of Board committees; and acts as the Board's Nominating Committee and Proxy Committee in the election of Directors. Shareholders wishing to nominate director candidates for consideration by the Committee can do so by writing to the Secretary of the Company, giving the candidate's name, appropriate biographical data and qualifications. The Committee held one meeting during 1994.

The Compensation and Organization Committee consists of Messrs. Colman, Ireland, Joklik and Jones and Mr. Jones serves as Chairman. The Committee recommends to the Board of Directors the officers, and compensation of officers; administers the Company's compensation plans for officers; reviews organization and management development; evaluates the performance of the Chief Executive Officer and obtains the advice of outside experts with regard to compensation matters. The Committee held eight meetings during 1994.

The Finance Committee consists of Messrs. Ireland, Schwartz and Whitehouse and Mr. Ireland serves as Chairman. The Committee reviews the Company's financial condition, financial policies, investment plans and benefit funds

M. Thomas Moore.....	40,000	40,000	-0-	40,000	-0-	--
John S. Brinzo.....	27,835	18,974	8,861	18,974	8,861	--
William R. Calfee.....	19,805	19,805	-0-	19,805	-0-	--
Frank S. Forsythe.....	4,648	2,141	2,507	2,141	2,507	--
A. Stanley West.....	13,171	13,171	-0-	13,171	-0-	--
All Directors and Executive Officers as a Group (16 Persons).....	415,834	137,824	278,010	137,824	278,010	3.44%

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<CAPTION>

OTHER PERSONS	AMOUNT AND NATURE OF "BENEFICIAL OWNERSHIP" (1)					
	BENEFICIAL OWNERSHIP (2)	INVESTMENT POWER		VOTING POWER		PERCENT OF CLASS (3)
		SOLE	SHARED	SOLE	SHARED	
Merrill Lynch & Co., Inc. (5) World Financial Center, North Tower 250 Vesey Street New York, NY 10281.....	1,061,129	-0-	1,061,129	-0-	1,061,129	8.77%
Neuberger & Berman (6) 605 Third Avenue New York, NY 10158.....	944,000	-0-	944,000	582,400	212,000	7.80%
Farmers Group, Inc. (7) 4680 Wilshire Boulevard Los Angeles, CA 90010.....	754,500	-0-	754,500	-0-	754,500	6.23%

<FN>

(1) Under the rules of the SEC, "beneficial ownership" includes having or sharing with others the power to vote or direct the investment of securities. Accordingly, a person having or sharing the power to vote or direct the investment of securities is deemed to "beneficially own" the securities even if he has no right to receive any part of the dividends on or the proceeds from the sale of the securities. Also, because "beneficial ownership" extends to persons, such as co-trustees under a trust, who share power to vote or control the disposition of the securities, the very same securities may be deemed "beneficially owned" by two or more persons shown in the table. Information with respect to "beneficial ownership" shown in the table above is based upon information supplied by the Directors and executive officers of the Company and filings made with the SEC or furnished to the Company by any shareholder.

(2) Included in the shares shown are Common Shares subject to options granted by the Company which entitle the holder to acquire said shares within 60 days from February 28, 1995. All Directors, except for Mr. Joklik, Mr. Moore and Mr. Scovil have such options with respect to 1,500 Common Shares, and Mr. Joklik has such options with respect to 1,000 Common Shares; each of the executive officers named in the table has such options as follows: Mr. Moore, 10,000 Common Shares; Mr. Brinzo, 8,000 Common Shares; Mr. Calfee, 4,375 Common Shares; Mr. Forsythe, -0- Common Shares; and Mr. West, 2,500 Common Shares; and the Directors and executive officers as a group have such options with respect to 37,875 Common Shares. Performance shares awarded in 1994 to Messrs. Moore, Brinzo, Calfee, Forsythe, and West as described under "Long-Term Incentive Plans -- Awards in Last Fiscal Year" on page 8 are not included in the shares shown in the table.

(3) Less than 1%, except as otherwise indicated.

(4) Of the 269,642 shares deemed under the rules of the SEC to be beneficially owned by Mr. Ireland, he is a record holder of 3,000 shares. The remaining 266,642 shares are held in trusts, substantially for the benefit of a charitable foundation, as to which Mr. Ireland is a co-trustee with shared voting and investment powers. Of such shares in trusts, Mr. Ireland has an interest in the income or corpus with respect to 18,474 shares.

(5) Except for Percent of Class, the information shown above was taken from the Amendment No. 2 to Schedule 13G, dated February 10, 1995, as filed by Merrill Lynch & Co., Inc., Merrill Lynch Group, Inc., Princeton Services, Inc., Merrill Lynch Asset Management, L.P. and Merrill Lynch Capital Fund, Inc. with the SEC.

(6) Except for Percent of Class, the information shown above was taken from the Amendment No. 2 to Schedule 13G, dated February 10, 1995, as filed by Neuberger & Berman with the SEC.

(7) Except for Percent of Class, the information shown above was taken from the Schedule 13G, dated February 9, 1995, as filed by Farmers Group, Inc. and B.A.T. Industries p.l.c., with the SEC.

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EXECUTIVE COMPENSATION

The following table sets forth all compensation provided to the Company's five most highly compensated executive officers during or with respect to the year shown for services rendered to the Company and its subsidiaries.

SUMMARY COMPENSATION TABLE

OTHER COMPENSATION (4)	NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION			LONG TERM COMPENSATION		ALL
			SALARY (\$)	BONUS (\$)	OTHER ANNUAL COMPENSATION (1) (\$)	RESTRICTED STOCK	SECURITIES UNDERLYING	
						AWARDS (2) (\$)	OPTIONS (#)	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
M. Thomas Moore 17,666 Chairman and Chief Executive 14,978 Officer 16,296		1994	\$431,250	\$222,000	--	\$ -0-	-0-	\$
		1993	422,500	175,000	--	109,442 (3)	-0-	
		1992	395,000	150,000	--	-0-	-0-	
John S. Brinzo 8,897 Senior Executive-Finance 7,447 8,636		1994	217,500	105,000	--	-0-	-0-	
		1993	210,000	65,000	--	54,388 (3)	-0-	
		1992	200,000	55,000	--	-0-	-0-	
William R. Calfee 10,245 Senior Executive-Commercial 8,250 8,495		1994	250,000	95,000	--	-0-	-0-	
		1993	250,000	60,000	--	48,514 (3)	-0-	
		1992	239,000	60,000	--	-0-	-0-	
Frank S. Forsythe 9,625 Senior Executive-Operations 11,599 (Mine Partnerships) 7,528		1994	235,000	47,500	--	-0-	-0-	
		1993	235,000	60,000	--	28,607 (3)	-0-	
		1992	225,000	55,000	--	-0-	-0-	
A. Stanley West 6,314 Senior Vice President-Sales 5,254 7,224		1994	154,000	55,000	--	-0-	-0-	
		1993	148,000	27,000	--	19,145 (3)	-0-	
		1992	142,000	25,000	--	-0-	-0-	

<FN>

- (1) The executive officers are reimbursed for business club membership expenses and other business perquisites, in amounts that are less than the reporting thresholds established by the Securities and Exchange Commission.
- (2) The aggregate number of shares of Restricted Stock held by Messrs. Moore, Brinzo, Calfee, Forsythe and West, as of December 31, 1994 was 770, 426, 305, 180 and 218, respectively. The aggregate value of such shares as of December 31, 1994 was \$28,490, \$15,762, \$11,285, \$6,660 and \$8,066, respectively. Dividends are payable on the shares of Restricted Stock reported in this column at the same rate as dividends on the Company's other Common Shares.
- (3) On July 28, 1993, the Company made awards to Messrs. Moore, Brinzo, Calfee, Forsythe and West of 3,447, 1,713, 1,528, 901 and 603 shares of Restricted Stock, respectively. These awards of Restricted Stock are tied to certain stock options granted in 1987, 1988 and 1990. The shares of Restricted Stock vest in the same proportion as the underlying stock options to which such shares are tied when such options are exercised by the optionee; however, in no event will the shares of Restricted Stock vest prior to one year following the date of the award.
- (4) Amounts indicated for 1994 include cash contributed by the Company under the Cliffs Salaried Employees Supplemental Retirement Savings Plan as follows: \$6,468, \$5,925, \$6,120, \$6,030 and \$6,314 on behalf of Messrs. Moore, Brinzo, Calfee, Forsythe and West, respectively; and cash contributed by the Company under the Voluntary Non-Qualified Deferred Compensation Plan as follows: \$11,198, \$2,972, \$4,125, \$3,595 and \$-0- on behalf of Messrs. Moore, Brinzo, Calfee, Forsythe and West, respectively.

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<TABLE>

AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION VALUES

The following table sets forth information about stock options exercised by the Company's five most highly compensated executive officers during the last fiscal year and the number of Common Shares covered by unexercised options and the aggregate value of options held at the end of such fiscal year.

<CAPTION>

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED (\$)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FY-END (#)		VALUE OF UNEXERCISED "IN-THE-MONEY" OPTIONS AT FY-END (\$)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
M. Thomas Moore	4,468	\$91,192	12,532	-0-	\$ 211,571	-0-
John S. Brinzo	-0-	-0-	8,000	-0-	135,060	-0-
William R. Calfee	-0-	-0-	4,375	-0-	73,861	-0-
Frank S. Forsythe	4,250	86,626	-0-	-0-	-0-	-0-
A. Stanley West	-0-	-0-	2,500	-0-	42,206	-0-

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LONG-TERM INCENTIVE PLANS -- AWARDS IN LAST FISCAL YEAR

The following table below sets forth information relating to the long-term incentive awards that were made under the 1992 Incentive Equity Plan during the last fiscal year for the five most highly compensated executive officers.

<CAPTION>

NAME	NUMBER OF SHARES, UNITS OR OTHER RIGHTS	PERFORMANCE OR OTHER PERIOD UNTIL MATURATION OR PAYOUT	ESTIMATED FUTURE PAYOUTS UNDER NON-STOCK PRICE-BASED PLANS (1)		
			NUMBER OF SHARES		
			THRESHOLD	TARGET	MAXIMUM
<S>	<C>	<C>	<C>	<C>	<C>
M. Thomas Moore	9,500	1/1/94 - 12/31/96	2,375	9,500	14,250
John S. Brinzo	4,000	1/1/94 - 12/31/96	1,000	4,000	6,000
William R. Calfee	4,000	1/1/94 - 12/31/96	1,000	4,000	6,000
Frank S. Forsythe	1,667	1/1/94 - 12/31/96	416	1,667	2,500
A. Stanley West	2,500	1/1/94 - 12/31/96	625	2,500	3,750

<FN>

(1) Assumes performance objectives are met.
</TABLE>

The above table presents information about performance shares awarded during the year pursuant to the 1992 Incentive Equity Plan. Each performance share that is earned entitles the holder to receive Common Shares in accordance with the above table, depending on the degree of achievement of specified Company objectives. The objectives, weighted equally, are total shareholder return (share price plus reinvested dividends) and value added (earnings less the cost of capital employed) over a three-year performance period. Achievement of the total shareholder return objective will be determined by the Company's shareholder return relative to a predetermined group of steel, metal and mining companies. Achievement of the value added objective will be determined by comparing the Company's actual and target value added. The target payout is calculated at 100% of the performance shares awarded and represents the number of Common Shares that would be earned if a target level of the objectives is achieved by the Company; maximum payout is calculated at 150% of the performance shares awarded and represents the number of Common Shares that would be earned if a superior level of the objectives is achieved by the Company; and threshold payout is calculated at 25% of the performance shares awarded and represents the number of Common Shares that would be earned if a minimum level of the objectives is achieved by the Company. If achievement of one objective is below threshold, achievement of the other objective must be at least at target for any payout to occur. The number of Common Shares that will be earned will be reduced to the extent necessary to prevent the value of the Common Shares paid to any participant from exceeding twice the market value of the Common Shares covered by the participant's award on the date it was granted.

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COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

COMPENSATION POLICIES

The Company's philosophy is to maintain competitive total compensation for all employees, considering individual responsibilities and other comparative factors. The Company's compensation structure assists in retention of experienced employees and places a significant portion of executive compensation at risk with the performance of the Company and the individual.

Executive compensation consists of salary, current incentive opportunity,

long-term incentive opportunity, general employee benefits, and certain minor executive benefits. In determining the actual level and components of executive compensation, the Committee reviews survey information provided by a compensation consulting firm, Company and individual performance, recommendations of the Chief Executive Officer, and the general business environment. Survey data represents a broad group of industrial companies of comparable scope.

The Company has selected the S&P Steel Group Index and the S&P Miscellaneous Metals Group Index for use in the stock price performance graph on page 12 because no meaningful iron ore producer peer group index is available and the steel industry is the Company's sole customer base. For statistical validity, the survey group for executive compensation is larger than the steel and metal company groups used for the stock price performance comparison.

The Committee periodically obtains advice from independent compensation consultants. In 1994, a consultant assisted the Committee in designing a long-term performance share program for designated key management employees under the 1992 Incentive Equity Plan.

The Committee has reviewed the proposed regulations under the federal income tax legislation enacted in 1993 which limits the deductibility of certain executive compensation in excess of \$1 million and has determined that non-deductible payments under the Company's compensation programs in 1995 are unlikely.

SALARIES

The Company's objective is to maintain aggregate salaries at the 50th percentile of industry survey data. Individual salaries reflect responsibility, performance, and experience. The Company's officers average 24 years of experience in the iron and steel industries. Salary increases are awarded periodically based on individual performance when economic conditions allow.

Executive officers received no salary increases in 1991 and 1992 except for certain promotional increases. On January 1, 1993, executive officers received merit increases totaling approximately 5 percent and their annual bonus targets were reduced by approximately offsetting dollar amounts. In 1994, salary and current incentive structures were updated for all salaried employees, including executive officers, based on industry survey data. As a result, executive officers received a total salary increase of 4 percent on July 1, 1994 and their total annual target bonus was reduced by 12.6 percent.

ANNUAL INCENTIVE OPPORTUNITY

The Company maintains a Management Performance Incentive Plan ("MPI Plan") which provides the opportunity for eligible management employees to earn an annual cash bonus. The MPI Plan was established in 1993 as a successor plan to the previous Incentive Bonus Plan and Management Bonus Plan. The MPI Plan essentially adopted the principles of the previous plans but consolidated the eligible employee groups. In 1994, separate incentive plans were installed for salaried personnel at operating units, thereby reducing the number of participants in the MPI Plan and restricting it to corporate management and certain other management employees. This change was designed to more closely align annual incentives with the respective employee units and responsibilities.

Under the MPI Plan, each participant has a designated target bonus reflecting the participant's position level. As a result of the salary and incentive restructuring mentioned above, the target for executive officers now ranges from 32 to 50 percent of the officer's salary range midpoint versus the previous range of 30 to 70 percent. Actual awards may range from zero to 200 percent of the target amount for a participant. The previous target range was zero to 150 percent.

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Company and executive officer objectives are reviewed by the Board of Directors at the beginning of each year and performance reports are reviewed at regular Board meetings throughout the year. At the end of each year, the Committee determines the total bonus pool for the MPI Plan participants and the individual awards for the officers based on the foregoing reports, the Chief Executive Officer's recommendations, and the Committee's review of Company, organizational unit, and individual performance for the year in relation to past results, current year objectives, strategic plans, and the competitive and economic environment.

A composite judgment is made by the Committee in determining awards under the MPI Plan. The Company's earnings are a key determinant, but other accomplishments or disappointments with implications for future company results may be more important in any year. MPI Plan awards reflect the Committee's judgment of individual and organizational unit performance in such areas as sales, new business development, operations, technology, product and process quality, safety and environmental management, expenditure control, human resource programs, financial management, legal activities, and public affairs. The benefit to the Company of the cumulative performance and experience of the executive may also be considered. All such matters are evaluated collectively without assignment of weights to individual factors.

Bonuses for the executive officers, excluding the Chief Executive Officer, totaled \$347,500 for 1994 (93 percent of average target bonus) versus \$242,000 for 1993 (65 percent of average target bonus) and \$251,000 for 1992 (54 percent

of average target bonus). In determining the 1994 bonuses for these officers, the factors described above were considered, including the Company's increased earnings, the Company's performance on numerous business objectives, and the individual performance of the officers in regard to their responsibilities and objectives.

LONG-TERM INCENTIVE OPPORTUNITY

All officers are shareholders of the Company.

Under the 1987 and 1992 Incentive Equity Plans approved by the shareholders, the Committee can award stock options or other forms of equity incentives to motivate participants to increase the value of the Company to shareholders. Individual awards are scaled in accordance with level of responsibility.

The exercise price of all stock options has been the market price when awarded, adjusted for business spinoffs and special distributions to shareholders. Options have not been repriced for "under water" situations. In 1993, the price of unexercised options was reduced and restricted stock awards were made to reflect the equivalent value of the Company's bankruptcy claim recovery from The LTV Corporation which was distributed to the Company's shareholders. The executive officers were awarded 8,192 shares of restricted stock in 1993 to reflect the LTV claim recovery distribution and to correct a deficiency in prior option price adjustments for a special distribution to shareholders in 1991. Other than these special situations, there has been no general award of restricted stock to executive officers since 1988 and no stock options have been awarded to executive officers since 1990. There is no present intention to make future general awards of stock options or restricted stock to executive officers. However, the Committee may continue to use such incentives for special purposes from time to time.

Under the 1992 Incentive Equity Plan, a long-term performance share program ("Performance Share Program") was installed in 1994 for designated key management employees to further align their interests with the shareholders in increasing return on invested capital and long-term shareholder value. The Performance Share Program provides the participants the opportunity to receive shares of Company stock based on Company performance against specified objectives.

Awards of "performance shares" are made annually based on position level. Performance for 1994 awards will be measured for the three year period 1994-1996, with the first earnings opportunity to occur in 1997 for the 1994 awards. The percentage of performance share awards earned as actual shares can range from zero to 150 percent. The Committee may award equivalent cash value at its discretion. For 1994, the executive officers, excluding the Chief Executive Officer, were awarded 14,667 performance shares. For a detailed description of the awards, objectives and estimated future payout opportunities for the initial three-year performance period, see "Long-Term Incentive Plans -- Awards in Last Fiscal Year" on page 8.

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CHIEF EXECUTIVE OFFICER COMPENSATION

M. Thomas Moore has 35 years of experience in the iron and steel industries, including 28 years with the Company. Mr. Moore has served as a senior officer of the Company since 1968, as Chief Executive Officer since January 1, 1987, and as Chairman since May 10, 1988.

Under the competitive compensation restructuring described above, Mr. Moore's annual target bonus under the MPI Plan for 1994 was reduced by \$83,300 at his recommendation (from 70 percent to 50 percent of his salary range midpoint), and the Board of Directors increased his annual salary by 4.1 percent or \$17,500 per year on July 1, 1994.

The MPI Plan award to Mr. Moore for 1994 was \$222,000 (104 percent of his target bonus) compared to \$175,000 or 59 percent of his target bonus in 1993 and \$150,000 or 47 percent of his target bonus in 1992. The Committee determined that such award for 1994 was appropriate in view of the Company's and Mr. Moore's performance in 1994 on the factors described above, including the Company's increased earnings, the Company's performance on numerous business objectives, the Company's acquisition of Northshore Mining Company, and his performance in regard to such objectives and his responsibilities. In accordance with its policy, the Committee considered all matters collectively.

Except for the adjustments applicable to other Incentive Equity Plan participants noted above under "Long-Term Incentive Opportunity", no stock options or restricted stock were awarded to Mr. Moore during 1993 or 1994. Mr. Moore was awarded 9,500 performance shares for 1994 under the Performance Share Program.

The Chief Executive Officer is not present when the Committee reviews his performance and determines his compensation.

OTHER

In 1987, after the depressed industry conditions of the 1982-1986 period, the Company began a major restructuring and growth renewal. For the period 1987 through 1994, net income totaled \$330 million, cash flow from operating activities (before working capital changes) totaled \$415 million, and the market

value of the Company's Common Shares, plus special distributions to shareholders, increased by \$463 million.

The total available return to continuous shareholders from share price appreciation and assumed reinvested dividends on the Company's Common Shares between December 31, 1986 and December 31, 1994, was 587 percent, which substantially exceeded the total returns of the S&P 500 Stock Index, the S&P Steel Group Index, and the S&P Miscellaneous Metals Group Index as shown on the accompanying graph. For the same period, personal income on stock option exercises and restricted stock awards under the 1987 and 1992 Incentive Equity Plans for the Chief Executive Officer and all participants equaled 0.7 percent and 3.3 percent, respectively, of the growth in shareholder value. The Committee believes that such income represented a modest cost to the Company in relation to the substantial increase in the Company's shareholder value.

For the five-year period ended December 31, 1994, the total return on the Company's Common Shares was 84 percent which exceeded the three comparative indices as shown on the accompanying graph. The Committee believes that the long-term and cyclical nature of the Company's business, plus independent fluctuations in stock markets, make shorter-term comparison of executive compensation and stock prices inappropriate. Furthermore, the Committee believes that the Company's compensation and incentive structure provides strong alignment of the long-term interests of key management, the Company, and its shareholders.

The foregoing report has been furnished by the members of the Compensation and Organization Committee as set forth below:

E. B. Jones, Chairman
R. S. Colman
J. D. Ireland III
G. F. Joklik

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SHAREHOLDER RETURN PERFORMANCE

The following graphs show changes over the past five-year and eight-year periods in the value of \$100 invested in: (1) Cliffs' Common Shares; (2) S&P 500 Stock Index; (3) S&P Steel Group Index; and (4) S&P Miscellaneous Metals Group Index. The values of each investment are based on price change plus reinvestment of all dividends. Cliffs' values include the reinvestment of proceeds from securities distributed to shareholders in 1988 and 1993.

<TABLE>

FIVE-YEAR CUMULATIVE TOTAL RETURNS

VALUE OF \$100 INVESTED AT DECEMBER 31, 1989

MEASUREMENT PERIOD (FISCAL YEAR COVERED)	CLIFFS' COMMON	S&P 500	S&P STEEL	S&P MISC. METALS
<S>	<C>	<C>	<C>	<C>
1989	100	100	100	100
1990	96	97	84	95
1991	150	126	103	107
1992	153	136	135	115
1993	180	150	178	128
1994	184	152	173	149

</TABLE>

<TABLE>

<CAPTION>

VALUE AT DECEMBER 31

	<C>	<C>	<C>	<C>	<C>	<C>
Cliffs' Common	100	96	150	153	180	184
S&P 500	100	97	126	136	150	152
S&P Steel Group	100	84	103	135	178	173
S&P Misc. Metals Group	100	95	107	115	128	149

</TABLE>

<TABLE>

EIGHT-YEAR CUMULATIVE TOTAL RETURNS

VALUE OF \$100 INVESTED AT DECEMBER 31, 1986

MEASUREMENT PERIOD (FISCAL YEAR COVERED)	CLIFFS' COMMON	S&P 500	S&P STEEL GROUP	S&P MISC. METALS
<S>	<C>	<C>	<C>	<C>
1986	100	100	100	100
1987	157	105	160	176
1988	339	123	195	232
1989	374	161	189	267
1990	359	156	159	253
1991	561	204	195	286
1992	572	220	255	307
1993	672	242	336	342

<TABLE>
 <CAPTION>

VALUE AT DECEMBER 31

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Cliffs' Common	100	157	339	374	359	561	572	672	687
S&P 500	100	105	123	161	156	204	220	242	245
S&P Steel Group	100	160	195	189	159	195	255	336	326
S&P Misc. Metals Group	100	176	232	267	253	286	307	342	399

PENSION BENEFITS

The following table shows the approximate maximum annual pension benefit under the Company's qualified pension plans, together with the Supplemental Plan described below, which would be payable to employees in various compensation classifications at age 65 with representative years of service. The amounts listed in the table are computed on an automatic joint and survivorship annuity basis and are subject to an offset for Social Security benefits through December 31, 1994 and the equivalent offset thereafter.

<TABLE>
 <CAPTION>

AVERAGE ANNUAL COMPENSATION FOR 60 HIGHEST CONSECUTIVE MONTHS IN LAST 120 MONTHS PRECEDING RETIREMENT	ANNUAL BENEFITS FOR YEARS OF SERVICE INDICATED					
	15 YRS.	20 YRS.	25 YRS.	30 YRS.	35 YRS.	40 YRS.
<S>	<C>	<C>	<C>	<C>	<C>	<C>
\$100,000	\$ 27,225	\$ 35,100	\$ 42,975	\$ 50,850	\$ 58,725	\$ 66,600
150,000	39,038	50,850	62,663	74,475	86,288	98,100
200,000	50,850	66,600	82,350	98,100	113,850	129,600
250,000	62,663	82,350	102,038	121,725	141,413	161,100
300,000	74,475	98,100	121,725	145,350	168,975	192,600
350,000	86,288	113,850	141,413	168,975	196,537	224,100
400,000	98,100	129,600	161,100	192,600	224,100	255,600
450,000	109,913	145,350	180,788	216,225	251,662	287,100
500,000	121,725	161,100	200,475	239,850	279,225	318,600
550,000	133,538	176,850	220,163	263,475	306,788	350,100
600,000	145,350	192,600	239,850	287,100	334,350	381,600
650,000	157,163	208,350	259,538	310,725	361,913	413,100
675,000	163,069	216,225	269,381	322,538	375,694	428,850

</TABLE>

The table is based on a 1 1/2% pension formula, includes the impact of a 5% add-on for employees who retire at age 65 under the 30 year or 65/10 retirement provision between January 1, 1994 and December 31, 1999, and includes a \$300 monthly pension supplement payable for 12 months after retirement for employees who retire at age 65 under the 30 year or 65/10 retirement provisions after January 1, 1994 and prior to January 1, 1997. The Internal Revenue Code of 1986 (the "Code") places limitations on the benefits which may be paid from a qualified pension plan. The Company has a nonqualified Supplemental Retirement Benefit Plan ("Supplemental Plan") providing for the payment from general funds of the benefits which would be lost by Supplemental Plan participants as a result of present or future Code or other government limitations.

The compensation used to determine benefits under the Company's pension plans is the sum of salary and bonus paid to a participant during a calendar year. Pensionable earnings for each of the Company's executive officers during 1994 included the amount shown for 1994 in the Salary column of the Summary Compensation Table on page 7, plus the amount of bonus earned in 1993 and paid in 1994, as shown in the Bonus column of the Summary Compensation Table for 1993. Pensionable earnings in 1994 for Messrs. Moore, Brinzo, Calfee, Forsythe and West were \$606,250, \$282,500, \$310,000, \$295,000 and \$181,000, respectively. Messrs. Moore, Brinzo, Calfee, Forsythe and West have 28, 25, 22, 18 and 27 years of credited service under the Company's qualified pension plan, respectively.

AGREEMENTS AND TRANSACTIONS

The Company has agreements ("Agreements") dated February 1, 1992 with M. Thomas Moore, Chairman and Chief Executive Officer, John S. Brinzo, Senior Executive-Finance, William R. Calfee, Senior Executive-Commercial, and Frank S. Forsythe, Senior Executive-Operations (Mine Partnerships), which specify certain financial arrangements that the Company will provide upon the termination of such individuals' employment with the Company under certain circumstances. The Agreements are intended to ensure continuity and stability of executive management of the Company. The Agreements provide that, in the event of a "change of control" of the Company (as defined in the Agreements), such individuals would continue their employment with the Company in their then current positions for a period of 3 years following such "change of control".

Under the Agreements, during the 3-year period following a "change of control", each officer would be entitled to receive base pay and incentive compensation equivalent to that received prior to the "change of control", and to continue participation in employee benefit plans. The Agreements also provide that the officer would receive age and service pension credit through the 3-year term for pension benefit purposes and provide 1 year of prior actual "industry service" credit for every 2 years of service with the Company for the sole purpose of determining when the officer would be eligible for commencement of a 30-year pension benefit. If during the 3-year period, the officer is terminated by the Company without "cause", becomes disabled, or resigns after (i) not being maintained in his prior position, (ii) being reduced in compensation or benefits, (iii) determining he is unable to carry out his duties and responsibilities, or (iv) being relocated or required to travel excessively without his consent, such officer would be entitled to lump sum payments of the then present value of the base pay, incentive compensation, and pension benefits that he would be entitled to receive under the agreement for the remainder of the 3-year period, and would be entitled to continue participation in medical and other welfare benefit plans. The Agreements also entitle the officers to welfare benefit continuation for life upon retirement or following termination, unless the termination was for "cause". In addition, the Agreements provide that officers are eligible for reimbursement of reasonable outplacement expenses. The aggregate payments to any officer under the Agreements may not exceed the maximum amount the Company can deduct for Federal income tax purposes, taking into account the rules applicable under the Code.

None of these arrangements create employment obligations for the Company unless a "change of control" has occurred, prior to which time the Company and such officer each reserves the right to terminate their employment relationship. Both before and after the occurrence of a "change of control", the Company may terminate the employment of any of such officers for "cause", without an obligation to pay severance compensation or benefits.

During 1994, the Board of Directors of the Company approved the renewal to January 1, 1998 of the February 1, 1992 Severance Pay Plan for Key Employees ("Severance Plan") which presently covers 18 key employees. The Severance Plan is designed to assure continuity, stability, and fair treatment of employees in key positions in the event of a "change of control" of the Company (as defined in the Severance Plan). Under the Severance Plan, if during the 3-year period following a "change of control" a participant is terminated by the Company without "cause" or resigns after (i) not being maintained in his or her prior position, (ii) being reduced in compensation or benefits, (iii) determining he or she is unable to carry out his or her duties and responsibilities, or (iv) being relocated or required to travel excessively without consent, he or she is entitled to receive (a) a lump sum payment in the amount of 1 or 2 years of base pay and incentive compensation (depending upon position), (b) age and service credit for the full 3-year term for pension benefit purposes, and (c) 1 year of prior actual "industry service" credit for every 2 years of service with the Company for the purpose of determining eligibility for commencement of 30-year pension and other benefits. Participants are entitled to continue participation in health and life insurance plans for 1 or 2 years or (if earlier) until covered by similar plans sponsored by a subsequent employer, and are entitled to medical and other welfare benefit continuation for life following termination, beginning upon the date that the participant would have had 30 years of service with the Company without such termination (including credit for the 3-year term and "industry service" as described above). Also, participants are eligible for reimbursement of reasonable outplacement expenses. Individuals who would be covered by the Severance Plan, but who receive severance pay and benefits pursuant to a "change of control" employment agreement or another plan or agreement

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signed on behalf of the Company, are not entitled to benefits under the Severance Plan. All benefits payable under the Severance Plan are to be derived from the Company's then current operating funds. The aggregate payments to any participant under the Severance Plan may not exceed the maximum amount the Company can deduct for Federal income tax purposes, taking into account the rules applicable under the Code. None of the obligations of the Company described above exist unless a "change of control" has occurred.

The Company has two trust agreements with Key Trust Company of Ohio, N.A. which relate to the Agreements and the Severance Plan. The first such trust agreement provides for the payment of the benefits arising under the Agreements, and the second trust agreement provides for reimbursement of legal fees and expenses incurred by the officers in enforcing their rights under the Agreements and by the the key employees under the Severance Plan.

The Company has indemnification agreements ("Indemnification Agreements") with each current member of the Board and Mr. Brinzo. The form and execution of the Indemnification Agreements were approved by the Company's shareholders at the Annual Meeting convened on April 29, 1987. Such agreements essentially provide that to the extent permitted by Ohio law, the Company will indemnify the indemnitee against all expenses, costs, liabilities and losses (including attorneys' fees, judgments, fines or settlements) incurred or suffered by the indemnitee in connection with any suit in which the indemnitee is a party or otherwise involved as a result of his service as a member of the Board or as an officer. In connection with the foregoing Indemnification Agreements, the Company has entered into a trust agreement with Key Trust Company of Ohio, N.A. pursuant to which the parties to the Indemnification Agreements may be reimbursed with respect to enforcing their respective rights under the

agreements.

The Company and the United Steel Workers of America ("USWA") are discussing criteria for a potential joint designee to the Board of Directors of the Company pursuant to a tentative understanding between the USWA and certain Company subsidiaries. If agreement is reached on such criteria and a designee, the Company would expect to add such designee to the Board of Directors after the Annual Meeting. In subsequent years, such designee would be subject to annual re-nomination by the Company and election by vote of the shareholders.

APPOINTMENT OF INDEPENDENT PUBLIC ACCOUNTANTS

(PROPOSAL NO. 2)

A proposal will be presented at the Meeting to ratify the appointment of the firm of Ernst & Young LLP as independent public accountants to examine the books of account and other records of the Company and its consolidated subsidiaries for the fiscal year ending December 31, 1995. Representatives of Ernst & Young LLP are expected to be present at the Meeting. Such representatives will have an opportunity to make a statement if they so desire and are expected to be available to respond to appropriate questions. Although such ratification is not required by law, the Board of Directors believes that shareholders should be given this opportunity to express their views on the subject. While not binding on the Board of Directors, the failure of the shareholders to ratify the appointment of Ernst & Young LLP as the Company's independent public accountants would be considered by the Board in determining whether or not to continue the engagement of Ernst & Young LLP.

THE DIRECTORS RECOMMEND A VOTE FOR THIS PROPOSAL TO RATIFY THE APPOINTMENT OF ERNST & YOUNG LLP AS YOUR COMPANY'S INDEPENDENT PUBLIC ACCOUNTANTS.

ANNUAL REPORT

The Company's 1994 Annual Report to Shareholders, including financial statements, is being distributed to all shareholders of the Company together with this Proxy Statement, in satisfaction of the requirements of the SEC. Additional copies of such report are available upon request. To obtain additional copies of such Annual Report please contact the Company's Investor Relations Department at (216) 694-5459.

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GENERAL INFORMATION

The cost of soliciting proxies will be paid by the Company. In addition to solicitation by mail, solicitations may also be made by personal interview, telegram and telephone. Arrangements will be made with brokerage houses and other custodians, nominees and fiduciaries to send proxies and proxy material to their principals, and the Company will reimburse them for their expenses in so doing. Officers and other regular employees of the Company, as yet undesignated, may also request the return of proxies by telephone, telegram, or in person. Finally, the Company has retained Georgeson & Company Inc., New York, New York, to assist in the solicitation of proxies using the means referred to above, at an anticipated cost of \$9,500, plus reasonable expenses.

Pursuant to regulations of the SEC, the material appearing under the captions "Compensation Committee Report on Executive Compensation" and "Shareholder Return Performance" are not deemed to be soliciting material or to be filed with the SEC or subject to Regulation 14A promulgated by the SEC or Section 18 of the Securities Exchange Act of 1934.

The Common Shares represented by properly executed proxy cards will be voted as specified. It is intended that the Common Shares represented by proxies on which no specification has been made will be voted FOR the election of the nominees for Director named herein or such substitute nominees as the Board of Directors may designate, FOR ratification of Ernst & Young LLP as the firm of independent public accountants to examine the books of account and other records of the Company and its consolidated affiliates for fiscal year 1995 and at the discretion of the persons named as proxies on all other matters which may properly come before the Meeting.

At the Meeting, the results of shareholder voting will be tabulated by the inspector of elections appointed for the Meeting. The Company intends to treat properly executed proxies that are marked "abstain" or that are held in "street name" by brokers and are not voted on one or more particular proposals (if otherwise voted on at least one proposal) as "present" for purposes of determining whether a quorum has been achieved at the Meeting. The candidates for Directors receiving the greatest number of votes will be elected. Votes withheld in respect of the election of Directors will not be counted in determining the outcome of that vote. In respect of the appointment of the independent public accountants, abstentions will be treated as votes against the proposal, and broker non-votes will be treated as having no effect on the outcome of the vote.

If notice in writing shall be given by any shareholder to the President, a Vice President or the Secretary, not less than 48 hours before the time fixed for the holding of the Meeting, that such shareholder desires that the voting for the election of Directors shall be cumulative, and if an announcement of the giving of such notice is made upon the convening of the Meeting by the Chairman or Secretary or by or on behalf of the shareholder giving such notice, each shareholder shall have the right to cumulate such voting power as he or she

possesses at such election. Under cumulative voting a shareholder may cast for any one nominee as many votes as shall equal the number of Directors to be elected, multiplied by the number of his or her Common Shares. All of such votes may be cast for a single nominee or may be distributed among any two or more nominees as he or she may desire. If cumulative voting is invoked, and unless contrary instructions are given by a shareholder who signs a proxy, all votes represented by such proxy will be cast in such manner and in accordance with the discretion of the person acting as proxy as will result in the election of as many of the Board of Directors' nominees as is possible.

OTHER BUSINESS

It is not anticipated that any other matters will be brought before the Meeting for action; however, if any such other matters shall properly come before the Meeting, it is intended that the persons authorized under proxies may, in the absence of instructions to the contrary, vote or act thereon in accordance with their best judgment.

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SHAREHOLDER PROPOSALS

Any proposal by a shareholder intended to be presented at the 1996 Annual Meeting of Shareholders must be received by your Company on or before November 22, 1995 to be included in the proxy materials of your Company relating to such meeting.

```
*****
*
*           IMPORTANT
*   -----
* TO ASSURE YOUR REPRESENTATION AND A QUORUM FOR THE TRANSACTION OF
* BUSINESS AT THE MEETING, PLEASE SIGN, DATE AND RETURN THE ENCLOSED
* PROXY CARD PROMPTLY.
*
*****
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CLEVELAND-CLIFFS INC

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 9, 1995 AND PROXY STATEMENT

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<TABLE>
<S>   <C>                                     <C>
P           CLEVELAND-CLIFFS INC
R           18TH FLOOR DIAMOND BUILDING - CLEVELAND, OHIO 44114-2589
O           THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS
X The undersigned hereby appoints R. S. Colman, E. B. Jones, J. H. Wade and A. W. Whitehouse, as Proxies, each with the
power to appoint his substitute, and hereby authorizes them to represent and to vote all of Cleveland-Cliffs Inc Common
Y Shares held of record by the undersigned on March 13, 1995, at the Annual Meeting of Shareholders to be held on May 9, 1995,
or at any adjournment or adjournments thereof, as follows:
C
O           Election of Directors, Nominees:
M           R. S. Colman, J. D. Ireland III, G. F. Joklik,
M           E. B. Jones, L. L. Kanuk, M. T. Moore,
O           S. B. Oresman, A. Schwartz, S. K. Scovil,
N           J. H. Wade, A. W. Whitehouse.
S
H YOU ARE ENCOURAGED TO SPECIFY YOUR CHOICES BY MARKING THE APPROPRIATE BOXES, SEE REVERSE SIDE, BUT YOU NEED NOT MARK ANY
BOXES
A IF YOU WISH TO VOTE IN ACCORDANCE WITH THE BOARD OF DIRECTORS' RECOMMENDATIONS. WHEN PROPERLY EXECUTED, THIS PROXY WILL BE
VOTED
R IN THE MANNER DIRECTED BY THE UNDERSIGNED SHAREHOLDER; IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR PROPOSALS 1
AND 2
E INCLUSIVE. THE PROXIES CANNOT VOTE YOUR SHARES UNLESS YOU SIGN AND RETURN THIS CARD.
S
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(TO BE SIGNED AND DATED ON OTHER SIDE)

SEE

REVERSE

SIDE
</TABLE>

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<TABLE>
<S>   <C>                                     <C>
/X/   PLEASE MARK YOUR
      VOTES AS IN THIS
      EXAMPLE.
|_____
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</TABLE>

<S>	<C> FOR	<C> WITHHELD	<C> 2. RATIFICATION OF THE	<C> FOR	<C> AGAINST	<C>
ABSTAIN 1. ELECTION OF DIRECTORS (see reverse)	/ /	/ /	APPOINTMENT OF ERNST & YOUNG LLP AS INDEPENDENT PUBLIC ACCOUNTANTS	/ /	/ /	/ /

For, except vote withheld from the following nominee(s):

IN THEIR DISCRETION, THE PROXIES ARE AUTHORIZED TO VOTE UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING.

administrator,
SIGNATURE (S) _____ DATE _____ , 1995

SIGNATURE (S) _____ DATE _____ , 1995

</TABLE>

NOTE: PLEASE SIGN EXACTLY AS NAME APPEARS HEREON.
When signing as attorney, executor,

trustee or guardian, please give full title as such and if signing for a corporation please give your title. When shares are in the names of more than one person, each should sign.