

Cliffs Natural Resources Inc. Responds to Casablanca Capital

Cliffs Natural Resources Inc. today issued the following statement in response to Casablanca Capital:

The Board of Directors and management team of Cliffs Natural Resources welcome open communications with all of our shareholders and value their input toward the collective goal of enhancing shareholder value. As part of the goal to enhance shareholder value, over the last year, the Cliffs Board and management team have taken significant steps to improve Cliffs' financial and operating performance across all businesses. The Company's focus has been – and continues to be – on reducing costs, strengthening its balance sheet with cash flow from operations, taking a disciplined approach to capital spending, and evaluating the strategic fit and value creation potential of all the Company's assets. In addition, Cliffs has made significant changes to strengthen the Board of Directors and management team, including the addition of four new Board members, a new Chairman and Gary Halverson as the incoming Chief Executive Officer.

Consistent with its focus on enhancing shareholder value, on Feb. 11, 2014 the Company announced that it expects full-year 2014 capital expenditures to be between \$375 - \$425 million, a reduction of more than 50% from full-year 2013 capital spending. This decrease is driven by a significant reduction in the Company's expansion and capital spending at the Bloom Lake Mine. Given the wide range of outlook for iron ore prices, the Company decided to reduce 2014 capital expenditures at Bloom Lake as it considers strategic alternatives for the asset. The Company also announced its plans to idle production at its Wabush Mine in the Province of Newfoundland and Labrador by the end of the first quarter of 2014. Following Mr. Halverson's appointment in Nov. 2013, the management team and the Board are undertaking a comprehensive review of Cliffs' portfolio, which resulted in these strategic actions.

Cliffs' Board and management team regularly evaluate the Company's strategic options and previously evaluated the key elements of Casablanca's overall proposal. The Board and management team have reviewed – and will continue to review – alternative structures to enhance shareholder value. The Company believes Casablanca's overall proposal fails to provide a sustainable, long-term value enhancing alternative. The Company is disappointed that Casablanca seems intent on waging a public campaign rather than continuing its private engagement with our Chairman and management to address our doubts and concerns.

The Governance and Nominating Committee of Cliffs' Board will review Casablanca's notice in due course. The Company noted that it has a strong Board and management team in place to execute its plan to enhance shareholder value, including Gary Halverson as incoming CEO. The choice of Mr. Halverson as incoming CEO follows an exhaustive search by the Board, together with a leading executive search firm, which began in July of 2013. Following a comprehensive search, the Board determined that Mr. Halverson was the right leader given his deep international and large scale mining industry leadership experience.

Cliffs' Board is comprised of independent and highly experienced individuals that bring a wide range of relevant expertise to Cliffs from leading mining, steel, basic materials, engineering and natural resources businesses. Cliffs' current Board of Directors consists of nine independent directors plus Mr. Halverson and the interim Executive Chairman. Of these independent directors, four have joined the Board in the last 12 months.

The Board and management team remain committed to acting in the best interests of Cliffs and its shareholders in order to enhance value.

J.P. Morgan and Bank of America Merrill Lynch are acting as financial advisors to the Company and Wachtell, Lipton, Rosen & Katz is acting as legal counsel.

Important Additional Information

Cliffs, its directors and certain of its executive officers may be deemed to be participants in the solicitation of proxies from Cliffs shareholders in connection with the matters to be considered at Cliffs' 2014 Annual Meeting. Cliffs intends to file a proxy statement with the U.S. Securities and Exchange Commission (the "SEC") in connection with any such solicitation of proxies from Cliffs shareholders. **CLIFFS SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ ANY SUCH PROXY STATEMENT AND ACCOMPANYING WHITE PROXY CARD WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.** Information regarding the ownership of Cliffs' directors and executive officers in Cliffs shares, restricted shares and options is included in their SEC filings on Forms 3, 4 and 5. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with Cliffs' 2014 Annual Meeting. Information can also be found in Cliffs' Annual Report on Form 10-K for the year ended Dec. 31, 2012, filed with the SEC on Feb. 12, 2013. Shareholders will be able to obtain any proxy statement, any amendments or supplements to the proxy statement and other documents filed by Cliffs with the SEC for no charge at the SEC's website at www.sec.gov. Copies will also be available at no charge at Cliffs' website at www.cliffsnr.com or by contacting Carolyn Cheverine, Vice President, General Counsel & Secretary at (216) 694-7605.