

Cliffs Enters Term Sheet for Potential Sale of Cockatoo Island Iron Ore Assets at End of Stage III Mining

CLEVELAND, Sept. 2, 2011 -- Cliffs Natural Resources Inc. (NYSE: CLF) (Paris: CLF) announced today that a subsidiary of the Company and its joint venture partner, HWE Cockatoo, and Cockatoo Mining have entered a term sheet with Pluton Resources Limited (ASX: PLV) to sell its beneficial interest in the mining tenements and certain infrastructure of its Cockatoo Island joint venture. The potential transaction is expected to occur at the end of the current stage mining of Cockatoo Island, known as Stage III, which is anticipated to be complete in late 2012. Pluton has expressed interest in the assets for potential synergies that the Cockatoo Island operations could have with Pluton's Irvine Island assets in the Kimberly Iron Ore Hub of northern Western Australia. The proposed transaction is subject to completion of due diligence, definitive agreements between all parties, and conditional on regulatory and third party consents.

(Logo: <http://photos.prnewswire.com/prnh/20101104/CLIFFSLOGO>)

In consideration, Pluton will assume the liabilities for the environmental rehabilitation of Cockatoo Island when Pluton's mining operations are completed.

Cliffs' 50% interest in the Cockatoo Island joint venture is currently reported within the Company's Asia Pacific Iron Ore business segment. Cliffs' currently receives equity production of approximately 700,000 tons of high-grade fines annually from its share of the joint venture. Cliffs and HWE Cockatoo have previously indicated a plan for operations to cease at Cockatoo Island in late 2012.

About Cliffs Natural Resources Inc.

Cliffs Natural Resources Inc. is an international mining and natural resources company. A member of the S&P 500 Index, the Company is a major global iron ore producer and a significant producer of high- and low-volatile metallurgical coal. Cliffs' strategy is to continually achieve greater scale and diversification in the mining industry through a focus on serving the world's largest and fastest growing steel markets. Driven by the core values of social, environmental and capital stewardship, Cliffs associates across the globe endeavor to provide all stakeholders operating and financial transparency.

The Company is organized through a global commercial group responsible for sales and delivery of Cliffs products and a global operations group responsible for the production of the minerals the Company markets. Cliffs operates iron ore and coal mines in North America and two iron ore mining complexes in Western Australia. The Company also has a 45% economic interest in a coking and thermal coal mine in Queensland, Australia. In addition, Cliffs has a major chromite project, in the pre-feasibility stage of development, located in Ontario, Canada.

News releases and other information on the Company are available on the Internet at:
<http://www.cliffsnaturalresources.com>

'Safe Harbor' Statement under the Private Securities Litigation Reform Act of 1995

This news release contains predictive statements that are intended to be made as 'forward-looking' within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. Although the Company believes that its forward-looking statements are based on reasonable assumptions, such statements are subject to risk and

uncertainties including, that the transaction is subject to completion of due diligence and other conditions precedent and the timing of completion of stage III mining.

Actual results may differ materially from such statements for a variety of reasons, including: the uncertainty or weakness in global economic and/or market conditions, including any related impact on prices; trends affecting our financial condition, results of operations or future prospects; Cliffs' ability to achieve the synergies and the strategic and other objectives related to the acquisition of Consolidated Thompson; the outcome of any contractual disputes with our customers or significant suppliers of energy, materials or services; our ability to successfully complete the repair and refurbishment work at the Oak Grove Mine in the expected time frame; the amount, and timing of, any insurance recovery proceeds with respect to the Oak Grove Mine; our ability to successfully remediate carbon monoxide levels at the Pinnacle Mine; the outcome of any arbitration or litigation; changes in the sales volumes or mix; the impact of price-adjustment factors on our sales contracts; availability of capital equipment and component parts; the failure of plant, equipment or processes to operate as anticipated; the ability of our customers to meet their obligations to us on a timely basis or at all; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets; the business of the acquired companies not being integrated successfully or such integration proving more difficult, time consuming or costly than expected, including the integration of Consolidated Thompson; our ability to obtain any permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity; the ability to achieve planned production rates or levels; our actual economic ore reserves; reductions in current resource estimates; impacts of increasing governmental regulation including failure to receive or maintain required environmental permits; the ability to maintain adequate liquidity and successfully implement our financing plans; and problems or uncertainties with productivity, third party contractors, labor disputes, weather conditions, natural disasters, tons mined, changes in cost factors, the supply or price of energy, transportation, mine closure obligations and employee benefit costs and other risks of the mining industry.

Reference is also made to the detailed explanation of the many factors and risks that may cause such predictive statements to turn out differently, set forth in our Annual Report and Reports on Form 10-K, Form 10-Q and previous news releases filed with the Securities and Exchange Commission, which are publicly available on Cliffs Natural Resources' website. The information contained in this document speaks as of the date of this news 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 press release.

SOURCE Cliffs Natural Resources Inc.

CONTACT: Steve Baisden, Vice President, Investor Relations and Communications, +1-216-694-5280; Jessica Moran, Manager, Investor Relations, +1-216-694-6532; Patricia Persico, Sr. Manager, Media Relations and Marketing Communications, +1-216-694-5316