



NEWS RELEASE

Cliffs Natural Resources Inc. Responds to Casablanca

Casablanca's Short-Term Strategy Would Destroy Shareholder Value

Casablanca Has Urged Financial Engineering While the Cliffs Board and Management Team Have Implemented Sustainable, Long-Term Financial and Operating Policies to Preserve Viability of Cliffs

Casablanca's Nominees and Proposed CEO Candidate Lack the Crucial Industry Experience Needed to Lead Cliffs in Today's Volatile Pricing Environment

Cliffs Recommends Shareholders Support Value-Enhancing Changes Underway and Vote WHITE Proxy Card Today

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recommended by the Board, we intend that at least two of Casablanca's proposed nominees be elected to the Cliffs Board, assuming that Casablanca continues its proxy contest.

THERE IS NOTHING STRATEGIC ABOUT CASABLANCA'S "STRATEGY": CASABLANCA IS PUTTING FORTH A PLAN TO LIQUIDATE CLIFFS ASSETS, DESTROYING SHORT- AND LONG-TERM SHAREHOLDER VALUE AT CLIFFS

In July 2013, when the Cliffs Board began taking decisive action to fundamentally shift the strategic, operational and financial direction of the Company in response to a volatile iron ore and met coal price environment, Casablanca did not own a single share of Cliffs' common stock. Since purchasing its first shares of Cliffs' common stock in November 2013, Casablanca has been instigating for changes to the Company's strategy.

chairman. Casablanca stated that it would not consider any future settlement offer that did not include Mr. Goncalves becoming Cliffs' executive chairman.

MR. GONCALVES AND CASABLANCA'S OTHER NOMINEES LACK CRUCIAL INDUSTRY EXPERIENCE NEEDED TO NAVIGATE TODAY'S VOLATILE PRICING ENVIRONMENT

Casablanca's promotion of Mr. Goncalves as a proposed strategic leader at Cliffs exemplifies Casablanca's misguided, simplistic and short-sighted "plan." Mr. Goncalves' metals industry experience has largely been with processing and distribution businesses with low fixed cost structures, limited commodity price exposure and low capital intensity. Under Mr. Goncalves' leadership at Metals USA, during the period from its initial public offering in April 2010 until its sale to Reliance Steel and Aluminum in April 2013, total shareholder return (TSR) was negative 1%. By comparison, during the same period TSR at peers Russel Metals and Reliance Steel and Aluminum were 56% and 32%, respectively.

Casablanca is prioritizing short-term gains over positioning Cliffs for long-term, profitable growth across various commodity pricing cycles. Casablanca's recommendation in March that, despite rapidly declining iron ore prices, Cliffs "should now have financial capacity to return more capital" exposes an unformed viewpoint focused on financial engineering and what appears to be a "shoot first, ask questions later" mentality.

Importantly, investors should be aware that the majority of Casablanca's director nominees lack the collective experience necessary to lead the strategy of a mining company in today's operating environment. In stark contrast, your Board's nominees and management team have what Casablanca and its nominees are missing: a viable strategy backed by the experience and expertise necessary to succeed in volatile iron ore and met coal markets.

As an investor, it is up to you to decide whether to support the continued execution of Cliffs' disciplined strategy to drive long-term value for all shareholders, or the potentially value-destroying short-term agenda of a single shareholder looking to establish a reputation as an "activist" investor and hand deliver one of its executives a seat on a public company board and appointment as an executive chairman.

We urge you to stop Casablanca from electing a majority of your Board for self-interested, short-term gains at the cost of sustainable value and long-term growth.

HAVING FIRMLY ESTABLISHED A NEW STRATEGIC DIRECTION, THE CURRENT BOARD AND MANAGEMENT IS BEST POSITIONED TO DEAL WITH THE DIFFICULT PRICE ENVIRONMENT

Your current Board and management team are experienced in managing through volatile commodity pricing environments. To offset these headwinds, we have undertaken proactive measures to strengthen the foundation of the Company and preserve its long-term viability.

Beginning in July 2013, Cliffs' Board took decisive action to fundamentally shift the strategic, operational and financial direction of the Company. Cliffs' Board takes an active approach in overseeing Cliffs' strategy and its execution, and, with the new management team, led by Gary Halverson, have:

- **Refocused and strengthened our core US business**, including the successful extension of three long-term, value-enhancing commercial contracts in our US iron ore business.
- **Sharpened our strategic focus by aggressively adjusting our Canadian portfolio of assets**, including:

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 an iron ore mining complex in Western Australia.

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

Follow Cliffs on Twitter at: <http://twitter.com/CliffsNR>.

Forward-Looking Statements

This letter contains forward-looking statements within the meaning of the federal securities laws. Although the Company believes that its forward-looking statements are based on reasonable assumptions, such statements are subj us
