



**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.**

In order to help ensure the President and Chief Executive Officer (the "CEO") of Cliffs Natural Resources Inc. (the "Company") is incentivized to remain in the employ of the Company through December 31, 2019, the Compensation and Organization Committee of the Board of Directors (the "Committee") and the Board of Directors of the Company approved on June 26, 2017 (the "Grant Date"), grants of performance shares and restricted stock units pursuant to the Company's Amended and Restated 2015 Equity and Incentive Compensation Plan, to the CEO. The grant is comprised of (a) 249,106 performance shares with a potential stock payout of zero to 200% based upon relative total shareholder return for an incentive period commencing June 1, 2017 and ending December 31, 2019 (the "Performance Period") and (b) 531,674 restricted stock units for the vesting period commencing on the Grant Date and ending December 31, 2019. The performance shares shall be payable, if at all, in the first two-and-a-half months of 2020 based upon the certification of the Committee as to whether and the extent to which the performance goals for this award has been met during the Performance Period. The restricted stock unit grant was designed to generally retain the CEO in the employ of the Company and shall be payable as described in the applicable award agreement, subject generally to the CEO's continued employment through December 31, 2019.

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**SIGNATURES**

Pursuant to the requireme

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