

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:

PRELIMINARY COPY SUBJECT TO COMPLETION
DATED MARCH 6, 2014

CLIFFS NATURAL RESOURCES INC.

PROXY STATEMENT
OF
CASABLANCA CAPITAL LP

PLEASE SIGN, DATE AND MAIL THE ENCLOSED WHITE PROXY CARD TODAY

This Proxy Statement and the enclosed WHITE proxy card are being furnished by Casablanca Capital LP (“Casablanca Capital”), Donald G. Drapkin (“Mr. Drapkin”) and Douglas Taylor (“Mr. Taylor”) and together with Casablanca Capital and Mr. Drapkin, collectively, “Casablanca”) and the other Nominees (as defined below) (collectively, the “Participants”) in connection with the solicitation of proxies (the “Proxy Solicitation”) from the shareholders of Cliffs Natural Resources Inc. (“Cliffs” or the “Company”).

For the reasons set forth in this proxy statement, we do not believe that the current board of directors of the Company (the “Board”) is acting in the best interests of the Company’s shareholders. We are therefore seeking your support at the upcoming 2014 annual meeting of shareholders (the “Annual Meeting”) to be held on Tuesday, May 13, 2014, at a location and time to be set forth in the Company’s proxy statement on Schedule 14A in connection with the Annual Meeting (the “Company’s Proxy Statement”) (for reference, the Company’s 2013 annual meeting of shareholders was held at the Company’s executive offices, located at 200 Public Square, 41



which the amount involved exceeds \$120,000; (x) no Participant or any of his, her or its associates has any arrangement or understanding with any person with respect to any future employment by the Company or its affiliates, or with respect to any future transactions to which the Company or any of its affiliates will or may be a party; and (xi) no person, including any of the Participants, who is a party to an arrangement or understanding pursuant to which the Nominees are proposed to be elected has a substantial interest, direct or indirect, by security holdings or otherwise in any matter to be acted on as set forth in this proxy statement. There are no material proceedings to which any Participant or any of his, her or associates is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

PROPOSAL 1 – ELECTION OF DIRECTORS

According to publicly available information, the Board currently consists of eleven directors, whose terms will expire at the Annual Meeting. We are seeking your support at the Annual Meeting to elect our six Nominees, each of whom is independent of the Company. If successful in our Proxy Solicitation, the Board will be composed of our Nominees – Robert P. Fisher, Jr., Mr. Goncalves, Patrice E. Merrin, Joseph Rutkowski, Gabriel Stoliar and Douglas Taylor – and the five Company director nominees receiving the highest number of votes in favor of his or her election at the Annual Meeting. If all six of our Nominees are elected, they will represent a majority of the members of the Board. There is no assurance that any incumbent director will serve as a director if one or more of our Nominees are elected to the Board.

We are soliciting proxies to elect only the Nominees listed herein. Accordingly, the enclosed **WHITE** proxy card may only be voted for the Nominees and does not confer voting power with respect to any of the Company’s director nominees. Stockholders who return the **WHITE** proxy card will only be able to vote for the six Nominees listed on the card and will not have the opportunity to vote for the additional five seats up for election at the Annual Meeting. You can only vote for the Company’s director nominees by signing and returning a proxy card provided by the Company or by requesting a legal proxy and casting your ballot in person by attending the Annual Meeting. You should refer to the Company’s Proxy Statement when it is filed with the SEC for the names, background, qualifications and other information concerning the incumbent directors.

Unless otherwise instructed, shares of Common Stock and Depositary Shares represented by properly executed **WHITE** proxy cards will be voted cumulatively at the Annual Meeting in favor of our Nominees at the discretion, in order to elect as many of our Nominees as possible.

Name and Business Address of a

and finance industries which included advising the boards of numerous public companies, and his previous directorship.

Celso Lourenco Goncalves
2716 Aqua Vista Blvd.
Fort Lauderdale, FL 33301

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Mr. Goncalves served as Chairman of the Board, President and Chief Executive Officer of Metals USA Holdings Corp., a leading American manufacturer and processor of steel and other metals, from May 2006 through April 2013, and was President, Chief Executive Officer and a director of the company since February 2003. Prior to Metals USA, Mr. Goncalves served as President and Chief Executive Officer of California Steel Industries, Inc. from March 1998 to February 2003. From 1981 to 1998 he was employed by Companhia Siderurgica Nacional, a leading steel and mining company in Brazil, where he held several positions in operations and sales. Since October 2011, Mr. Goncalves has served as a board member of Ascometal SAS, a manufacturer of special steel headquartered in Paris, France.

Mr. Goncalves earned a Masters of Science degree in Metallurgical Engineering from the Federal University of Minas Gerais in Belo Horizonte, Brazil and a Bachelor's degree in Metallurgical Engineering from the Military Institute of Engineering in Rio de Janeiro, Brazil. He also earned a sales diploma from the Cobeco Sales Institute in Rio de Janeiro, Brazil.



was Chairman of the C



WE URGE YOU T

PROPOSAL 2 – ADVISORY VOTE ON COMPENSATION OF THE COMPANY’S NAMED EXECUTIVE OFFICERS

As will be discussed in further detail in the Company’s Proxy Statement, the Company will be providing shareholders with the opportunity to vote, on an advisory basis, on whether to approve the compensation of the Company’s named executive officers. We believe this Proposal will be presented at the Annual Meeting as a resolution in substantially the following form:

“RESOLVED, that the compensation of the named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables and any related material disclosed in this proxy statement, is hereby approved.”

As an advisory vote, this Proposal is not binding on the Company. However, the compensation and organization committee of the Board, which is responsible for designing and administering the Company’s executive compensation program and practices, expects to consider the outcome of the vote when making future compensation decisions for named executive officers.

The affirmative vote of the holders of a majority of shares, present or represented by proxy, at the Annual Meeting and entitled to vote on the Proposal will be required to approve the overall compensation of the Company’s named executive officers.

Casablanca intends to vote **AGAINST** Proposal 2, and recommends that all other shareholders do the same. In our opinion, the Company’s executive compensation program has failed to align compensation with performance and overall shareholder return.

WE URGE YOU TO VOTE AGAINST PROPOSAL 2.

VOTING AND PROXY PROCEDURES

Only shareholders of record on the Record Date will be entitled to notice of and to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote. Because each Depositary Share represents a 1/40th interest in a share of the Mandatory Convertible Preferred Stock (each of which is entitled to one vote), holders of Depositary Shares will be entitled to 1/40th of a vote per Depositary Share. Shareholders who sell shares of Common Stock or Depositary Shares before the Record Date (or acquire them without voting rights after the Record Date) may not vote such shares of Common Stock or Depositary Shares. Shareholders of record on the Record Date will retain their voting rights in connection with the Annual Meeting even if they sell such shares of Common Stock or Depositary Shares after the Record Date. Based on publicly available information, including the 2013 Proxy Statement, we believe that the only outstanding classes of securities of the Company entitled to vote at the Annual Meeting are the Common Stock and the Depositary Shares.

Under Ohio General Corporation Law, Section 1701.55, upon written notice by any shareholder to the President, a Vice President or the Secretary of the Company, not less than 48 hours before the time fixed for the holding of the Annual Meeting, of such shareholder's desire to vote cumulatively for the election of directors, so long as an announcement of such notice is made upon the convening of the Annual Meeting by the Chairman or Secretary or by or on behalf of the shareholder who gave such notice, each shareholder shall have the right to cumulate such voting power at such meeting. On March 5, 2014, Mr. Drapkin, on behalf of Casablanca Capital, delivered written notice, in accordance with Ohio General Corporation Law, to the Company's President and Chief Executive Officer providing that he desired to vote cumulatively for the election of directors at the Annual Meeting. 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 shares. All 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. Because we have given notice to the Company of our intention to cumulate our votes, all shareholders will have the right to cumulate their votes in the election of directors and the cumulative number of votes a shareholder may cast in director elections will be equal to the number of shares held by such shareholder on the Record Date multiplied by eleven (the number of directors to be elected at the Annual Meeting). A shareholder may distribute all of the votes to one individual nominee, or distribute such votes among any two or more nominees, as the shareholder chooses.

If you do not specifically instruct otherwise, the proxy being solicited hereby will confer upon the proxy holders the authority to cumulate votes represented by your proxy for the maximum number of our Nominees (for whom authority is not otherwise specifically withheld) including, but not limited to, the prioritization of such Nominees to whom such votes may be allocated. You may withhold your authority to vote for one or more Nominees by marking the "FOR ALL NOMINEES EXCEPT", in which case we will retain discretion to allocate your votes among our other Nominees unless you specifically instruct otherwise. If you wish to withhold authority to cumulate votes with respect to one or more Nominees, you must submit a proxy card by mail and should mark the corresponding box under Proposal 1 on the enclosed **WHITE** proxy card and disclose the name of any particular Nominee(s) you wish to withhold authority to cumulate votes for on the back of the enclosed **WHITE** proxy card in the space provided. Under no circumstances may the proxy holders cast your votes for any Nominee from whom you have withheld authority to vote. If it is necessary for us to prioritize among the Nominees and allocate votes, we intend to provide for the election of the maximum number of our Nominees, and will provide instructions as to the order of priority of the Nominees in the event that fewer than all of our Nominees are elected at the Annual Meeting.

If you wish to provide vote allocation instructions, you must submit a proxy card by mail and should mark the corresponding box under Proposal 1 on the enclosed **WHITE** proxy card and disclose the number of votes you wish to allocate to any particular Nominee on the back of the enclosed **WHITE** proxy card in the space provided. You do not need to check the "FOR ALL NOMINEES" box to allocate votes among all of the Nominees. If you provide vote allocation instructions for less than all of the votes that you are entitled to cast, the proxy holder will retain discretionary authority to cast your remaining votes and to allocate such votes among our other Nominees other than for any Nominee for whom you have withheld authority to vote. In the event that fewer than all of our Nominees are elected at the Annual Meeting, we will provide instructions as to the order of priority of the Nominees in the event that fewer than all of our Nominees are elected at the Annual Meeting.

If you provide vote allocation instructions for more than the number of votes that you are entitled to cast, the proxy holder will subtract the excess votes from the Nominee or Nominees to whom you have allocated the fewest votes.

Shares of Common Stock and Depositary Shares represented by properly executed **WHITE** proxy cards will be voted at the Annual Meeting as marked and, in the absence of specific instructions, will be voted cumulatively **FOR** the election of the Nominees to the Board, **AGAINST** the advisory vote on executive compensation, **FOR** the ratification of the appointment of Deloitte as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2014, and in the discretion of the persons named as proxies on all other matters as may properly come before the Annual Meeting.

According to publicly available information, the current Board intends to nominate eleven candidates for election as directors at the Annual Meeting. This proxy statement is soliciting votes to elect only our Nominees, Robert P. Fisher, Jr., Celso Lourenco Goncalves, Patrice E. Merrin, Joseph Rutkowski, Gabriel Stoliar and Douglas Taylor. Accordingly, the enclosed **WHITE** proxy card may only be voted for our Nominees and does not confer voting power with respect to the Company's nominees. You can only vote for the Company's nominees by signing and returning a proxy card provided by the Company or by requesting a legal proxy and casting your ballot in person by attending the Annual Meeting. Shareholders have the right to vote cumulatively in Proposal 1 and, unless otherwise instructed, the shares represented by this proxy will be voted cumulatively in favor of one or more of the Nominees, at the proxy holders' sole discretion, in order to elect as many of the Nominees as possible. The Participants intend to vote all of their shares of Common Stock cumulatively in favor of the Nominees in order to elect as many of the Nominees as possible.

QUORUM; ABSTENTIONS; BROKER NON-VOTES

~~Under the NYSE listing requirements, holders of a majority of the outstanding shares entitled to vote must be present, in person or by proxy, at the Annual Meeting in order to have the required quorum for the transaction of business. Votes cast by proxy or in person at the Annual Meeting will be tabulated by an inspector of election.~~

If your shares are held in the name of a brokerage firm and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to a proposal that is not a routine matter, the brokerage firm cannot vote the shares on that proposal. This is referred to as a "broker non-vote." Under the rules and interpretations of the NYSE, there are no "routine" proposals in a contested proxy solicitation. Because Casablanca has initiated a contested proxy solicitation, there will be no "routine" matters at the Annual Meeting for any broker accounts that are provided with proxy materials by Casablanca.



IF YOU WISH TO VOTE FOR THE ELECTION OF OUR NOMINEES TO THE BOARD, PLEASE SIGN, DATE AND RETURN PROMPTLY THE ENMP

SOLICITATION OF PROXIES

The solicitation of proxies pursuant to this Proxy Solicitation is being made by Casablanca and the Nominees. Proxies may be solicited by mail, facsimile, telephone, telegraph, Internet, in person and by advertisements.

s. Proxie

Conclusion

We urge you to carefully consider the information contained in this proxy statement and then support our efforts by signing, dating and returning the enclosed **WHITE** proxy card today.

Thank you for your support,

Casablanca Capital LP
Donald G. Drapkin
Douglas Taylor
Robert P. Fisher, Jr.
Celso Lourenco Goncalves
Patrice E. Merrin
Joseph Rutkowski
Gabriel Stoliar

[____], 2014

ANNEX I

**TRANSACTIONS BY THE PARTICIPANTS IN THE SECURITIES OF CLIFFS NATURAL
RESOURCES INC. DURING THE PAST TWO YEARS**

The following tables set forth all transactions effected during the past two years by the Participants with respect to securities of the Company. As of the date of hereof, Casablanca Capital, Mr. Drapkin, Mr. Taylor and Mr. Goncalves are the only Participants that currently own of record or beneficially securities of the Company. ect oyany

[FORM OF PROXY CARD]

PRELIMINARY COPY SUBJECT TO COMPLETION
DATED MARCH 6, 2014

PROXY OF SHAREHOLDERS OF CLIFFS NATURAL RESOURCES INC. (THE "COMPANY") IN
CONNECTION WITH THE COMPANY'S 2014 ANNUAL MEETING OF SHAREHOLDERS:

THIS PROXY SOLICITATION IS BEING MADE BY CASABLANCA CAPITAL LP, DONALD G.
DRAPKIN AND DOUGLAS TAYLOR (COLLECTIVELY, "CASABLANCA"), ROBERT P. FISHER, JR.,
CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI AND GABRIEL
STOLIAR.

THIS SOLICITATION IS NOT ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY

The undersigned appoints [] and [] and each of them, attorneys and agents with full power of substitution to vote all shares of common stock, par value \$0.125 per share (the "Common Stock"), and/or all depositary shares, each of which represents 1/40th of a share of the 7.00% Series A Mandatory Convertible Preferred Stock, Class A, no par value (the "Depositary Shares"), of the Company, which the undersigned would be entitled to vote if personally present at the 2014 annual meeting of shareholders of the Company (including at any adjournments or postponements thereof and at any meeting called in lieu thereof, the "Annual Meeting").

The undersigned hereby revokes any other proxy or proxies heretofore given to vote or act with respect to the shares of Common Stock and/or each Depositary Share of the Company held by the undersigned, and hereby ratifies and confirms all action the herein named attorneys and proxies, their substitutes, or any of them may lawfully take by virtue hereof. If properly executed, this proxy will be voted as directed on the reverse and in the discretion of the herein named attorneys and proxies or their substitutes with respect to any other matters as may properly come before the Annual Meeting that are unknown to Casablanca a reasonable time before this solicitation. Shareholders have the right to vote cumulatively in Proposal 1 and, unless otherwise instructed, the shares represented by this proxy will be voted cumulatively in favor of one or more of the Nominees, at the proxy holders' sole discretion, in order to elect as many of the Nominees as possible.

IF NO DIRECTION IS INDICATED WITH RESPECT TO THE PROPOSALS ON THE REVERSE, THIS PROXY WILL BE VOTED "FOR ALL NOMINEES" PURSUANT TO PROPOSAL 1, "AGAINST" PROPOSAL 2 AND "FOR" PROPOSAL 3.

This proxy will be valid until the sooner of one year from the date indicated on the reverse side and the completion of the Annual Meeting.

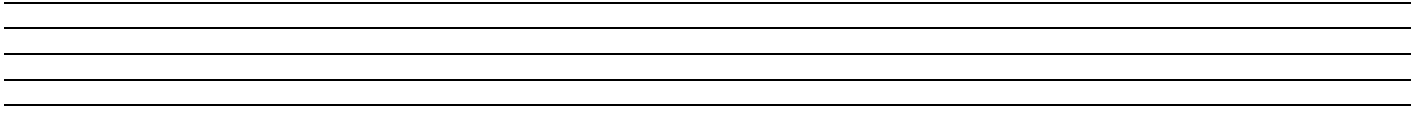
1. THE ELECTION OF ROBERT P. FISHER, JR., CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI, GABRIEL STOLIAR AND DOUGLAS TAYLOR.

£
For All Nominees

£
Withhold Authority to Vote
for all Nominees

£
For all Nominees Except

INSTRUCTIONS: IF YOU DO NOT WISH YOUR SHARES OF COMMON STOCK AND/OR DEPOSITARY SHARES TO BE VOTED "FOR" A PARTICULAR NOMINEE, MARK THE "FOR ALL NOMINEES EXCEPT" BOX AND WRITE THE NAME(S) OF THE NOMINEE(S) YOU DO NOT SUPPORT ON THE LINE BELOW. YOUR SHARES OF COMMON STOCK AND/OR DEPOSITARY SHARES WILL BE VOTED FOR THE REMAINING NOMINEE(S).



PLEASE SIGN, DATE AND MAIL YOUR PROXY PROMPTLY IN THE POSTAGE-PAID ENVELOPE ENCLOSED.

IMPORTANT

Tell your Board what you think! Your vote is important. No matter how many shares of Common Stock or Depositary Shares you own, please give Casablanca your proxy FOR the election of the Nominees by taking three steps:

1. SIGNING the enclosed **WHITE** proxy card,

2. DATING the enclosed **WHITE** proxy card, and

3. MAILING the enclosed **WHITE** proxy card TODAY in the envelope provided.

Do not sign the proxy card until you receive the enclosed envelope. If you are unable to sign the proxy card, you may authorize another person to sign for you. If you are unable to mail the proxy card, you may deliver it to the Board of Directors in person.

