

Item 1.01 Entry into a Material Definitive Agreement.

On April 30, 2008, certain subsidiaries of Cleveland-Cliffs Inc (the "Company"), specifically Cliffs Sales Company, The Cleveland-Cliffs Iron Company and Cliffs Mining Company, entered into a binding term sheet (the "Term Sheet") with Severstal North America, Inc. ("Severstal") regarding an amendment and extension of the Company's existing Amended and Restated Pellet Sale and Purchase Agreement, dated and effective January 1, 2006 (the "Pellet Agreement"). The Term Sheet governs the performance of the parties under the Pellet Agreement (as amended by the Term Sheet, the "Amended Pellet Agreement") until such time as the parties execute a definitive writfNc

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

May 5, 2008

Cleveland-Cliffs Inc

By: *George W. Hawk, Jr.*

Name: George W. Hawk, Jr.

Title: General Counsel and Secretary