

**UNITED STATES
Securities and Exchange Commission
Washington D.C. 20549**

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No. ___)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14A-6(E)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

CLIFFS NATURAL RESOURCES INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.**
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.**
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On June 16, 2014, Cliffs Natural Resources Inc. (the "Company") posted various soliciting materials to www.cliffsnr.com/annualmeeting (the "Website"). Copies of the materials posted to the Website are filed herewith as Exhibit 1. Other than materials filed herewith, all materials posted to the Website that are required to be filed as soliciting material on Schedule 14A have been previously filed by the Company with the Securities and Exchange Commission on Schedule 14A.

The Company issued a news release on June 16, 2014 announcing the issuance of an open letter to shareholders. A copy of the news release is filed herewith as Exhibit 2.

Also on June 16, 2014, the Company sent a communication to salaried employees announcing the issuance of the open letter to shareholders. A copy of the employee communication is filed herewith as Exhibit 3.

Also on June 16, 2014, the Company sent an email to management of hourly employees regarding the issuance of the open letter to shareholders. A copy of the email to management and the employee communication is filed herewith as Exhibit 4.



The Board of Directors has nominated a slate of nine directors for the available 11 seats at the 2014 Annual Meeting of Shareholders and is soliciting proxies for only the nine nominees named herein.

You should know that Casablanca Capital LP, a Delaware limited partnership (together with its affiliates, "Casablanca"), has stated that it intends to nominate a slate of six nominees for election as directors at the 2014 Annual Meeting of Shareholders in opposition to the nine nominees recommended by the Board of Directors.



The Board of Directors does not endorse the election of any of Casablanca's nominees and strongly urges you to vote **FOR ALL** of the nine nominees recommended by the Board of Directors. You may receive solicitation materials from Casablanca or certain entities or individuals affiliated with Casablanca, including a proxy statement and a gold proxy card. We believe that Casablanca's director nominations are intended to pressure Cliffs to adopt Casablanca's previously proposed strategic plans, which the Board does not believe are in the best interests of Cliffs' shareholders.

We believe that the nine nominees proposed by the Board are better equipped to serve Cliffs and all of its shareholders than the Casablanca nominees.

Because the Board of Directors has nominated a slate of nine directors for the available 11 seats at the 2014 Annual Meeting of Shareholders, we expect that two nominees that were not nominated by the Board of Directors will be elected at the 2014 Annual Meeting of Shareholders. At this time, Casablanca is the only shareholder that has notified Cliffs of its intention to nominate directors for election at the 2014 Annual Meeting of Shareholders. Therefore, the Board of Directors expects that the remaining two board seats will be filled by two of the Casablanca nominees. Even if you vote **FOR ALL** of our nine Director nominees on the **WHITE** proxy card, we expect that at least two nominees that are nominated by Casablanca and/or another shareholder will be elected as directors at the 2014 Annual Meeting of Shareholders. The Board of Directors strongly urges you to vote **FOR ALL** of the nine nominees recommended by the Board of Directors. If cumulative voting is in effect with respect to the election of directors, which we currently anticipate will be the case, the named proxies intend to cumulate the votes represented by the proxies they receive and distribute such votes in accordance with their best judgment in order to elect as many of the nominees of the Board of Directors as possible.

Your vote is important regardless of the number of shares you own. The Board of Directors unanimously recommends that you

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directors, which we currently anticipate will be the case, the named proxies intend to cumulate the votes represented by the proxies they receive and distribute such votes in accordance with their best judgment in order to elect as many of the nominees of the Board of Directors as possible.

Your vote is important regardless of the number of shares you own. The Board of Directors unanimously recommends that you vote **FOR ALL** of our nine Director nominees on the **WHITE** proxy card. I urge you to vote as soon as possible by telephone, by Internet or by signing, dating, marking and returning the enclosed **WHITE** proxy card by mail, even if you plan to attend the 2014 Annual Meeting of Shareholders.

The Board of Directors strongly urges you not to sign or return any gold proxy card sent to you by or on behalf of Casablanca. If you previously have submitted a gold proxy card sent to you by Casablanca, you can revoke that proxy by using the enclosed **WHITE** proxy card to vote your shares today by telephone, by Internet or by signing, dating, marking and returning the enclosed **WHITE** proxy card. Only your latest-dated proxy will count.


We look forward to seeing you at the 2014 Annual Meeting of Shareholders. Thank you for being a shareholder and for the trust you have in our Company.

Sincerely,

Gary B. Halverson
President and Chief Executive Officer

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Your Vote

Questions and answers on topics related to our Annual Meeting and voting process can be found in Cliffs Natural Resources Inc. - 2014 Proxy Statement. For your convenience, some information is reproduced on the pages below; click either title to be taken to that section.


<p>Voting Process</p> <ul style="list-style-type: none"> Proposals Presented Board of Directors Nominations and Recommendations Vote Solicitation "Shareholders of record" and "beneficial owners" Shareholder Information Requirements for Approvals 	<p>Meeting Information</p> <ul style="list-style-type: none"> Voting Rights Voting of Proxies Cumulative Voting Counting Votes Proxy Solicitation Householding
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If you have questions or need assistance voting your shares, please contact our proxy solicitor, D.F. King & Co., Inc. by any of the methods below:

D.F. King & Co., Inc.
Mail: 48 Wall Street, 22nd Floor, New York, NY 10038
Phone: Toll Free (800) 487-4870 Collect (212) 269-5550
Email: cliffs@dfking.com

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Voting Process

Answers to commonly-asked questions about the voting process at the upcoming Annual Meeting are listed below. This information is referenced from [Cliffs Natural Resources Inc. -- 2014 Proxy Statement](#).

- What proposals are to be presented at the meeting?
- Why is the Board of Directors nominating a slate of nine directors for the available 11 seats at the 2014 Annual Meeting?
- Who is soliciting my vote?
- How does the Cliffs Board recommend that I vote?
- What are the possible effects if all six of Casablanca's nominees are elected to the Cliffs Board of Directors?
- What is the difference between a "shareholder of record" and a "beneficial owner"?
- What information will be sent to shareholders?
- Who is entitled to vote at the meeting?
- How do I vote?
- Has Cliffs been notified that a shareholder intends to propose its own director nominees at the meeting in opposition to the Board of Directors' nominees?
- What should I do if I receive a gold proxy card from Casablanca?
- What can I do if I change my mind after I vote?
- What vote is required to approve each proposal?

1. What proposals are to be presented at the meeting?

The purpose of the meeting is to: (1) elect 11 directors; (2) consider the proposal to approve the 2014 Nonemployee Directors'

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The purpose of the meeting is to: (1) elect 11 directors; (2) consider the proposal to approve the 2014 Nonemployee Directors' Compensation Plan; (3) consider the proposal to approve, on an advisory basis, Cliffs' named executive officers' compensation; (4) consider the proposal to approve the Cliffs Natural Resources Inc. Amended and Restated 2012 Incentive Equity Plan; (5) consider the proposal to ratify the appointment of Deloitte & Touche LLP as Cliffs' independent registered public accounting firm to serve for the 2014 fiscal year; and (6) conduct such other business as may properly come before the meeting.

2. Why is the Board of Directors nominating a slate of nine directors for the available 11 seats at the 2014 Annual Meeting?

The Board has nominated a slate of nine directors for the available 11 seats at the 2014 Annual Meeting and is soliciting proxies for only the nine nominees named herein. If cumulative voting rights are in effect for the election of directors, allocating 11 votes among the nine director nominees named herein will ensure that the maximum number of such nominees are elected at the 2014 Annual Meeting.

Based on its discussions with various shareholders and the practical effect of cumulative voting on the election of directors, the Board of Directors currently believes that it is in the best interest of all Cliffs shareholders for the Board of Directors to nominate a slate of nine directors. The Cliffs Board does not currently intend to nominate Susan M. Cunningham or Andrés R. Gluski for re-election as a director of Cliffs at the 2014 Annual Meeting, and does not currently intend to nominate replacement candidates.

Because the Board of Directors has nominated a slate of nine directors for the available 11 seats at the 2014 Annual Meeting of Shareholders, we expect that two nominees that were not nominated by Cliffs will be elected at the 2014 Annual Meeting. At this time, Casablanca Capital LP, a Delaware limited partnership (together with its affiliates, "Casablanca"), is the only shareholder that has notified Cliffs of its intention to nominate directors for election at the 2014 Annual Meeting. Therefore, the Board of Directors expects that the remaining two board seats will be filled by two of the Casablanca nominees. Please refer to the section below captioned "Election of Directors" for additional information.

3. Who is soliciting my vote?

In this proxy statement, the Board of Directors of Cliffs is soliciting your vote for matters being submitted for shareholder approval at the 2014 Annual Meeting. Giving us your proxy means that you authorize the proxy holders identified on the **WHITE** proxy card to vote your shares at the meeting in the manner you direct. You may vote for all, some or none of our director nominees. You also may abstain from voting. If you sign and return the enclosed **WHITE** proxy card but do not specify how your shares are to be voted, your shares will be voted in accordance with the recommendation of the Cliffs Board, including in favor of Cliffs' nominees for election to the Board. If any other matters are properly presented at the 2014 Annual Meeting for consideration, the persons named as proxies in the enclosed **WHITE** proxy card will vote as recommended by the Cliffs Board or, if no recommendation is given, in their own discretion.

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3. Who is soliciting my vote?

In this proxy statement, the Board of Directors of Cliffs is soliciting your vote for matters being submitted for shareholder approval at the 2014 Annual Meeting. Giving us your proxy means that you authorize the proxy holders identified on the **WHITE** proxy card to vote your shares at the meeting in the manner you direct. You may vote for all, some or none of our director nominees. You also may abstain from voting. If you sign and return the enclosed **WHITE** proxy card but do not specify how your shares are to be voted, your shares will be voted in accordance with the recommendation of the Cliffs Board, including in favor of Cliffs' nominees for election to the Board. If any other matters are properly presented at the 2014 Annual Meeting for consideration, the persons named as proxies in the enclosed **WHITE** proxy card will vote as recommended by the Cliffs Board or, if no recommendation is given, in their own discretion.

4. How does the Cliffs Board recommend that I vote?

The Cliffs Board of Directors unanimously recommends that you vote using the **WHITE** proxy card:

- FOR ALL of the nine individuals nominated by the Cliffs Board for election as directors. The Cliffs Board unanimously recommends that you NOT vote for any members of the Casablanca slate of nominees;
- FOR the approval of the 2014 Nonemployee Directors' Compensation Plan;
- FOR the approval, on an advisory basis, of Cliffs' named executive officers' compensation;
- FOR the approval of the Cliffs Natural Resources Inc. Amended and Restated 2012 Incentive Equity Plan; and
- FOR the ratification of the appointment of Deloitte & Touche LLP as Cliffs' independent registered public accounting firm to serve for the 2014 fiscal year.

5. What are the possible effects if all six of Casablanca's nominees are elected to the Cliffs Board of Directors?

Pursuant to the indenture governing Cliffs' outstanding senior notes, Cliffs is required to offer to repurchase its outstanding notes if it experiences a "change of control" and corresponding ratings downgrade below investment grade. Under the indenture governing Cliffs' outstanding senior notes, a "change of control" occurs on the first day on which a majority of the members of Cliffs Board of Directors are not "continuing directors." A "continuing director" is a member of Cliffs Board of Directors who (a) was a member of Cliffs Board of Directors on the date of the issuance of the notes, or (b) was nominated for election, elected or appointed to Cliffs Board of Directors with the approval of a majority of the "continuing directors" who were members of Cliffs Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of a proxy statement in which such member was named as a nominee for election as a director). Pursuant to the indenture governing Cliffs' outstanding senior notes,

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Pursuant to the indenture governing Cliffs' outstanding senior notes, Cliffs is required to offer to repurchase its outstanding notes if it experiences a "change of control" and corresponding ratings downgrade below investment grade. Under the indenture governing Cliffs' outstanding senior notes, a "change of control" occurs on the first day on which a majority of the members of Cliffs Board of Directors are not "continuing directors." A "continuing director" is a member of Cliffs Board of Directors who (a) was a member of Cliffs Board of Directors on the date of the issuance of the notes, or (b) was nominated for election, elected or appointed to Cliffs Board of Directors with the approval of a majority of the "continuing directors" who were members of Cliffs Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of a proxy statement in which such member was named as a nominee for election as a director). Pursuant to the indenture governing Cliffs' outstanding senior notes, the corresponding ratings downgrade below investment grade will only occur if each rating agency making the reduction in rating publicly announces (or confirms or informs the trustee of the notes at Cliffs' request) that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the "change of control." The Cliffs Board will consider whether Casablanca's nominees should be approved for purposes of its senior notes indenture in due course should Casablanca continue to seek to nominate a majority of the directors to the Cliffs Board. The Cliffs Board's review will include, among other things, Casablanca's definitive proxy statement when it becomes available. If the Cliffs Board determines to approve Casablanca's nominees, this would have the effect of making Casablanca's nominees "continuing directors" under the senior notes indenture, which, in turn, would mean that their election to the Board would not trigger the change of control clause in the indenture.

Under the terms of the Participant Long-Term Incentive Grant Agreements entered into prior to September 2013, Cliffs' award recipients are entitled to certain benefits upon the occurrence of a "change in control," regardless of whether the employment of the award recipient is terminated. Effective September 2013 upon a "change in control," all future equity granted to participants will be subject to potential assumption, replacement or continuation of the award in certain circumstances in lieu of immediately vesting and payout (or immediate vesting and payout if such assumed, replaced or continued awards are not provided). For this purpose, a "change in control" generally occurs if a majority of members of the Cliffs Board of Directors is replaced by directors whose appointment or election is not endorsed by a majority of the Cliffs Board of Directors prior to the date of the appointment or election. Please refer to the section below captioned "Potential Payments Upon Termination or Change in Control - Additional Payments Upon Change in Control (Without Termination)" for additional information regarding this impact on Cliffs' named executive officers (or NEOs).

6. What is the difference between a "shareholder of record" and a "beneficial owner"?

These terms describe the manner in which your shares are held. If your shares are registered directly in your name through Wells Fargo Shareowner Services, our transfer agent, you are a "shareholder of record" or registered holder. If your shares are held

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6. What is the difference between a "shareholder of record" and a "beneficial owner"?

These terms describe the manner in which your shares are held. If your shares are registered directly in your name through Wells Fargo Shareowner Services, our transfer agent, you are a "shareholder of record" or registered holder. If your shares are held through a bank, broker, nominee or other shareholder of record, you are considered the "beneficial owner" of those shares.

7. What information will be sent to shareholders?

This proxy statement, the accompanying **WHITE** proxy card and our 2013 Annual Report will be mailed on or about June 10, 2014 to our shareholders of record as of June 2, 2014, which we refer to as the Record Date.

8. Who is entitled to vote at the meeting?

The Record Date for this meeting is June 2, 2014. On that date, we had outstanding 153,181,241 common shares, \$0.125 par value, and 731,223 shares of our 7.00% Series A mandatory convertible preferred stock, Class A, no par value, which we refer to as our mandatory convertible preferred stock, which are represented by 29,248,925 depositary shares (each of which represents 1/40th of a share of our mandatory convertible preferred stock). All common shareholders and mandatory convertible preferred stock, shareholders are entitled to vote.

Because each depositary share represents a 1/40th interest in a share of the mandatory convertible preferred stock, holders of depositary shares are entitled to the equivalent of 1/40th of a vote of a share of our mandatory convertible preferred stock per depositary share. Wells Fargo Bank, N.A. acts as the bank depositary with respect to the depositary shares. The bank depositary will provide the notice of the 2014 Annual Meeting to the record holders of the depositary shares. Each record holder of depositary shares on the Record Date may instruct the bank depositary as to how to vote the amount of our mandatory convertible preferred stock represented by such holder's depositary shares in accordance with these instructions. The bank depositary will endeavor, insofar as practicable, to vote the amount of our mandatory convertible preferred stock represented by such depositary shares in accordance with these instructions. The bank depositary will abstain from voting shares of our mandatory convertible preferred stock to the extent it does not receive specific instructions from the holders of depositary shares.

9. How do I vote?

You may vote using any of the following methods:

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9. **How do I vote?**

You may vote using any of the following methods:

Shareholders of Record
If your shares are registered in your name, you may vote in person or by proxy. If you decide to vote by proxy, you may do so over the Internet, by telephone or by mail.

- Over the Internet. After reading the proxy materials and with your **WHITE** proxy card in front of you, you may use a computer to access the website www.firstcoastresults.com/cliffs. You will be prompted to enter your control number from your **WHITE** proxy card. This number will identify you as a shareholder of record. Follow the simple instructions that will be given to you to record your vote.
- By telephone. After reading the proxy materials and with your **WHITE** proxy card in front of you, you may call (800) 223-9672 using a touch-tone telephone. You will be prompted to enter your control number from your **WHITE** proxy card. This number will identify you as a shareholder of record. Follow the simple instructions that will be given to you to record your vote.
- By mail. If you received a paper copy of the **WHITE** proxy card by mail, after reading the proxy materials, you may sign, date and mark your **WHITE** proxy card and return it in the prepaid and addressed envelope provided.
- The Internet and telephone voting procedures have been setup for your convenience and have been designed to authenticate your identity, allow you to submit voting instructions and confirm that those instructions have been recorded properly.

Shares Held by Bank or Broker
If your shares are held by a bank, broker, depositary, trustee, nominee or other shareholder of record, that entity will provide separate voting instructions.

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." Brokerage firms have the authority under applicable rules to vote shares for which their customers do not provide voting instructions only on certain "routine" matters. As a result of Casablanca's stated intention to nominate alternative director nominees, there will be no "routine" matters at the Annual Meeting for any broker accounts that are provided with proxy materials. **WE STRONGLY ENCOURAGE YOU TO PROVIDE VOTING**

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If you have questions or need assistance voting your shares, please contact our proxy solicitor, D.F. King & Co., Inc. by any of the methods below:

D.F. King & Co., Inc.
Mail: 48 Wall Street, 22nd Floor, New York, NY 10038
Phone: Toll Free (800) 487-4870
Collect (212) 269-5550
Email: cliffs@dfking.com

10. **Has Cliffs been notified that a shareholder intends to propose its own director nominees at the meeting in opposition to the Board of Directors' nominees?**

Yes. Casablanca has notified Cliffs that it intends to nominate six nominees for election as directors at the 2014 Annual Meeting in opposition to the Cliffs Board's recommended nine nominees. The Cliffs Board unanimously recommends that you vote **FOR ALL** of the nine director nominees recommended by the Cliffs Board by using the enclosed **WHITE** proxy card accompanying these proxy materials. The Cliffs Board strongly urges you not to sign or return any proxy card sent to you by or on behalf of Casablanca.

Casablanca's nominees have not been endorsed by the Board. Cliffs is not responsible for the accuracy of any information provided by or relating to Casablanca contained in any proxy solicitation materials filed or disseminated by, or on behalf of, Casablanca or any other statements that Casablanca may otherwise make.

11. **What should I do if I receive a gold proxy card from Casablanca?**

The Board urges you **NOT** to sign or return any gold proxy card sent to you by or on behalf of Casablanca. Voting against Casablanca's nominees on its proxy card is not the same as voting for the Cliffs Board's nominees, because a vote against Casablanca's nominees on its proxy card will revoke any previous proxy card submitted by you. If you have voted previously using the gold proxy card sent to you by or on behalf of Casablanca, you can change your vote by executing the **WHITE** proxy card or by voting by telephone or Internet by following the instructions shown on the **WHITE** proxy card. Only the latest dated proxy you submit will be counted. If you have any questions or need assistance voting, please contact our proxy solicitor, D.F. King & Co. Inc., toll free at (800) 487-4870, call collect at (212) 269-5550 or email at cliffs@dfking.com.

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Because the Board has nominated a slate of nine directors for the available 11 seats at the 2014 Annual Meeting, two nominees that were not nominated by Cliffs will be elected at the 2014 Annual Meeting. At this time, Casablanca is the only shareholder that has notified Cliffs of its intention to nominate directors for election at the 2014 Annual Meeting. Therefore, the Board expects that the remaining two board seats will be filled by two of the Casablanca nominees. Even if you vote **FOR ALL** of our nine Director nominees on the **WHITE** proxy card, we expect that at least two nominees that are nominated by Casablanca and/or another shareholder will be elected as directors at the 2014 Annual Meeting.

12. What can I do if I change my mind after I vote?

You may revoke your proxy at any time before the vote by (i) executing and submitting a revised proxy; (ii) providing a written revocation to the Secretary of Cliffs; or (iii) voting in person at the meeting. If you do not hold your shares directly, you should follow the instructions provided by your broker, bank or nominee to revoke your previously voted proxy. Only your latest dated proxy will count.

13. What vote is required to approve each proposal?

Each common share entitles its owner to one vote except with respect to the election of directors under cumulative voting. With respect to the election of directors under cumulative voting, each shareholder has the right to vote in person or by proxy the number of shares registered in his or her name for as many persons as there are directors to be elected, or to cumulate such votes and give one candidate as many votes as shall equal the number of directors to be elected multiplied by the number of his or her shares, or to distribute the votes so cumulated among as many candidates as he or she may desire. Although the Board has nominated a slate of nine directors for the available 11 seats at the 2014 Annual Meeting, each shareholder of Cliffs common stock will still have 11 votes per share with respect to the election of directors.

With respect to **Proposal 1**, the 11 nominees receiving a plurality vote of the shares will be elected. In the event that cumulative voting is in effect, which we currently anticipate will be the case, the 11 nominees receiving the highest number of votes shall be elected. Because Casablanca has proposed six nominees for election at the 2014 Annual Meeting, the number of director nominees will exceed the number of directors to be elected, and, consequently, Cliffs' majority voting policy would not apply to this election. Otherwise, under our majority voting policy (adopted by the Cliffs Board) in an uncontested election, any director-nominee that is elected by a plurality vote but fails to receive a majority of votes cast (which excludes abstentions and broker non-votes) is expected to tender his or her resignation, which resignation will be considered by the Governance and Nominating Committee and our Board.

With respect to **Proposal 1**, the 11 nominees receiving a plurality vote of the shares will be elected. In the event that cumulative voting is in effect, which we currently anticipate will be the case, the 11 nominees receiving the highest number of votes shall be elected. Because Casablanca has proposed six nominees for election at the 2014 Annual Meeting, the number of director nominees will exceed the number of directors to be elected, and, consequently, Cliffs' majority voting policy would not apply to this election. Otherwise, under our majority voting policy (adopted by the Cliffs Board) in an uncontested election, any director-nominee that is elected by a plurality vote but fails to receive a majority of votes cast (which excludes abstentions and broker non-votes) is expected to tender his or her resignation, which resignation will be considered by the Governance and Nominating Committee and our Board.

With respect to **Proposal 2**, the approval of the 2014 Nonemployee Directors' Compensation Plan will pass with the affirmative vote of a majority of the shares present, in person or represented by proxy, at the 2014 Annual Meeting and entitled to vote on the proposal.

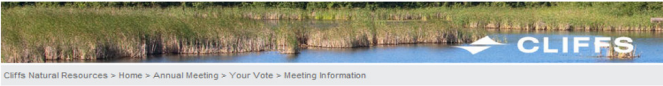
With respect to **Proposal 3**, the approval, on an advisory basis, of our named executive officers' compensation requires the affirmative vote of a majority of the shares present, in person or represented by proxy, at the 2014 Annual Meeting and entitled to vote on the proposal.

With respect to **Proposal 4**, approval of the Cliffs Natural Resources Inc. Amended and Restated 2012 Incentive Equity Plan will pass with the affirmative vote of a majority of the shares present, in person or represented by proxy, at the 2014 Annual Meeting and entitled to vote on the proposal.

With respect to **Proposal 5**, the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the 2014 fiscal year will pass with the affirmative vote of a majority of the shares present, in person or represented by proxy, at the 2014 Annual Meeting and entitled to vote on the proposal.

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Meeting Information

Information on the meeting topics below is referenced from [Cliffs Natural Resources Inc. -- 2014 Proxy Statement](#)

- Meeting Information
- Voting Rights
- Voting of Proxies
- Cumulative Voting
- Counting Votes
- Proxy Solicitation
- Householding

Meeting Information

The accompanying proxy is solicited by the Board of Directors of Cliffs Natural Resources Inc., or Cliffs or the Company, for use at the Annual Meeting of Shareholders to be held on July 29, 2014, which we refer to as our 2014 Annual Meeting, and any adjournments or postponements thereof. This proxy statement, the accompanying **WHITE** proxy card and our 2013 Annual Report will be mailed on or about June 10, 2014 to our shareholders of record as of the Record Date.

Voting Rights

Shareholders of record on the Record Date are entitled to vote at the meeting. On the Record Date, there were outstanding 153,181,241 common shares and 731,223 shares of our mandatory convertible preferred stock, which are represented by 29,248,925 depository shares (each of which represents 1/40 th of a share of our mandatory convertible preferred stock), entitled to vote at the meeting. The common shares and mandatory convertible preferred stock will vote together as a single class. A majority of the common shares and shares of mandatory convertible preferred stock entitled to vote must be represented at the

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Shareholders of record on the Record Date are entitled to vote at the meeting. On the Record Date, there were outstanding 153,181,241 common shares and 731,223 shares of our mandatory convertible preferred stock, which are represented by 29,248,925 depository shares (each of which represents 1/40 th of a share of our mandatory convertible preferred stock), entitled to vote at the meeting. The common shares and mandatory convertible preferred stock will vote together as a single class. A majority of the common shares and shares of mandatory convertible preferred stock entitled to vote must be represented at the 2014 Annual Meeting, in person or by proxy, to constitute a quorum and to transact business. Each outstanding share is entitled to one vote in connection with each item to be acted upon at the 2014 Annual Meeting. As stated on page 21 of Cliffs' 2014 proxy statement, we have received notice of a shareholder's desire to exercise cumulative voting in the election of directors. If cumulative voting is invoked and in effect with respect to the election of directors, which we currently anticipate will be the case, each shareholder will be able to allocate among the director nominees the total number of votes equal to the number of director positions to be filled multiplied by the number of common shares and/or shares of mandatory convertible preferred stock held by such shareholder (for example, because there are 11 directors to be elected at the 2014 Annual Meeting, a shareholder will be able to choose to vote each of its shares 11 times for a single director). Cumulative voting is described in more detail below under "Cumulative Voting". You may submit a proxy by telephone, by Internet or by mail, as explained on your **WHITE** proxy card.

Voting of Proxies

The common shares and shares of mandatory convertible preferred stock represented by properly authorized proxies will be voted as specified. It is intended that the shares represented by proxies on which no specification has been made will be voted: **FOR ALL** of the nine nominees for director named herein or such substitute nominees as the Board may designate (or if cumulative voting is in effect, which we currently anticipate will be the case, to elect as many of such nominees as possible); **FOR** the new Nonemployee Director Compensation Plan; **FOR** the approval, on an advisory basis, of our named executive officers' compensation; **FOR** the Cliffs Natural Resources Amended and Restated 2012 Incentive Equity Plan; **FOR** the ratification of Deloitte & Touche LLP as our independent registered public accounting firm to serve for the 2014 fiscal year; and, at the discretion of the persons named as proxies, on all other matters that may properly come before the 2014 Annual Meeting.

Cumulative Voting

Under Ohio law, if a shareholder desires cumulative voting for the election of directors, then the shareholder must provide written notice to the President, a Vice President or the Secretary of Cliffs at least 48 hours before the meeting. The notice must state that the shareholder desires that the voting at the election of directors be cumulative. As stated on page 21 of Cliffs' 2014 proxy statement, the Company has received such a notice from a shareholder. Other shareholders also may deliver such a notice any time at least 48 hours before the meeting.

For voting at the election of directors to be cumulative, an announcement of Cliffs' receipt of the shareholder's intent to exercise cumulative voting rights must be made when the annual meeting is convened by the Chairman of the Board, the Secretary or by or on behalf of a shareholder giving proper notice. Each shareholder that has delivered proper notice will be eligible to make the requisite announcement at the meeting and trigger cumulative voting. We cannot predict whether any eligible shareholder will make such an announcement. In some instances, an eligible shareholder will elect not to make such an announcement (even after having earlier given proper notice) for reasons of the shareholder's own choosing.

Even if no eligible shareholder elects to make an announcement and trigger cumulative voting, the chairperson or secretary of Cliffs may make such an announcement at the meeting if Cliffs chooses. Cliffs has not yet made a determination as to whether its Chairman or Secretary will do so if the circumstance arises. Cliffs' determination as to whether it will make such an announcement and trigger cumulative voting in such a circumstance will depend on which method of voting it believes will result in

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For voting at the election of directors to be cumulative, an announcement of Cliffs' receipt of the shareholder's intent to exercise cumulative voting rights must be made when the annual meeting is convened by the Chairman of the Board, the Secretary or by or on behalf of a shareholder giving proper notice. Each shareholder that has delivered proper notice will be eligible to make the requisite announcement at the meeting and trigger cumulative voting. We cannot predict whether any eligible shareholder will make such an announcement. In some instances, an eligible shareholder will elect not to make such an announcement (even after having earlier given proper notice) for reasons of the shareholder's own choosing.

Even if no eligible shareholder elects to make an announcement and trigger cumulative voting, the chairperson or secretary of Cliffs may make such an announcement at the meeting if Cliffs chooses. Cliffs has not yet made a determination as to whether its Chairman or Secretary will do so if the circumstance arises. Cliffs' determination as to whether it will make such an announcement and trigger cumulative voting in such a circumstance will depend on which method of voting it believes will result in the election of the greatest number of the nominees for directors named on page 21 based on the proxies it receives before the 2014 Annual Meeting.

For the reasons stated above, it is not yet certain whether cumulative voting will be in effect at the 2014 Annual Meeting, and it may not be certain until the time that the meeting is convened. If and when a proper notice is announced at the 2014 Annual Meeting, each shareholder will have cumulative voting rights. Cumulative voting means that each shareholder is entitled to that number of votes equal to the number of shares that he or she owns multiplied by the number of directors to be elected. Each shareholder may cast all of his or her votes for a single nominee or may distribute his or her votes among as many nominees as he or she sees fit. Although the Board has nominated a slate of only nine directors for the available 11 seats at the 2014 Annual Meeting, each shareholder of Cliffs common stock will still have 11 votes per share. For example, if a shareholder owns 100 common shares, because there are 11 directors to be elected at the 2014 Annual Meeting, such shareholder may allocate 1,100 "FOR" votes (11 times 100) to one director nominee or distribute such votes among two or more of the director nominees to be voted on at the 2014 Annual Meeting as such shareholder chooses. If the election of directors is by cumulative voting, the persons appointed by the accompanying proxy intend to cumulate the votes represented by the proxies they receive and distribute such votes in accordance with their best judgment in order to elect as many of the nominees for directors named on page 21 of Cliffs' 2014 proxy statement as possible. The Board of Directors strongly urges you to vote FOR ALL of the nine nominees recommended by the Board of Directors. Those nominees receiving the largest number of votes for the director positions to be filled will be elected to those positions.

Counting Votes

The results of shareholder voting will be tabulated by the independent inspector of elections appointed for the 2014 Annual Meeting, IVS Associates, Inc. We intend to treat properly authorized proxies as "present" for purposes of determining whether a quorum has been achieved at the 2014 Annual Meeting.

Abstentions and broker non-votes will have no effect with respect to the election of directors. Abstentions will have the effect of votes against Proposals 2, 3, 4 and 5. Broker non-votes will have no effect with respect to Proposals 2, 3 and 4.

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page 21 of Cliffs' 2014 proxy statement as possible. The Board of Directors strongly urges you to vote FOR ALL of the nine nominees recommended by the Board of Directors. Those nominees receiving the largest number of votes for the director positions to be filled will be elected to those positions.

Counting Votes

The results of shareholder voting will be tabulated by the independent inspector of elections appointed for the 2014 Annual Meeting, IVS Associates, Inc. We intend to treat properly authorized proxies as "present" for purposes of determining whether a quorum has been achieved at the 2014 Annual Meeting.

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Proxy Solicitation

Cliffs will bear the cost of solicitation of proxies. In addition, employees and representatives of the Company may solicit proxies, and we will request that banks and brokers or other similar agents or fiduciaries transmit the proxy materials to beneficial owners for their voting instructions and we will reimburse them for their expenses in so doing.

We have engaged D.F. King & Co. Inc. to assist in the solicitation of proxies for fees and disbursements not expected to exceed \$1.35 million in the aggregate. Our expenses related to the solicitation of shareholders and legal fees being paid to outside counsel (excluding the amount normally expended for a solicitation for an election of directors in the absence of a contest and salaries and wages of regular employees and officers) currently are expected to be in the range of approximately \$2 to 5 million depending on various outcomes, of which approximately \$1.75 million has been incurred to date. This estimated range of expenses related to the solicitation and legal fees excludes costs of litigation (other than litigation incidental to the solicitation). Proxies may be solicited personally, by mail, by telephone, by email or via the Internet.

Householding

We are permitted to send a single set of proxy materials to shareholders who share the same last name and address. This procedure is called "householding" and is designed to reduce our printing and postage costs. If you are the beneficial owner, but not the record holder, of Cliffs shares, your broker, bank or other nominee may only deliver one set of proxy materials and, as applicable, any other proxy materials that are delivered until such time as you or other shareholders sharing an address notify your nominee that you want to receive separate copies. A shareholder who wishes to receive a separate copy of the proxy statement and annual report, either now or in the future, should submit this request by writing to our Secretary at Cliffs Natural Resources Inc., 200 Public Square, Suite 3300, Cleveland, Ohio 44114, or calling our Investor Relations department at (800) 214-0739, and they will be delivered promptly. Beneficial owners sharing an address who are receiving multiple copies of proxy materials and annual reports and who wish to receive a single copy of such materials in the future will need to contact their broker, bank or other nominee to request that only a single copy of each document be mailed to all shareowners at the shared address in the future.

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Shareholder Letters

Open Letter from June 16, 2014

Dear Fellow Cliffs Shareholder,

As a shareholder of Cliffs, you will face an important decision regarding the future of your investment at our 2014 Annual Meeting of Shareholders, which is scheduled to be held on July 29, 2014. As you may be aware, a hedge fund, Casablanca Capital, is seeking to elect a majority slate of six directors and to appoint a handpicked replacement CEO with virtually no relevant mining industry experience. If elected, we believe the dissident nominees will support Casablanca's potentially value-destructive proposals, which include a break-up of your Company.

Our Board and management team remain fully committed to acting in the best interests of all our shareholders and stand ready to engage with Casablanca. We have attempted to maintain an open dialogue with Casablanca, and agreed to postpone the record date for our annual meeting, at Casablanca's request, during one of our previous meetings. Rather than working collaboratively with us to further the interests of all shareholders, Casablanca remains set on a costly and disruptive proxy contest to elect a majority of the Cliffs Board and replace our CEO while only owning a 5.2% stake in the Company.

As an investor, it is up to you to decide whether to support the continuity of the Board and the steadiness of our senior management who are implementing a plan designed to enhance value at Cliffs for all shareholders over the long-term, or the potentially value-destructive short-term agenda of a single minority shareholder, which will likely create instability and uncertainty ... [continue reading](#)

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Media

Links to press releases and media coverage are available for reference below. Please note that Cliffs Natural Resources has not been involved in the creation or editing of any third-party content listed, and inclusion does not imply endorsement or approval. All content remains property of the specified authors and/or sources listed, and is accessed on third-party websites not associated with Cliffs.

News articles are time-sensitive, reflecting expectations believed to be reasonable at the time of issuance. Publication dates are listed with each article; Cliffs undertakes no responsibility for information in old news articles that may no longer reflect current facts or expectations.

Press Releases

Issue Date	Press Release	Download as PDF
6.16.2014	Cliffs Natural Resources Inc. Issues Open Letter to Shareholders	56 KB
6.10.2014	Cliffs Natural Resources Inc. Files Definitive Proxy Materials in Connection with 2014 Annual Meeting of Shareholders	35 KB
5.29.2014	Cliffs Natural Resources Inc. Issues Response to Casablanca Capital	156 KB
5.27.2014	Cliffs Natural Resources Inc. Reduces Full-Year 2014 Capital Expenditures by an Additional \$100 Million	158 KB
5.13.2014	Cliffs Natural Resources Inc. Declares Quarterly Cash Dividend on Common and Preferred Shares	137 KB

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Release Date	Source	Article	Size
4.25.2014	Cliffs Natural Resources Inc.	Announces 2014 Annual Meeting of Shareholders	141 KB
4.24.2014	Cliffs Natural Resources Inc.	Reports First-Quarter 2014 Results and Maintains Full-Year 2014 Volume and Cost Outlook	291 KB
3.07.2014	Cliffs Natural Resources Inc.	Issues Statement	414 KB
3.07.2014	Cliffs Natural Resources Inc.	Proposed Settlement with Casablanca Capital	51 KB
3.07.2014	Cliffs Natural Resources Inc.	Confirms Receipt of Director Nominations by Casablanca Capital	52 KB
2.14.2014	Cliffs Natural Resources Inc.	Issues Open Letter to Shareholders	36 KB
2.12.2014	Cliffs Natural Resources Inc.	Responds to Casablanca Capital	41 KB
1.28.2014	Cliffs Natural Resources Inc.	Statement on Shareholder Engagement	33 KB

National Coverage

Release Date	Source	Article
5.27.2014	Wall Street Journal	Cliffs Natural Resources Cuts Full-Year Capital Expenditures Target by \$100 Million Online.wsj.com/article/BT-CO-20140527-711078.html
3.7.2014	Wall Street Journal	Cliffs Natural Resources Fires Back at Casablanca Nominations Online.wsj.com/news/articles/SB10001424052702304554004579424801107870132
1.28.2014	Wall Street Journal	Cliffs Doesn't Pass the Hess Test – Heard on the Street Online.wsj.com/news/articles/SB10001424052702303277704579349070015387200
1.28.2014	Wall Street Journal (MoneyBeat)	Moody's Says Any Cliffs Natural Split Could Be Junk Rated Blogs.wsj.com/moneybeat/2014/01/28/moodys-says-any-cliffs-natural-split-could-be-junk-rated/

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3.7.2014	Bloomberg Businessweek	Cliffs Says Casablanca Rejects Offer of Two Board Members Businessweek.com/news/2014-03-07/cliffs-says-casablanca-rejects-offer-to-name-two-board-members
3.7.2014	Associated Press (via	Cliffs Says Casablanca Turns Down Settlement Offer

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Release Date	Source	Article
3.7.2014	Bloomberg Businessweek	Cliffs Says Casablanca Rejects Offer of Two Board Members Businessweek.com/news/2014-03-07/cliffs-says-casablanca-rejects-offer-to-name-two-board-members
3.7.2014	Associated Press (via Bloomberg)	Cliffs Says Casablanca Turns Down Settlement Offer Businessweek.com/ap/2014-03-07/cliffs-says-casablanca-turns-down-settlement-offer
3.7.2014	Reuters	Cliffs Natural Says Activist Investor Rejects Offer to End Proxy Fight Reuters.com/article/2014/03/07/cliffs-hedgefunds-tUJSL3NOM441H20140307
1.28.2014	Bloomberg	Cliffs Investor Casablanca Urges Spinoff With Higher Payout Bloomberg.com/news/2014-01-28/cliffs-investor-casablanca-urges-spinoff-higher-dividend.html


Trade/Business Publications

Release Date	Source	Article
3.19.2014	DealReporter	Cliffs Shareholders Mixed on Casablanca – Analysis URL: Dealreporter.com/info/
3.7.2014	Law 360	Activist Spurns Cliffs' Compromise In Favor Of Proxy Fight URL: Law360.com/articles/516309/activist-spurns-cliffs-compromise-in-favor-of-proxy-fight
3.7.2014	Breakingviews	Same Old Story URL: Breakingviews.com/beautiful-friendships-with-activists-ending-fast/21135441.article
3.7.2014	The Street	Activist Takes Aim At Cliffs Natural Resources URL: Thestreet.com/story/12521536/1/activist-takes-aim-at-cliffs-natural-resources.html
3.7.2014	Creamer's Mining Weekly	Activist Cliffs shareholder rejects settlement offer URL: Miningweekly.com/article/activist-cliffs-shareholder-rejects-settlement-offer-2014-03-07

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SEC Filings






PDF downloads of applicable SEC filings are listed below. A complete list of Cliffs SEC filings, along with other corporate governance resources, is available on our [investors](#) site.

Date Filed	Filing Type	Filing Description	Download as PDF
6.12.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	200 KB
6.11.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	100 KB
6.10.2014	DEFC14A	Proxy Statement - Contested Solicitations (definitive)	560 KB
6.09.2014	PREC14A	Proxy Statement - Contested Solicitations (preliminary)	905 KB
6.05.2014	PREC14A	Proxy Statement - Contested Solicitations (preliminary)	853 KB
5.30.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	120 KB
5.28.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	545 KB
5.14.2014	PRE 14A	Additional Proxy Soliciting Materials (definitive)	1.0 MB
4.25.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	787 KB
4.22.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	564 KB
3.20.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	1.5 MB

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5.30.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	120 KB
5.28.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	545 KB
5.14.2014	PRE 14A	Additional Proxy Soliciting Materials (definitive)	1.0 MB
4.25.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	787 KB
4.22.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	564 KB
3.20.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	1.5 MB
3.07.2014	PREC14A	Proxy Statement - Contested Solicitations (preliminary)	1.1 MB
3.07.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	1.3 MB
3.07.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	79 KB
3.07.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	83 KB
2.21.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	91 KB
2.14.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	87 KB
2.13.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	77 KB
2.13.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	85 KB
2.12.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	68 KB
1.28.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	87 KB
1.28.2014	DEFA14A	Additional Proxy Soliciting Materials (definitive)	79 KB

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Contacts

The contacts listed below are available for media, investor relations or proxy solicitation inquiries. In addition, J.P. Morgan and Bank of America Merrill Lynch are acting as financial advisors to Cliffs in this matter, and Wachtell, Lipton, Rosen & Katz and Jones Day are acting as legal counsel.

Investor Relations

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Jordan Kovler	Proxy Solicitation	D.F. King & Co., Inc	jkovler@dfking.com	212.493.6990

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Name	Title	Company	E-mail Address	Phone Number
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Andrea Rose	Managing Director	Joele Frank	arose@joelefrank.com	212.355.4449



NEWS RELEASE**CLIFFS NATURAL RESOURCES INC. ISSUES OPEN LETTER TO SHAREHOLDERS**

*Urges Shareholders to Support Value-Enhancing Changes Underway
and Vote WHITE Proxy Card Today*

Files Definitive Proxy Materials and Mails Letter To Shareholders

CLEVELAND – June 16, 2014 – Cliffs Natural Resources Inc. (NYSE: CLF) today announced that it has filed definitive proxy materials with the Securities and Exchange Commission ("SEC") in connection with its upcoming 2014 Annual Meeting of Shareholders to be held on July 29, 2014. Cliffs shareholders of record at the close of business on June 2, 2014, will be entitled to vote at the Annual Meeting.

Based on discussions with various shareholders, the Board of Directors currently believes that it is in the best interest of all Cliffs shareholders for the Board to nominate a slate of nine directors for its eleven-person Board. The Cliffs Board does not currently intend to nominate Susan M. Cunningham or Andrés R. Gluski for re-election as a director of Cliffs at the 2014 Annual Meeting, and does not currently intend to nominate replacement candidates. As a result, by using the WHITE proxy card and voting as recommended by the Board, we believe that at least two of Casablanca's proposed nominees will be elected to the Cliffs Board, assuming that Casablanca continues its proxy contest.

The Cliffs Board recommends shareholders use the WHITE proxy card to vote "**FOR ALL**" of the Company's nine highly qualified and experienced director nominees with expertise in leading mining, steel, basic materials, engineering and natural resources businesses: Gary B. Halverson, Barry J. Eldridge, Mark E. Gaumont, Susan M. Green, Janice K. Henry, Stephen M. Johnson, James F. Kirsch, Richard K. Riederer and Timothy W. Sullivan.

The Company issued the following letter to all shareholders:

Dear Fellow Cliffs Shareholder,

As a shareholder of Cliffs, you will face an important decision regarding the future of your investment at our 2014 Annual Meeting of Shareholders, which is scheduled to be held on July 29, 2014. As you may be aware, a hedge fund, Casablanca Capital, is seeking to elect a majority slate of six directors and to appoint a handpicked replacement CEO with virtually no relevant mining industry experience. **If elected, we believe the dissident nominees will support Casablanca's potentially value-destructive proposals, which include a break-up of your Company.**

Our Board and management team remain fully committed to acting in the best interests of all our shareholders and stand ready to engage with Casablanca. We have attempted

to maintain an open dialogue with Casablanca, and agreed to postpone the record date for our annual meeting, at Casablanca's request, during one of our previous meetings. Rather than working collaboratively with us to further the interests of all shareholders, **Casablanca remains set on a costly and disruptive proxy contest to elect a majority of the Cliffs Board and replace our CEO while only owning a 5.2% stake in the Company.**

As an investor, it is up to you to decide whether to support the continuity of the Board and the steadiness of our senior management who are implementing a plan designed to enhance value at Cliffs for all shareholders over the long-term, or the potentially value-destructive short-term agenda of a single minority shareholder, which will likely create instability and uncertainty.

BEGINNING IN JULY 2013, CLIFFS' BOARD TOOK DECISIVE ACTION TO CREATE MOMENTUM AND ENACT POSITIVE CHANGE

Long before representatives of Casablanca first made outreach to members of the Cliffs management team in late December of 2013 and before Casablanca purchased a single share of Cliffs' common stock, Cliffs' Board had taken rigorous steps to fundamentally shift the strategic, operational and financial direction of the Company. Cliffs' Board laid the foundation of the turnaround that Gary Halverson, President and Chief Executive Officer, and his team have continued to execute by updating the two most senior positions in the management team, beginning to sharpen the Company's capital allocation priorities (including placing every strategic asset under review), and initiating steps to significantly reduce SG&A and exploration costs.

UNDER NEW EXECUTIVE LEADERSHIP, CLIFFS HAS CONTINUED TO MAKE POSITIVE CHANGE AND EXECUTE A PLAN TO ENHANCE SHAREHOLDER VALUE

Building on the foundation established by the Board almost a year ago, Cliffs has continued to amass momentum through positive change, including significant actions to reduce costs and prudently allocate capital. The Company's Board and new management team, led by Gary Halverson, have taken decisive steps to steadily improve Cliffs' financial and operating performance, including through the ongoing, comprehensive review of our portfolio of assets and strategic options. Specifically, we have:

- o Strengthened our balance sheet with cash flows from operations and have maintained a disciplined approach to capital spending.
 - o Further reduced full-year 2014 capital expenditures by an additional \$100 million, lowering the total expected capital expenditures by approximately \$562 million, or 65%, year over year. This is in addition to reducing capital expenditures by \$266 million in 2013.
 - o Implemented the enterprise cost reduction initiative commenced under the Board's directive in July of 2013, resulting in SG&A cost reduction of \$134 million, or 32%, year over year with further reductions in SG&A and exploration costs on track for 2014. Total SG&A and exploration spend for the year is anticipated to be \$200 million, excluding any costs associated with proxy related expenses and severance.
 - o 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.
-

- Adjusted aggressively our Canadian portfolio of assets through operational actions; capital expenditure reductions; and cessation of exploration projects by:
 - Significantly reducing 2014 expansion capital expenditures at Bloom Lake Mine in Quebec and initiating a major cash cost reduction program.
 - Idling production at the Wabush Mine in the Province of Newfoundland and Labrador at the end of Q1 2014.
 - Indefinitely suspending spending on the Chromite Project in Northern Ontario and preserving future value options for the asset should a government-backed infrastructure solution emerge.

We are focused on increasing our cash flow generating capabilities over the long term, and we are committed to disciplined capital allocation to ensure that we only spend on assets that generate appropriate returns for our shareholders. In addition, we will use additional cash generated in excess of consolidated capital expenditures and dividend payments during the year to lower the Company's net debt position. Our assets require conservative financial management, which is why we use balance sheet liquidity to maintain strategic stability during periods when pricing is under pressure.

WE BELIEVE GARY HALVERSON IS THE RIGHT LEADER FOR CLIFFS AT THIS CRITICAL TIME

As part of its thorough search for a new CEO, which began in July of 2013, the Board engaged a leading independent executive search firm. The entire Board was engaged in the process and interviewed all finalist candidates. After an extensive review, the Board selected Gary Halverson as the best choice to lead Cliffs.

Gary has the insights and experience to lead the Company in this critical and volatile period and to create shareholder value, given his 30 years of experience in managing international large-scale, long-lived mining operations and understanding of the global commodities industry.

He has led business divisions similar in size and scale to Cliffs, most recently as the Interim COO of Barrick Gold Corp., the world's largest gold miner. He has extensive experience managing large annual operating budgets and capital projects, and has been successful in optimizing mines, objectively assessing troubled operations and executing projects on time and on budget.

Gary's experience includes a wide range of underground and open-pit mines from the construction and development phases through the end-of-life stage. He has successfully tackled many projects with complex operational and compliance challenges. **Your Board strongly supports Gary Halverson and does not believe that Casablanca's goal of replacing him is in the interests of Cliffs shareholders.**

**WE HAVE ASSEMBLED A STRONG BOARD THAT IS
WELL MATCHED TO THE OPPORTUNITIES AND CHALLENGES FACED BY
CLIFFS**

We have instituted a critical remake of our Board and senior management team, including the recent addition of four highly qualified directors: Timothy W. Sullivan, Mark E. Gaumond, Stephen M. Johnson and Gary B. Halverson.

Our nine director nominees, eight of whom are independent, have decades of leadership experience in mining, steel, basic materials, finance, engineering and natural resources businesses – the skills that your Board believes are required in order to understand and lead Cliffs.

Our Board continues to take an active approach in overseeing Cliffs' strategy and execution, providing guidance and, as appropriate, exacting accountability.

CASABLANCA IS NOT PROPOSING ANY NEW STRATEGIES

All of Casablanca's strategic suggestions, including its recent proposals and those it previously proposed (and withdrew or modified), are either flawed or have already been considered by our current Board and management team.

We have reviewed – and will continue to review – alternatives to enhance value for all shareholders with a focus on driving sustainable long-term value. **As described below, we believe Casablanca's proposals fail to provide a sustainable, long-term value-enhancing plan for Cliffs.** Critically, Casablanca's latest proposal offers no substantive value-adding ideas regarding our Bloom Lake Mine.

Casablanca Proposal	Cliffs' Response
Refocus on Core US Business	As part of its existing strategy, Cliffs has been focused on its core US business, which is a reliable generator of cash with limited exposure to volatile seaborne iron ore prices. Importantly, over the last 12 months, three long-term value-enhancing commercial contracts have been successfully extended.
Immediate Divestiture of Asia Pacific	<p>Divesting Asia Pacific would eliminate one of Cliffs' strongest earnings and cash flow generating businesses during a volatile iron ore pricing environment. There are also significant credit implications that could limit Cliffs' financial flexibility and liquidity.</p> <p>We continue to assess ways to extend the mine life at Asia Pacific, but will only do so if any capital incurred can meet very high hurdle rates of return for shareholders. We are open to any divestiture transaction that would create more value for shareholders than owning and operating an asset.</p>

Second-Stage Value Creation—by MLP, Sale or Otherwise	Casablanca's proposed application of the MLP as a way to monetize and distribute proceeds is infeasible. Our Board and management team have been studying and continue to study the feasibility of a potential MLP structure with its advisors. The specific characteristics of the Company's US iron ore business involve complex tax and structural components that require careful consideration before deciding to proceed. With regard to a sale, we know our industry well, and our Board is well aware of our fiduciary duties.
Address Cost Structure	Casablanca ignores that we have significantly reduced operating costs, SG&A, and exploration costs. In fact, we are on track to reduce SG&A and exploration costs by approximately 53% or \$225 million since 2012. We will continue to institute further measures designed to improve the operating efficiency and profitability of our operations, consistent with our plan.
Return More Capital to Shareholders	We regularly evaluate our return of capital policy and dividend in the context of servicing our existing debt, funding our operations and selectively investing in growth initiatives throughout the commodity cycle all within the context of maintaining a strong balance sheet, sustainable liquidity and an investment-grade profile. We believe that our dividend should be increased only to the extent that it is sustainable.

WE BELIEVE CASABLANCA'S PROPOSED CEO AND SEVERAL OF ITS DIRECTOR NOMINEES LACK THE EXPERIENCE AND QUALIFICATIONS TO LEAD CLIFFS

Lourenco Goncalves, Casablanca's proposed CEO, has no meaningful experience in managing large-scale, long-lived mining assets in complex ore bodies or operating global assets in multiple geographies. **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.**

His main qualification seems to be his most recent public company experience as an executive in the metals distribution industry, which is not comparable to Cliffs. Under Mr. Goncalves' leadership, shares of Metals USA underperformed nearly all of its publicly traded peers from its initial public offering in April 2010 until its sale in April 2013.

Several of Casablanca's director nominees also lack leadership experience with global mining companies or service on public company boards. For example, Casablanca is nominating Douglas Taylor, one of its executives, who has no mining experience and whose only prior experience as a director came at Sapphire Industrials Corp., which Casablanca describes as "a blank check company formed for the purpose of effecting business combinations with one or more operating businesses." Under Mr. Taylor's leadership, Sapphire Industrials Corp. was forced to liquidate and dissolve due to its failure to effect a business combination in the time frame required by its charter.

Like Casablanca itself, Mr. Goncalves and several of the other dissident nominees do not have the experience necessary to effectively lead a mining company in

today's operating environment. In fact, during March and April 2014, in an effort to bring to an end Casablanca's costly and distracting proxy contest, nine members of the Cliffs Board interviewed Mr. Goncalves regarding his strategic vision for Cliffs. Based on such interviews, the Board determined that it was not in the best interests of all our shareholders to appoint Mr. Goncalves as executive chairman of the Cliffs Board or chairman of Cliffs' Strategy Committee due to his lack of experience in managing large-scale, long-lived mining assets in complex ore bodies and operating global assets in multiple geographies. We urge you not to let them manage your Company for short-term gains at the cost of sustainable value and long-term advantage.

**CASABLANCA IS THROWING IDEAS AT A WALL TO SEE IF ANYTHING "STICKS"
AND HAS CHANGED ITS PLATFORM AS ITS IDEAS ARE SHOWN NOT TO BE
VIABLE**

Since initially launching their campaign, Casablanca has abandoned its own **suggested ideas**, including spinning off Bloom Lake Mine with the Asia Pacific Iron Ore business unit to create "Cliffs International"; divesting our infrastructure assets; and "doubling the dividend."

Now, most likely because the spinoff idea was so severely criticized by financial analysts and commentators, Casablanca is backtracking, claiming Asia Pacific Iron Ore business unit is "not enough to anchor an international strategy" and suggesting an immediate divestiture of Asia Pacific Iron Ore business unit to repay debt, finance remaining obligations at our Bloom Lake Mine, or return capital to shareholders. We believe Casablanca's backtracking is necessary given their ideas cannot create long-term value for all shareholders of Cliffs.

Casablanca is now suggesting a potential sale of the Company as an alternative to its original proposal. **All of this exposes what appears to be a "shoot first, ask questions later" mentality on the part of Casablanca.**

**WE PROPOSED A SETTLEMENT WITH CASABLANCA; THEY REJECTED OUR
EFFORTS AND INSIST ON PROCEEDING WITH A COSTLY AND DISTRACTING
PROXY CONTEST TO ELECT A MAJORITY OF YOUR BOARD**

Your Board and management team strive to maintain an open dialogue with all shareholders, including Casablanca. In fact, our Chairman along with our lead director has met with Casablanca in person three times in addition to a number of telephone calls and emails over the last several months.

Recently, we attempted to reach a settlement in good faith with Casablanca that we believe would be in the best interest of all our shareholders. In order to avoid the distraction and expense of a potential proxy fight, we proactively offered to permit Casablanca to appoint two new independent Directors to our Board and a third mutually agreed upon Director to be named at a later date. However, **Casablanca rejected our settlement offer and subsequently stated it would not consider any future settlement offer that did not include terms under which Lourenco Goncalves would become executive chairman.**

This is an important time at our Company and shareholders should reject Casablanca's attempt to risk Cliffs' future by introducing instability to the Company.

Our Board and management team remain fully committed to acting in the best interests of all our shareholders and stand ready to engage with Casablanca.

On behalf of the Cliffs Board and the management team, I thank you for your support as we continue to focus on creating long-term value for its shareholders and on executing our strategic vision.

Sincerely,

Cliffs' Board of Directors

J.P. Morgan and Bank of America Merrill Lynch are acting as financial advisors to the Company and Wachtell, Lipton, Rosen & Katz and Jones Day are acting as legal counsel.

About Cliffs Natural Resources Inc.

Cliffs Natural Resources Inc. is an international mining and natural resources company. 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 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 release 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 subject to risks and uncertainties relating to Cliffs' operations and business environment that are difficult to predict and may be beyond Cliffs' control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by forward-looking statements for a variety of reasons including without limitation: trends affecting our financial condition, results of operations or future prospects, particularly the continued volatility of iron ore and coal prices; our actual levels of capital spending; uncertainty or weaknesses in global economic conditions, including downward pressure on prices, reduced market demand and any slowing of the economic growth rate in China; a currently pending proxy contest and any other actions of activist shareholders; our ability to successfully integrate acquired companies into our operations and achieve post-acquisition synergies, including without limitation, Cliffs Quebec Iron Mining Limited (formerly Consolidated Thompson Iron Mining Limited); our ability to successfully identify and consummate any strategic investments and complete planned divestitures; the outcome of any contractual disputes with our cus-

tomers, joint venture partners or significant energy, material or service providers or any other litigation or arbitration; the ability of our customers and joint venture partners to meet their obligations to us on a timely basis or at all; our ability to reach agreement with our iron ore customers regarding any modifications to sales contract provisions; the impact of price-adjustment factors on our sales contracts; changes in sales volume or mix; our actual economic iron ore and coal reserves or reductions in current mineral estimates, including whether any mineralized material qualifies as a reserve; the impact of our customers using other methods to produce steel or reducing their steel production; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets; the results of prefeasibility and feasibility studies in relation to projects; impacts of existing and increasing governmental regulation and related costs and liabilities, including failure to receive or maintain required operating and environmental permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity and costs related to implementing improvements to ensure compliance with regulatory changes; our ability to cost-effectively achieve planned production rates or levels; uncertainties associated with natural disasters, weather conditions, unanticipated geological conditions, supply or price of energy, equipment failures and other unexpected events; adverse changes in currency values, currency exchange rates, interest rates and tax laws; availability of capital and our ability to maintain adequate liquidity and successfully implement our financing plans; our ability to maintain appropriate relations with unions and employees and enter into or renew collective bargaining agreements on satisfactory terms; risks related to international operations; availability of capital equipment and component parts; the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; problems or uncertainties with productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, employee-benefit costs and other risks of the mining industry; and other factors and risks that are set forth in the Company's most recently filed reports with the U.S. Securities and Exchange Commission (the "SEC"). The information contained herein speaks as of the date of this 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 release.

Important Additional Information

Cliffs, its directors and certain of its executive officers are deemed to be participants in the solicitation of proxies from Cliffs' shareholders in connection with the matters to be considered at Cliffs' 2014 Annual Meeting. Cliffs filed a definitive proxy statement with the SEC on June 10, 2014 in connection with any such solicitation of proxies from Cliffs' shareholders. **CLIFFS' SHAREHOLDERS ARE STRONGLY ENCOURAGED TO READ THE PROXY STATEMENT AND WHITE PROXY CARD AS THEY CONTAIN IMPORTANT INFORMATION.** Information regarding the ownership of Cliffs' directors and executive officers in Cliffs' shares, restricted shares and options is included in their SEC filings on Forms 3, 4 and 5. More detailed information regarding the identity of participants, and their direct or indirect interests, by security holdings or otherwise, is set forth in the definitive proxy statement and other materials to be filed with the SEC in connection with Cliffs' 2014 Annual Meeting. Information can also be found in Cliffs' Annual Report on Form 10-K for the year ended Dec. 31, 2013, filed with the SEC on Feb. 14, 2014, as amended and filed with the SEC on April 30, 2014, and Cliffs' definitive proxy statement on Schedule 14A, filed with the SEC on June 10, 2014. Shareholders will be able to obtain the proxy statement, any amendments or supplements to the definitive proxy statement and other documents filed by Cliffs with the SEC for no charge at the SEC's website at www.sec.gov. Copies will also be available at no charge at Cliffs' website at www.cliffsnr.com or by contacting James Graham, Vice President, Chief Legal Officer & Secretary at (216) 694-

5504. Shareholders may also contact D.F. King & Co., Inc., Cliffs' proxy solicitor, toll-free at (800) 487-4870 or by email at cliffs@dfking.com.

Contacts:

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(212) 493-6990

Media

Patricia Persico
Director, Global Communications
(216) 694-5316

Joele Frank, Meaghan Repko or Andrea Rose
Joele Frank, Wilkinson Brimmer Katcher
(212) 355-4449



Cliffs Corporate Announcement

Dear Colleague,

Earlier today, we issued an open letter to all Cliffs shareholders providing an update on the positive change that is underway at your Company. While I encourage you to read the full letter, posted on www.cliffsnaturalresources.com, I want you to know that your Board and management team have undertaken a comprehensive review of our portfolio of assets and strategic options and are executing a plan to enhance shareholder value. Consistent with this focus, over the last year, we have taken decisive steps to improve our financial and operating performance across all businesses, to the benefit of our customers, shareholders and employees. Specifically, we have:

- **Strengthened our balance sheet** with cash flows from operations and undertaken a disciplined approach to capital spending.
- **Further reduced expected full-year 2014 capital spending.** The management team is prudently and proactively managing Cliffs' financial position in response to recent commodity price movements, as demonstrated by our recent announcement to further reduce full-year 2014 capital expenditures by an additional \$100 million, lowering expected total capital expenditures by approximately \$562 million, or 65% year over year. This is in addition to reducing capital expenditures by \$266 million in 2013.
- **Implemented an enterprise cost reduction initiative** in 2013 that resulted in SG&A cost reduction of \$134 million, or 32%, year over year with further reductions in SG&A costs on track for 2014. Total SG&A and exploration spend for the year is anticipated to be \$200 million, excluding any costs associated with proxy related expenses and severance.
- **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.
- **Adjusted aggressively our Canadian portfolio of assets** through operational actions; capital expenditure reductions; and cessation of exploration projects by:
 - Significantly reducing 2014 expansion capital expenditures at Bloom Lake Mine in Quebec and initiating a major cash cost reduction program.
 - Idling production at the Wabush Mine in the Province of Newfoundland and Labrador at the end of Q1 2014.
 - Indefinitely suspending spending on the Chromite Project in Northern Ontario and preserving future value options for the asset should a government-backed infrastructure solution emerge.
- **Instituted a critical remake of our Board and senior management team.** The Cliffs Board has decades of leadership experience in mining, steel, basic materials, finance, engineering and natural resources businesses and is equipped to make critical judgments. Importantly, we recently added four new and highly qualified directors to continue overseeing the execution of our strategy by management.

As you may know, Casablanca Capital, a hedge fund that owns approximately 5% of our common stock, is proposing to replace a majority of our Board of Directors and appoint a replacement CEO. We believe Casablanca and the majority of its nominees lack the experience necessary to effectively lead Cliffs in today's operating environment. Furthermore, all of Casablanca's strategic suggestions, including its recent proposals and those it previously proposed (and withdrew or modified), are either flawed or have already been considered by our current Board and management team. In short, we believe that Casablanca fails to provide a sustainable, long-term value-enhancing plan for Cliffs. We are writing to ask for your support in your capacity as

a Cliffs shareholder at this time.

While the Board and management team continue to execute our plan to enhance value at Cliffs, you should all feel proud of what we have accomplished together. The best thing you can do is stay focused on your day-to-day responsibilities, and continue to provide the world's largest and fastest growing steel markets with world-class iron ore and coal products.

As always, it is important for us to speak with one voice. Accordingly, if you receive any calls from the media, analysts or other outside parties, please forward them to Jessica Moran, Director, Investor Relations at (216) 694-6532 or Pat Persico, Director, Global Communications at (216) 694-5316, who will respond on the Company's behalf.

Our Board and management team have great confidence in the future of Cliffs, and I want to thank you all for your hard work and continued dedication.

Sincerely,

Gary B. Halverson
President and Chief Executive Officer

06/16/2014

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Dear colleagues,

As you may be aware, Cliffs' Annual General Meeting is scheduled to be held on July 29, 2014. In preparation for that meeting, we will be communicating regularly with the Cliffs' shareholders. The purpose of these communications to shareholders is to educate them on the progress made on our business strategy and our efforts to enhance shareholder value.

In addition, we plan to distribute internal communications to provide regular business updates and provide employees with access to our shareholder letters and press releases. These communications will be sent via our email system to all salaried Cliffs' employees. For our hourly employees, you will receive the internal communication in PDF form for easy printing. Please print and distribute through your normal internal communication process - either as a hand out during your shift meetings or post on your bulletin boards in your the break rooms, etc. Please note that all employees holding Company stock will be sent our proxy statement per the normal shareholder voting process. Shareholders will also be receiving materials from Casablanca Capital.

Attached is the first communication, which was issued this morning on behalf of Gary Halverson. Please print and distribute to hourly employees per your normal internal process. If you have any questions, please let me know.

Thanks in advance for your assistance.

Patricia Persico

Dear Colleague,

Earlier today, we issued an open letter to all Cliffs shareholders providing an update on the positive change that is underway at your Company. While I encourage you to read the full letter, posted on www.cliffsnaturalresources.com, I want you to know that your Board and management team have undertaken a comprehensive review of our portfolio of assets and strategic options and are executing a plan to enhance shareholder value. Consistent with this focus, over the last year, we have taken decisive steps to improve our financial and operating performance across all businesses, to the benefit of our customers, shareholders and employees. Specifically, we have:

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Gary B. Halverson
President and Chief Executive Officer

06/16/2014

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