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 [x]

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
[x] Soliciting Material Under Rule 14a-12

Cliffs Natural Resources Inc.

(Name of Registrant as Specified In Its Charter)

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

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

Payment of Filing Fee (check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rule 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

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:

On March 6, 2014, Casablanca Capital LP and its affiliates (collectively, "Casablanca") issued by press release and sent a letter (the "March 6 Letter") to representatives of Cliffs Natural Resources Inc. (the "Company") regarding Casablanca's intention to nominate six candidates for election to the board of directors of the Company (the "Board") at the Company's annual meeting of shareholders (the "Annual Meeting"). The March 6 Letter described the decline of the value of the Company's common stock by 80% since July 2011 and discussed Casablanca's strategy for creating value at the Company, among other things. A copy of the press release, which contains the full text of the March 6 Letter, is filed herewith as Exhibit 1.

Also on March 6, 2014, Casablanca posted various soliciting materials to www.FixCliffs.com (the "Website"). Copies of the materials posted to the Website are filed herewith as Exhibit 2. Set forth in Exhibit 3 are excerpts from print and video media referenced on the "Media" page of the Website that either repeat, paraphrase or refer to statements made by Casablanca relating to Casablanca's solicitation of proxies from shareholders of the Company. 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 Casablanca with the Securities and Exchange Commission on Schedule 14A.

Also posted to the Website is a presentation (the "Presentation") setting forth in greater detail the key points addressed by the March 6 Letter. A copy of the Presentation is attached herewith as Exhibit 4.

Also on March 6, 2014, Casablanca filed an amendment to its Schedule 13D ("Amendment No. 2") with respect to the Company that included the following Item 4:

> On March 6, 2014, Casablanca sent a letter to representatives of the Issuer indicating Casablanca's intention to nominate six candidates for election to the Board at the Annual Meeting (the "March 6 Letter"). The March 6 Letter discussed the decline of the value of the Issuer's Common Stock by 80% since July 2011 and the Board's role in such decline. In the March 6 Letter, Casablanca also described its strategy for creating value at the Issuer, suggesting that the Issuer (i) refocus on the core U.S. business, (ii) extract value through immediate divestiture of the Issuer's Asia Pacific assets, (iii) address a bloated cost structure, (iv) create second-stage value through a master limited partnership transaction or otherwise, and (v) change its management and Board. Casablanca also issued a press release (the "March 6 Press Release") containing the full text of the March 6 Letter. The foregoing summary of the March 6 Press Release and March 6 Letter is qualified in its entirety by reference to the full text of the March 6 Press Release, which contains the full text of the March 6 Letter, a copy of which is attached hereto as Exhibit 8 and is incorporated by reference herein.
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> Also on March 6, 2014, Casablanca posted various soliciting materials to www.FixCliffs.com (the "Website"), including a presentation (the "Presentation") to shareholders of the Issuer setting forth in greater detail the key points addressed by the March 6 Letter. The foregoing summary of the Presentation is qualified in its entirety by reference to the full text of the Presentation, a copy of which is attached hereto as Exhibit 9 and is incorporated by reference herein.
>
> In addition, Casablanca filed a preliminary proxy statement with the SEC on March 6, 2014 in connection with its intent to nominate Robert P. Fisher, Jr., Mr. Goncalves, Patrice E. Merrin, Joseph Rutkowski, Gabriel Stoliar and Mr. Taylor to the Board.

CASABLANCA CAPITAL LP, DONALD G. DRAPKIN AND DOUGLAS TAYLOR (COLLECTIVELY, “CASABLANCA") INTEND TO FILE WITH THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) A DEFINITIVE PROXY STATEMENT AND ACCOMPANYING FORM OF PROXY CARD TO BE USED IN CONNECTION WITH THE SOLICITATION OF PROXIES FROM STOCKHOLDERS OF CLIFFS NATURAL RESOURCES INC. (THE "COMPANY") IN CONNECTION WITH THE COMPANY'S 2014 ANNUAL MEETING OF STOCKHOLDERS. ALL STOCKHOLDERS OF THE COMPANY ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER DOCUMENTS RELATED TO THE SOLICITATION OF PROXIES BY CASABLANCA, ROBERT P. FISHER, JR., CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI AND GABRIEL STOLIAR (COLLECTIVELY, THE "PARTICIPANTS"), WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING ADDITIONAL INFORMATION RELATED TO THE PARTICIPANTS. WHEN COMPLETED, THE DEFINITIVE PROXY STATEMENT AND AN ACCOMPANYING PROXY CARD WILL BE FURNISHED TO SOME OR ALL OF THE COMPANY'S STOCKHOLDERS AND ARE, ALONG WITH OTHER RELEVANT DOCUMENTS, AVAILABLE AT NO CHARGE ON THE SEC'S WEB SITE AT HTTP://WWW.SEC.GOV. IN ADDITION, OKAPI PARTNERS LLC, CASABLANCA'S PROXY SOLICITOR, WILL PROVIDE COPIES OF THE DEFINITIVE PROXY STATEMENT AND ACCOMPANYING PROXY CARD WITHOUT CHARGE UPON REQUEST BY CALLING (212) 297-0720 OR TOLL-FREE AT (877) 274-8654.

INFORMATION ABOUT THE PARTICIPANTS AND A DESCRIPTION OF THEIR DIRECT OR INDIRECT INTERESTS BY SECURITY HOLDINGS IS CONTAINED IN THE PRELIMINARY PROXY STATEMENT ON SCHEDULE 14A FILED BY CASABLANCA WITH THE SEC ON MARCH 6, 2014. THIS DOCUMENT CAN BE OBTAINED FREE OF CHARGE FROM THE SOURCES INDICATED ABOVE.

Casablanca Capital Nominates Slate of Six Highly Qualified Directors For Election to Board of Cliffs Natural Resources

Says Majority of Incumbent Board Should Be Replaced For Failed Expansion Strategy And 80% Decline in Shareholder Value

Calls for New Strategy Focused on Core U.S. Business and Reiterates Support For Metals and Mining Veteran Lourenco Goncalves to Lead Cliffs as CEO

NEW YORK – March 6, 2014 – Casablanca Capital LP, ("Casablanca") the beneficial owner of approximately 5.2% of Cliffs Natural Resources Inc. (NYSE: CLF), today sent a letter to the Cliffs Board of Directors nominating six highly qualified director candidates for election to the Board at the 2014 Annual Meeting of shareholders scheduled for May 13, 2014.

In the letter, Casablanca highlighted Cliffs' failed expansion strategy and loss of over 80% of the Company's market value which has been overseen by a majority of the current 11-member Board of Directors. Casablanca also outlined its proposal for a new strategy focused on Cliffs' core U.S. assets to restore value for shareholders and reiterated its support for 30-year metals and mining veteran Lourenco Goncalves as the right leader to assume the position of CEO of Cliffs.

"Casablanca is committed to fixing Cliffs and restoring its value on behalf of all shareholders," said Donald Drapkin, Chairman of Casablanca. "We are putting forward a highly-qualified slate of independent directors, including Lourenco Goncalves, who are far better equipped than the incumbent board members to implement a new strategic direction for Cliffs and to take the steps we believe are urgently required for the Company to get back on track and realize its full potential value."

The six Casablanca nominees are:

Nominee	Key Qualifications
Lourenco Goncalves	· Hired as CEO of Metals USA in February 2003; took the company private in November 2005; IPO'd the company in April 2010 and sold the company to Reliance Steel & Aluminum in April 2013 · CEO of California Steel Industries from March 1998 to February 2003
Rip Fisher	· Former Goldman Sachs Managing Director, Head of Mining and Head of Canadian Corporate Finance and Investment Banking · Former Director of CML HealthCare Inc.

Patrice Merrin	· Director of Stillwater Mining · Former Chairman of CML HealthCare Inc. · Director of Climate Change and Emissions Management Corp. · Former CEO of Luscar and Executive Vice President of Sherritt International
Joseph Rutkowski	· Former Nucor Corporation Executive Vice President of Business Development
Gabriel Stoliar	· Managing Partner of Studio Investimentos, an asset management firm · Former Vale S.A. CFO and Executive Director of Planning and Business Development · Former BNDES Executive Director
Douglas Taylor	· CEO and Co-CIO of Casablanca Capital LP · Former Lazard Frères & Co and Wasserstein Perella Managing Director · Former Director and CFO of Sapphire Industrials

Casablanca also issued a presentation summarizing its recommendations for Cliffs. The presentation can be found at www.fixcliffs.com, along with other announcements, filings and background materials related to Casablanca's investment in Cliffs.

Cliffs has established through notices to shareholders and filings with the SEC a record date of March 13, 2014 for voting eligibility at the May 13, 2014 annual meeting.

The letter Casablanca today sent to the Cliffs Board follows:

March 6, 2014

Members of Cliffs Natural Resources, Inc. Board of Directors
In care of:
James F. Kirsch
Executive Chairman
Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, OH 44114

Members of the Board:

We are writing to provide more information regarding our intention to nominate six highly-qualified candidates for election to the Cliffs Natural Resources Inc. ("Cliffs") Board of Directors at the Company's annual meeting scheduled for May 13, 2014. Funds managed by Casablanca Capital LP ("Casablanca") own approximately 5.2% of the outstanding common stock of Cliffs, making us one of your largest shareholders.

Casablanca is taking these actions because you have responded to our proposals to restore value with defensive half-measures, a hastily-announced CEO appointment and analytically-flawed attacks. In fact, we believe the Company has not come close to adequately addressing its 80% destruction of value. **The notion that Cliffs is operating under new leadership with a new strategy is simply not true,** in our view.

A Majority of the Current Board Presided over an 80% Decline in Value…

This Board presided over Cliffs' dangerous and failed expansion strategy and engaged in continued entrenchment tactics, in our view. Further, a majority of the Board was in place, and is responsible for the approval, execution and continued pursuit of the Bloom Lake debacle.

…and Lacks Meaningful Economic Alignment with Shareholders

[a] 2012 Annual Meeting: Company-sponsored proposal to allow the Board to amend bylaws without shareholder approval fails to pass.
[b] 2013 Annual Meeting: Company-sponsored proposals to allow the Board to amend bylaws without shareholder approval and to eliminate cumulative voting both fail to pass.
[c] Share price based on Bloomberg as of March 4, 2014.

…and Have Demonstrated Little Faith in Cliffs Given a de Minimis Economic Interest

Lack of Economic Alignment with Shareholders. Based on publicly-available information, only a single director has purchased shares for cash, with the remainder simply receiving grants from the Company. The Board and top executives *in the aggregate* own or have an economic interest valued at less than $10 million at current prices.[1] Casablanca believes this de minimis ownership poorly aligns management and the Board with shareholder interests and contributes to the irresponsible way in which the Company approaches key strategic and financial decisions.

Economic Exposure of Board[(a)]

	Shares Granted	Shares Purchased for Cash
Executive Chairman	39,975	0
CEO	97,560	0
Other Board Members (Aggregate)	91,651	3,460[(b)]
Total	229,186	3,460

Lourenco Goncalves	50,000
Casablanca	7,906,520

(a) Per Bloomberg.

(b) Reflects 1,040, 1,290 and 1,130 shares acquired by Andres Gluski on November 5, 2013, May 11, 2012 and August 1, 2011, respectively.

Casablanca is Committed to Fixing Cliffs and Restoring Value

Casablanca is committed to restoring value on behalf of all Cliffs shareholders, and proposes the following:

- **A New Strategy for Cliffs Centered on Its Core U.S. Business.** We believe a domestically-focused Cliffs will be better positioned to realize its full potential value. After taking steps to address the more immediate issues of cost-cutting and dividends (among others), Cliffs should consider second-stage value-creating steps for its U.S. business, including a master limited partnership (“MLP”), an eventual sale of the Company or other initiatives.

- **A New Board and Executive Leadership.** Casablanca proposes Lourenco Goncalves as Cliffs’ CEO, and today sets forth its intention to nominate six highly-qualified candidates for election to Cliffs’ Board at the 2014 annual meeting. We believe our nominees bring the fresh perspective needed to reorient the Company and develop value-maximizing strategies. Our slate of directors comprises highly-qualified professionals, with considerable strategic, operating and financial experience.

[1] Based on aggregate share ownership of 232,646 shares held by directors, 371,145 shares held by top executives, and 466,256 shares held by both groups in aggregate. Shares attributed to Mr. Kirsch (39,975) and Mr. Halverson (97,560) included in both director and top executive subtotals. Total value based on Cliffs closing stock price of $19.15 as of March 4, 2014. Top executives selected based on individuals listed under “Executive Leadership” on Company website. Share ownership per Bloomberg.

Casablanca's Nominees

Nominee	Key Qualifications
Lourenco Goncalves	· Hired as CEO of Metals USA in February 2003; took the company private in November 2005; IPO'd the company in April 2010 and sold the company to Reliance Steel & Aluminum in April 2013 · CEO of California Steel Industries from March 1998 to February 2003
Rip Fisher	· Former Goldman Sachs Managing Director, Head of Mining and Head of Canadian Corporate Finance and Investment Banking · Former Director of CML HealthCare Inc.
Patrice Merrin	· Director of Stillwater Mining · Former Chairman of CML HealthCare Inc. · Director of Climate Change and Emissions Management Corp. · Former CEO of Luscar and Executive Vice President of Sherritt International
Joseph Rutkowski	· Former Nucor Corporation Executive Vice President of Business Development
Gabriel Stoliar	· Managing Partner of Studio Investimentos, an asset management firm · Former Vale S.A. CFO and Executive Director of Planning and Business Development · Former BNDES Executive Director
Douglas Taylor	· CEO and Co-CIO of Casablanca Capital LP · Former Lazard Frères & Co and Wasserstein Perella Managing Director · Former Director and CFO of Sapphire Industrials

The Board Must Be Held Accountable

The Board Is Responsible for the Failed Bloom Lake Acquisition. Six of the Company's eleven directors, including the Executive Chairman, held their Board seats at the time of the $4.9 billion Consolidated Thompson transaction in which the Company acquired the Bloom Lake project in Eastern Canada, and nine of the current directors were in their seats as the Company allocated an additional $1.5 billion in capital expenditures. With the critical Phase II expansion project now "indefinitely suspended," approximately $6.5 billion spent to date, an estimated $(14) million[2] operating loss last year and only difficult prospects ahead, we believe we are well founded in characterizing Bloom Lake as an abject failure. Casablanca believes the directors who approved the transaction, and those who oversaw the continued investment in this ill-conceived project, must be held accountable for their poor judgment and should not continue to serve on Cliffs' Board.

[2] Based on $111 million gross margin, less $125 million for estimated railroad take-or-pay obligations and volume penalties.

The Bloom Lake Acquisition Is Part of a Broader ~$9 Billion Value-Destroying Diversification Strategy, for which Members of the Board Are Responsible. The transactions below, which all appear to have lost money, were part of the Board's spending spree:

			Sitting Directors Responsible for Approving:	
Project	**Estimated Investment**	**Project Status**	**Acquisition**	**Further Investment**
Chromite[3]	$500 million	Suspended in 2Q 2013	5 / 6	8
Coal[4]	$1.23 billion	Estimated 2014 breakeven	6	10
Amapa[5]	$500 million	Divested for "nominal" amount in 3Q 2013	3	8
Wabush[6]	$285 million	Idled in 1Q 2014	5	10

These acquisitions, together with the Consolidated Thompson transaction, were approved or endorsed through further investment by a majority of the current Board and account for an estimated $9 billion in value destruction over the past eight years, totaling 1.4x the Company's enterprise value and over 2.5x its equity value. Casablanca believes this demonstrates a pattern of continued mismanagement at the Board level, and that the directors responsible for these steps should not continue to hold their seats.

This Board Has Repeatedly Engaged in What We Consider To Be Entrenchment Tactics. In addition to persisting in a failed expansion and diversification strategy, the Board has on numerous occasions attempted to further entrench itself:

- **Repeated Attempts to Strip Shareholders of Important Rights.** For two years in a row, Cliffs has introduced proposals seeking to strip shareholders of their rights to approve all changes to Board bylaws (failing to gain approval on both occasions). Last year, the Company introduced a proposal to strip shareholders of their right to cumulate votes for directors in annual elections (which also failed to gain approval). Casablanca believes that shareholders' rejection of these proposals reflects their concerns about this Board and its intentions.

[3] Five of the current directors were on the Board at the time of the $154 million Chromite Ontario transaction (11/23/09) and 6 were on the Board at the time of the $78 million Chromite Far North transaction (5/25/10). $500 million estimated total investment includes ~$70 million per year for feasibility and assessment studies, over 3 years.

[4] Based on $757 million acquisition of West Virginia Coal (7/6/10) plus ~$470 million cumulative capex between 2010 and 2013. Excludes impact of Sonoma Coal (acquired for $140 million (1/9/07), divested for $141 million (7/10/12)). 2014 breakeven assumption based on midpoint of Company guidance of $85 – $90 expected revenues/ton and $85 – $90 expected cash costs/ton.

[5] Based on $498.6 million book value and accounted for under the equity method as of 12/31/11.

[6] Based on $103 million purchase price (initial stake acquired (1/1/97) for $15 million and remaining interest acquired (10/9/09) for $88 million), plus Casablanca-estimated $80 million cumulative capex, plus Company-announced $100 million idling costs. Cumulative capex estimated based on difference between $183 million asset impairment charge incurred in Q4 2013 and $103 million purchase price.

- **Unusual Change in Control Provisions in Employment Agreements.** Cliffs recently disclosed that its employee severance agreements include change in control payments to employees that are triggered if the current directors cease to be a majority on the Board.[7] Importantly, this provision gives rise to payments if the new directors assume office as a result of an actual or threatened proxy contest—*even if the current directors approve the new Board members.* We believe this provision is an inappropriate and unreasonable entrenchment device that benefits senior executives at the expense of shareholders.

- **Rushed and Defensive CEO Appointment.** Just one day after Casablanca announced its support for Lourenco Goncalves to fill Cliffs' vacant CEO seat, the Board rushed Mr. Halverson into the CEO role after months of failing to appoint a CEO. We do not believe this timing was a coincidence, particularly when the Board had stated that Mr. Halverson needed "the opportunity to build a deep understanding of the business at an operating level before assuming the CEO leadership position."[8] Mr. Halverson has no experience in leading a public company or in ferrous metals. We believe the hasty manner in which Mr. Halverson was appointed to the CEO position represents a defensive reaction by the Board and a poor exercise of its fiduciary duties.

Questionable Reporting Relationship between CEO and Chairman. It appears that Mr. Halverson continues to report directly to the Executive Chairman. We believe this creates serious questions about who, in fact, is at the helm of Cliffs and why Mr. Kirsch remains Executive Chairman now that a CEO has been named.[9] The Company, at this critical juncture, cannot afford obfuscated leadership, in our view.

Executive Chairman Has a Poor Track Record. We question Mr. Kirsch's qualifications as Executive Chairman, given the 86% loss of value suffered by shareholders of Ferro Corp during his tenure as CEO from 2005 to 2012, and the fact that Ferro's share price recovered most of these losses soon after Mr. Kirsch's departure from that company.[10] Cliffs cannot, in our view, afford an Executive Chairman that oversaw such an extensive loss of value.

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[7] Based on review of form of Change in Control Severance Agreement filed as exhibit to the Company's Form 10-K dated February 14, 2014.

[8] Company press release dated October 25, 2013.

[9] Since Mr. Halverson's appointment as CEO, Cliffs has failed to publicly disclose the current reporting scheme of the Company's management. Prior to the appointment, Cliffs disclosed that Mr. Halverson was to report to Mr. Kirsch; however, the Company's presentation filed with the SEC on February 21, 2014 does not include Mr. Kirsch in its organizational chart setting forth Cliffs' management team.

[10] Ferro's stock sunk from its price of $19.52 on November 29, 2005 (the date Kirsch joined Ferro) to $2.64 on November 13, 2012 (the date Kirsch resigned as CEO of Ferro)—a decline of approximately 86%. Ferro's stock had recovered to $13.55 as of March 4, 2014, a 413% rally since Kirsch's resignation.

Cliffs Does Not Have a New Strategy

Despite Cliffs' assertions around its "new strategic direction," Casablanca sees only variations on what it considers to be the same failed strategy of international expansion and diversification.

Set to Continue with a Failed Expansion Strategy. Approximately three weeks ago, Cliffs reiterated its "ability to gain scale and diversify our geographic footprint" as a key component of its overall strategy.[11] On Cliffs' February 14, 2014 earnings call, Mr. Halverson, while discussing Asia Pacific's mine life beyond 2020, stated that Cliffs is "looking at adjacent properties in the neighborhood" and "there's more to be added there."[12] In fact, Cliffs' website highlights expansion and diversification as core tenets of the Company's strategy, despite the extraordinary costs incurred pursuing this very strategy.

Kick the Can(ada). Idling the Bloom Lake expansion was in Casablanca's view an obvious step that should have been taken long ago. As management acknowledges, however, this is only a temporary measure, and we do not accept an indefinite suspension as evidence of a new strategy. Beyond this preliminary step, Cliffs has only offered what we consider to be a vague outline for a permanent solution. We remain concerned that its preferred solution of a joint venture (or sale) transaction will be difficult to execute in a reasonable time frame and on reasonable terms. If these efforts fail, Cliffs intends to shut down Bloom Lake altogether—a move that, in our view, would permanently extinguish any hope of recouping the approximately $6.5 billion (and growing) cost of Bloom Lake. Similarly, the Company's decisions to stop pursing the costly chromite project and to idle the loss-making Wabush mine underscore the Board's multi-billion dollar mistakes.

Asia Pacific: Not Enough to Anchor an International Strategy. With Bloom Lake on indefinite hold, Wabush idled, the chromite project suspended and Amapa divested, Cliffs' international portfolio has been reduced to its Asia Pacific asset. Management has indicated it expects this asset to reach the end of its productive life between 2020 and 2021. Given its location on the other side of the globe and its expected life, we believe the Asia Pacific asset alone is insufficient to anchor a continuing international strategy.

Managing Capital to Fund Expansion Efforts

Hoarding Cash. Cliffs has aligned its capital allocation policy with its expansion strategy, announcing its intention to retain cash on the balance sheet—a step it characterized as "reducing net debt," **but that Casablanca believes merely constitutes hoarding cash.** With no immediate significant debt maturities,[13] Company-projected year-end 2014 cash balances of approximately $600 million and access to the undrawn $1.75 billion revolver, Cliffs appears to be saving up for the next "opportunity."

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[11] See Cliffs Form 10K filed February 14, 2014 for the period ending December 31, 2013 ("Strategy" section).

[12] Cliffs earnings conference call on February 14, 2014.

[13] The Company's first bond maturity, for $497 million, won't occur until 2018, and the lion's share of its bonds don't mature until 2020-2021 ($1,059 and $699 million, respectively), per Bloomberg. Debt maturities exclude $1.75 billion revolving credit facility (since it is undrawn) and recently-announced equipment financing of $103 million, which Casablanca assumes will amortize over the life of the financing.

Beyond the Current Dividend, No Return of Capital for Shareholders. Last year, the Board cut the dividend by 76% to "improve the future cash flows available for investment in the Phase II expansion at Bloom Lake, as well as to preserve our investment-grade credit ratings." Yet, with Bloom Lake now on indefinite hold and an improved financial profile, Cliffs has not indicated any intention to increase distributions to shareholders.

Casablanca Proposes a New Strategy Focused on Cliffs' Core U.S. Assets

We believe Cliffs should refocus on its core U.S. operations, cement customer relationships, position itself to capitalize on *domestic* growth opportunities, accelerate cost cuts and return additional capital to shareholders. Cliffs' assets have strategic value and, under the right management, warrant a valuation far in excess of what the market accords them today, in our view.

Refocus on Core U.S. Business. We continue to believe that Cliffs' U.S. assets remain its greatest opportunity. Cliffs has close to 60% of the iron ore production capacity in the geographically-protected Great Lakes region and is the largest iron ore producer in the United States. At current production rates, its proven reserves offer over 40 years of mine life. According to our analysis, these assets should continue to operate profitably, even in a depressed commodity pricing environment. Cliffs needs to better emphasize this dominant position, both strategically and financially, and minimize commodity price exposure to highlight value.

Extract Value through Immediate Divestiture of Asia Pacific. Since Casablanca publicly announced its position in Cliffs, we have received a number of unsolicited expressions of interest in the Asia Pacific assets. Accordingly, we believe these assets should command an attractive valuation if sold—an alternative transaction to a spin-off that achieves most of the same objectives and dovetails with Cliffs' announcement to suspend the Bloom Lake expansion. Proceeds from the sale of Asia Pacific could finance remaining obligations at Bloom Lake, debt reduction *and* return of capital to shareholders. Given the remaining life of these assets, we believe Cliffs must act immediately to capture this strategic value. While we previously proposed a spin-off of the international assets, a separation between Cliffs' core business and the international businesses, *by any mechanism,* was and continues to be our ultimate objective.

Address Bloated Cost Structure. Cliffs must reduce its cost structure far more aggressively, as its proposed cuts are insufficient given an oversized corporate infrastructure, and cash costs remain too high, in our opinion. We expect, with a more narrowly-focused company, management will be better able to concentrate on further reducing SG&A expenses and improving operating margins.

Return More Capital to Shareholders. With the international assets divested, commodity price exposure greatly reduced, and costs addressed, we believe **a de-risked and more profitable Cliffs will have ample capacity to return more capital without eroding credit metrics.** A commitment to return capital will, in our view, instill financial discipline, clearly communicate priorities and better position Cliffs to realize its full potential value.

Second-Stage Value Creation—by MLP, Sale or Otherwise. Casablanca has conducted significant research with both MLP capital markets bankers and investors, and continues to believe the transaction can be executed successfully. We also believe Cliffs, after taking the steps outlined above, could potentially realize an attractive valuation in a sale of the Company, as it is the only pure-play iron ore miner of this scale to offer strategic access to the U.S. market. However, we are ultimately indifferent as to whether an MLP, sale or other mechanism is utilized to realize Cliffs' potential value.

Casablanca Proposes Leadership Changes to Cliffs Executive Ranks and Board

Casablanca Believes New Leadership Is Required. We are putting forward a new slate of directors that, together with Lourenco Goncalves as CEO, will be better equipped, in our view, to implement a new strategic direction for Cliffs and to take the steps required for it to realize its full value potential.

Lourenco Goncalves Is a Proven Value Creator. As previously announced, we are proposing that Lourenco Goncalves lead Cliffs. A 30-year veteran of the metals and mining industry, Mr. Goncalves is a proven value creator who brings deep experience with companies in the ferrous value chain and has both the strategic and operational skills needed to effect urgent change and restore the fundamental value of Cliffs.

Casablanca's Board Candidates Are Well Qualified to Oversee the Restoration of Value Cliffs requires a fresh perspective, independent thinking, and analytical rigor—traits that we believe the incumbent Board lacks. Casablanca has nominated six highly-qualified directors whose experience should immediately add value to a Board that in our view is entrenched and unaccountable.

Conclusion

As a significant shareholder, we are troubled by the value destruction that has occurred under the current Board's watch and firmly believe the status quo is unacceptable—shareholders have suffered enough. Cliffs desperately needs a new strategy and leadership with a fresh perspective. We are confident that substantial shareholder representation among a group of highly-qualified, independent directors on Cliffs' Board and a new CEO are critical components of any solution. We firmly believe Casablanca's slate of nominees is overwhelmingly qualified and offers a superior alternative to the incumbent directors up for reelection at the 2014 annual meeting.

Very truly yours,

/s/	/s/	/s/
Donald G. Drapkin	Douglas Taylor	Gregory S. Donat
Chairman	Chief Executive Officer	Partner & Portfolio Manager

About Casablanca Capital LP

Casablanca Capital is an Event Driven and Activist investment manager based in New York, founded in 2010 by Donald G. Drapkin and Douglas Taylor. Casablanca invests in high quality but underperforming public companies that have multiple levers to unlock shareholder value. The firm seeks to engage with the management, boards, and shareholders of those companies in a constructive dialogue in order to enhance shareholder value through improved operational efficiencies, strategic divestitures, capital structure optimization and increased corporate focus. In 2011, Casablanca successfully initiated a campaign at Mentor Graphics Corporation to improve profitability and enhance value at the company, working with shareholders to elect three nominees to Mentor's Board.

Cautionary Statement Regarding Opinions and Forward-Looking Statements

Certain information contained herein constitutes "forward-looking statements" with respect to Cliffs Natural Resources Inc. ("Cliffs"), which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "could," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Such statements are not guarantees of future performance or activities. Due to various risks, uncertainties and assumptions, actual events or results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements. The opinions of Casablanca Capital LP ("Casablanca") are for general informational purposes only and do not have regard to the specific investment objective, financial situation, suitability or particular need of any specific person, and should not be taken as advice on the merits of any investment decision. This material does not recommend the purchase or sale of any security. Casablanca reserves the right to change any of its opinions expressed herein at any time as it deems appropriate. Casablanca disclaims any obligation to update the information contained herein. Casablanca and/or one or more of the investment funds it manages may purchase additional Cliffs shares or sell all or a portion of their shares or trade in securities relating to such shares.

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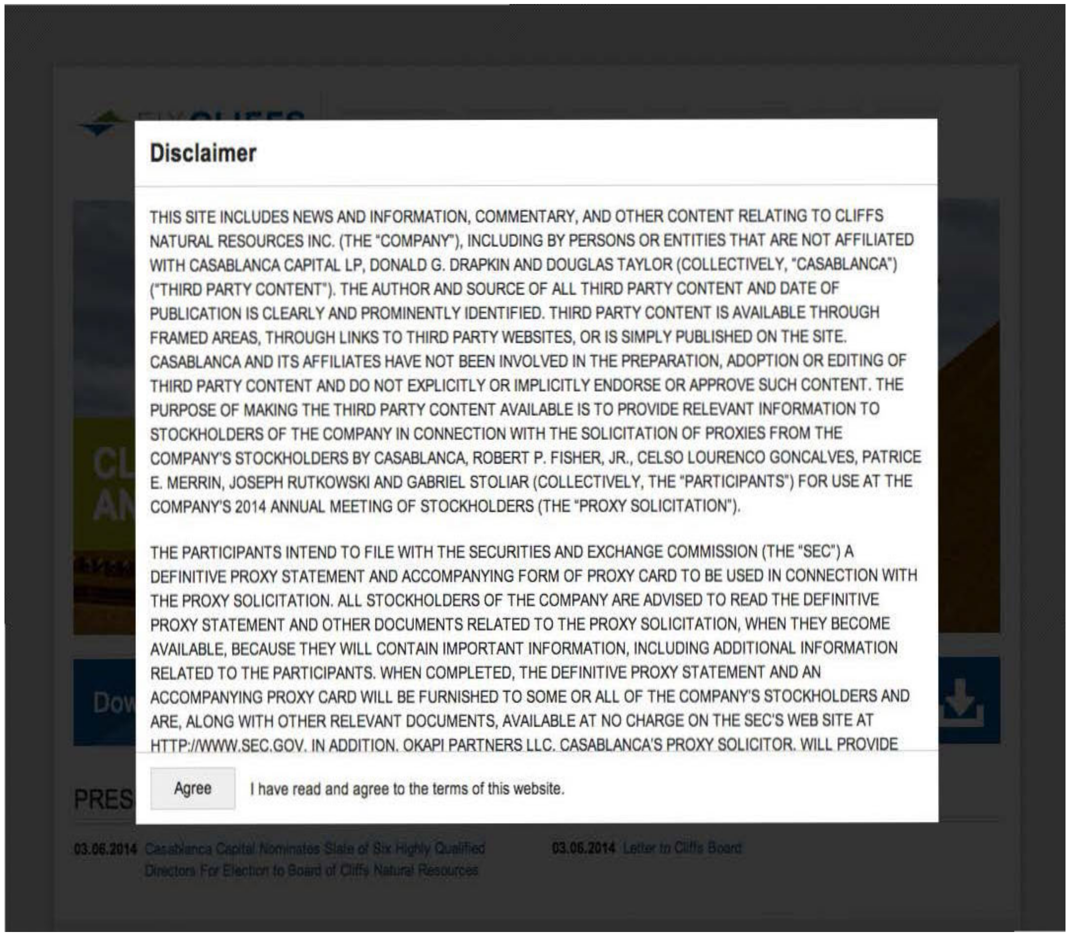
CASABLANCA CAPITAL LP, DONALD G. DRAPKIN AND DOUGLAS TAYLOR (COLLECTIVELY, “CASABLANCA") INTEND TO FILE WITH THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) A DEFINITIVE PROXY STATEMENT AND ACCOMPANYING FORM OF PROXY CARD TO BE USED IN CONNECTION WITH THE SOLICITATION OF PROXIES FROM STOCKHOLDERS OF CLIFFS NATURAL RESOURCES INC. (THE "COMPANY") IN CONNECTION WITH THE COMPANY'S 2014 ANNUAL MEETING OF STOCKHOLDERS. ALL STOCKHOLDERS OF THE COMPANY ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER DOCUMENTS RELATED TO THE SOLICITATION OF PROXIES BY CASABLANCA, ROBERT P. FISHER, JR., CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI AND GABRIEL STOLIAR (COLLECTIVELY, THE "PARTICIPANTS"), WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING ADDITIONAL INFORMATION RELATED TO THE PARTICIPANTS. WHEN COMPLETED, THE DEFINITIVE PROXY STATEMENT AND AN ACCOMPANYING PROXY CARD WILL BE FURNISHED TO SOME OR ALL OF THE COMPANY'S STOCKHOLDERS AND ARE, ALONG WITH OTHER RELEVANT DOCUMENTS, AVAILABLE AT NO CHARGE ON THE SEC'S WEB SITE AT HTTP://WWW.SEC.GOV. IN ADDITION, OKAPI PARTNERS LLC, CASABLANCA'S PROXY SOLICITOR, WILL PROVIDE COPIES OF THE DEFINITIVE PROXY STATEMENT AND ACCOMPANYING PROXY CARD WITHOUT CHARGE UPON REQUEST BY CALLING (212) 297-0720 OR TOLL-FREE AT (877) 274-8654.

INFORMATION ABOUT THE PARTICIPANTS AND A DESCRIPTION OF THEIR DIRECT OR INDIRECT INTERESTS BY SECURITY HOLDINGS WILL BE CONTAINED IN THE PRELIMINARY PROXY STATEMENT ON SCHEDULE 14A TO BE FILED BY CASABLANCA WITH THE SEC ON MARCH 6, 2014. THIS DOCUMENT CAN BE OBTAINED FREE OF CHARGE FROM THE SOURCES INDICATED ABOVE.

Exhibit 99.2



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THIS SITE INCLUDES NEWS AND INFORMATION, COMMENTARY, AND OTHER CONTENT RELATING TO CLIFFS NATURAL RESOURCES INC. (THE "COMPANY"), INCLUDING BY PERSONS OR ENTITIES THAT ARE NOT AFFILIATED WITH CASABLANCA CAPITAL LP, DONALD G. DRAPKIN AND DOUGLAS TAYLOR (COLLECTIVELY, "CASABLANCA") ("THIRD PARTY CONTENT"). THE AUTHOR AND SOURCE OF ALL THIRD PARTY CONTENT AND DATE OF PUBLICATION IS CLEARLY AND PROMINENTLY IDENTIFIED. THIRD PARTY CONTENT IS AVAILABLE THROUGH FRAMED AREAS, THROUGH LINKS TO THIRD PARTY WEBSITES, OR IS SIMPLY PUBLISHED ON THE SITE. CASABLANCA AND ITS AFFILIATES HAVE NOT BEEN INVOLVED IN THE PREPARATION, ADOPTION OR EDITING OF THIRD PARTY CONTENT AND DO NOT EXPLICITLY OR IMPLICITLY ENDORSE OR APPROVE SUCH CONTENT. THE PURPOSE OF MAKING THE THIRD PARTY CONTENT AVAILABLE IS TO PROVIDE RELEVANT INFORMATION TO STOCKHOLDERS OF THE COMPANY IN CONNECTION WITH THE SOLICITATION OF PROXIES FROM THE COMPANY'S STOCKHOLDERS BY CASABLANCA, ROBERT P. FISHER, JR., CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI AND GABRIEL STOLIAR (COLLECTIVELY, THE "PARTICIPANTS") FOR USE AT THE COMPANY'S 2014 ANNUAL MEETING OF STOCKHOLDERS (THE "PROXY SOLICITATION").

THE PARTICIPANTS INTEND TO FILE WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") A DEFINITIVE PROXY STATEMENT AND ACCOMPANYING FORM OF PROXY CARD TO BE USED IN CONNECTION WITH THE PROXY SOLICITATION. ALL STOCKHOLDERS OF THE COMPANY ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER DOCUMENTS RELATED TO THE PROXY SOLICITATION, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING ADDITIONAL INFORMATION RELATED TO THE PARTICIPANTS. WHEN COMPLETED, THE DEFINITIVE PROXY STATEMENT AND AN ACCOMPANYING PROXY CARD WILL BE FURNISHED TO SOME OR ALL OF THE COMPANY'S STOCKHOLDERS AND ARE, ALONG WITH OTHER RELEVANT DOCUMENTS, AVAILABLE AT NO CHARGE ON THE SEC'S WEB SITE AT HTTP://WWW.SEC.GOV. IN ADDITION, OKAPI PARTNERS LLC, CASABLANCA'S PROXY SOLICITOR, WILL PROVIDE

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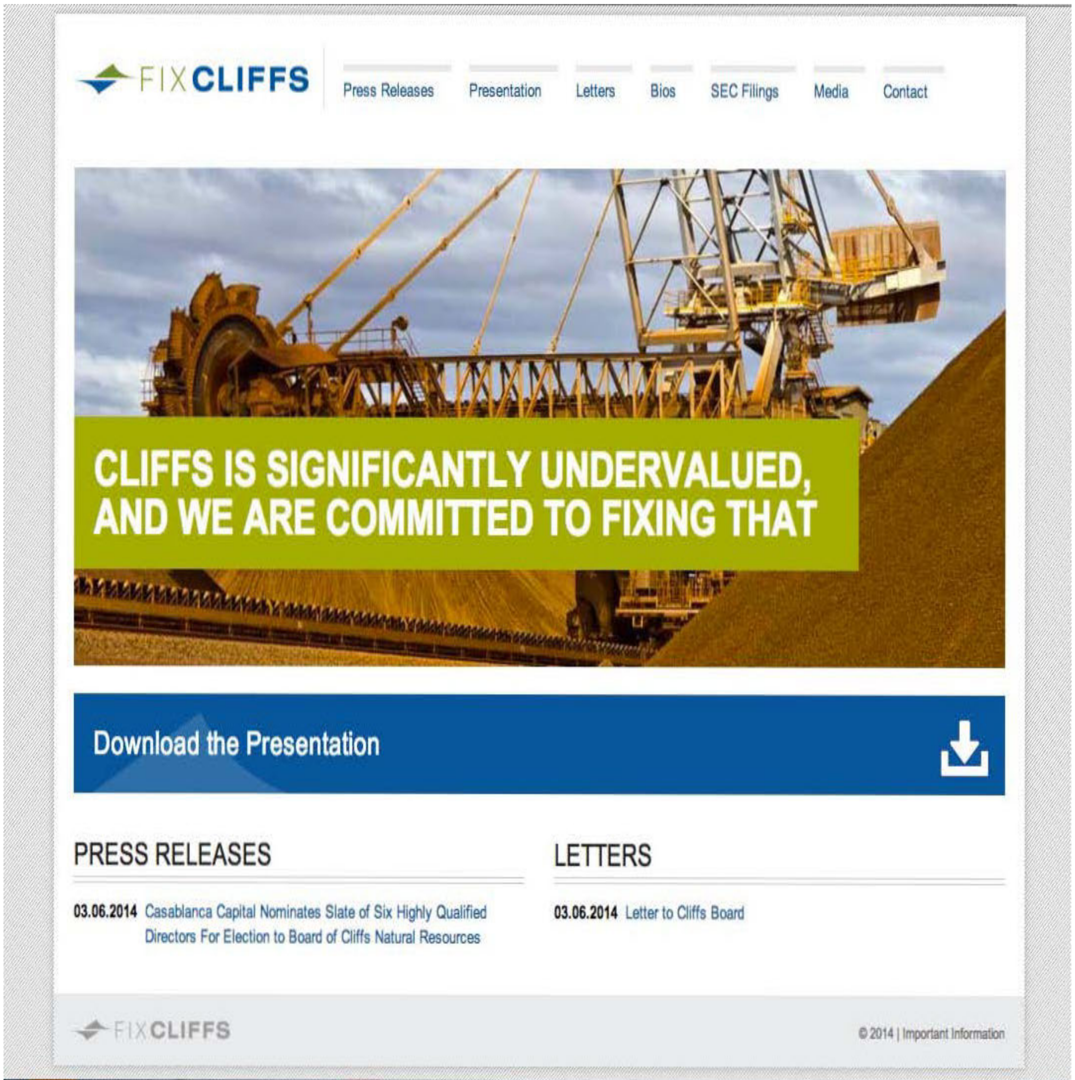
03.06.2014 Casablanca Capital Nominates Slate of Six Highly Qualified Directors For Election to Board of Cliffs Natural Resources
03.06.2014 Letter to Cliffs Board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PRESS RELEASES

03.06.2014 Casablanca Capital Nominates Slate of Six Highly Qualified Directors For Election to Board of Cliffs Natural Resources

02.12.2014 Casablanca Capital Backs Lourenco Goncalves To Become CEO of Cliffs Natural Resources

01.27.2014 Casablanca Capital Files 13D and Sends Letter to Cliffs Natural Resources

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Casablanca Capital Files 13D and Sends Letter to Cliffs Natural Resources

Outlines Recommendations To Reorganize, Improve Performance And Increase Shareholder Value

Urges Board to Spin Off International Assets, Double Dividend, Convert U.S. Assets to MLP and Slash Costs

Believes Shares Should Be Valued at $53.00, Over 2.5x Current Price, If Its Recommendations Are Implemented

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New York, NY, January 28, 2014 – Casablanca Capital LP, the beneficial owner of approximately 5.2% of Cliffs Natural Resources Inc., (NYSE: CLF) today filed a Schedule 13D with the U.S. Securities and Exchange Commission (SEC) disclosing its position as one of the company's largest shareholders and outlining recommendations to dramatically increase shareholder value.

Casablanca urges Cliffs to spin off the company's international assets, double the annual dividend paid to shareholders, convert its U.S. assets to an MLP and significantly cut costs. If Cliffs implements these recommendations, Casablanca believes the shares should be valued at $53.00, over 2.5x its current price.

The full text of a letter Casablanca sent to James F. Kirsch, the Executive Chairman of Cliffs, which was included in the 13D filing, is as follows:

January 27, 2014

James F. Kirsch
Executive Chairman
Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, OH 44114

Dear Jim:

Funds managed by Casablanca Capital LP own approximately 5.2% of the outstanding common stock of Cliffs Natural Resources Inc., making us one of your largest shareholders.

Over the past six weeks, we have met twice and had a number of constructive follow-up conversations with you and senior members of the executive team. During our discussions, we expressed our view that Cliffs is significantly undervalued and recommended steps management take to enhance shareholder value. You have indicated that you will seriously consider our proposals and share them with the Board.

First and foremost, we urge you to spin off Bloom Lake, together with Asia Pacific, to create "Cliffs International." Cliffs operates two distinct iron ore businesses with very different risk/reward profiles. The Cliffs International assets are directly exposed to the competitive "seaborne" iron ore market, and the large Bloom Lake project is still in the development stage. In contrast, the "Cliffs USA" iron ore assets benefit from unique supply and demand characteristics and barriers to entry in the Great Lakes, generate strong cash flow and enjoy long-term contracts, which provide volume and price visibility.

In addition, we urge the Board to take the following initiatives:

- Double the dividend (which would be paid by Cliffs USA going forward)
- Convert the U.S. assets to a Master Limited Partnership ("MLP")
- Significantly cut SG&A and exploration expense
- Optimize cash costs and operating profitability
- Divest infrastructure and other non-core assets
- Set clear objectives for return on capital
- Hire strategic and financial advisors to assist in evaluating and executing these measures

Casablanca believes that implementing these recommendations would create substantial shareholder value and result in an implied valuation range with a midpoint of $53.00 per Cliffs share—over 2.5x Cliffs' most recent trading price.[1]

Background
Cliffs has significantly underperformed both its peer group and the broader market in recent years.[2] For most of 2013, the company held the title of "biggest loser" in the S&P 500 (finishing the year in the number two spot), and remains one of the most shorted equities in the index.

Cliffs' stock price has lost more than 80% in value since its five-year high of $101.43 in mid-2011. In the past five years, the company spent approximately $8 billion (more than its current enterprise value) on what we view as ill-conceived acquisitions and development projects—efforts that contributed less than 3% to segment EBITDA on an LTM basis.

We recognize that the current management team and many Board members were not responsible for these decisions. However, we believe the company continues to lag in implementing the strategic actions and operational improvements necessary to drive shareholder value. When most major mining companies have announced sharp revisions to their capital allocation and cost management policies, Cliffs' Board and management have, from our perspective, been slow to respond to the end of the commodities supercycle and the increasing need for capital discipline.

Drowning in Bloom Lake
In 2011, Cliffs paid $4.9 billion to acquire the largely undeveloped Bloom Lake project in Eastern Canada. It has since spent approximately $1.5 billion on development and sustaining capex. Management has issued a continuous stream of negative revisions to the project's budget, timeline, and expected operating margins, in what strikes us as an open-ended process of trial and error.

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1 Based on Cliffs' closing price of $19.40 on January 27, 2014.
2 Peer group defined as SPDR Metals & Mining Exchange Traded Fund (XME), per the company's most recent proxy statement. Broader market defined as S&P 500 and Dow Jones Industrial Average. Cliffs underperformed each of these indices in each of the last one-, three- and five-year periods. For example, performance versus the XME was as follows: one-year XME -14% vs. CLF -50%; three-year XME -39% vs. CLF -76%; five-year XME +52% vs. CLF -17% (per Bloomberg, as of January 24, 2014).

Taking management's guidance at face value, optimizing Bloom Lake under the Cliffs umbrella will continue to be a difficult and expensive proposition: if Cliffs moves forward with the project, it estimates another $1.25 billion will be needed to complete the critical Phase II, while take-or-pay and production penalties ($60 – $80 million per year) will persist if the project is halted. [3]

We believe many investors remain doubtful of management's ability to develop and profitably operate Bloom Lake. In fact, our analysis indicates Cliffs currently trades with a *negative* $2 billion value drag from Bloom Lake. We believe this value leakage must be addressed at a structural level.

The Case for Separating the International and Domestic Assets
We believe that because of Bloom Lake, Cliffs is incorrectly treated as a proxy short for the global iron ore price. We see no reason for Cliffs to be sacrificing itself to the iron ore bears when it has other alternatives available to it.

By separating its international assets from its core, low-risk U.S. business, we expect Cliffs would provide investors with a reason to appropriately value all of its assets. We therefore propose spinning off Bloom Lake, together with the mature Asia Pacific assets and the rest of the Eastern Canadian assets, to create a new, separately traded "Cliffs International" that targets growth-oriented natural resources investors.

The assets that would remain with "Cliffs USA" enjoy critical mass and high-quality cash flows—the U.S. Iron Ore assets produced over $1 billion of segment-level EBITDA in the last 12 months. We believe these assets qualify for MLP treatment, are well-suited to that market, and that investors will pay a premium for them once they are structurally separated from Cliffs' commodity-sensitive and development assets.

A Seaborne Iron Ore Pure-Play Should Attract a Premium Valuation
Unlike Cliffs' domestic businesses, all of its operating international businesses sell directly into the seaborne iron ore market, competing head-to-head with other global iron ore players. Under the Cliffs umbrella, these assets appear to lack meaningful operational synergies with the domestic assets and to be a significant drain on management resources.

Spinning them off should create a viable, standalone company that could self-finance its growth. By including Cliffs' Asia Pacific division in Cliffs International, the new company would gain mature assets that should provide sufficient credit support and cash flows to complete Bloom Lake. Cliffs International could operate effectively without an investment grade rating (although our analysis indicates it would require less than 2x leverage to meet all of its needs), and its growth prospects should be sufficient to attract investors without the need to pay a dividend.

Cliffs International would gain the flexibility to pursue a more aggressive strategic agenda, with a new investor base that should be more accepting of opportunistic, synergy-enhancing M&A (currently an unthinkable proposition in our view). It should attract best-in-class managers with skill sets and incentives that are more closely aligned with a development and growth-oriented strategy. In addition, Cliffs International may become an acquisition candidate or joint venture

[3] Phase II completion budget based on company guidance of $450 million for remaining development capex plus $200 million maintenance capex required for four years. Take-or-pay and production penalties based on company guidance of $15–$20 million per quarter, annualized.

partner for any of several large-cap multinational players, who likely have little strategic interest in Cliffs' U.S. business, but would place a premium on a pure-play seaborne iron ore company.

Recently, the company raised the possibility of bringing in a joint venture partner for Bloom Lake. Like a spin-off, a joint venture could also provide varying degrees of separation between Bloom Lake and the rest of Cliffs. However, we fear Cliffs faces considerable execution risks in attempting a joint venture and that it might need to cede significant value potential to a third party in order to complete it. A successful joint venture, in our view, would require Cliffs to find a cash-paying counterparty, on reasonable terms, in a reasonable time frame—a complex undertaking. We believe the spin-off alternative likely preserves more value for Cliffs shareholders with fewer execution risks. In a spin-off, shareholders should retain all the upside potential associated with completing Bloom Lake (to the extent they choose to hold the Cliffs International shares they receive), and the execution appears to be far more within Cliffs' control. While we acknowledge that completing a spin-off would involve some time and complexity, we believe the process is far more transparent and the company would be able to keep investors (and potential strategic and financial partners) apprised of progress in a more open manner than would be the case in a privately-negotiated process. Finally, the company could continue to pursue other alternatives, including a joint venture, as it prepares Cliffs International for a spin-off, and would retain the option to alter course should a more attractive solution manifest itself in the interim.

With the expected new investor base committed to the international story, Cliffs International should command a valuation that reflects the option value embedded in Bloom Lake. Similarly constituted mining companies trade at valuations that appear to incorporate such option value (median 6.4x 2014E EBITDA[4] vs. 4.5x our 2014E EBITDA for Cliffs) [5]. Conservatively assuming a 6.0x multiple **implies a value of approximately $15.00 per share for Cliffs International.** [6]

The Market Is Ready for an Iron Ore MLP

"Cliffs USA" would have significant growth and capital-return opportunities. Its U.S. Iron Ore assets are ideally positioned to participate in the recovery of the U.S. automotive and construction sectors, the high-quality pellets it produces are well suited for the emerging direct reduced iron ("DRI") manufacturing process, and the company's North American Coal assets continue to show signs of recovery. We expect a more focused management team will find opportunities to reduce operating costs and enhance margins. From a financial point of view, even after assuming all of Cliffs' current debt burden, we believe the U.S. business would enjoy

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4 Examples of companies we believe to have a comparable mix of development and operating assets include Kumba Iron Ore and Ferrexpo (which have assets located in what we believe to be less favorable jurisdictions than Cliffs International's, and therefore believe them to merit a less favorable valuation) and Hudbay Minerals Inc and Lundin Mining Corp. (which mine different metals, and might therefore merit a premium valuation over Cliffs International's). As of January 24, 2014, the median 2014E EBITDA multiple for these companies was 6.4x (per Bloomberg).

5 In calculating Cliffs' enterprise value and EBITDA multiple, we exclude the Bloom Lake portion of non-controlling interest ($1,074 million at the time of the Consolidated Thompson acquisition), and adjust EBITDA to reflect Cliffs' 75% interest in the asset. We employ this methodology out of a belief that including the carrying value of the non-controlling interest would overstate Cliffs' actual enterprise value and artificially inflate its implied trading multiples.

6 We assume Cliffs International is spun off at Cliffs' current common share count, with a conservative capital structure that includes approximately $200 million of cash, no debt and a $500 million undrawn credit facility. Our projections for Cliffs International assume an average annual iron ore price per tonne as follows: $120 in 2014, $115 in 2015 and $110 in 2016 and thereafter.

investment-grade credit metrics, could immediately support a dividend at twice Cliffs' current payout and would continue to generate positive free cash flow.

In addition, we believe the increasingly institutional MLP investor base will be attracted to an iron-ore offering. Our research indicates a strong demand for offerings that afford MLP investors diversification from the typical energy-focused MLP offerings, provided that cash flow for distributions is protected by contracts and there are credible prospects for growth. Cliffs USA would have both of these attributes. We envision that Cliffs USA would become a separately traded, parent-level GP holding company, with the U.S. assets distributed in a public offering to MLP investors, either immediately or in stages.

Cliffs should **immediately double its dividend** and proceed with converting its U.S. assets to an MLP as quickly as reasonably practical. Doubling the dividend alone implies a valuation of **approximately $23.00 per share for Cliffs USA** (assuming a $1.20 per share dividend and a dividend yield of approximately 5%, implying a multiple of approximately 7.0x our 2014E EBITDA[7]), and we estimate an **incremental $10.00 per share of value upside from an MLP conversion.**[8]

Additional Value Upside: Cut SG&A and Exploration

While we welcome management's recent change in tone on costs, the cost-cutting effort appears to lack intensity and urgency. **Cliffs has consistently operated at SG&A levels close to twice those of its diversified mining peers.**[9] While management's growing emphasis on cost containment is a step in the right direction, we believe a fundamental rethinking of Cliffs' operating structure is necessary. According to public filings, Cliffs has eight separate corporate offices, two corporate jets, and close to 600 employees in the SG&A function (more than double the headcount five years ago). Operating in line with peer metrics would reduce Cliffs' SG&A budget by $115 million—far more than the $15 million target suggested by management.

In addition, Cliffs has indicated an expected 2013 exploration budget of $65 million (reduced from $80 million only after it failed to obtain permits on its non-core chromite project). Given the work to be done on Cliffs' existing portfolio, the company should immediately cease all development activity and bring its exploration spending below $10 million per annum.

The above-proposed changes to SG&A and exploration expense alone would increase EBITDA by $170 million—**a savings that would generate approximately $5.00 per share of value** (assuming a one-year forward EBITDA multiple of 5.0x), with no impact on output.

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7 Also assumes that Cliffs USA maintains Cliffs' current outstanding debt, and that Cliffs USA would be required to issue an additional approximately 12.7 million shares due to anti-dilution mechanisms in its convertible preferred stock, which would be triggered by a spin-off and an increase in the dividend.

8 MLP transaction assumptions include the following: all U.S. assets are contributed to MLP at once, MLP initially distributes approximately 10% of its shares to new shareholders and Cliffs USA retains subordinated units and GP interest, MLP units trade at 7% yield on distributable cash flows (1.2x coverage), and subordinated units retained by Cliffs valued at 20% discount to publicly traded MLP units. Also assumes initial MLP leverage of 3.0x, and that MLP repurchases CLF subordinated units over time in accretive transactions (in lieu of "drop downs"). Tax leakage estimated using segment asset value (per company's most recent Form 10Q) as a proxy for tax basis.

9 Analysis of SG&A margins based on the following diversified mining peers, which we believe for purposes of this analysis to be comparable in business mix and scope to Cliffs as it is currently constituted: Teck Resources, Thompson Creek, Hudbay Minerals Inc and Lundin Mining Corp.

Optimize Cash Costs and Operating Profitability
With management freed from the distraction of running a geographically disparate international portfolio, it will be better able to focus on improving operating profit at its core business (and Cliffs International's managers will be able to do the same). We believe that in the current environment, management will find numerous opportunities to reduce cash costs. Potential areas include streamlining purchasing and warehousing, renegotiating agreements with outside contractors and internalizing functions, maximizing production output of the current workforce, reevaluating existing mine plans and optimizing throughput. We believe such steps could substantially enhance margins and ensure continued profitability, including in a lower commodity price environment. We encourage management to articulate its targets in these areas and its plans for meeting them.

Divest Infrastructure and Other Non-Core Assets
Cliffs has a vast portfolio of non-core assets that are a distraction and burden its balance sheet. The nickel, chromite and other development projects should be divested. We also see no reason why the company should own railroads, a power plant or port assets. We believe these assets are attractive to infrastructure-oriented investors and specialized strategic acquirers who would value them more highly and are likely to run them better. Where it makes sense to do so, Cliffs could maintain ownership benefits through appropriately structured contracts with a buyer.

Set Clear Objectives for Return on Capital
Management has admitted the need for improving capital allocation, but has so far provided little specificity. Across the mining sector, many of the majors have provided highly specific targets for project hurdle rates and company-level return on capital. Cliffs needs to be equally clear, setting identifiable milestones and providing comprehensive disclosure on its progress towards meeting them. By establishing and clearly articulating these metrics, we believe the company will bolster investor confidence and further instill a corporate culture committed to improving profitability.

Conclusion
The steps outlined above, taken together, would result in an implied **midpoint valuation of $53.00 per share—over 2.5x Cliffs' current market value.** There is additional upside potential from elements we have not quantified such as improving operating profitability and divesting non-core assets. By taking these steps, we believe Cliffs can highlight and enhance the unique strengths of its businesses and unlock significant shareholder value.

We urge the Board to announce a comprehensive strategic review and to hire strategic and financial advisors to assist it in evaluating these and other potential alternatives.

We hope to engage the Board in a constructive dialogue that will result in immediate meaningful action on these topics, but remain prepared to take all necessary steps to protect and enhance the value of our investment. Cliffs has a bright future, and we look forward to working with you and participating in it.

Very truly yours,

Donald G. Drapkin
Chairman

Douglas Taylor
Chief Executive Officer

Gregory S. Donat
Partner & Portfolio Manager

cc: Susan M. Cunningham
Barry J. Eldridge
Mark E. Gaumond
Andrés R. Gluski
Susan M. Green
Gary B. Halverson
Janice K. Henry
Stephen Johnson
Richard K. Riederer
Richard A. Ross
Timothy W. Sullivan

For a full copy of the 13D filing, please access the public filing at www.sec.gov.

About Casablanca Capital LP
Casablanca Capital is an Event Driven and Activist investment manager based in New York, founded in 2010 by Donald G. Drapkin and Douglas Taylor. Casablanca invests in high quality but underperforming public companies that have multiple levers to unlock shareholder value. The firm seeks to engage with the management, boards, and shareholders of those companies in a constructive dialogue in order to enhance shareholder value through improved operational efficiencies, strategic divestitures, capital structure optimization and increased corporate focus. In 2011, Casablanca successfully initiated a campaign at Mentor Graphics Corporation to improve profitability and enhance value at the company, working with shareholders to elect three nominees to Mentor's Board.

Cautionary Statement Regarding Opinions and Forward-Looking Statements
Certain information contained herein constitutes "forward-looking statements" with respect to Cliffs Natural Resources Inc. ("Cliffs"), which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "could," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Such statements are not guarantees of future performance or activities. Due to various risks, uncertainties and assumptions, actual events or results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements. The opinions of Casablanca Capital LP ("Casablanca") are for general informational purposes only and do not have regard to the specific investment objective, financial situation, suitability or particular need of any specific person, and should not be taken

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# # #

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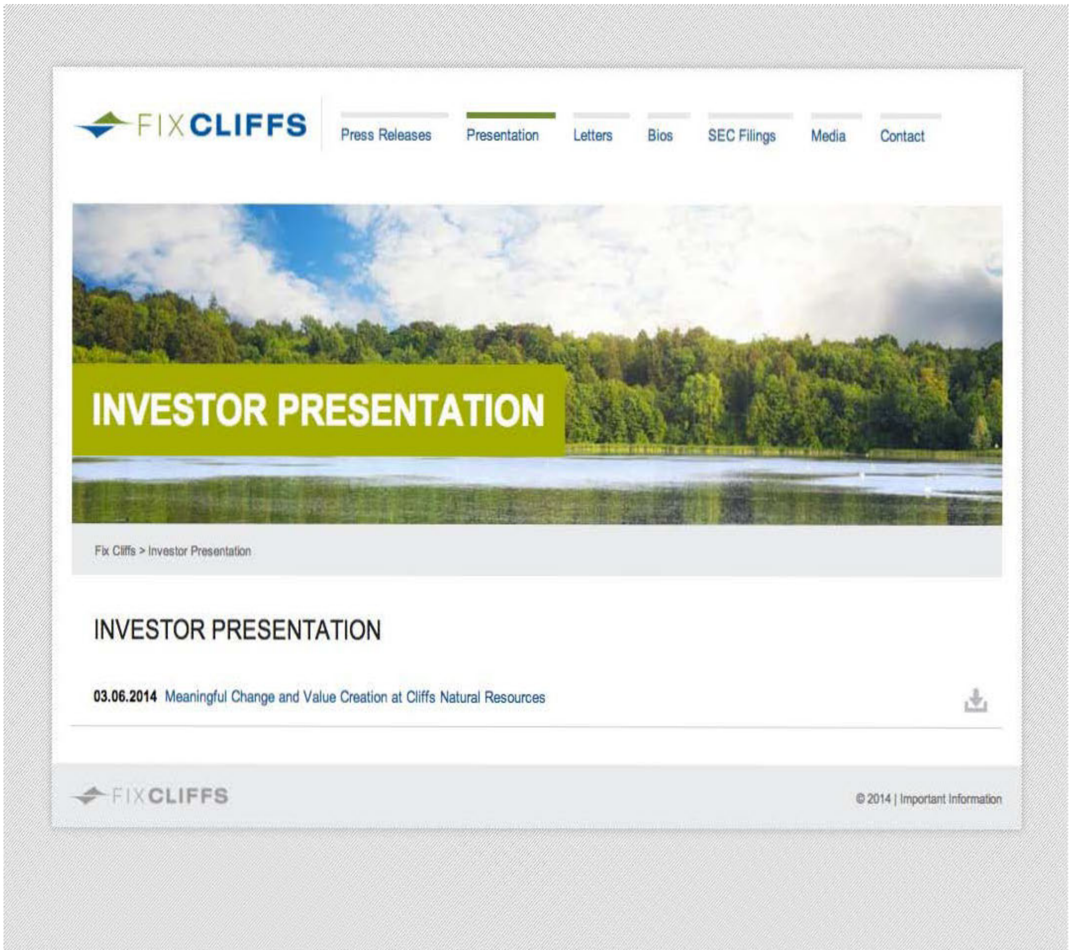
212-687-8080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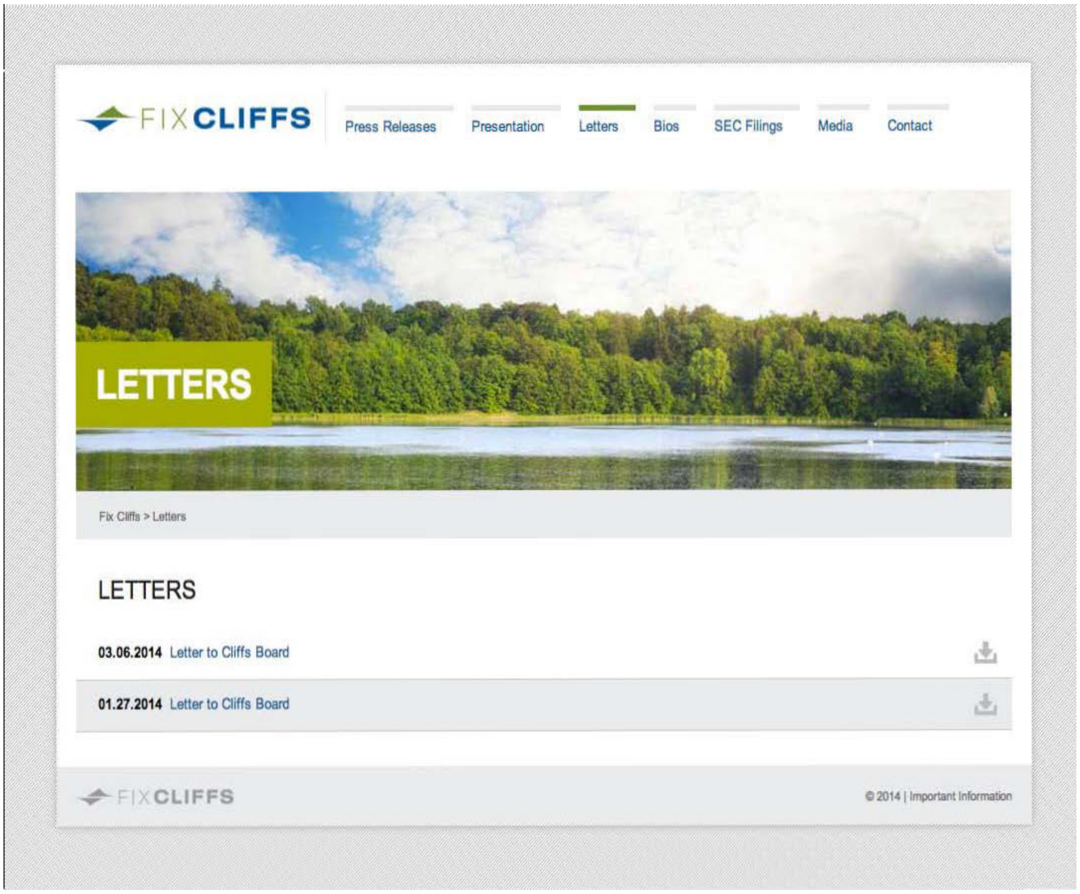
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BIOS

Lourenco Goncalves

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 Siderúrgica 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.

Mr. Goncalves' qualifications as director include his more than 30 years of experience in the metals and mining industries, and his extensive experience serving on the boards of directors in the United States and abroad.

Robert P. Fisher, Jr.

Mr. Fisher serves as the President and Chief Executive Officer of George F. Fisher, Inc., a private investment company that manages a portfolio of public and private investments, and has done so since 2002.

Mr. Fisher served in various positions with Goldman, Sachs & Co., an American multinational investment banking firm, from 1982 until 2001, eventually serving as Managing Director and head of its Canadian Corporate Finance and Canadian Investment Banking units for eight years. Mr. Fisher worked extensively with many of the leading North American metals and mining companies, and also served as the head of Goldman's Investment Banking Mining Group. Mr. Fisher served as a director of CML HealthCare, Inc., a leading provider of private laboratory testing services, from 2010 until 2013. Mr. Fisher served on CML's Audit and Corporate Governance Committees, and as the Chairman of CML's Human Resources Committee, Chief Executive Officer Search Committee and the Special Committee to consider strategic alternatives.

Mr. Fisher currently serves as Vice President and Scholarship Committee Chair of Sailfish Point Foundation, a non-profit foundation that awards college scholarships and educational grants in Martin County, Florida, and has done so since 2012. Mr. Fisher served as President of Westchester Youth Soccer League, a non-profit organization that provides for youth soccer for 18,000 student-athletes in Westchester, Manhattan and Bronx New York, from 2004 until 2011.

Mr. Fisher holds a Bachelor of Arts degree from Dartmouth College and a Master of Arts degree in Law and Diplomacy from Tufts University.

Mr. Fisher's qualifications as director include his vast experience in the investment and finance industries which included advising the boards of numerous public companies, and his previous directorship.

Patrice E. Merrin

Ms. Merrin has been a director of Stillwater Mining Company, which mines and refines PGMs, since May 2013. At Stillwater Mining Company, she is also Chairman of the Corporate Governance and Nominating Committee, a member of the Compensation Committee and was Chairman of the CEO Search Committee. She was Chairman of the board of directors of CML HealthCare Inc., a leading provider of medical diagnostic laboratory services, from March 2011 to September 2013, at which time the company was acquired by OMERS/Borealis. Ms. Merrin had been a director of CML since 2008 and had served as Interim Chief Executive Officer from May 2011 to February 2012.

Ms. Merrin served as a director of Enssolutions Group Inc., which provides engineered environmental applications for mine tailings control, process dust and stockpile sealing from 2009 to 2011. She was a director of The NB Power Group, a company that generates and distributes electricity from nuclear, hydro, wind and oil from 2007 to 2009, and was Chairman of the Environment, Health and Safety Committee from 2008 to 2009.

From 2005 to 2006, Ms. Merrin served as President, Chief Executive Officer and a director of Luscar Ltd., Canada's largest producer of thermal coal, and as Executive Vice-President from 2004-2005; during her tenure, Luscar was owned equally by Sherritt International Corporation and Ontario Teachers' Pension Plan Board. Prior to joining Luscar, from 1999 to 2004, Ms. Merrin was Executive Vice President and Chief Operating Officer of Sherritt International, a diversified international natural resources company with assets in base metals mining and refining, thermal coal, oil, gas and power generation.

Since January 2012, Ms. Merrin has been a director of Ontario's air ambulance service, where she chairs the Human Resources and Compensation Committee and was Chairman of the CEO Search Committee. She was a Director of the Climate Change and Emissions Management Corporation, created to support Alberta's initiatives on climate change and the reduction of emissions, from 2009 to 2014.

Ms. Merrin was a member of the National Advisory Panel on Sustainable Energy Science and Technology from 2005 to 2006, and from 2003 to 2006 was a member of Canada's National Round Table on the Environment and the Economy.

Ms. Merrin holds a Bachelor of Arts degree from Queen's University and completed the Advanced Management Programme at INSEAD.

Ms. Merrin's qualifications include her extensive operating and financial experience as a senior executive and multiple directorships.

Joseph Rutkowski

Mr. Rutkowski currently serves as a Principal at Winyah Advisors LLC, a management consulting firm, and has served in this role since 2010. Previously, Mr. Rutkowski spent 21 years at Nucor Corporation ("Nucor"), the largest steel producer in the United States. Mr. Rutkowski began his career with Nucor in 1989 at Nucor Cold Finish, a division of Nucor and the largest cold finished bar producer in North America. He served as manager of melting and casting at the Nucor steel division from 1991 until 1992 and general manager of Nucor from 1992 until 1998. He was promoted to Vice President in 1993 and Executive Vice President in 1998, where he served until 2010.

Mr. Rutkowski holds a Bachelor's of Science in Mechanics and Materials Science from Johns Hopkins University.

Mr. Rutkowski's qualifications as director include over 30 years of experience in the steel industry, including 12 years of service as an Executive Vice President of Nucor, a publicly traded Fortune 300 company.

Gabriel Stoliar

Mr. Stoliar currently serves as managing partner of Studio Investimentos, an asset management firm focused on Brazilian equities, where he has served since 2009. Mr. Stoliar serves as Chairman of the board of directors at Tupy S.A., a foundry and casting companies, and has done so since 2009. Mr. Stoliar has also served on the boards of directors of Knijnik Engenharia Integrada, an engineering company, and LogZ Logistica Brasil S.A., a ports logistic company, since 2013 and 2011, respectively.

Mr. Stoliar previously served as the Chief Financial Officer and Head of Investor Relations and subsequently as Executive Director of Planning and Business Development at Vale S.A., a Brazilian multinational diversified metals and mining company, from 1997 until 2008.

Mr. Stoliar holds a Bachelor's of Science in Industrial Engineering from the Universdade Federal do Rio de Janeiro, a post graduate degree in Production Engineering with focus in Industrial Projects and Transportation from the Universdade Federal do Rio de Janeiro and an Executive MBA from PDG-SDE/RJ.

Mr. Stoliar's qualifications as director include his vast experience in and relating to the metals and mining industries along with his extensive experience serving on various boards of directors.

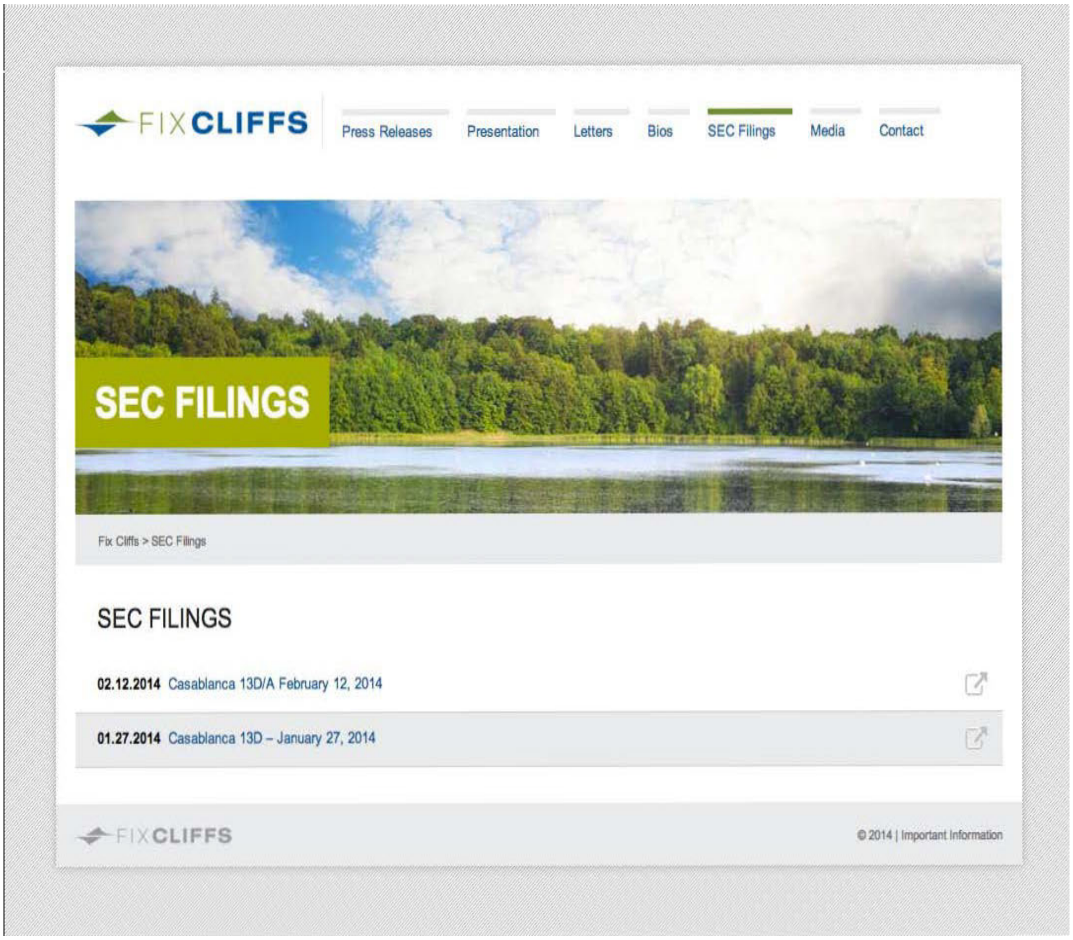
Douglas Taylor

Mr. Taylor has served as Chief Executive Officer and Co-Chief Investment Officer of Casablanca Capital LP, a hedge fund, since he co-founded it in 2010. Prior to Casablanca, Mr. Taylor was a Managing Director at Lazard Freres & Co. LLC, a leading financial advisory and asset management firm, from 2002 until 2010. From 2000 until 2001, Mr. Taylor served as a Managing Director of Dresdner Kleinwort Benson, and from 1993 until 2000, he held various positions, including Managing Director at Wasserstein Perella, a global mergers and acquisitions advisory and investment firm, which was bought by Dresdner Bank. Mr. Taylor began his investment banking career at Toronto Dominion Bank, a Canadian multinational banking and financial services corporation, where he served as Associate from 1990 until 1993.

From 2008 to 2010, Mr. Taylor was the Chief Financial Officer and director at Sapphire Industrials Corp., a blank check company formed for the purpose of effecting business combinations with one or more operating businesses.

Mr. Taylor holds a Bachelor of Arts degree in Economics from McGill University and a Master of Arts degree in International Affairs from Columbia University School of International and Public Affairs.

Mr. Taylor's qualifications as director include his vast financial and strategic advisory and investment experience, which included advising public companies.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02.12.2014 Casablanca 13D/A February 12, 2014
01.27.2014 Casablanca 13D – January 27, 2014
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Item 4. PURPOSE OF TRANSACTION

The shares of Common Stock reported in this Schedule 13D have been purchased and held for investment purposes in the ordinary course of business on behalf of client accounts over which the Reporting Persons have shared discretionary investment or voting power. The Reporting Persons initially invested in the Issuer because they believed the stock was undervalued and represented a potentially profitable investment opportunity.

The Reporting Persons and their representatives have, from time to time, engaged in discussions with management and the board of directors of the Issuer (the "Board") regarding, among other things, the Issuer's business, management, Board composition and strategic alternatives and direction. At such meetings, certain representatives of the Reporting Persons expressed their view that the Issuer is significantly undervalued and recommended several steps the Issuer should take to increase stockholder value.

On January 27, 2014, the Reporting Persons sent a letter (the "Letter") to the Board. In the Letter, the Reporting Persons expressed their disappointment in the Issuer's historical financial underperformance and further clarified their recommendations for the Board that if implemented would, in the Reporting Persons' view, materially increase the Issuer's valuation. Specifically, the Reporting Persons recommended that the Issuer (i) spin off Bloom Lake, together with Asia Pacific and its other international assets; (ii) double the dividend issued to its stockholders and convert the U.S. Iron Ore business and North American Coal business to an entity structured as a master limited partnership; (iii) significantly cut its SG&A and exploration expenses; (iv) optimize its cash costs and operating profitability; (v) divest its infrastructure and other non-core assets; and (vi) set identifiable milestones and objective targets for return on capital, which should be clearly articulated to the market. Concurrently with the filing of this Schedule 13D, the Reporting Persons issued a press release (the "Press Release") containing the full text of the Letter. The foregoing summary of the Letter and Press Release is qualified in its entirety by reference to the full texts of the Letter and Press Release, copies of which are attached hereto as Exhibit 1 and Exhibit 2, respectively, and are incorporated by reference herein.

The Reporting Persons intend to continue to discuss the matters described above, including but not limited to the foregoing specific recommendations, with the Issuer's management and the Board as well as other stockholders of the Issuer and third parties and may take other steps seeking to bring about changes to increase shareholder value as well as pursue other plans or proposals that relate to or could result in any of the matters set forth in clauses (a)-(j) of Item 4 of Schedule 13D.

Depending on various factors including, without limitation, the Issuer's financial position and strategic direction, actions taken by the Board, price levels of the Common Stock, other investment opportunities available to the Reporting Persons, conditions in the securities market and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, purchasing additional shares of Common Stock and/or other equity, debt, notes, instruments or other securities of the Issuer (collectively, "Securities"), disposing of any or all of their Securities, in the open market or otherwise, at any time and from time to time, and engaging in any hedging or similar transactions with respect to the Securities. The Reporting Persons reserve the right to change their intention with respect to any and all matters referred to in subparagraphs (a) – (j) of Schedule 13D.

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MEDIA

02.12.2014 Mad Money
http://www.cnbc.com/video/video/video/video/video/madmoney/video/video/video/video/madmoney.html
CNBC Video

02.12.2014 Cliffs CEO candidate would focus on U.S. market
http://www.reuters.com/article/2014/02/12/us-cliffsnatural-shareholders-goncalves-idUSBREA1B1XO20140212
Reuters Article

02.12.2014 Face off: Cliffs and major shareholder in public debate over company's future
http://www.mining.com/face-off-cliffs-and-major-shareholder-in-public-debate-over-companys-future-74480/
Mining.com Article

01.28.2014 Fast Money: Halftime Report
http://www.cnbc.com
CNBC Video

01.28.2014 Hedge Fund Casablanca Pushes for Break Up of Iron-Ore Miner
http://online.wsj.com/news/articles/SB10001424052702303277704579347172340630870
The Wall Street Journal Article

01.28.2014 Hedge Fund Takes Aim At Crumbling Cliffs Natural Resources
http://www.forbes.com/sites/steveschaefer/2014/01/28/hedge-fund-takes-aim-at-crumbling-cliffs-natural-resources/
Forbes Article

01.28.2014 Casablanca Capital Urges Changes at Cliffs Natural Resources
http://dealbook.nytimes.com/2014/01/28/casablanca-capital-urges-changes-at-cliffs-natural-resources/
New York Times: DealBook Article

Any information or materials contained on this website that can be accessed via the above links are not part of the Fix Cliffs website. For legal reasons, we are not permitted to hyperlink to sites with comments or other content that may regularly change.

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IMPORTANT INFORMATION

THIS SITE INCLUDES NEWS AND INFORMATION, COMMENTARY, AND OTHER CONTENT RELATING TO CLIFFS NATURAL RESOURCES INC. (THE "COMPANY"), INCLUDING BY PERSONS OR ENTITIES THAT ARE NOT AFFILIATED WITH CASABLANCA CAPITAL LP, DONALD G. DRAPKIN AND DOUGLAS TAYLOR (COLLECTIVELY, "CASABLANCA") ("THIRD PARTY CONTENT"). THE AUTHOR AND SOURCE OF ALL THIRD PARTY CONTENT AND DATE OF PUBLICATION IS CLEARLY AND PROMINENTLY IDENTIFIED. THIRD PARTY CONTENT IS AVAILABLE THROUGH FRAMED AREAS, THROUGH LINKS TO THIRD PARTY WEBSITES, OR IS SIMPLY PUBLISHED ON THE SITE. CASABLANCA AND ITS AFFILIATES HAVE NOT BEEN INVOLVED IN THE PREPARATION, ADOPTION OR EDITING OF THIRD PARTY CONTENT AND DO NOT EXPLICITLY OR IMPLICITLY ENDORSE OR APPROVE SUCH CONTENT. THE PURPOSE OF MAKING THE THIRD PARTY CONTENT AVAILABLE IS TO PROVIDE RELEVANT INFORMATION TO STOCKHOLDERS OF THE COMPANY IN CONNECTION WITH THE SOLICITATION OF PROXIES FROM THE COMPANY'S STOCKHOLDERS BY CASABLANCA, ROBERT P. FISHER, JR., CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI AND GABRIEL STOLIAR (COLLECTIVELY, THE "PARTICIPANTS") FOR USE AT THE COMPANY'S 2014 ANNUAL MEETING OF STOCKHOLDERS (THE "PROXY SOLICITATION").

THE PARTICIPANTS INTEND TO FILE WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") A DEFINITIVE PROXY STATEMENT AND ACCOMPANYING FORM OF PROXY CARD TO BE USED IN CONNECTION WITH THE PROXY SOLICITATION. ALL STOCKHOLDERS OF THE COMPANY ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER DOCUMENTS RELATED TO THE PROXY SOLICITATION, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING ADDITIONAL INFORMATION RELATED TO THE PARTICIPANTS. WHEN COMPLETED, THE DEFINITIVE PROXY STATEMENT AND AN ACCOMPANYING PROXY CARD WILL BE FURNISHED TO SOME OR ALL OF THE COMPANY'S STOCKHOLDERS AND ARE, ALONG WITH OTHER RELEVANT DOCUMENTS, AVAILABLE AT NO CHARGE ON THE SEC'S WEB SITE AT HTTP://WWW.SEC.GOV. IN ADDITION, OKAPI PARTNERS LLC, CASABLANCA'S PROXY SOLICITOR, WILL PROVIDE COPIES OF THE DEFINITIVE PROXY STATEMENT AND ACCOMPANYING PROXY CARD WITHOUT CHARGE UPON REQUEST BY CALLING (212) 297-0720 OR TOLL-FREE AT (877) 274-8654.

INFORMATION ABOUT THE PARTICIPANTS AND A DESCRIPTION OF THEIR DIRECT OR INDIRECT INTERESTS BY SECURITY HOLDINGS ARE CONTAINED IN THE PRELIMINARY PROXY STATEMENT ON SCHEDULE 14A FILED BY CASABLANCA WITH THE SEC ON MARCH 6, 2014. THIS DOCUMENT CAN BE OBTAINED FREE OF CHARGE FROM THE SOURCES INDICATED ABOVE.

Cautionary Statement Regarding Forward-Looking Statements

The information herein contains "forward-looking statements." Specific forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and include, without limitation, words such as "may," "will," "expects," "believes," "anticipates," "plans," "estimates," "projects," "targets," "forecasts," "seeks," "could" or the negative of such terms or other variations on such terms or comparable terminology. Similarly, statements that describe our objectives, plans or goals are forward-looking. Casablanca's forward-looking statements are based on its current intent, belief, expectations, estimates and projections regarding the Company and projections regarding the industry in which it operates. These statements are not guarantees of future performance and involve risks, uncertainties, assumptions and other factors that are difficult to predict and that could cause actual results to differ materially. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.

Exhibit 3

Video Media

Fast Money: Halftime Report
CNBC
28 January 2014

David Faber: The stock is reacting positively to what you're calling for. Explain why what you want is going to work.

Don Drapkin: Well, let me make this very simple for you. And there are a lot of fine refinements, but basically Cliffs is being hurt by sea-going ore and it's not that kind of company.

The U.S. Company has Great Lakes iron ore, its protective long-term contracts. It has advantages in terms of transportation. If you take that business, spin it off from the other pieces of the company, turn it into an MLP, cut SG&A and put them more in line with other miners, and stop exploration, you can add a tremendous amount of value to the stock.

You'll have a second company that has international iron ore which will fund the development of Bloom Lake, which has been an unmitigated disaster, which we estimate has about a $2 billion drag on the company. Double the dividend, MLP, as I say, there were refinements to that. But bottom line, you can get, you can see a $50 stock on a clear day. This is a no brainer. You've got a --

David Faber: That's a popular phrase these days.

Don Drapkin: No, but you've got no entrenched management. You've got a chairman who was just made executive chairman in July. There's no CEO – the COO, who may or may not be, seems to be a nice guy. He was just made it in October. The company just lacks the urgency to get this done. We're trying to light a fire. We've had very constructive discussions with them. And like I say, I just -- it's just there. It's as plain as the nose on your face.

Faber: Do you feel like you're going after them at a time of executive weakness? As a result of, you know, the changes that they're having in the boardroom are significant.

Drapkin: I would say quite the other way. All my life I've dealt with entrenched management. They've got Wachtell on their side, everybody knows what Marty thinks of hostile deals, and I was a [*Joe Farm acolyte*]. This isn't that. These are new guys. They're not responsible for the debacle caused by their predecessors. They don't own much stock and they can step up and be heroes. So this is a chance for them to snatch victory out of the jaws of defeat.

So this is not us going after an entrenched management and trying to shake things up at a time of weakness. It's quite the reverse. We're trying to stem the tide for them and help them make a lot of money.

Faber: To some extent, though, aren't they at the mercy of what the coal market will bear? It's not like their competitors are ringing the bell every day, is number one. And number two, it's 80% institutionally owned, the usual intransigent -Black Rock, State Street- they're not going to do anything for your cause. Are the other holders willing to get a little bit more active here or has there not been enough damage done yet?

Drapkin: Oh I think there’s been enough damage – the worst performer on the stock exchange last year, most highly shorted stock. My point is that two-thirds of their sales -and I think closer to 80% of their earnings- come from Great Lakes iron ore, which is subject to long-term contracts and transportation advantages. They are mistakenly lumped in with the China slowdown. That's number one. The stuff that they do have that is China slowdown and the development project that they spend $5 billion on can be lumped together. It’s probably worth something long-term, a lot of money long-term, but not immediately. I don't believe there’s a slowdown in iron. I'm not a macro guy but I don't believe that the slowdown in iron ore happens as quickly or as dramatically as necessary. But they're mostly protected.

Brian Sullivan: Are there any iron ore coal companies that you can think of that are in any kind of economic or risk-appetite position? Are there any players that are buying assets right now because all we ever hear about is spinning off, shedding assets. Who do you see as a likely strategic buyer?

Drapkin: I don't think there are. I mean, there's at the Bloom Lake Project, next door is Rio Tinto and they have a project that's struggling next door. Could they be a joint venture partner? I guess the answer is yes. Their Chinese partner at Bloom Lake, we don't know from the outside whether they would want to have a bigger role or a smaller role. If they finish Phase II with the money that they're generating in Australia, the project becomes worth a lot of money. Would somebody want to do an acquisition, they now would have a currency, as a spun-off company to do an acquisition. So to your point they may be able to buy some undervalued assets with some synergy. So the answer is you don't have to do that. You can create value by doubling the dividends, spinning off the company, creating a Master Limited Partnership. It's a no brainer.

Faber: But you do have to wonder, ok, if the commodity super cycle is over, right? If there are considerable concerns about China, and iron ore, and just iron ore in general and prices being vulnerable here forward. I mean you would admit that that is somewhat of a risk.

Drapkin: But they're very much protected because most of their stuff in the U.S. and in the company that we want to see spun off as a U.S. Company is in the Great Lakes. They don't pay for locks. They don't pay for a lot of transportation cost. They have some assets that add a couple more bucks a share of value that they can spin off. And they have long-term contracts. This isn't China.

Faber: When they say that they're going to continue -- and this is in their, I guess, official response to your letter-- that they're going to continue to review and consider ideas that may create additional value, do you look at that as a “go pound sand” kind of a response to you? Or does that sound like they're willing to be constructive and discuss things more with you?

Drapkin: I think they're willing to be constructive. And quite frankly, we're happy, if they have a different structure that creates the 50 bucks a share we're looking for, to consider it. I mean, we don't pretend to be Bernard Baruch or even Warren Buffett, but our plan works. They've got a better one? They'll support it. The beauty of our plan is that they are the masters of their own fate. They don't have to go out and look for a joint venture partner. They don't have to look for an acquirer. They can do the spin-off. They can do the MLP. They can double the dividend. They don't have to ask anybody's permission. So we like our plan that way. But we've had constructive discussions with them already. They don't bear the responsibility for their stock going from 100 to 20. So this is their chance to be heroes. They're not entrenched. They don't even have a CEO's who's entrenched yet – the COO whom I expect to be CEO has only been there since October. And he has a chance to focus mostly on the U.S. *[inaudible]*

Faber: Are you going to be supportive of him, the new CEO?

Drapkin: We're just getting to know him. So far --

Faber: That's a hell of a hello. Welcome to the job.

Drapkin: No, we've met him. We like him. But we want them to feel a greater sense of urgency in getting something done now.

Print Media

02.12.2014
Cliffs CEO candidate would focus on U.S. market
By Allison Martell

(Reuters) - The executive that activist hedge fund Casablanca Capital would like to see lead Cliffs Natural Resources Inc would focus on supplying steelmakers in the United States, not selling into the competitive global iron ore market.

Lourenco Goncalves, whom Casablanca named as its preferred candidate for CEO on Wednesday, said in an interview that it is too early to say how he would "unlock" the value of Cliffs' international assets, but it could happen in several ways.

Last month Casablanca publicly urged Cliffs to spin off its international operations, form a master limited partnership from its U.S. assets, sell non-core assets and double its dividend, among other things.

Asked whether he would carry out Casablanca's proposals as chief executive, Goncalves said the fund's plan offers "good alternatives, but they are alternatives, they are possibilities." But like the fund, Goncalves sees a divide between Cliffs' U.S. assets and those in Canada and Australia.

"Cliffs is the 900 pound gorilla in that marketplace," he said of the United States. "I prefer to play to the strengths of the company."

Casablanca said on Wednesday it plans to put forward former Metals USA chief executive Goncalves as part of a majority slate of dissident board nominees. The fund owns about 5.2 percent of Cliffs, but it is not yet clear how much support it has among other investors.

Goncalves was particularly critical of Cliffs' Bloom Lake Mine in Quebec, once seen as a key growth project. He said he would never have bought the mine, calling the purchase a bad decision made as the market peaked.

After months of deliberation, Cliffs said on Tuesday it had decided to indefinitely suspend a planned expansion at Bloom Lake.

"If you are in a hole, and you are digging the hole, the very first move you should make is, stop digging," Goncalves said. "Yesterday they stopped digging. It doesn't mean that they are getting out of the hole."

Goncalves was also negative on the mothballed Black Thor chromite project in northwestern Ontario's Ring of Fire region, saying he would sell the project if possible.

Cliffs suspended the project indefinitely last year, citing an uncertain timeline and risks associated with developing infrastructure.

Cliffs was the biggest miner working in the mineral-rich Ring of Fire, which Canadian political leaders have said could spur an economic boom in northern Ontario, much as the tar sands have in northern Alberta.

02.12.2014

Face off: Cliffs and major shareholder in public debate over company's future

By Ana Komnenic

Cliffs Natural Resources (NYSE:CLF), the US' biggest iron ore producer, announced Tuesday that 500 Canadians would lose their jobs as a result of the company's decision to idle its iron ore mine in Newfoundland and Labrador.

Now, the miner's negotiations with one of its major shareholders has turned ugly. In a statement issued Wednesday activist investment firm Casablanca Capital, which owns 5.2% of Cliffs, called Tuesday's move a "knee-jerk" reaction to its earlier call for change, referring to a letter Casablanca wrote to Cliffs last month.

Casablanca also said it was backing Lourenco Goncalves, former CEO of Metals USA, to step in as Cliffs' CEO – a position that's currently open. Goncalves has personally invested approximately $1 million in Cliffs shares.

The New York-based investment firm has also delivered a letter to the company declaring its intention to nominate a majority of directors for election to Cliffs' board at the 2014 annual meeting of shareholders.

"In spite of its public statements, Cliffs hasn't engaged us in any meaningful dialogue on the issues we've raised or provided a timetable for doing so," Donald Drapkin, chairman of Casablanca said in a statement.

This is the second time in less than two weeks that Casablanca has lashed out at Cliffs.

Late last month the firm published a lengthy public letter calling on Cliffs to spin off its international assets and to immediately double dividend payments.

With iron ore prices suffering due to weak Chinese demand and an oversupplied market, Casablanca believes the US-based miner needs to separate its domestic operations from its international ones.

Cliffs' US assets are, according to the investment firm, insulted from the Chinese slow down and other factors affecting global iron ore prices.

Casablanca's decision to try and reshuffle Cliffs' Board of Directors comes as a surprise considering that in its January letter the investment company wrote that it recognized that the current "management team and many Board members were not responsible" for the decisions that led Cliffs to being the S&P's third-words performing stock of 2013.

Cliffs reacted to Wednesday's statements with a much sterner tone than in January.

"Casablanca's overall proposal fails to provide a sustainable, long-term value enhancing alternative," Cliffs wrote.

"The Company is disappointed that Casablanca seems intent on waging a public campaign rather than continuing its private engagement with our Chairman and management to address our doubts and concerns."

Cliffs also stood firm on its intention to make Gary Halverson, the current chief operation officer, the company's CEO. Halverson previously headed Barrick Gold Corp's US operations and stood in as interim COO.

"The choice of Mr. Halverson as incoming CEO follows an exhaustive search by the Board … Following a comprehensive search, the Board determined that Mr. Halverson was the right leader given his deep international and large scale mining industry leadership experience," Cliffs wrote.

01.28.2014

Hedge Fund Casablanca Pushes for Breakup of Iron-Ore Miner

Investor Wants Cliffs Natural Resources to Split International and Domestic Operations

A hedge fund is pressing for a breakup at Cliffs Natural Resources Inc., CLF -0.26% the company with the worst-performing stock in the S&P 500 index over the past year.

New York hedge fund Casablanca Capital LP wants to see the iron-ore miner divide its international and domestic operations, according to a letter sent Monday to the Cleveland-based company's management that is expected to be disclosed in a securities filing Tuesday morning.

The letter, reviewed by The Wall Street Journal, says Casablanca has been building a position in Cliffs and now owns about 5.2% of the shares outstanding. The two sides have engaged in discussions for more than a month, the letter said.

In a statement, Cliffs called the conversations with Casablanca productive and said it is open to more talks. It added that it has made "significant changes to strengthen its board" and taken steps to improve its financial and operating performance.

"Cliffs will continue to evaluate the strategic fit and value creation potential of all the Company's assets as part of that process," the company said.

Cliffs shares are down about 46% over the past 12 months, versus a 19% rise in the S&P 500. They closed up 0.4% at $19.40 Monday.

With a market capitalization of about $3 billion, Cliffs is also the index's most shorted stock, according to data provider Markit.

Casablanca was started in 2010 by former mergers-and-acquisitions banker Donald Drapkin, along with Douglas Taylor, also a former M&A adviser.

Activists regularly push for corporate breakups. Casablanca executives contend that splitting up Cliffs' international and U.S. operations could help it reverse its fortunes, the letter said.

Concerns about falling demand for iron-ore in China and elsewhere have hurt many international miners. Many analysts have proclaimed the end of the so-called commodity supercycle, in which mining companies aggressively expanded in recent decades in response to rising prices but lately have retrenched amid slowing demand.

Benchmark iron ore prices are currently around $135 a ton, down 10% since a year ago, just as more production is coming online. That has pressured many mining stocks, and the biggest miners, including Rio Tinto PLC and BHP Billiton Ltd. BHP.AU +1.18% , have changed executives and written down billions in acquisitions.

"When most major mining companies have announced sharp revisions to their capital allocation and cost management policies, Cliffs' Board and management have, from our perspective, been slow to respond to the end of the commodities supercycle," said the letter to Cliffs' executive chairman, James Kirsch.

A Canadian mine Cliffs acquired in 2011 has cost billions and produced little so far, adding to concerns around Cliffs.

Cliffs has already undertaken some changes. Former Chairman and Chief Executive Joseph Carrabba retired in November, handing the reins to Mr. Kirsch. The company in October hired Gary Halverson, a former executive at gold miner Barrick Gold Corp. ABX.T -0.62% , as chief operating officer and said he would eventually take over as CEO. Several other executives have departed. The company has made cost-cuts a priority and slowed spending on projects, it has said.

The company is looking at options for the struggling Canadian mine, Bloom Lake, including joint-venture partners, the company has said. The company has reduced spending plans for the project.

The Casablanca letter said Cliffs' domestic operations are well placed to benefit from a resurgent U.S. auto and manufacturing industry. The U.S. business—in iron ore and coal—has long-term contracts with customers that provide investors with visibility, and steel demand in the U.S. has been rising.

To be sure, the U.S. business could also be vulnerable. "There's a lot of new iron ore production coming on in the next few years, in Minnesota for example, and no new [steel mills] being built" that use iron ore, says Charles Bradford, an analyst with Bradford Research Inc.

By spinning off the international operations, Cliffs could create a company that would be more volatile but have the growth potential that can lure some investors, the letter said. Casablanca feels the stock drop is an overreaction to the macroeconomic concerns, the people said.

Meanwhile, the U.S. operations, the letter said, could double the current dividend, slash costs, sell noncore assets, and form a master-limited partnership backed by Cliffs' assets.

All of those moves, the letter said, could boost Cliffs shares to a combined $53 a share.

In the first nine months of 2013, Cliffs' U.S. operations made up 61% of revenue and 76% of the company's gross margin.

01.28.2014
Hedge Fund Takes Aim At Crumbling Cliffs Natural Resources

The worst-performing stock in the S&P 500 over the last 12 months is the latest activist beachfront, with Cliffs Natural Resources drawing a challenge from hedge fund Casablanca Capital.

Casablanca, which revealed a 5.2% stake in the iron ore producer Tuesday, wants Cliffs to spin off its international operations and convert its domestic assets into a master limited partnership structure.

The hedge fund's letter argues that the battered shares of Cliffs, which have plunged more than 45% over the last year while the S&P 500 has returned over 21%, could be worth more than double their current price if the company transforms itself.

According to Casablanca, Cliffs is "drowning in Bloom Lake," an undeveloped project in Eastern Canada the company spent $4.9 billion to acquire in 2011 and has since spent $1.5 billion to sustain.

"Management has issued a continuous stream of negative revisions to the project's budget, timeline, and expected operating margins, in what strikes us as an open-ended process of trial and error," the hedge fund says.

That blunder, in Casablanca's view, is holding back the successful portion of Cliffs, the low-risk U.S. iron ore business, and leading investors to treat the company "as a proxy short for the global iron ore price." Cliffs should not be "sacrificing itself to the iron ore bears when it has other alternatives available," the letter reads.

The second part of the firm's prescription for Cliffs is the conversion of the remaining U.S. assets into an MLP, which would offer investors in energy-related MLPs a method of diversification. Casablanca says, Cliffs should "immediately double its dividend" from its current quarterly rate of 15 cents a share. The hedge fund figures that alone would imply a valuation of $23.00 per share, more than 18% above Monday's $19.40 closing price. Shares did race higher on Casablanca's filing and letter Tuesday morning, rising 14.3% to $22.23 in pre-market trading.

By spinning off the international business and converting the remainder into an MLP structure, along with a number of other cost-saving measures and divestitures, Casablanca figures the stock could be worth $53 a share, well over double current levels.

The hedge fund, which previously ran an activist campaign aimed at gaining board representation at Mentor Graphics in 2011, is run by investors Donald Drapkin, Douglas Taylor and Gregory Donat. At Mentor Graphics Casablanca ultimately withdrew its proposed director slate to support board changes pushed by fellow activist Carl Icahn.

01.28.2014
Casablanca Capital Urges Changes at Cliffs Natural Resources
By Michael J. De La Merced

The activist hedge fund Casablanca Capital disclosed on Tuesday that it had taken a 5.2 percent stake in the mining company Cliffs Natural Resources and urged it to spin off its international assets and make other changes.

In a publicly disclosed letter, Casablanca urged the company's management to combine its Bloom Lake property in Canada with its Asian holdings to create what it called Cliffs International, then spin off that entity to existing shareholders.

The remaining Cliffs business should add its assets to a master limited partnership, a specialized corporate structure that pays no taxes and gives most of its profit to investors.

In addition, the company should cut costs and sell nonessential assets.

Should Cliffs take up those suggestions, Casablanca estimates that the company's shares could rise to around $53 a share, more than double the miner's current market value.

"By taking these steps, we believe Cliffs can highlight and enhance the unique strengths of its businesses and unlock significant shareholder value," Casablanca wrote.

In its own statement, Cliffs said it "welcomes open communications with all of its shareholders" and added that it had already made some changes, including adding four new directors and a new chairman.

"Looking ahead, Cliffs expects to continue making progress on reducing costs, strengthening its balance sheet with cash flows from operations, and taking a disciplined approach to capital spending," the company said.

Shares in Cliffs jumped more than 12 percent, to $21.84, in premarket trading on Tuesday.

Exhibit 99.4

CASABLANCA CAPITAL

MEANINGFUL CHANGE NEEDED FOR VALUE CREATION AT CLIFFS NATURAL RESOURCES

March 6, 2014

Disclaimer

This presentation with respect to Cliffs Natural Resources, Inc. ("Cliffs" or the "Company") is for general informational purposes only. It does not have regard to the specific investment objective, financial situation, suitability or particular need of any specific person who may receive this presentation, and should not be taken as advice on the merits of any investment decision. The views expressed herein represent the opinions of Casablanca Capital LP ("Casablanca"), and are based on publicly available information and Casablanca analyses. Certain financial information and data used herein have been derived or obtained from filings made with the SEC by the Company or other companies considered comparable, and from other third party reports. Casablanca has not sought or obtained consent from any third party to use any statements or information indicated herein. Any such statements or information should not be viewed as indicating the support of such third party for the views expressed herein. No representation or warranty is made that data or information, whether derived or obtained from filings made with the SEC or from any third party, are accurate.

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CASABLANCA CAPITAL LP, DONALD G. DRAPKIN AND DOUGLAS TAYLOR (COLLECTIVELY, "CASABLANCA") INTEND TO FILE WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") A DEFINITIVE PROXY STATEMENT AND ACCOMPANYING FORM OF PROXY CARD TO BE USED IN CONNECTION WITH THE SOLICITATION OF PROXIES FROM STOCKHOLDERS OF CLIFFS NATURAL RESOURCES INC. (THE "COMPANY") IN CONNECTION WITH THE COMPANY'S 2014 ANNUAL MEETING OF STOCKHOLDERS. ALL STOCKHOLDERS OF THE COMPANY ARE ADVISED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER DOCUMENTS RELATED TO THE SOLICITATION OF PROXIES BY CASABLANCA, ROBERT P. FISHER, JR., CELSO LOURENCO GONCALVES, PATRICE E. MERRIN, JOSEPH RUTKOWSKI AND GABRIEL STOLIAR (COLLECTIVELY, THE "PARTICIPANTS"), WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION, INCLUDING ADDITIONAL INFORMATION RELATED TO THE PARTICIPANTS. WHEN COMPLETED, THE DEFINITIVE PROXY STATEMENT AND AN ACCOMPANYING PROXY CARD WILL BE FURNISHED TO SOME OR ALL OF THE COMPANY'S STOCKHOLDERS AND ARE, ALONG WITH OTHER RELEVANT DOCUMENTS, AVAILABLE AT NO CHARGE ON THE SEC'S WEB SITE AT HTTP://WWW.SEC.GOV. IN ADDITION, OKAPI PARTNERS LLC, CASABLANCA'S PROXY SOLICITOR, WILL PROVIDE COPIES OF THE DEFINITIVE PROXY STATEMENT AND ACCOMPANYING PROXY CARD WITHOUT CHARGE UPON REQUEST BY CALLING (212) 297-0720 OR TOLL-FREE AT (877) 274-8654.

INFORMATION ABOUT THE PARTICIPANTS AND A DESCRIPTION OF THEIR DIRECT OR INDIRECT INTERESTS BY SECURITY HOLDINGS ARE CONTAINED IN THE PRELIMINARY PROXY STATEMENT ON SCHEDULE 14A FILED BY CASABLANCA WITH THE SEC ON MARCH 6, 2014. THIS DOCUMENT CAN BE OBTAINED FREE OF CHARGE FROM THE SOURCES INDICATED ABOVE.

Executive Summary

- Casablanca is nominating six highly-qualified candidates for election to Cliffs' Board at the annual meeting scheduled for May 13, 2014
- Funds managed by Casablanca own approximately 5.2% of Cliffs, making us one of its largest shareholders
- Casablanca is committed to fixing Cliffs after an 80% loss of value
  - New strategy centered on Cliffs' core U.S. business
    - Domestically-focused Cliffs would be better positioned to realize full potential value
      - First Stage: drive cost-cutting, increase return of capital and sell Asia Pacific
      - Second Stage: explore MLP, sale or other value-enhancing initiatives
  - New executive leadership and Board
    - Lourenco Goncalves as Cliffs' CEO
    - Six highly-qualified Board candidates
      - All are independent of the Company
      - All (other than Douglas Taylor) are independent of Casablanca

Casablanca Director Nominees

Nominee	Key Qualifications
Lourenco Goncalves	• Hired as CEO of Metals USA in February 2003; took the company private in November 2005; IPO'd the company in April 2010 and sold the company to Reliance Steel & Aluminum in April 2013 • CEO of California Steel Industries from March 1998 to February 2003
Rip Fisher	• Former Goldman Sachs Managing Director, Head of Mining and Head of Canadian Corporate Finance and Investment Banking • Former Director of CML HealthCare Inc.
Patrice Merrin	• Director of Stillwater Mining • Former Chairman of CML HealthCare Inc. • Director of Climate Change and Emissions Management Corp. • Former CEO of Luscar and Executive Vice President of Sherritt International
Joseph Rutkowski	• Former Nucor Corporation Executive Vice President of Business Development
Gabriel Stoliar	• Managing Partner of Studio Investimentos, an asset management firm • Former Vale S.A. CFO and Executive Director of Planning & Business Development • Former BNDES Executive Director
Douglas Taylor	• CEO and Co-CIO of Casablanca Capital LP • Former Lazard Frères & Co and Wasserstein Perella Managing Director • Former Director and CFO of Sapphire Industrials

Majority of Current Board Presided over an 80% Decline in Value…

[a] 2012 Annual Meeting: Company sponsored proposal to allow the Board to amend bylaws without shareholder approval, failed to pass.
[b] 2013 Annual Meeting: Company sponsored proposals to allow the Board to amend bylaws without shareholder approval and to eliminate cumulative voting, both failed to pass.
[c] Reflects closing price on March 4, 2014.

…and Demonstrated Little Faith in Cliffs, Given de Minimis Economic Interest

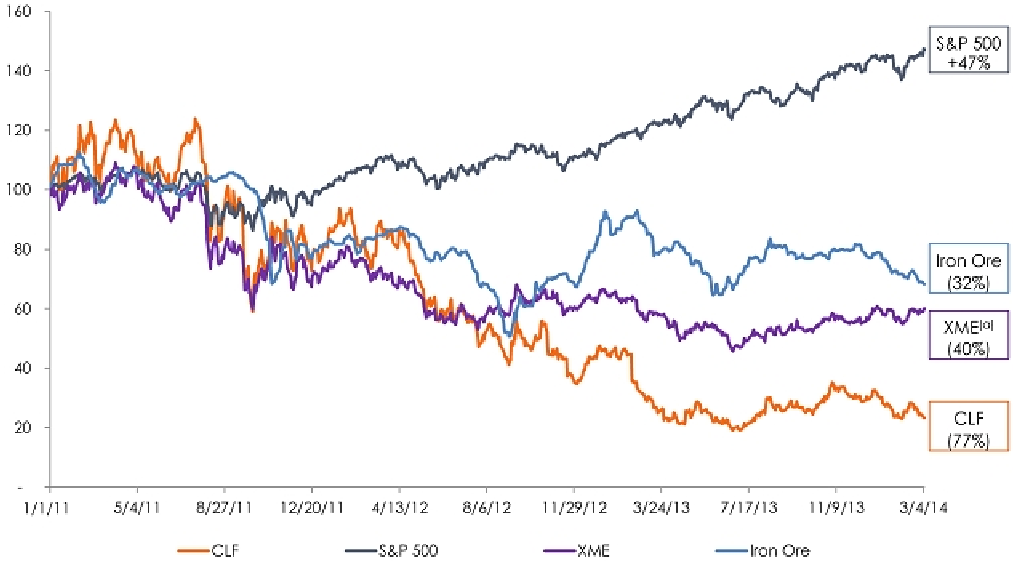
Economic Exposure of Board[(a)]	Shares Granted	Shares Purchased for Cash
Executive Chairman	39,975	0
CEO	97,560	0
Other Board Members (Aggregate)	91,651	3,460[(b)]
Total	229,186	3,460

Lourenco Goncalves	50,000
Casablanca	7,906,520

[(a)] Per Bloomberg.
[(b)] Reflects 1,040, 1,290 and 1,130 shares acquired by Andres Gluski on November 5, 2013, May 11, 2012 and August 1, 2011, respectively.

Underperforming Benchmarks

Stock Price Since January 1, 2011



Note: CLF stock price change calculated using closing price beginning on January 3, 2011 and ending on March 4, 2013.
[a] Reflects S&P Metals & Mining ETF.

Corporate Governance

Majority of Existing Board Is Responsible for Failed Bloom Lake Acquisition

Directors	Cliffs Director Since
Richard K. Riederer	2002
Susan M. Cunningham	2005
Barry J. Eldridge	2005
Susan M. Green	2007
Janice K. Henry	2009
James Kirsch	2010
Andrés R. Gluski	2011
Timothy W. Sullivan	2013
Mark E. Gaumond	2013
Gary B. Halverson	2013
Stephen Johnson	2013

6 of 11 current directors approved the Consolidated Thompson/ Bloom Lake transaction ($4.9 billion)

9 of 11 approved subsequent investment in Bloom Lake (additional ~$1.5 billion)

The directors who approved the transaction, and those who permitted additional investment, should not continue to serve on the Cliffs Board

Bloom Lake Is Part of a ~$9 billion Value-Destroying Diversification Strategy

Project	Est. Aggregate Amount Invested ($ millions)	Project Status	Sitting Directors Responsible for Approving: Acquisition	Sitting Directors Responsible for Approving: Further Investment
Chromite[a]	$500	Suspended in 2Q 2013	5 / 6	8
Coal[b]	1,230	Expected breakeven in 2014	6	10
Amapá[c]	500	Divested for "nominal" amount in 3Q 2013	3	8
Wabush[d]	285	Idled 1Q 2014	5	10
Subtotal:	$2,515			
Plus: Bloom Lake	6,400			
Total	$8,915			

Most of the current Board oversaw these investments

We believe these transactions demonstrate a consistent pattern of poor Board oversight and judgment

[a] Five of the current directors were on the Board at the time of the $154 million Chromite Ontario transaction (11/23/09) and 6 were on the Board at the time of the $78 million Chromite Far North transaction (5/25/10). $500 million estimated total investment includes ~$70 million per year for feasibility and assessment studies, over 3 years.

[b] Based on $757 million acquisition of West Virginia Coal (7/6/10) plus ~$470 million cumulative capex between 2010 and 2013. Excludes impact of Sonoma Coal (acquired for $140 million (1/9/07), divested for $141 million (7/10/12)). 2014 breakeven assumption based on midpoint of Company guidance of $85 – $90 expected revenues/ton and $85 – $90 expected cash costs/ton.

[c] Based on $498.6 million book value and accounted for under the equity method as of 12/31/11.

[d] Based on $103 million purchase price (initial stake acquired (1/1/97) for $15 million and remaining interest acquired (10/9/09) for $88 million), plus Casablanca-estimated $80 million cumulative capex, plus Company-announced $100 million idling costs. Cumulative capex estimated based on difference between $183 million asset impairment charge incurred in Q4 2013 and $103 million cumulative purchase price.

Board Has Repeatedly Engaged in Entrenchment Tactics

Annual Meeting	Company-Sponsored Proposals to Strip Shareholders of Important Rights	Result
2012	Remove shareholder right to approve bylaw amendments	Failed
2013	Remove shareholder right to approve bylaw amendments	Failed
	Eliminate cumulative voting	Failed

How, after an 80% loss in value, does the Board justify these proposals?

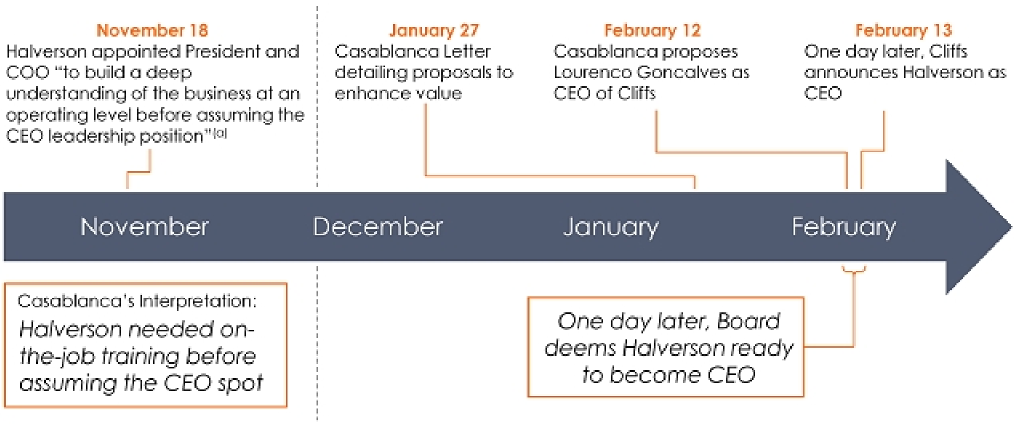
Board Has Repeatedly Engaged in Entrenchment Tactics (cont'd)

Summary	Actual Language
"Change in Control" triggered if Incumbent Board is replaced…	"'Change in Control' means: … (ii) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board;…
…unless the Incumbent Board approves incoming Board members…	"…provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board,…
...but activists' nominees don't count, ***even if the Board approves them***	"…but **excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest** with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board"

Unusual, in Casablanca's view, and just added this year

Why should newly-installed management be paid a premium when shareholders have suffered an 80% loss?

Hurried and Defensive CEO Appointment



The rushed manner in which Mr. Halverson was appointed to the CEO position represents a poor exercise of the Board's fiduciary duties

[a] Announced October 25, 2013. Mr. Halverson assumed the President and COO position effective November 18, 2013.

Who is Running Cliffs?

		Casablanca's Interpretation	
Date	Event	Comments	Senior-Most Executive
July 9, 2013	• Company announces CEO Carrabba's pending retirement • Kirsch named Non-Executive Chairman • Office of the Chairman formed to "facilitate smooth transition"	• Lame duck CEO • Cliffs run by committee headed by Kirsch	Kirsch
Nov. 15, 2013	• CEO Carrabba formally retires		
Nov. 18, 2013	• Kirsch becomes Executive Chairman • Halverson joins as COO and President • Halverson reports to Kirsch	• Kirsch is lead executive • Halverson starts on-the-job CEO training	Kirsch
Feb. 12, 2014	• Casablanca proposes Goncalves as CEO		
Feb 13, 2014	• Board appoints Halverson as CEO	• Rushed and defensive reaction • Halverson reports to Kirsch	Kirsch
Feb 21, 2014	• Kirsch to remain Executive Chairman through 2014	• Halverson's on-the-job CEO training continues?	Kirsch

Cliffs cannot afford obfuscated leadership and needs a proven leader to take decisive action

James Kirsch Presided over 86% Value Destruction at Ferro

Ferro Corp Share Price Performance

Cliffs cannot afford to have an Executive Chairman who presided over an 86% destruction of value

Lack of Economic Alignment with Shareholders[a]

Board of Directors		
Name	Common Stock Ownership	% Out.
Gary B Halverson	97,560	0.06%
James F Kirsch	39,975	0.03%
Barry J Eldridge	23,882	0.02%
Susan M Cunningham	20,232	0.01%
Andres Ricardo Gluski Weil	12,049	0.01%
Susan Miranda Green	11,628	0.01%
Janice K Henry	11,201	0.01%
Timothy W Sullivan	5,823	0.00%
Mark E Gaumond	5,047	0.00%
Stephen M Johnson	2,728	0.00%
Richard K Riederer	2,521	0.00%
Total Board of Directors	**232,646**	**0.15%**

Executive Leadership		
Name	Common Stock Ownership	% Out.
Gary B Halverson	97,560	0.06%
P Kelly Tompkins	69,415	0.05%
William C Boor	68,827	0.04%
James F Kirsch	39,975	0.03%
Terrance M Paradie	30,134	0.02%
Clifford T Smith	37,685	0.02%
David L Webb	17,268	0.01%
Terry G Fedor	10,281	0.01%
Total Executives	**371,145**	**0.24%**
Total Board + Executives	**466,256**	**0.30%**

Less than $10 million in aggregate (0.3%) exposure of
entire Board and executive leadership

[a] Based on aggregate share ownership of 232,646 shares held by directors and 371,145 shares top executives, and 137,535 shares held by both groups in aggregate. Shares attributed to Mr. Kirsch (39,975) and Mr. Halverson (97,560) included in both director and top executive subtotals. Total value based on Cliffs closing stock price of $19.15 as of March 4, 2014. Top executives based on individuals listed under "Executive Leadership" on Company website. Share ownership per Bloomberg. Percentages based on 153,087,255 common shares outstanding as of February 10, 2014, per Company 10-K dated February 14, 2014.

Our Concerns about Cliffs' Strategy

Committed to a Failed Expansion and Diversification Strategy

Screenshot of Cliffs Website[a]:

With the value destruction that has transpired at Cliffs, how can it continue to pursue an expansion and diversification strategy?

[a] From: http://www.cliffsnaturalresources.com/EN/aboutus/GrowthStrategy/Pages/default.aspx as of March 5, 2014.

Kick the Can(ada)

- Idling the Bloom Lake expansion should have happened a long time ago and is not a new strategy, in our view

	Company "Strategy"	Casablanca's Concerns
Preferred	Bloom Lake JV or sale	Difficult to execute in a reasonable time frame and on reasonable terms
Backup	Shut down all of Bloom Lake	Permanently extinguishes hope of recouping the ~$6.5 billion (and growing) cost of Bloom Lake

Grim array of potential outcomes

How can idling Bloom Lake be credibly held out as evidence of a new strategic direction?

Asia Pacific: Not Enough to Anchor an International Strategy

Canadian Chromite
(suspended)

Eastern Canada
(suspended and idled)

Latin America
(divested)

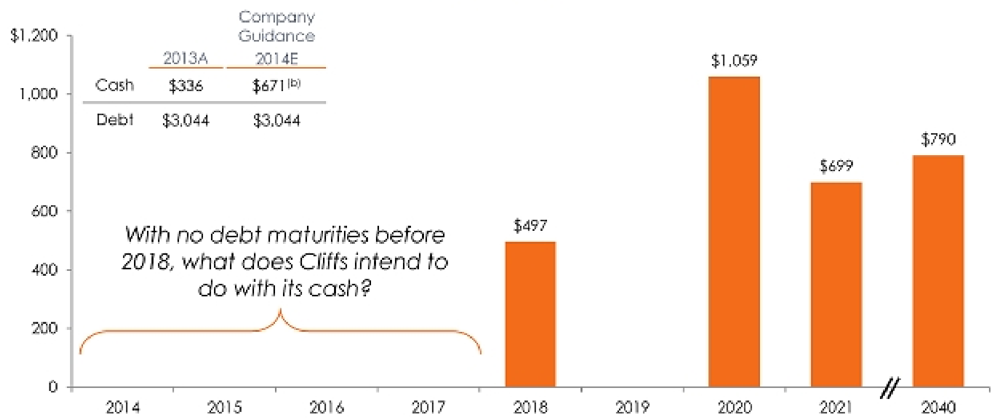
Asia Pacific
(6 – 7 year remaining life)

Asia Pacific is Cliffs' only significant international asset

With so much on its plate at home, additional work needed at Bloom Lake and no synergies, how is Asia Pacific a core asset?

"Reducing Net Debt" or Just Hoarding Cash?

Debt Maturities[a]



Is the Board truly committed to capital reallocation when cash balances can be redeployed at any moment towards the next "opportunity"?

[a] Debt maturities exclude $1.75 billion undrawn revolving credit facility, which matures 2017, and recently-announced equipment financing of $103 million, which Casablanca assumes will amortize over the life of the financing.

[b] Reflects Company guidance of "double" the current cash balance as of Q4 2013. Guidance provided on earnings conference call on February 14, 2014.

Beyond the Current Dividend, No Return of Capital for Shareholders

- The dividend was originally cut primarily to fund Bloom Lake's expansion:

> "Our Board of Directors recently approved a reduction to our quarterly cash dividend rate by 76 percent to $0.15 per share. **Our Board of Directors took this step in order to improve the future cash flows available for investment in the Phase II expansion at Bloom Lake**, as well as to preserve our investment-grade credit ratings."
>
> — *Cliffs 2012 10K*

- With Bloom Lake "indefinitely suspended," Cliffs should now have financial capacity to return more capital to shareholders without eroding credit metrics

Why is there no commitment to return more capital to shareholders who have borne the full brunt of Cliffs' loss in value?

A New Strategy Focused on Cliffs' Core U.S. Assets

Casablanca Plan:

- ☑ Install new leadership: Board and CEO
- ☑ Refocus on core U.S. business
- ☑ Sell Asia Pacific
- ☑ Address cost structure
- ☑ Return capital to shareholders
- ☑ Explore second-stage value creation—by MLP, sale or otherwise

Refocus on Core U.S. Business

- We believe Cliffs' U.S. assets remain its greatest opportunity
  - Close to 60% of the iron ore production capacity in the geographically protected Great Lakes region
  - Largest iron ore producer in the United States
  - Current production rates imply 40+ years of mine life on proven reserves
  - Our expectations: profitable even in a commodity pricing downcycle
- Cliffs should emphasize this dominant position, strategically and financially
  - Take steps to strengthen contractual relationships with customers
  - Minimize commodity price exposure

Casablanca believes the Great Lakes assets are underappreciated by the market and hold the key to Cliffs' future

Extract Value through Immediate Divestiture of Asia Pacific

- Unsolicited expressions of interest in Asia Pacific
- A sale of Asia Pacific can capture an attractive valuation, in our opinion
  - Alternative to our prior spin-off proposal and dovetails with Cliffs' announcement to suspend Bloom Lake
- Proceeds from divestiture could be used to:
  - Finance obligations at Bloom Lake
  - Reduce debt
  - Return capital to shareholders
- Given the limited remaining life of these assets, we believe the Company must act now to maximize this value

While we previously proposed a spin-off of the international assets as our preferred mechanism, a separation between Cliffs' core business and the international businesses, *by any mechanism*, was and continues to be our ultimate objective

Address Cliffs' Bloated Cost Structure

- Reduce cost structure far more aggressively, as in our opinion:
  - Proposed cuts are insufficient
  - Corporate is oversized
  - Cash costs remain too high

Return More Capital to Shareholders

- Refocused Cliffs should have capacity to increase its dividend payout without eroding credit metrics
- Increased return of capital should:
  - Instill financial discipline
  - Communicate priorities to investors

We believe these objectives are readily achievable under the right leadership

Second-Stage Value Creation—by MLP, Sale or Otherwise

- MLP:
  - Casablanca has conducted significant research with both MLP capital markets bankers and investors
  - Believe an MLP can be executed successfully
- Potential sale of the Company:
  - Cliffs is the only pure-play iron ore miner to offer strategic access to the U.S. market in this scale

Casablanca is ultimately indifferent as to whether an MLP, sale or other mechanism is utilized to realize Cliffs' potential value
We firmly believe, however, that the status quo does not work

Proposed Leadership Changes

Lourenco Goncalves Brings over 30 Years of Experience in Metals & Mining

- Metals USA
  - Served as President and Chief Executive Officer from February 2003 until the sale of Metals USA to Reliance Steel & Aluminum in April 2013
  - Metals USA was one of the largest metals service center businesses in the United States, operating 48 locations

- California Steel Industries (CSI)
  - Served as President and Chief Executive Officer of CSI, a joint venture between Vale and Kawasaki Steel (now JFE Holdings), from March 1998 to February 2003
  - Transformed company from a break-even steel producer into one of the most important and profitable players in the flat rolled steel industry

- Companhia Siderurgica Nacional (CSN)
  - From 1981 to 1998 Mr. Goncalves worked at CSN, where he held the position of Managing Director
  - CSN is one of the largest steel producers in Brazil and is vertically integrated with iron ore operations

Lourenco Goncalves is a proven value creator for shareholders

Lourenco Goncalves and Metals USA: A Case Study for Value Creation

February 2003
- Lourenco Goncalves joins Metals USA as its President and CEO
- Stock price: $3.08

January / July 2007
- Metals USA pays a total of $275 million in dividends to its shareholders

August 2012
- Apollo completes a $59 million secondary offering, retaining 53% ownership

2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013

May 2005
- Metals USA is taken private by Apollo for $22 per share
- Apollo invests $136 million of equity ($752 million transaction value)

~7x increase from the time Mr. Goncalves took over as CEO

May 2006
- Metals USA pays a $25 million dividend to its shareholders

April 2010
- Metals USA IPO through a 100% primary offering. Apollo retains 64% ownership

February 2013
- Metals USA is sold to Reliance Steel & Aluminum for $1.2 billion in cash

Apollo made approximately 5.5x its original investment over eight years

Casablanca's Board Candidates Are Highly Qualified

		Public Company Experience			Financial/Transactional Experience	
Name	Metals & Mining Experience	CEO	Other Executive	Board	Investment Banking	Principal Investing
Lourenco Goncalves	✓	✓	✓	✓		
Rip Fisher	✓			✓	✓	✓
Patrice Merrin	✓	✓	✓	✓		
Joseph Rutkowski	✓		✓			
Gabriel Stoliar	✓		✓	✓		✓
Douglas Taylor				✓	✓	✓

Cliffs needs a newly-constituted Board that will work for shareholders and oversee the restoration of value

Conclusion

- As a significant shareholder, Casablanca is troubled by the value destruction that has occurred under this Board's watch
- Cliffs desperately needs a new strategy and leadership with a fresh perspective—the status quo is unacceptable in our view and shareholders have suffered enough
- We believe substantial shareholder representation among a group of highly qualified, independent directors on Cliffs' Board, and a new CEO, are critical components of any solution

Casablanca believes its slate of director nominees is overwhelmingly qualified and offers a superior alternative to the incumbent directors who are expected to be up for reelection at the 2014 annual meeting