September 26, 2008

Cleveland-Cliffs Announces Three Supply Agreements Signed at World Pellet Prices from its North American Iron Ore Segment

CLEVELAND--(BUSINESS WIRE)--

Cleveland-Cliffs Inc (NYSE: CLF), which will be renamed Cliffs Natural Resources in mid-October, today said it recently signed three new supply agreements from its North American Iron Ore segment at World Pellet Prices as defined by the "Eastern Canada Pellet Price," which is currently 228.82 U.S. cents per natural metric ton unit (i.e., approximately $148/metric ton for pellets containing 65% iron content).

Donald J. Gallagher, Cliffs president, North American Business Unit, said, "These three agreements illustrate the extraordinary demand for metallics that are available to serve the U.S. and global steelmaking industries and the lengths to which global steelmakers are willing to go to secure raw materials for production. All three agreements are with customers that have historically been outside of our North American Iron Ore segment's natural geographic market, with these pellets destined for Europe, Asia and Latin America."

The three new supply agreements each have a five-year term, with one of the agreements beginning in 2008 and the other two beginning in 2009. The combined sales tonnage for these agreements are minimums of:

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--  300,000 metric tons in 2008,

--  850,000 metric tons in 2009,

--  1,100,000 metric tons in 2010,

--  800,000 metric tons in 2011,

--  1,100,000 metric tons in 2012, and

--  800,000 metric tons in 2013.
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Cliffs also has the option to supply addition tonnage if available. Pricing under these agreements is determined annually by the Eastern Canada Pellet Price settlement.

The three new agreements include terms of f.o.b. shipping point with freight costs to ship the pellets to the point of consumption being borne by the customer.

To be added to Cleveland-Cliffs' e-mail distribution list, please click on the link below:

http://www.cpg-llc.com/clearsite/clf/emailoptin.html

News releases and other information on the Company are available on the Internet at:

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http://www.cleveland-cliffs.com or
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www.cleveland-cliffs.com/Investors/Pages/default.aspx?b=1041&1=1

ABOUT CLEVELAND-CLIFFS

Cleveland-Cliffs Inc, headquartered in Cleveland, Ohio, is an international mining company, the largest producer of iron ore pellets in North America and a major supplier of metallurgical coal to the global steelmaking industry. The Company operates six iron ore mines in Michigan, Minnesota and Eastern Canada, and three coking coal mines in West Virginia and Alabama. Cliffs also owns 85% of Portman Limited, a large iron ore mining company in Australia, serving the Asian iron ore markets with direct-shipping fines and lump ore. In addition, the Company has a 30% interest in the Amapa Project, a Brazilian iron ore project, and a 45% economic interest in the Sonoma Project, an Australian coking and thermal coal project.

This news release contains predictive statements that are intended to be made as "forward-looking" within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. Although the Company believes that its forward-looking statements are based on reasonable assumptions, such statements are subject to risk and uncertainties.

Actual results may differ materially from such statements for a variety of reasons, including: changes in the sales mix; the impact of other price-adjustment factors on the Company's North American sales contracts; changes in demand for iron ore pellets by North American integrated steel producers, or changes in Asian iron ore demand due to changes in steel utilization rates, operational factors, electric furnace production or imports into the United States and Canada of semi-finished steel or pig iron; the impact of consolidation and rationalization in the steel industry; availability of capital equipment and component parts; availability of float capacity on the Great Lakes; changes in the financial condition of the Company's partners and/or customers; rejection of major contracts and/or venture agreements by customers and/or participants under provisions of the U.S. Bankruptcy Code or similar statutes in other countries; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets; inability to achieve expected production levels; reductions in current resource estimates; failure to receive or maintain required environmental permits; problems with productivity, labor disputes, weather conditions, fluctuations in ore grade, tons mined, changes in cost factors including energy costs, transportation, mine closure obligations and employee benefit costs; the ability to identify, acquire and integrate strategic acquisition candidates and the effect of these various risks on the Company's future cash flows, debt levels, liquidity and financial position.

Reference is also made to the detailed explanation of the many factors and risks that may cause such predictive statements to turn out differently, set forth in the Company's Annual Report and Reports on Form 10-K and previous news releases filed with the Securities and Exchange Commission, which are publicly available on Cleveland-Cliffs' website. The information contained in this document speaks as of the date of this news release and may be superseded by subsequent events.

Source: Cleveland-Cliffs Inc