April 29, 2019

Cleveland-Cliffs Inc. Announces Tender Offer for Its 5.75% Senior Guaranteed Notes Due 2025

CLEVELAND--(BUSINESS WIRE)-- Cleveland-Cliffs Inc. **(NYSE: CLF)** announced today the commencement of an offer to purchase for cash (the “Tender Offer”), subject to certain terms and conditions, up to $600 million aggregate principal amount (the “Maximum Amount”) of its outstanding 5.75% Senior Guaranteed Notes due 2025 (the “Notes”).

The Tender Offer is being made pursuant to an Offer to Purchase (the “Offer to Purchase”), which set forth a more detailed description of the Tender Offer. Holders of the Notes are urged to carefully read the Offer to Purchase before making any decision with respect to the Tender Offer.

As discussed in more detail in the Offer to Purchase, the Company reserves the right, but is under no obligation, to increase or decrease the Maximum Amount, at any time, subject to compliance with applicable law.

The following table sets forth certain terms of the Tender Offer:

			Dollars per $1,000 Principal Amount of Securities		
Title of Security	**CUSIP Number**	**Principal Amount Outstanding**	**Tender Offer Consideration(1)**	**Early Tender Premium**	**Total Consideration(1)(2)**
5.75% Senior Guaranteed Notes due 2025	18683K AM3 18683K AK7 U18618 AD7	$1,073,280,000	$950.00	$50.00	$1,000.00

(1) Excludes accrued and unpaid interest up to, but not including, the Early Settlement Date or the Final Settlement Date, as applicable, which will be paid in addition to the Total Consideration or Tender Offer Consideration, as applicable.
(2) Includes the Early Tender Premium.

Subject to the terms and conditions of the Tender Offer, each holder of the Notes who validly tenders and does not subsequently validly withdraw their Notes at or prior to 5:00 p.m., New York City time, on May 10, 2019 (such date and time, as it may be extended, the “Early Tender Date”) will be eligible to receive the “Total Consideration” for the Notes, which is $1,000 per $1,000 principal amount of Notes tendered. The Total Consideration includes the early tender premium for the Notes of $50 per $1,000 principal amount of Notes tendered (the “Early Tender Premium”). Holders of the Notes who validly tender their Notes after the Early Tender Date but at or prior to the expiration of the Tender Offer will be eligible to receive $950 per $1,000 principal amount of Notes tendered (the “Tender Offer

Consideration”). Holders whose Notes are accepted for purchase will also receive accrued and unpaid interest up to, but not including, the Early Settlement Date (as defined below) or the Final Settlement Date (as defined below), as applicable.

The Tender Offer is scheduled to expire at midnight, New York City time, at the end of the day on May 24, 2019 (the “Expiration Date”), unless extended or earlier terminated by the Company. Tendered Notes may not be withdrawn after 5:00 p.m., New York City time, on May 10, 2019, unless otherwise required by law. The Company will only accept for purchase Notes up to the Maximum Amount. If purchasing all of the tendered Notes would cause the Maximum Amount to be exceeded, the amount of Notes purchased will be prorated based on the aggregate principal amount of Notes tendered, such that the Maximum Amount will not be exceeded. As discussed in more detail in the Offer to Purchase, the Company reserves the right, but is under no obligation, to increase or decrease the Maximum Amount, at any time, subject to compliance with applicable law.

The Total Offer Consideration plus accrued and unpaid interest for Notes that are validly tendered and not validly withdrawn on or before the Early Tender Date and accepted for purchase will be paid by the Company promptly following the Early Tender Date (the “Early Settlement Date”). The Company expects that the Early Settlement Date will be May 13, 2019, the first business day after the Early Tender Date, assuming all conditions to the Tender Offer have been satisfied or waived. The Tender Offer Consideration plus accrued and unpaid interest for Notes that are validly tendered after the Early Tender Date and on or before the Expiration Date and accepted for purchase will be paid by the Company promptly following the Expiration Date (the “Final Settlement Date”). The Company expects that the Final Settlement Date will be May 29, 2019, the second business day after the Expiration Date, assuming all conditions to the Tender Offer have been satisfied or waived and assuming the Maximum Amount is not purchased on the Early Settlement Date. No tenders will be valid if submitted after the Expiration Date. If the Company purchases the Maximum Amount of Notes on the Early Settlement Date, Holders who validly tender Notes after the Early Tender Date but on or before the Expiration Date will not have any of their Notes accepted for purchase.

The obligation of the Company to accept for purchase and to pay either the Total Consideration or Tender Offer Consideration and the accrued and unpaid interest on the Notes pursuant to the Tender Offer is not subject to any minimum tender condition, but is subject the satisfaction or waiver of certain conditions described in the Offer to Purchase, including the consummation of one or more debt financing transactions in an aggregate amount that is sufficient to pay, along with cash on hand, the aggregate Total Consideration, including payment of accrued and unpaid interest with respect to all Notes and related costs and expenses (regardless of the amount of Notes tendered pursuant to the Tender Offer) on terms and conditions acceptable to the Company, in its sole discretion (the “Financing Condition”). The Tender Offer may be amended, extended, terminated or withdrawn.

The Company has retained Goldman Sachs & Co. LLC to serve as Dealer Manager for the Tender Offer. Global Bondholder Services Corporation has been retained to serve as the Information Agent and Depositary for the Tender Offer. Questions regarding the Tender Offer may be directed to Goldman Sachs & Co. LLC. at 200 West Street, New York, NY 10282, telephone (800) 828-3182 (toll-free), (212) 902-6941 (collect) Attn: Liability Management. Requests for the Offer to Purchase may be directed to Global Bondholder

Services Corporation at (866) 470-4300 (toll-free) or (212) 430-3774 (collect for banks and brokers).

The Company is making the Tender Offer only by, and pursuant to, the terms of the Offer to Purchase. None of the Company, the Dealer Manager, the Information Agent or the Depositary makes any recommendation as to whether holders of the Notes should tender or refrain from tendering their Notes. Holders of the Notes must make their own decision as to whether to tender Notes and, if so, the principal amount of the Notes to tender. The Tender Offer is not being made to holders of the Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Tender Offer to be made by a licensed broker or dealer, the Tender Offer will be deemed to be made on behalf of the Company by the Dealer Manager or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

This press release does not constitute an offer to purchase securities or a solicitation of an offer to sell any securities or an offer to sell or the solicitation of an offer to purchase any securities nor does it constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is unlawful.

About Cleveland-Cliffs Inc.

Founded in 1847, Cleveland-Cliffs Inc. is the largest and oldest independent iron ore mining company in the United States. We are a major supplier of iron ore pellets to the North American steel industry from our mines and pellet plants located in Michigan and Minnesota. By 2020, Cliffs expects to be the sole producer of hot briquetted iron (HBI) in the Great Lakes region with the development of its first production plant in Toledo, Ohio. Driven by the core values of safety, social, environmental and capital stewardship, our employees endeavor to provide all stakeholders with operating and financial transparency.

Forward-Looking Statements

This release contains statements that constitute "forward-looking statements" within the meaning of the federal securities laws. As a general matter, forward-looking statements relate to anticipated trends and expectations rather than historical matters. Forward-looking statements are subject to uncertainties and factors relating to Cliffs’ operations and business environment that are difficult to predict and may be beyond our control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by the forward-looking statements. These statements speak only as of the date of this release, and we undertake no ongoing obligation, other than that imposed by law, to update these statements. Uncertainties and risk factors that could affect Cliffs’ future performance and cause results to differ from the forward-looking statements in this release include, but are not limited to: uncertainty and weaknesses in global economic conditions, including downward pressure on prices caused by oversupply or imported products, reduced market demand and risks related to U.S. government actions with respect to Section 232 of the Trade Expansion Act (as amended by the Trade Act of 1974), the United States-Mexico-Canada Agreement and/or other trade agreements, treaties or policies; continued volatility of iron ore and steel prices and other trends, which may impact the price-adjustment calculations under our sales contracts; our ability to successfully diversify our product mix and add new customers beyond our traditional blast furnace clientele; our ability to cost-effectively achieve planned production rates or levels, including at our HBI plant; our ability to successfully identify and consummate any strategic investments or development projects, including our HBI plant; the impact of our customers reducing their steel production due to increased market share of steel produced using other methods or lighter-weight steel alternatives; our actual economic iron ore reserves or reductions in current mineral estimates, including whether any mineralized material qualifies as a reserve; the outcome of any contractual disputes with our customers, joint venture partners or significant energy, material or service providers or any other litigation or arbitration; problems or uncertainties with sales volume or mix, productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, employee-benefit costs and other risks of the mining industry; impacts of existing and increasing governmental regulation and related costs and liabilities, including failure to receive or maintain required operating and environmental permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity and costs related to implementing improvements to ensure compliance with regulatory changes; our ability to maintain adequate liquidity, our level of indebtedness and the availability of capital could limit cash flow available to fund working capital, planned capital expenditures, acquisitions and other general corporate purposes or ongoing needs of our business; our ability to continue to pay cash dividends, and the amount and timing of any cash dividends; our ability to maintain appropriate relations with unions and employees; the ability of our customers, joint venture partners and third-party service providers to meet their obligations to us on a timely basis or at all; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets, as well as any resulting impairment charges; uncertainties associated with natural disasters, weather conditions, unanticipated geological conditions, supply or price of energy, equipment failures and other unexpected events; adverse changes in interest rates and tax laws; the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; and our ability to satisfy the Financing Condition and successfully complete the Tender Offer. For additional factors affecting the business of Cliffs, refer to Part I – Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2018, and other filings filed with the SEC, including our Current Reports on Form 8-K. You are urged to carefully consider these risk factors.

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