

**PROPOSAL 1 ELECTION OF
DIRECTORS**

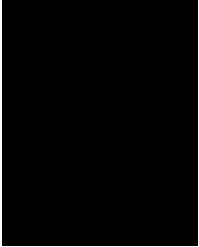
The R e R e e R e e e R e e e R e R e e e e e e

The Board recommends a vote FOR ALL of the nine Cliffs Nominees listed on the following pages.

Background of Solicitation

During late-December 2013, the Chairman of Cliffs' Board and members of Cliffs' senior management team and investor relations were contacted by representatives of Casablanca requesting to discuss Cliffs' business and financial condition, to meet, to explore the possibility of an acquisition, and to discuss the possibility of Cliffs' becoming a public company. Cliffs' Board of Directors, after careful consideration and consultation with its advisors, has concluded that the proposed transaction is not in the best interests of Cliffs' stockholders and has declined to consider the proposed transaction.

Information Concerning Director Nominees



- Reviewing and approving elected officer compensation, including setting goals, evaluating perform”



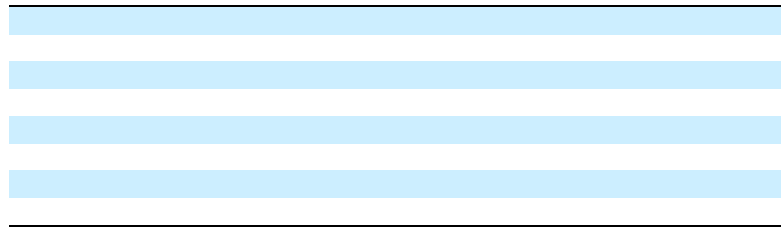
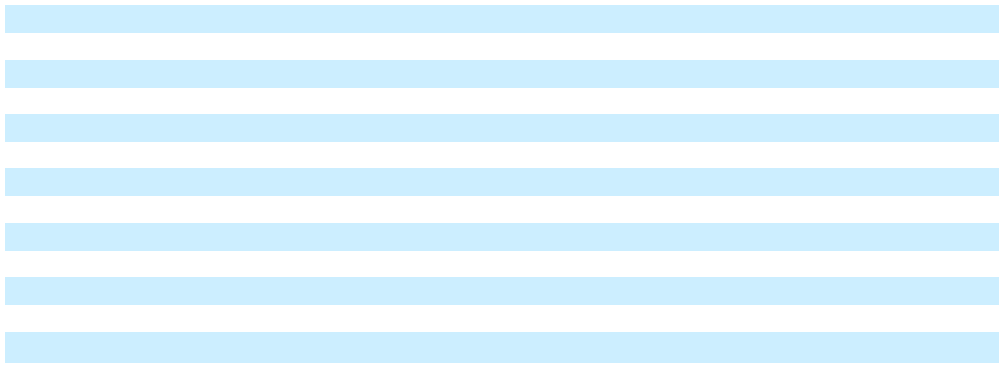


| | EMPI Plan (\$) |
|---------------|-----------------------|
| Halverson (1) | 139,162 |
| Paradie | 269,808 |
| Tompkins | 364,241 |
| Gallagher | 470,120 |
| Williams | 325,512 |
| Hart | 311,660 |
| Carrabba | — |
| Brlas | — |

(1) Amount was prorated for 2013.

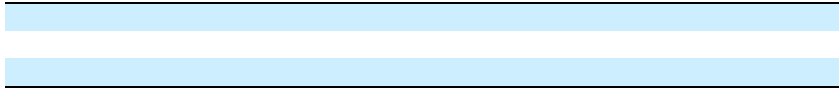
Bonus Awards.

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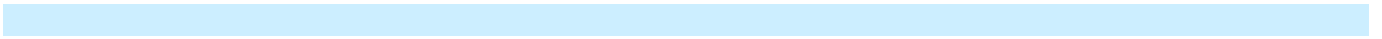
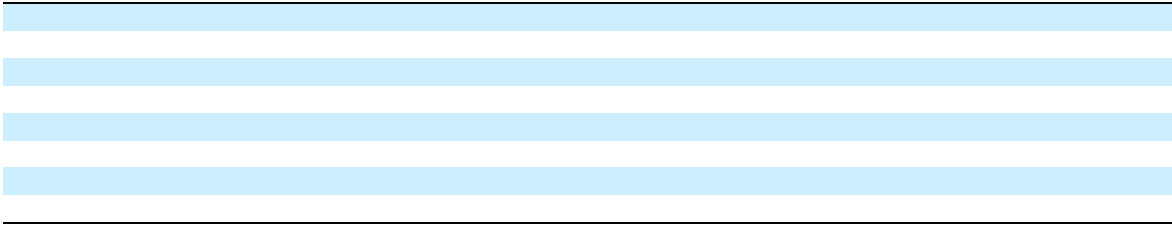
and that providing such benefits is important to delivering a comp eri eri eri



in that each of our NEOs would likely be aware of or involved in any such negotiation and it is to the benefit of our shareholders to have the executives negotiating in the shareholders' best interests without regard to the executive's personal financial interests. The level of benefits under these agreements was determined consistent with market practices at the time that the agreements w

certain circumstances. Although the Compensation Committee may take action intended







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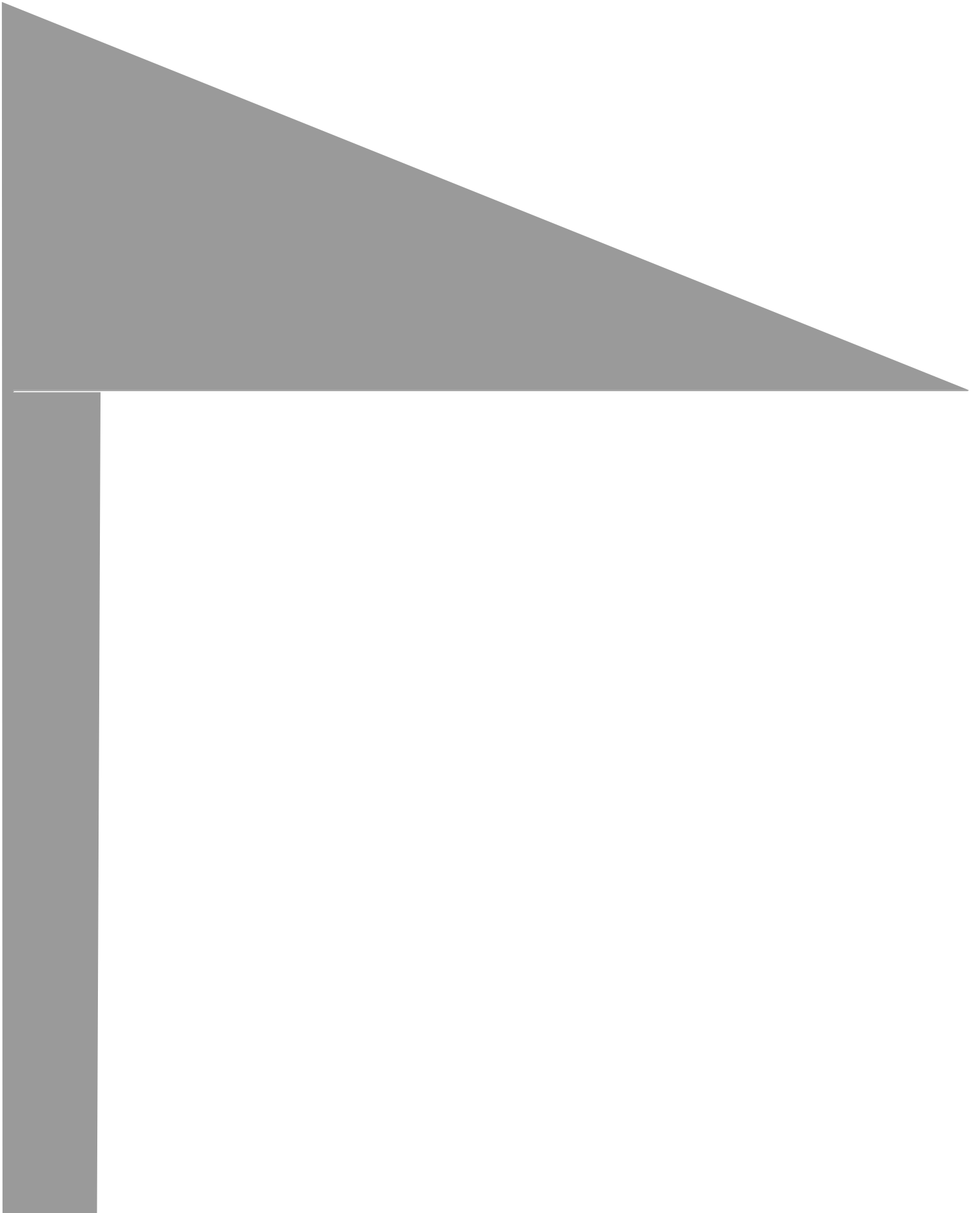
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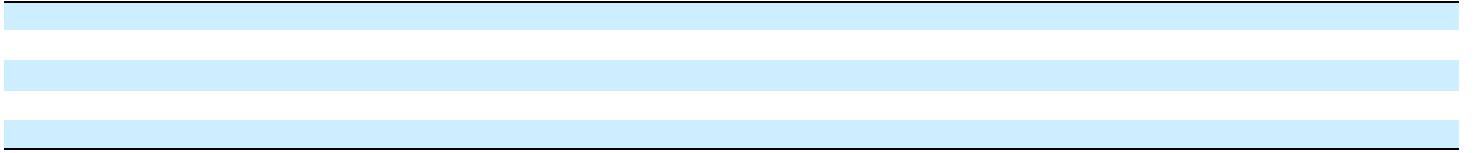
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PROPOSAL 4 APPROVE



New PI





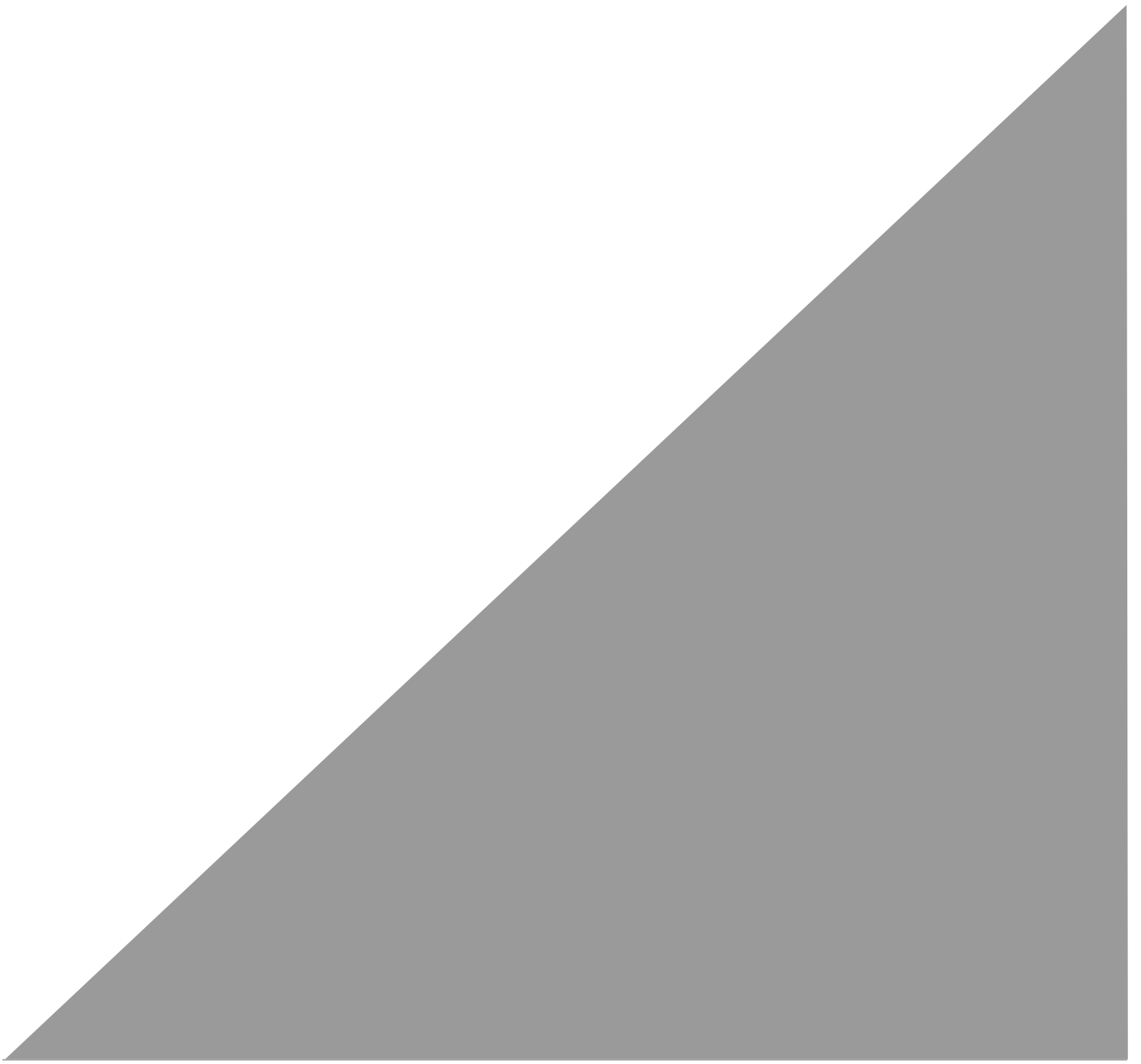




performance-based compensation" under Section 162(m) of the Code, and shall be applied based upon the assumption that the maximum number of Shares or maximum amount of cash payable shall be earned under any performance-based Award.

(c) *Reduction of Limitations.* For purposes of Section 3.1 and Section 3.2, each Share issued or transferred pursuant to an Award other than a Stock Option or a Stock Appreciation Right shall be deemed to be a Share available for issuance under the Plan by ~~the~~ P 3.2 by ~~the~~ ~~share~~ issued or transferred pursuant to the Award.

(b) *Stock Option Term.* Any unexercised portion of a Stock Option granted hereunder shall expire at the end of the stated term of the Stock Option. The Committee shall determine the term of each Stock Option at the time of grant, which term shall not exceed ten years from the Date of Grant. The Committee may extend the term of a Stock Option, in its discretion, but not be



Right. Upon the exercise of a St



