

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Bidder's Statement and Target's Statement lodged with ASIC	21 January 2005
Date of Offer	24 January 2005
Close of Offer Period (unless extended)	7pm (Perth time) 25 February 2005

IMPORTANT NOTICE

This booklet contains Cleveland-Cliffs Australia Pty Limited's Bidder's Statement dated 21 January 2005 ~~At 50 At 50~~

Based in the United States and founded in 1847, Cliffs is the fs

offers to buy all of ey

HOLDING, complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it to the address indicated on the form; or

- IF YOU HOLD YOUR PORTMAN SHARES IN A CHESS HOLDING, either:

(a) instruct your stock[yo

As shown in the chart below iro...iA... D

Mining projects are subject to a number of risks. By accepting the Oeo

Level 3, 60 Carrington Street GPO Box 7045
SYDNEY NSW 704 GPOOOOOOOOOOOOOOOOONEY NSW 704

In addition, the Corporations Act requires the directors of Portman to provide a Target's Statement to holders of Portman Shares in response to this Bidder's Statement, setting out certain material information concerning Portmand

Portman through the Offer will provide Cliffs with an immediate on the
groun

(d) Strategic review and implementation of efficiencies

As mentioned in section 4.3(a) above, Cliffs Australia intends to undertake a detailed stra

immediately before t, e'

DISPOSAL OF PORTMAN SHARES THAT ARE POST-CGT ASSETS

the shares for resale at a profit, yo

LISTING RULES meansBmêP

(j) A reference to a person includes a reference to the person's executors, administrators, su

Acceptance Form has been received as set out in clause 4.2 above and the requirements of this clause have been met, provided that:

- (a) Cliffs Australia may in its sole discretion waive any or all of those requirements at any time; and
- (b) where such requirements have been complied with in respect of some

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(B) all of your Portman Shares are fully paid and free from
all mortgages, charges, liens a

with this 0

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the preparation, despatch and circulation of the
Offer and all stamp duty payable in respect of a transfer of Portman
aFinaPiteS in Aypd of which Offers are accepted, will be paid by Cliffs
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Appendix 2 - Conditions of the Offer

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Offer Period there being no profit warning made by Portman under its ASX continuous disclosure obligations;

(f) (NO MATERIAL ACQUISITIONS, DISPOSALS OR NEW COMMITMENTS) except for any proposed transaction publicly announced by Portman before the Announcement Date, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period:

(i) Portman or any subsidiary of Portman acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount in aggregate greater than \$5 million or makes an announcement in relation to such an acquisition, offer or agreement;

(ii) Portman or any subsidiary of Portman disposes of, offers to dispose of, or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount in aggregate greater than \$5 million or makes an announcement in relation to such a disposal, offer or agreement;

26/10/2004 Portman released its Quarterly Report for the period ended 30
September 2004

18/10/2004 Portman announce r the

16/07/2004 Consolidated Minerals Limited announced an increase in its substantial holding from 7.85% to 9.8%

04/05/2004 Portman lodged a daily share buy-back notice in respect of 100,000 shares for a total consi

The offer represents:

- a 43.9% premium to the volume weighted average price for the six months to 7... A

You should read this Target

Australia, where Portman has a 50% share of production, which is around 0.6 million tonnes per annum of premium fines.

1.2 CLIFFS AUSTRALIA'S OFFICE ~~premier~~

management considered the merits of the offer in light of a range of possible outcomes from the current round of negotiations and in the longer term. Those assumed outcomes were applied in the Financial Model.

In the determination of this assumed range of prices Portman directors have been mindful of:

- the effect of recent coking coal price renegotiations;
- of the iron ore supply in the Indonesian market;
- the significant expansion of other existing iron ore operations underway and additional production expected to come on stream over the next 5 years and the impact this additional production may have on iron ore prices.

In considering the value of a Portman share, the board has assumed that the development of these projects proceeds in accordance with approved budgets and that the operational performance of the projects is in line with those b

months to 7 hs

Statement and set out in full in Appendix 2 of the Bidder's Statement.

6.3 OFFER FOR PORTMAN OPTIONS

Cliffs Australia and Portman intend to make individual proposals to each

in connection with the acquisition or cancellation of the Portman Options)
in the following circumstances:

(a) if the Board either does not make a recommendation in this Target's
Statement to accept the Offer, or having made it, adversely changes
its recommendation, except where this occurs:

(i) &ddatio

(a) Words and phrases which are defined by the Corporations Act have the same meaning in this Target's Statement and, if a special meaning is given for the purposes of Chapter 6 or 6A Yr

Vale Weaving Mills Limited. He is a member of the Board of Notre Dame University and a council member of the National Advisory Board