

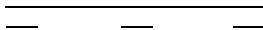
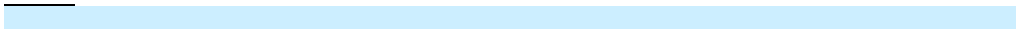
PART I

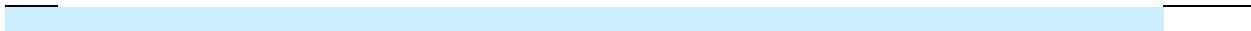
Item 1. *Business.*

Introduction

Founded in 1847, Cleveland-Cliffs is an international mining company, the largest producer of iron ore pellets in North America and a supplier of metallurgical coal to

[Redacted text]





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Severstal

In January 2006, we entered into an agreement whereby we are the

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Amapá

We are a 30 percent mino

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Portman exports iron ore products to China and Japan in the world seaborne trade. Portman competes with major iron ore exporters from Australia, Brazil and India.

Environment

Gener

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We received a letter dated February 23, 2007 from the MPCA notifying us that our proposed permit amendment had been denied. We have appealed the denial to the Minnesota Court of Appeals.



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Item 1A. Risk Factors

If the rate of steel consumption slows globally, it could lead to excess global capacity and depressed prices.

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The Cockatoo Island operation in Australia is scheduled to close in the second quarter of 2

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We cannot predict whether changing market or economic conditions, regulatory changes or other factors will increase our pension expenses or our congin

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For example, Algoma shut down a blast furnace for 52 days in 2007. Additionally, in January of 2008, Severstal provided us with a force majeure letter due to a fire on the smaller of its two operating furnaces

[Table of Contents](#)

and drainage from mining operations. All requirements imposed by any such authority may be costly and time-consuming and may delay commencement o

[Table of Contents](#)

employees at the railroads we own that transport products among our facilities are represented by multiple unions with labor agreements that expire at various dates. If the

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We own 85 percent of Tilden, with the remaining minority interest owned by U.S. Steel Canada. Each partner takes its share of production pro rata; however, provisions in the partnership agreement allow additional or reduced

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North American Coal

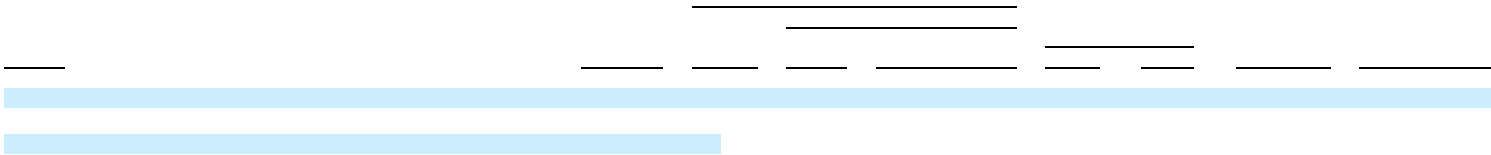
We directly own and operate the following three North American coal mines:

Pinnacle and Green Ridge mines

The Pinnacle Complex includes the Pinnacle and Green Ridge mines and is located approximately 30 miles southwest of Beckley, West Virginia. The Pinnacle mine has been in operation since 1969. Over the past five years, the Pinnacle mine has produced between 1.4 million and 2.5 million tons of coal annually.

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All of the ore mined a



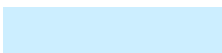
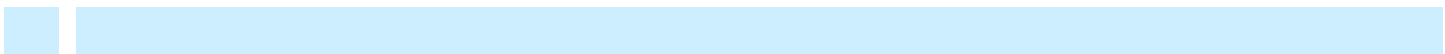
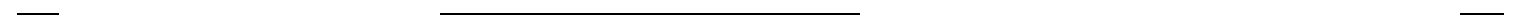
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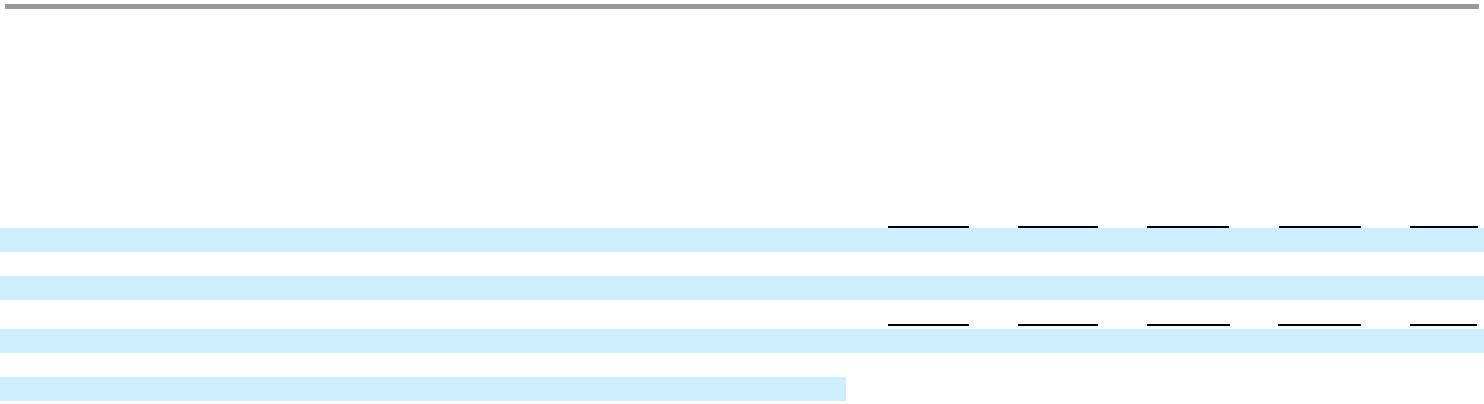
The Sonoma Project's recoverable coal reserves are primarily metallurgical grade coal (standard coking coal plus low volatile coal for pulverized coal injection) and steam coal.

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Item 3. Legal Proceedings.

Wisconsin Electric Power Company. In December 2006, WEPCO entered into an Asset Sale Agreement to sell its Point Beach Nuclear Plant to FPL Energy Point Beach, LLC. In conjunction with the I





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(a) On July 31, 2007, we completed the acquisition of Pire,

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Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations* 8

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As a result of this demand, revenues per tonne increased 12 percent from the prior year. Per-tonne costs in Asia-Pacific Iron Ore, which increased 16 percent, con cr

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scheduled

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The increase in produc

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- Selling, general and administrative expenses of \$72.:



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Our investment policy relating to cash and cash equivalents is to preserve principal and liquidity while maximizing the re S ieiasr investmehialuiwhi







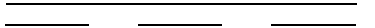
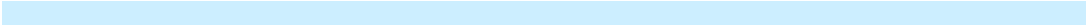
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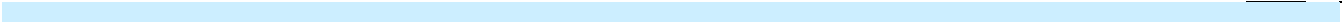
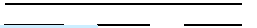
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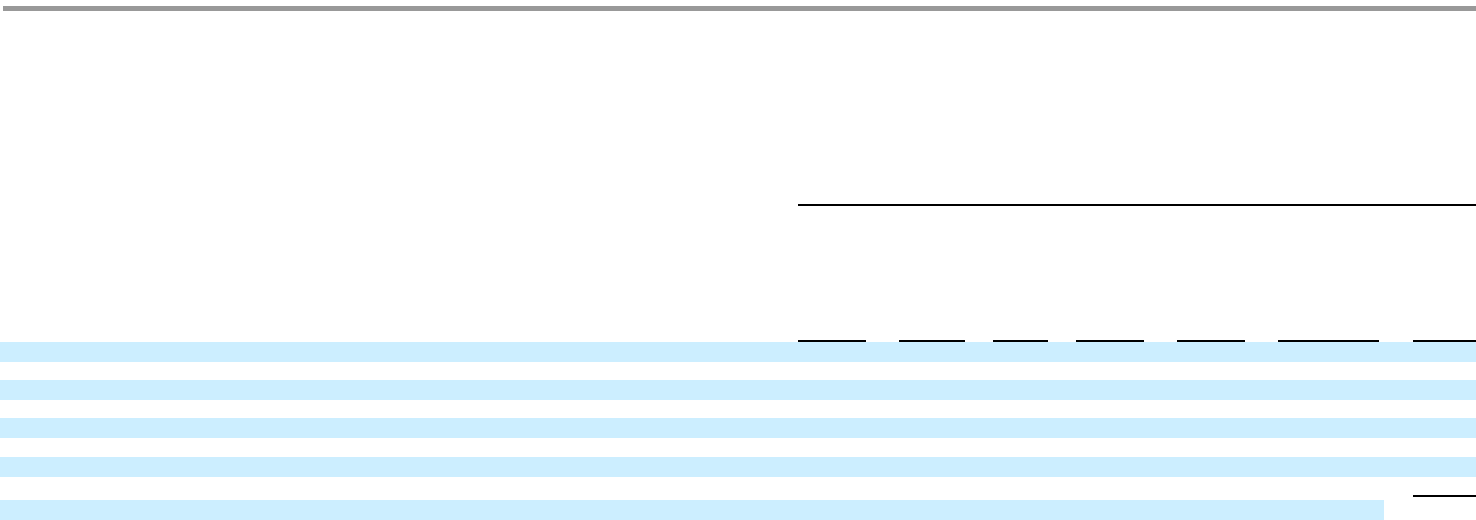
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Cleveland-Cliffs Inc and Consolidated Subsidiaries

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[Redacted]	[Redacted]
[Redacted]	[Redacted]
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Cleveland-Cliffs Inc and Consolidated Subsidiaries

Notes to Consolidated Financial Statements — (Continued)

Most of our North American Iron Ore long-term suppre

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Cleveland-Cliffs Inc and Consolidated Subsidiaries

Notes to Consolidated Financial Statements — (Con a d) E

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Cleveland-Cliffs Inc and Consolidated Subsidiaries

Notes to Consolidated Financial Statements — (Continued)

Amapá

On March 5, 2007, we acquired a 30 percent interest in the Amapá Project, a Brazilian iron ore project.

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Cleveland-Cliffs Inc and Cons n6ns n6ns



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Cleveland-Cliffs Inc and Consolidated Subsidiaries

Notes to Consolidated Financial Statements — (Continued)

The Rio Tinto Mine Site

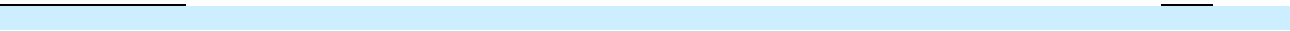
The Rio Tinto Mine Site is a historic underground copper mine located near Mountain City, Nevada, where tailings were placed in Mill

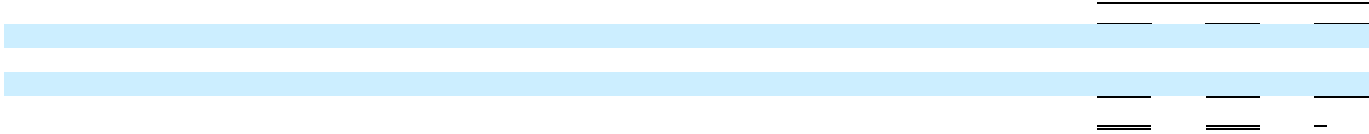
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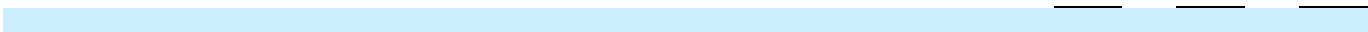
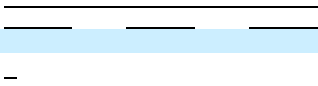
Cleveland-Cliffs Inc and Consolidated Subsidiaries

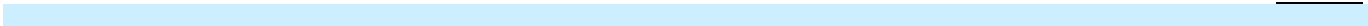
Notes to Consolidated Financial Statements — (Continued)

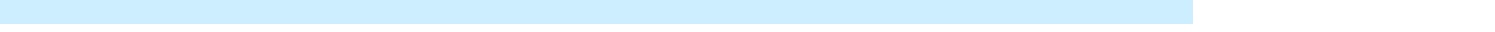
proposed remedial action to be \$0.3 million, which was previ ~ i

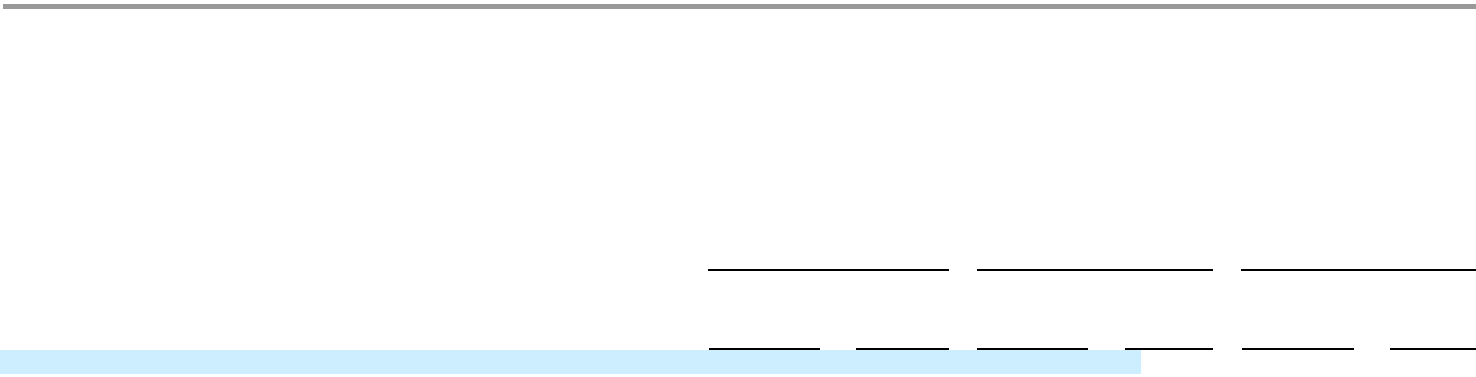












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Report of Independent Registered Public Accounting Firm

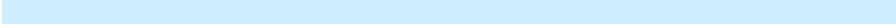
To the Board of Die



Management Report on Internal Controls Over Financial Reporting

Our

Remediation of Previously Disclosed Mat





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Exhibit
Numbe



CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in:

- Registration Statement No. 333-30391 on Form S-8 pertaining to the 1992 Incentive Equity Plan (as amended and restated as of May 13, 1997) and the related prospectus;
- Registration Statement No. 333-56661 on Form S-8 (as amended by Post-Effective Amendment No. 1) pertaining to the Northshore Mining Company and Silver Bay Power Company Retirement Savings Plan and the related prospectus;
- Registration Statement No. 333-06049 on Form S-8 pertaining to ~~303~~

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersD

CERTIFICATION

I, Laurie Brlas, certif

CERTIFICATION PURSUANT TO
18 U.S.C.

CERTIFICATION PURSUAN
