Filed by Cleveland-Cliffs Inc
Commission File No. 1-8944
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12

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conjunction with the closing of the mine. Production was lower at Koolyanobbing due to reduced rail availability to the shipping port.

Liquidity

Cliffs had $320.4 million of cash and cash equivalents at June 30, 2008, up from $157.1 million at Dec. 31, 2007. The increase in cash on hand is primarily from the Company's previously announced $325 million private placement and cash generated from operations. This increase was partially offset by higher levels of inventory, retiring debt from the Company's revolving credit facility, Portman's share repurchase program and capital expenditures. At quarter end, Cliffs had $685 million in borrowings outstanding including the private placement and under its credit facility, compared with $440 million of borrowings outstanding at Dec. 31, 2007. Cliffs generated $203 million in cash from operations during the second quarter and $83 million year to date. The Company expects to generate approximately $750 million in cash from operations for the full year.

At June 30, 2008, Cliffs had $87 million of borrowings outstanding under its credit facility, compared with $440 million of borrowings outstanding at Dec. 31, 2007. Cliffs had $320.4 million of cash and cash equivalents at June 30, 2008, up from $157.1 million at Dec. 31, 2007. Cliffs generated $203 million in cash from operations during the second quarter and $83 mnlli

North American Coal Outlook

North American Coal is expected to produce and sell approximately 4.0 million tons of metallurgical coal in 2008, a 300,000 ton reduction from previous guidance. The decrease is a result of extended longwall development due to the timing of adding additional Isgel

start-up delays and production levels, Cliffs expects to incur equity losses in 2008. MMX expects Amapá to produceat

combining the complementary operations and management capabilities of Cleveland-Cliffs and Alp

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quarterly report on Form 10-Q for the quarter ended M