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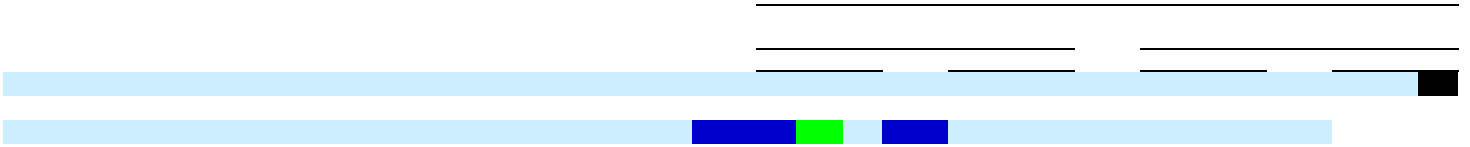
December 15, 2005 with earlier adoption encouraged.

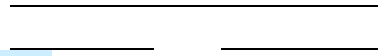
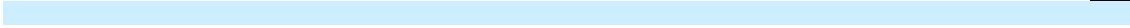


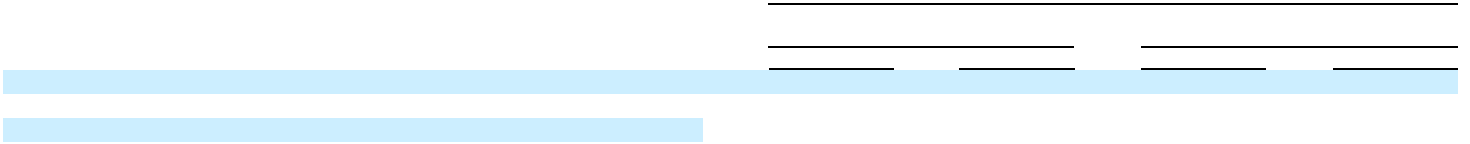


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NOTE 3 – PORTMAN ACQU







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Milwaukee Solvay Site

In September 2002, the C



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commitments of A\$37.3 million at June 30, 2005, related to the production expansion to 8 million metric tons per annum of alumina at the Alcoa refinery in Queensland, Australia. The expansion is expected to be completed by the end of 2006.



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The purchase price for the 80.4 percent interest in Portman was \$433.8 million, including \$13.3 million of acquisition costs. Additionally, we incurred \$9.8 million of foreign currency hedging costs. See Note 3 of the consolidated financial statements for more information.





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On January 29, 2004, Stelco Inc. ("Stelco") applied for and obtained Bankruptcy Court protection from creditors in Ontario Superior Court under the Companies' Creditors Arrangement Act. Pellet sales to Stelco totaled 1.2 million tons.



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quarter of 2003, the new



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continue through 2006 with the objective of supporting the selection of the final remedy for the Site. Costs are shared pursuant to the terms of a Participation Agreement between the parties of the RT~~4~~

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Following is a summary of our defined benefit pension and OPEB funding and expense for the years 2002 through 2005:

	(In Millions)			
	Pension		OPEB	
	Funding	Expense	Funding	Expense
2002	\$ 1.1	\$ 7.2	\$ 16.8	\$ 21.5
2003				

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an unrecognized fair value gain of \$.9 milli 34



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first commercial p ¼





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ITEM 3. QUALITATIVE^{Chi} QUALITATIVE^{ALI}



PART II – OTHER INFORMATION

Item 1. Legal Proceedinl

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On August 26, 2004, the Company received a Request for Information pursuant to Section 104(e) of CERCLA relative to the investigation of additional contamination below the ground surface at the Milwaukee Solvay site. The Request for Information was also sent to this~~was~~

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plaintiff, Mountain West Mines, Inc. ("Mountain West"), asserts



(iii) intentional wrongful disclosure of secret processes or confidential information of the Company or any Subsidiary; or

(iv) intentional wrongful engagement in any Competitive Activity;

and any such act shall have been demonstrably and materially harmful to the Company. For purposes of this Agreement, no act or failure to act on the part of agent



sales for its most rece





(f) The Executive shall notify the Company in writing of any claim by the Inter

limitations relating to payment of taxes for the taxable year of the Executive with respect to which the contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of any such contested claim shall be limited to issuat

benefits provided or intended to be provided to the Executive hereunder, the Company irrevocably authorizes the Executive from time to time to retain counsel of Executive's choice, at the expense of the Company as hereafter provided, to advise and represent the Executive in connection with any such interpretation, enforcement or defense, including without limitation the initiation or defense of any litigation or other legal action, whether by or against the Company or any Director.

invalid, unenforceable or otherwise illegal

(u)

Severance Compensation

- (1) A lump sum payment in an amount equal to three (3) times the sum of (A) Base Pay (at the highest rate in r
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Code Section 4101.17 and Ohio Revised Code Chapter 4112, including Sections 4112.02 and 4112.99 thereof; and

(c) any and all claims of wron



For 2005 your performance share award will be based on performance over the period 1 January 2005 to 31 December 2005.



EMPLOYEE BENEFIT PLANS

Subject to the eligibility rules of the various plans, you will be entitled to part



direct or indirect ownership or other equity interest; the continuous employment of

Company shall be subject to the same restrictions as the Common Shares covered by this Agreement.

6. Retention of Share Certificate(s) by Company. The certificate(s) representing the Common Shares covered by this Agreement shall be held in custody by the Company in book entry form together with a stock power endorsed in
-

12. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable heretopprovided,
however, that no amendment shall adversely affect the rights of the Grantee with respect to the Common Shares or other securities covered by this Agreement without the Grantee's consent.
 13. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.
 14. Governing Law. Ta3. Ò
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CERTIFICATION

I, Donald J. Gallagher, certify

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Cleveland-Cliffs Inc (the "Company") on Form 10-Q for the period ended June 30, 2005 as filed with the Securities and ExR

CERTIFICATION PURSUANT TO
