

CLEVELAND, Nov. 17, 2015 /PRNewswire/ -- [Cliffs Natural Resources Inc.](#) (NYSE: CLF) announced today that it is temporarily idling iron ore pellet production at its Northshore Mining operation in Minnesota by Dec. 1, 2015. The Company stated that until its domestic customers' blast furnace capacity utilization rates improve, existing customer demand will be satisfied from its current pellet inventory.

Lourenco Goncalves, Cliffs' Chairman, President and Chief Executive Officer, stated, "The historic high tonnage of foreign steel dumped into the U.S. continues to negatively impact the steel production levels of our domestic customers. As our pellet inventory at both Northshore and United Taconite is adequate to meet current customer demand, we will be able to optimize our working capital and cash flow by temporarily idling production at Northshore." Mr. Goncalves added, "Our pellet inventory is currently at a seasonally, historic high level. As a result, we are taking this action to work off our pellet inventory pending receipt of our customers' tonnage requirements for 2016 which have not been finalized. The resolution of the trade cases currently filed by the domestic steelmakers against several countries and covering a broad range of steel products should bring a positive impact to the domestic market sometime during the first half of 2016. As soon as the unfairly traded steel problem subsides and domestic steel production recovers to normal levels, we will be able to immediately ramp up iron ore pellet production by bringing idled capacity back to operation."

Cliffs anticipates that both Northshore and United Taconite operations will be temporarily idled through the first quarter of 2016. During that time frame, Cliffs will continue to operate Hibbing Taconite in Minnesota, as well as the Tilden and Empire mines in Michigan, at normal rates. The Company will assess and adjust its production plans as market conditions improve.

Cliffs is maintaining its previous cash production cost per ton expectations for 2015, and for 2016 is lowering its cash production cost expectation to \$50 &ndash; 55 per ton and its cash cost of goods sold expectation to \$60 - \$65 per ton. The cash cost of goods expectation includes \$9 million per month of idle costs for the Northshore and United Taconite mines.

Cliffs' Northshore Mining iron ore operation is comprised of a mine and a taconite pellet processing facility located in Minnesota. The operation employs approximately 540 employees. Cliffs will maintain minimal staffing during the temporary idle for basic maintenance duties and for on-going work to support the DR-grade pellet trials.

About Cliffs Natural Resources Inc.

[Cliffs Natural Resources Inc.](#) is a leading mining and natural resources company in the United States. The Company is a major supplier of iron ore pellets to the North American steel industry from its mines and pellet plants located in Michigan and Minnesota. Cliffs also operates an iron ore mining complex in Western Australia. Additionally, Cliffs produces low-volatile metallurgical coal in the U.S. from its mines located in Alabama and West Virginia. Driven by the core values of safety, social, environmental and capital stewardship, Cliffs' employees endeavor to provide all stakeholders operating and financial transparency. News releases and other information on the Company are available at <http://www.cliffsnaturalresources.com>.

#### Forward-Looking Statements

This release contains statements that constitute "forward-looking statements" within the meaning of the federal securities laws. As a general matter, forward-looking statements relate to anticipated trends and expectations rather than historical matters. Forward-looking statements are subject to uncertainties and factors relating to Cliffs' operations and business environment that are difficult to predict and may be beyond our control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by the forward-looking statements. These statements speak only as of the date of this release, and we undertake no ongoing obligation, other than that imposed by law, to update these statements. Uncertainties and risk factors that could affect Cliffs' future performance and cause results to differ from the forward-looking statements in this release include, but are not limited to: trends affecting our financial condition, results of operations or future prospects, particularly the continued volatility of iron ore and coal prices; availability of capital and our ability to maintain adequate liquidity; uncertainty or weaknesses in global economic conditions, including downward pressure on prices caused by oversupply or imported products, reduced market demand and any change to the economic growth rate in China; our ability to reach agreement with our iron ore customers regarding any modifications to sales contract provisions, renewals or new arrangements; our ability to maintain appropriate relations with unions and employees and enter into or renew collective bargaining agreements on satisfactory terms; the impact of our customers reducing their steel production or using other methods to produce steel; our ability to successfully execute an exit option for our Canadian Entities that minimizes the cash outflows and associated liabilities of such entities, including the CCAA process; our ability to successfully identify and consummate any strategic investments and complete planned divestitures, including with respect to our North American Coal operating segment; our ability to successfully diversify our product mix and add new customers beyond our traditional blast furnace clientele; the outcome of any contractual disputes with our customers, joint venture partners or significant energy, material or service providers or any other litigation or arbitration; the ability of our customers and joint venture partners to meet their obligations to us on a timely basis or at all; the impact of price-adjustment factors on our sales contracts; changes in sales volume or mix; our actual levels of capital spending; our actual economic iron ore and coal reserves or reductions in current mineral estimates, including whether any mineralized material qualifies as a reserve; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets, as well as any resulting impairment charges; the results of prefeasibility and feasibility studies in relation to projects; impacts of existing and increasing governmental regulation and related costs and liabilities, including failure to receive or maintain required operating and environmental permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity and costs related to implementing improvements to ensure compliance with regulatory changes; our ability to cost-effectively achieve planned production rates or levels; uncertainties associated with natural disasters, weather conditions, unanticipated geological conditions, supply or price of energy, equipment failures and other unexpected events; adverse changes in currency values, currency exchange rates, interest rates and tax

laws; risks related to international operations; availability of capital equipment and component parts; the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; problems or uncertainties with productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, employee-benefit costs and other risks of the mining industry; and the risk factors identified in Part I - Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014. The information contained herein speaks as of the date of this release and may be superseded by subsequent events. Except as may be required by applicable securities laws, we do not undertake any obligation to revise or update any forward-looking statements contained in this release.

To view the original version on PR Newswire,

visit:<http://www.prnewswire.com/news-releases/cliffs-natural-resources-inc-adjusts-us-iron-ore-production-300179879.html>

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Contact

Patricia Persico, Director, Corporate Communications, (216) 694-5316