CLIFFS NATURAL RESOURCES INC.
Form 424B5
June 06, 2011
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Filed Pursuant to Rule 424 (b)(5)
Registration No. 333-159162

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated June 6, 2011

Preliminary Prospectus Supplement

To Prospectus dated May 12, 2009

9,000,000 Common Shares

Cliffs Natural Resources Inc.

We are offering 9,000,000 of our common shares, par value $0.125 per share.

Our common shares are listed on the New York Stock Exchange and the NYSE Euronext Paris under the symbol CLF. The last reported sale price of our common shares on the New York Stock Exchange on June 3, 2011 was $87.29 per share.

Investing in our common shares involves risks. See Risk Factors beginning on page S-10 of this prospectus supplement and the risk factors contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, which are incorporated by reference herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public Offering Price	$	$
Underwriting Discount and Commissions	$	$
Proceeds to us (before expenses)	$	$

We have granted the underwriters an option to purchase, within the 30-day period from the date of this prospectus supplement, up to an additional 1,350,000 common shares to cover over-allotments.

We expect to deliver the common shares to purchasers on or about June , 2011.

Joint Book-Running Managers

J.P. Morgan	**BofA Merrill Lynch**	**Citi**

June , 2011

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Prospectus Supplement

Prospectus

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About This Prospectus Supplement

We provide information to you about this offering in two separate documents. The accompanying prospectus provides general information about us and the common shares we may offer from time to time, some of which may not apply to this offering. This prospectus supplement describes the specific details regarding this offering and certain other matters related to us and our financial condition. Generally, when we refer to the prospectus, we are referring to both documents combined. Additional information is incorporated by reference in this prospectus supplement. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

We have not, and the underwriters have not, authorized anyone to provide you with any information other than that contained or incorporated by reference into this prospectus supplement, in the accompanying prospectus or in any free writing prospectus prepared by us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or any document incorporated by reference is accurate as of any date other than the date mentioned on the cover page of this prospectus supplement and the accompany prospectus or the date of each document incorporated by reference. We are not, and the underwriters are not, making offers to sell the common shares in any jurisdiction in which an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation.

Before you invest in our common shares, you should read the registration statement to which this document forms a part and this document, including the documents incorporated by reference herein.

References in this prospectus supplement to the terms we, us, the Company or Cliffs or other similar terms mean Cliffs Natural Resources Inc. and its consolidated subsidiaries, unless we state otherwise or the context indicates otherwise. As used in this prospectus supplement, the term ton means a long ton (equal to 2,240 pounds) when referring to our North American Iron Ore business segment, the term ton means a short ton (equal to 2,000 pounds) when referring to our North American Coal business segment and the term metric ton means a metric ton (equal to 1,000 kilograms or 2,205 pounds).

Where You Can Find More Information

We are subject to the informational reporting requirements of the Securities Exchange Act of 1934. We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available over the Internet at the SEC s website at www.sec.gov. You may read and copy any reports, statements and other information filed by us at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call 1-800-SEC-0330 for further information on the Public Reference Room. You may also inspect our SEC reports and other information at the New York Stock Exchange, 20 Broad Street, New York, New York 10005, or at our website at www.cliffsnaturalresources.com. The information contained on or accessible through our website is not part of this prospectus supplement, other than the documents that we file with the SEC that are incorporated by reference in this prospectus supplement or the accompanying prospectus.

Information We Incorporate By Reference

The SEC allows us to incorporate by reference into this prospectus supplement the information in documents we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and information that we file later with the SEC will automatically update and supersede this information. Any statement contained in any document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in or omitted from this prospectus supplement, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until the completion of the offering of common shares described in this prospectus supplement:

- our Annual Report on Form 10-K for the year ended December 31, 2010;
- our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011;
- our Current Reports on Form 8-K, as filed with the SEC on January 7, 2011, January 12, 2011, January 14, 2011, January 18, 2011, February 8, 2011, February 9, 2011, March 8, 2011, March 17, 2011, March 22, 2011, March 23, 2011, March 25, 2011, April 14, 2011, April 21, 2011, May 10, 2011, May 16, 2011 (as amended by the Current Report on Form 8-K/A as filed with the SEC on June 6, 2011), May 23, 2011 and June 6, 2011; and
- the description of our common shares contained in the Current Report on Form 8-K/A filed on May 21, 2008, including any subsequently filed amendments and reports updating such description.

We will not, however, incorporate by reference in this prospectus supplement any documents or portions thereof that are not deemed filed with the SEC, including any information furnished pursuant to Item 2.02 or Item 7.01 of our current reports on Form 8-K unless, and except to the extent, specified in such current reports. You may obtain copies of these filings without charge by accessing the investor relations section of www.cliffsnaturalresources.com or by requesting the filings in writing or by telephone at the following address.

Cliffs Natural Resources Inc.

Investor Relations

200 Public Square

Suite 3300

Cleveland, Ohio 44114

Telephone Number: (216) 694-5700

Disclosure Regarding Forward-Looking Statements

This prospectus supplement and the accompanying prospectus, including the documents incorporated by reference, contain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by the use of predictive, future-tense or forward-looking terminology, such as believes, anticipates, expects, estimates, intends, may, will or similar terms. These statements speak only as of the date of this prospectus supplement or the date of the document incorporated by reference, as applicable, and we undertake no ongoing obligation, other than that imposed by law, to update these statements. These statements appear in a number of places in this prospectus supplement, including the documents incorporated by reference, and relate to, among other things, our intent, belief or current expectations of our directors or our officers with respect to: our future financial condition; results of operations or prospects; estimates of our economic iron ore and coal reserves; our business and growth strategies; and our financing plans and forecasts. You are cautioned that any such forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties, and that actual results may differ materially from those contained in or implied by the forward-looking statements as a result of various factors, some of which are unknown, including, without limitation:

the ability to successfully integrate acquired companies into our operations, including without limitation, Consolidated Thompson Iron Mines Limited, or Consolidated Thompson;

uncertainty or weaknesses in global and/or market economic conditions, including any related impact on prices;

trends affecting our financial condition, results of operations or future prospects;

the ability to reach agreement with our iron ore customers regarding modifications to sales contract pricing escalation provisions to reflect a shorter-term or spot-based pricing mechanism;

the outcome of any contractual disputes with our customers or significant energy, material or service providers;

the outcome of any arbitration or litigation;

changes in sales volume or mix;

the impact of price-adjustment factors on our sales contracts;

the ability of our customers to meet their obligations to us on a timely basis or at all;

our actual economic ore reserves or reductions in current resource estimates;

the success of our business and growth strategies;

our ability to successfully identify and consummate any strategic investments;

our ability to achieve post-acquisition synergies;

events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets;

the results of pre-feasibility and feasibility studies in relation to projects;

impacts of increasing governmental regulation including failure to receive or maintain required environmental permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity;

adverse changes in currency values, currency exchange rates and interest rates;

the success of our cost-savings efforts;

our ability to maintain adequate liquidity and successfully implement our financing plans;

- our ability to maintain appropriate relations with unions and employees;
- our ability to successfully complete the repair and refurbishment work at our Oak Grove Mine in the expected time frame;
- the amount, and timing of, any insurance recovery proceeds with respect to our Oak Grove Mine;
- our ability to successfully remediate carbon monoxide levels at our Pinnacle Mine;
- uncertainties associated with unanticipated geological conditions, natural disasters, weather conditions, supply and price of energy, equipment failures and other unexpected events;
- risks related to international operations;
- the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; and
- the risk factors referred to or described in the Risk Factors section of this prospectus supplement.

These factors and the other risk factors described in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference, are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could harm our results. Consequently, there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

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Summary

This summary highlights information about us and the common shares being offered by this prospectus supplement. This summary is not complete and may not contain all of the information that you should consider prior to investing in our common shares. Except as set forth in Growth Strategy and Recent Developments below, this summary does not give effect to our recent acquisition of Consolidated Thompson. For a more complete understanding of our company, we encourage you to read this entire document, including the information incorporated by reference in this document and the other documents to which we have referred.

Our Company

Cliffs Natural Resources Inc. is an international mining and natural resources company that traces its corporate history back to 1847. We are the largest producer of iron ore pellets in North America, a major supplier of direct-shipping lump and fines iron ore out of Australia and a significant producer of metallurgical coal. With core values of environmental and capital stewardship, our colleagues across the globe endeavor to provide all stakeholders operating and financial transparency as embodied in the Global Reporting Initiative framework. Our company s primary operations are currently organized according to product category and geographic location: North American Iron Ore; North American Coal; Asia Pacific Iron Ore; Asia Pacific Coal; Latin American Iron Ore; Alternative Energies; Ferroalloys; and our Global Exploration Group. The Asia Pacific Coal, Latin American Iron Ore, Alternative Energies, Ferroalloys and Global Exploration Group operating segments do not meet reportable segment disclosure requirements and therefore are not separately reported.

In North America, we operate six iron ore mines in Michigan, Minnesota and Eastern Canada, five metallurgical coal mines located in West Virginia and Alabama and one thermal coal mine located in West Virginia. Our Asia Pacific operations are comprised of two iron ore mining complexes in Western Australia and a 45% economic interest in a coking and thermal coal mine in Queensland, Australia. In Latin America, we have a 30% interest in Amapá, a Brazilian iron ore operation. Our Ferroalloys operations are comprised of our recently acquired chromite deposits in Northern Ontario, Canada. Our Alternative Energies operations include our 95% controlling interest in renewaFUEL located in Michigan. In addition, our Global Exploration Group was established in 2009 and is focused on early involvement in exploration activities to identify new world-class projects for future development or projects that add significant value to existing operations.

The following map shows our global footprint:

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North American Iron Ore

We are the largest producer of iron ore pellets in North America and primarily sell our production to integrated steel companies. We manage and operate six North American iron ore mines located in Michigan, Minnesota and Eastern Canada that currently have an annual rated capacity of 38.4 million tons of iron ore pellet production, representing 45.3% of total North American pellet production capacity.[1] Based on our equity ownership in the North American mines we currently operate, our share of the annual rated pellet production capacity is currently 29.9 million tons, representing 35.3% of total North American annual pellet capacity.[2]

Our North American Iron Ore revenues are primarily derived from sales of iron ore pellets to the North American integrated steel industry, consisting of seven major customers. Generally, we have multi-year supply agreements with our customers. Sales volume under these agreements is largely dependent on customer requirements, and in many cases, we are the sole supplier of iron ore pellets to the customer. Historically, each agreement has contained a base price that is adjusted annually using one or more adjustment factors. Factors that could result in a price adjustment include international pellet prices, measures of general industrial inflation and steel prices. Additionally, certain of our supply agreements have a provision that limits the amount of price increase or decrease in any given year. In 2010, the world s largest iron ore producers moved away from the annual international benchmark pricing mechanism referenced in certain of our customer supply agreements, resulting in a shift in the industry toward shorter-term pricing arrangements linked to the spot market. These changes caused us to assess the impact a change to the historical annual pricing mechanism would have on certain of our larger existing North American Iron Ore customer supply agreements. We reached final pricing settlements with all of our North American Iron Ore customers for the 2010 contract year.

Each of our North American Iron Ore mines is located near the Great Lakes or, in the case of Wabush, near the St. Lawrence Seaway, which provides us access to the seaborne market. The majority of our iron ore pellets are transported via railroads to loading ports for shipment via vessel to steelmakers.

For the year ended December 31, 2010, we produced a total of 32 million tons of iron ore pellets, including 25.4 million tons for our account and 6.6 million tons on behalf of steel company owners of the mines. For the year ended December 31, 2009, we produced a total of 19.6 million tons of iron ore pellets, including 17.1 million tons for our account and 2.5 million tons on behalf of steel company owners of the mines. For the year ended December 31, 2008, we produced a total of 35.2 million tons of iron ore pellets, including 22.9 million tons for our account and 12.3 million tons on behalf of steel company owners of the mines. For the years ended December 31, 2010, 2009 and 2008, we sold 26.2 million, 16.4 million and 22.7 million tons of iron ore pellets, respectively, from our share of production from our North American Iron Ore mines.

At the end of 2010, our North American Iron Ore mines had proven and probable mineral reserves totaling approximately 906 million tons.

We have been a leader in iron ore mining technology for more than 160 years. We pioneered early open-pit and underground mining methods. From the first application of electrical power in Michigan s underground mines to the use of today s sophisticated computer networks and global positioning satellite systems, we have been a leader in the application of new technology to the centuries-old business of mineral extraction. Today, our engineering and technical staffs are engaged in full-time technical support of our operations and improvement of existing products.

[1] North American pellet capacity as reported includes plants in the U.S. and Canada, but excludes Mexico.
[2] On February 1, 2010, we acquired U.S. Steel Canada s 44.6% interest and ArcelorMittal Dofasco s 28.6% interest in Wabush, thereby increasing our ownership interest in Wabush from 26.8% as of December 31, 2009 to 100% as of December 31, 2010.

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We will continue to leverage our strong technical competencies in the mining, processing and concentrating of lower-grade ores into high quality products that are critical inputs depended on by North American integrated steel producers.

North American Coal

We are a leading supplier of metallurgical coal in North America. As of December 31, 2010, we owned and operated five metallurgical coal mines in West Virginia and Alabama and one thermal coal mine located in West Virginia that currently have a rated capacity of 9.4 million tons of production annually. The metallurgical coal mines produce either high-quality, low-volatility or high-quality, high-volatility metallurgical coals, which are used to make coke, a key component in the steelmaking process. These coals generally sell at a premium over the more prevalent and mined, thermal coal, which is generally used to generate electricity. Metallurgical coal receives this premium because of its coking characteristics, which include expansion and contraction when heated, and volatility, which refers to the loss in mass when coal is heated in the absence of air. Coals with lower volatility produce more efficient coke for steelmaking and are more highly valued than coals with a higher volatility, all else being equal. At the end of 2010, we had over 350 million tons of metallurgical coal in-place proven and probable reserves.

At the end of 2010, we estimate a total of approximately 163.2 million tons of total proven and probable recoverable reserves of metallurgical coal and, further, we estimate a total of approximately 61.8 million tons of proven and probable recoverable reserves of thermal coal. For the year ended December 31, 2010, we sold a total of 3.3 million tons, compared with 1.9 million tons for the year ended December 31, 2009 and 3.2 million tons for the year ended December 31, 2008. Each of our North American coal mines is positioned near rail or barge lines providing access to international shipping ports, which allows for export of our coal production. International and North American sales represented 55% and 45%, respectively, of our North American Coal sales in 2010.

For additional information on our North American Coal operations, please see our recently updated guidance included in our Current Report on Form 8-K filed with the SEC on June 6, 2011.

Asia Pacific Iron Ore

Our Asia Pacific Iron Ore operations are located in Western Australia and include our 100% owned Koolyanobbing complex and our 50% equity interest in Cockatoo Island. We serve the Asian iron ore markets with direct-shipping fines and lump ore. Production in 2010 was 9.3 million metric tons, compared with 8.3 million metric tons in 2009 and 7.7 million metric tons in 2008. We have recently announced an expansion program that is anticipated to increase annual production to 11.0 million metric tons annually beginning in 2012.

At the end of 2010, we had approximately 101.3 million metric tons of proven and probable reserves in our Asia Pacific Iron Ore business. In recent years, through a near-mine drilling program our reserve base has remained relatively constant, despite annual production of approximately eight million metric tons of iron ore.

We have five-year term supply agreements with steel producers in China and Japan that account for approximately 82% and 18% respectively, of sales. The contracts were renegotiated for the period 2008 through 2012. Sales volume under the agreements is partially dependent on customer requirements. As a result of the move away from the annual international benchmark pricing mechanism in 2010, we renegotiated the terms of our supply agreements with our Chinese and Japanese Asia Pacific Iron Ore customers moving to shorter-term pricing mechanisms of various durations based on the average daily spot prices, with certain pricing mechanisms that have a duration of up to a quarter. This change was effective in the first quarter of 2010 for our Chinese customers and the second quarter of 2010 for our Japanese customers. During 2010, 2009 and 2008, we sold 9.3 million, 8.5 million and 7.8 million metric tons of iron ore, respectively, from our Western Australia mines.

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Investments

Amapá. We are a 30% minority interest owner in Amapá, which consists of an iron ore deposit, a 120-mile railway connecting the mine location to an existing port facility and 71 hectares of real estate on the banks of the Amazon River, reserved for a loading terminal. Amapá initiated production in late December 2007. The remaining 70% of Amapá is owned by Anglo American plc.

As the operator of the property, Anglo American declared commercial production achievement during 2010 with annual production totaling 4.0 million metric tons, compared with 2.7 million metric tons and 1.2 million metric tons in 2009 and 2008, respectively. Anglo American has indicated that it expects Amapá will produce and sell 4.5 million metric tons of iron ore fines products in 2011 and 5.1 million metric tons in 2012 based on continued improvements in operational processes. The majority of Amapá s production is committed under a long-term supply agreement with an operator of an iron oxide pelletizing plant in the Kingdom of Bahrain.

Sonoma. We own a 45% economic interest in Sonoma, located in Queensland, Australia. Production and sales totaled approximately 3.5 million metric tons, respectively, in 2010. This compares with production and sales of approximately 2.8 million and 3.1 million metric tons and 2.4 million and 2.1 million metric tons in 2009 and 2008, respectively. The project is expected to produce approximately 3.6 million metric tons of coal annually in 2011 and beyond. Production is expected to include a mix of approximately two-thirds thermal and one-third metallurgical grade coal. In 2009, Sonoma experienced intrusions in the coal seams which affected raw coal quality, recoverability in the washing process, and ultimately the quantity of metallurgical coal in the production mix. As a result, the geological model for Sonoma has been enhanced to reflect the presence of the intrusions and to refine the mining sequence in order to optimize the mix of metallurgical and thermal coal despite being lower than initially planned levels. Sonoma has economically recoverable reserves of 20 million metric tons. Of the 3.5 million metric tons produced in 2010, approximately 3.0 million metric tons were committed under supply agreements. As of December 31, 2010, approximately 2.0 million metric tons, of the 3.6 metric tons expected to be produced in 2011, are committed under supply agreements.

Growth Strategy and Recent Developments

Over recent years, we have been executing a strategy designed to achieve scale in the mining industry and focused on serving the world s largest and fastest growing steel markets. Throughout 2010, we continued to increase our operating scale and presence as an international mining and natural resources company by expanding both geographically and through the minerals we mine and market. The long-term outlook remains healthy and we are now focusing on our growth projects with sustained investment in our core businesses.

We have continued our strategic growth as an international mining and natural resources company in 2011. Specifically:

Consolidated Thompson. On May 12, 2011, we completed the acquisition of Consolidated Thompson in an all-cash transaction including net debt, valued at approximately C$4.9 billion, which we refer to as the Acquisition. The Acquisition reflects our strategy to build scale by owning expandable and exportable steelmaking raw material assets serving international markets.

Consolidated Thompson is a Canadian exploration and development mining company producing iron ore of high-quality concentrate. Consolidated Thompson operates an iron ore mine and processing facility near Bloom Lake in Quebec, Canada. Wuhan Iron and Steel (Group) Corporation, which we refer to as Wuhan, is a 25% partner in the Bloom Lake property. The Bloom Lake property is currently ramping up towards an initial production rate of 8.0 million metric tons of iron ore concentrate per year, which we expect to attain by the end of 2011. Consolidated Thompson also owns two additional development properties, Lamêlée and Peppler Lake, in Quebec. The Bloom Lake, Lamêlée and Peppler Lake properties are in close proximity to our other Canadian operations and will allow us to leverage our port facilities and supply this ore to the seaborne market.

All of Consolidated Thompson s current production capacity is contracted under long-term off-take arrangements with large Asian customers at sales-per-ton rates that move with the global seaborne prices. The Acquisition is expected to further diversify our customer base by increasing sales to these customers, including Wuhan, Worldlink Resources Limited and SK Networks Co., Ltd., a subsidiary of SK Group. In addition, we expect to realize approximately $75 million in pre-tax annual operating synergies in connection with the Acquisition.

For additional information on our outlook for Consolidated Thompson s future production and sales, please see our Current Report on Form 8-K filed with the SEC on June 6, 2011.

Bridge Credit Agreement. On March 4, 2011, we entered into an unsecured bridge credit agreement with a syndicate of banks. The bridge credit agreement, which we refer to as the bridge credit facility, matures on May 10, 2012. On May 10, 2011, we borrowed $750.0 million under the bridge credit facility to pay a portion of the purchase price of the Acquisition. Borrowings under the bridge credit facility will bear interest at a floating rate based upon a negotiated base rate or the LIBOR rate plus a margin depending on our credit rating and the length of time the borrowings remain outstanding. We will use the net proceeds from this offering to repay amounts outstanding under the bridge credit facility.

New Term Loan. On March 4, 2011, we entered into a new unsecured term loan agreement with a syndicate of banks. The term loan agreement provides for a $1,250 million term loan, which we refer to as the new term loan, that matures on May 10, 2016, and requires principal payments on each three-month anniversary following funding of the new term loan. Borrowings under the new term loan will bear interest at a floating rate based upon a negotiated base rate or the LIBOR rate plus a margin depending on the leverage ratio. We used the proceeds of our new term loan to pay a portion of the purchase price of the Acquisition.

Senior Notes. On March 23, 2011 and April 1, 2011, respectively, we issued $700 million of our 4.875% senior notes due 2021, which we refer to as the 2021 senior notes, and $300 million of our 6.25% senior notes due 2040, which we refer to as the additional 2040 senior notes, in a public offering. We used the net proceeds from the sale of the senior notes to pay a portion of the purchase price of the Acquisition.

Corporate Information

Our principal executive offices are located at 200 Public Square, Suite 3300, Cleveland, Ohio 44114. Our main telephone number is (216) 694-5700, and our website address is www.cliffsnaturalresources.com. The information contained on or accessible through our website is not part of this prospectus supplement, other than the documents that we file with the SEC that are incorporated by reference in this prospectus supplement or the accompanying prospectus.

The Offering

Issuer	Cliffs Natural Resources Inc.
Common shares offered by us	9,000,000 shares
Over-allotment option	1,350,000 shares
Common shares to be outstanding immediately after this offering	144,656,137 shares[1]
Use of proceeds	We expect to receive net proceeds from the sale of common shares in this offering, after deducting underwriting discounts and commissions but before deducting other offering expenses payable by us, of approximately $758.1 million based on an assumed offering price of $87.29, the closing price of our common shares on June 3, 2011 (or $871.8 million if the over-allotment option is exercised in full). We intend to use the net proceeds from this offering to repay borrowings under the bridge credit facility. Any remaining net proceeds will be used for general corporate purposes. See Use of Proceeds.
Conflicts of interest	Certain of the underwriters and/or their affiliates are lenders under our bridge credit facility and will receive a portion of the net proceeds from this offering. Consequently, this offering will be conducted in accordance with the requirements of FINRA Rule 5121. See Underwriting (Conflicts of Interest).
Risk factors	Investing in our common shares involves risk. See Risk Factors on page S-10 of this prospectus supplement and the risk factors contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in our quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, which are incorporated herein by reference, for a discussion of certain risks you should consider in connection with an investment in our common shares.
Exchange listing	Our common shares trade on the New York Stock Exchange and NYSE Euronext Paris under the symbol CLF.

[1] Based on 135,656,137 common shares outstanding as of June 2, 2011 and assumes no exercise of the underwriters over-allotment option. Excludes any common shares issuable under our equity compensation plans.

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Summary Consolidated and Pro Forma Financial Data

The table below sets forth a summary of our financial and other statistical data for the periods presented. We derived the financial data as of and for the years ended December 31, 2010, 2009 and 2008 from our audited consolidated financial statements. The financial data as of and for the three months ended March 31, 2011 and 2010 are derived from our unaudited financial statements. The interim unaudited financial data have been prepared on the same basis as the audited financial data and include, in the opinion of management, all adjustments, consisting of normal and recurring adjustments, necessary to present fairly the data for such periods and may not necessarily be indicative of full-year results. The interim unaudited financial data do not give effect to the Acquisition.

The table below also sets forth (a) unaudited summary pro forma condensed consolidated financial data for the year ended December 31, 2010, which we have derived from the historical financial statements of Cliffs and Consolidated Thompson and should be read in conjunction with the unaudited pro forma condensed consolidated financial data included in our Current Report on Form 8-K/A filed with the SEC on June 6, 2011, which is incorporated by reference in this prospectus supplement, and (b) unaudited summary pro forma condensed consolidated financial data as of and for the three months ended March 31, 2011, which we have derived from the historical financial statements of Cliffs as of and for the three months ended March 31, 2011 and from the historical financial statements of Consolidated Thompson as of and for the three months ended December 31, 2010 included in our Current Report on Form 8-K/A, which is incorporated by reference in this prospectus supplement. The unaudited condensed consolidated pro forma statement of operations data give effect to the Acquisition and related financing as if it had occurred on January 1, 2010. The unaudited condensed consolidated pro forma balance sheet data as of March 31, 2011 gives effect to the Acquisition and related financing as if it had occurred as of March 31, 2011. The summary pro forma condensed consolidated financial information set forth below should not be considered indicative of actual results that would have been achieved had the Acquisition occurred on the respective dates indicated and do not purport to indicate balance sheet data or results of operations as of any future date or for any future period. We cannot assure you that the assumptions used in the preparation of the pro forma condensed consolidated financial information will prove to be correct. Prospective investors should read the summary consolidated and pro forma financial and other statistical data in conjunction with our consolidated financial statements, the related notes and other financial information incorporated by reference into this prospectus supplement.

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	Year Ended December 31,			Pro Forma for the Year Ended December 31, 2010	Three Months Ended March 31,		Pro Forma for the Three Months Ended March 31, 2011
	2008(a)	2009	2010(b)		2010(g)	2011	
Financial data (in millions)							
Revenue from product sales and services	$ 3,609.1	$ 2,342.0	$ 4,682.2	$ 4,984.8	$ 727.7	$ 1,183.2	$ 1,314.1
Cost of goods sold and operating expenses	(2,449.4)	(2,033.1)	(3,158.7)	(3,455.5)	(577.7)	(584.5)	(670.4)
Other operating expense	(220.8)	(78.7)	(258.5)	(298.6)	(36.6)	(57.5)	(72.9)
Operating income	938.9	230.2	1,265.0	1,230.7	113.4	541.2	570.8
Net income	537.0	204.3	1,019.7(c)	906.9	77.4	423.3(h)	434.7
Less: Net income (loss) attributable to noncontrolling interest	21.2	(0.8)	(0.2)	13.9		(0.1)	11.3
Net income attributable to Cliffs shareholders	515.8	205.1	1,019.9	893.0	77.4	423.4	423.4
Preferred stock dividends	(1.1)						
Income attributable to Cliffs common shareholders	514.7	205.1	1,019.9	893.0	77.4		