

Cliffs Natural Resources
North American Iron Ore
Labor Agreement - Effective September 1st, 2008

EBIT
Q3 2009
(000's)

Tons Sold	<u><u>5,521.0</u></u>
Iron Ore	\$ 427,351.1
Service fee revenue	9,156.0
Freight Revenue & Minority Interest	(8,335.1)
Total Revenues from Product Sales and Services	\$ 428,172.0
<i>Per Ton Total Sales and Services</i>	<i>\$ 77.55</i>
Inventory Costs	\$ (303,518.5)
Trade and Freight Credits, Minority Interest	8,412.1
Depreciation And Depletion	(7,735.4)
Period Cost	(29,502.4)
Services	(6,360.1)
Total Operating Costs	\$ (338,704.3)
<i>Per Ton Total Operating Costs</i>	<i>\$ (61.35)</i>
Sales Margin	\$ 89,467.7
<i>Per Ton Sales Margin</i>	<i>\$ 16.20</i>
Royalties	\$ (735.1)
Management Fees	118.6
Total Royalties & Management Fee Revenue	\$ (616.5)
Casualty insurance recoveries	\$ -
Administrative, selling and general exp	(16,477.0)
Gain (loss) on Sale of Assets - Net	836.5
Miscellaneous - net	(377.3)
Total Other Operating Income (Expense)	\$ (16,017.8)
Operating Income (Loss)	\$ 72,833.4
Interest Income	\$ 6,094.6
Interest Expense	(3,078.8)
Income - Other - Net	(9.4)
Total Other Income (Expense)	\$ 3,006.4
Income (Loss) From Continuing Operations	\$ 75,839.8
<u>Exclusions for EBIT</u>	
Interest Income	(6,094.6)
Interest Expense	3,078.8
Income - Other - Net	-
Hourly Profit Sharing Accrual Adjustment for Q2 2009	-
Hourly Profit Sharing Expense for Q3 2009	482.5
Earnings Before Interest & Tax (EBIT)	\$ <u><u>73,306.5</u></u>


Cliffs Natural Resources - North American Iron Ore
PROFIT SHARING CALCULATIONS
 Labor Agreement - Effective September 1st, 2008
 Empire, Hibbing, Tilden and UTAC
 Q3 2009

CCI North America Iron Ore Segment Product Sold (tons)	6,621,000
<u>Profit Sharing Tonnage Pool (Production)</u>	
<u>Mine (Tonnage Produced)</u>	
Hibbing Taconite Company	0
United Taconite LLC	1,236,963
Empire Iron Mining Partnership	648,043
Tilden Mining Company L.C.	1,086,443
Total Qualifying Tons	2,971,449
CCI North America Iron Ore Segment Earnings before Interest & Taxes	\$ 73,306,520
CCI North America Iron Ore Segment EBIT/ton	\$ 13.28
<u>Profit Sharing Monetary Pool</u>	
EBIT/ton >\$10.00 but less than \$50.00	7.50%
EBIT/ton >\$50.00	10.00%
<u>EBIT/ton Greater than \$10 but less than \$50</u>	
EBIT/Ton	\$ 13.28
Minimum	10.00
EBIT/ton Greater than \$10 but less than \$50	\$ 3.28
<u>Profit Sharing Monetary Pool Calculation</u>	
EBIT/ton Greater than \$10 but less than \$50	\$ 3.28
Applicable Profit Sharing Percentage	7.50%
Qualifying Tons	2,971,449
Profit Sharing Monetary Pool	\$ 730,478
<u>Profit Sharing Eligible Hours</u>	
Hibbing Taconite Company	70,091
United Taconite LLC	198,678
Empire Iron Mining Partnership	242,356
Tilden Mining Company L.C.	289,479
Total Eligible Hours	800,604
<u>Profit Sharing Payout Per Hour</u>	
Profit Sharing Monetary Pool	\$ 730,478
Qualifying Hours	800,604
Profit Sharing Payout Per Eligible Hour	\$ 0.91
<u>Profit Sharing Payout</u>	
Profit Sharing Payout to Employee (Maximum payout: \$10.00 x Eligible Hours)	\$ 730,478
Hibbing Taconite Company	63,952
United Taconite LLC	181,276
Empire Iron Mining Partnership	221,127
Tilden Mining Company L.C.	264,123
Profit Sharing Payout to Profit Sharing Bank	\$ -

Approved By:


 General Manager Financial Control - NABU

11/6/09
 Date


 Corporate Controller

11/10/09
 Date


 Chief Finance Officer

11/10/09
 Date