

CLIFFS NATURAL RESOURCES INC.

Form 424B5

May 12, 2009

Table of Contents

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-159162

This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated May 12, 2009

Prospectus Supplement

(To Prospectus dated May 12, 2009)

12,000,000 Common Shares

Common Shares

We are offering 12,000,000 of our common shares, par value \$0.125 per share.

Our common shares are listed on the New York Stock Exchange (NYSE), the Professional Segment of NYSE Euronext Paris (Euronext) and the Chicago Stock Exchange under the symbol CLF. The last reported sale price of our common shares on the NYSE on May 11, 2009 was \$28.78 per share.

Investing in our common shares involves risks. See Risk factors beginning on page S-12 of this prospectus supplement and the risk factors set forth in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2008 and Item 1A of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009, which are incorporated by reference into this prospectus supplement and the accompanying prospectus.

Neither the Securities and Exchange Commission (SEC) nor any state securities commission has approved or disapproved of the securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds, before expenses, to us	\$	\$

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 1,800,000 common shares to cover over-allotments.

We expect to deliver the common shares to purchasers on or about May , 2009.

J.P.Morgan

May , 2009

Merrill Lynch & Co.

Table of Contents

Table of contents
Prospectus supplement

<u>About this prospectus supplement</u>	ii
<u>Where you can find more information</u>	ii
<u>Information we incorporate by reference</u>	iii
<u>Disclosure regarding forward-looking statements</u>	iv
<u>Summary</u>	S-1
<u>Risk factors</u>	S-12
<u>Use of proceeds</u>	S-15
<u>Capitalization</u>	S-16
<u>Price range of common shares and dividend policy</u>	S-17
<u>Material U.S. federal income tax consequences to non-U.S. holders</u>	S-18
<u>Underwriting</u>	S-22
<u>Legal matters</u>	S-28
<u>Experts</u>	S-28

Prospectus

About this prospectus	1
Where you can find more information	1
Information we incorporate by reference	2
Disclosure regarding forward-looking statements	3
Our business	4
Risk factors	4
Use of proceeds	5
Description of capital stock	6
Plan of distribution	9
Legal matters	11
Experts	11

Table of Contents

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 relating to us and our financial condition. 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.

You should rely only on information contained or incorporated by reference into this prospectus supplement, in the accompanying prospectus or in any free writing prospectus that we may provide to you. We have not, and the underwriters have not, authorized anyone to provide you with different information. 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 these documents. We are not, and the underwriters are not, making offers to sell the securities 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, our, 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 tonne 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, as amended (Exchange Act). We file reports, proxy statements and other information with the SEC. Our SEC filings are available over the Internet at the SEC's web site at <http://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 web site at <http://www.cliffsnaturalresources.com>. We do not intend for information contained in our web site to be part of this prospectus supplement or the accompanying prospectus, other than documents that we file with the SEC that are incorporated by reference in this prospectus supplement or the accompanying prospectus.

Table of Contents

Information we incorporate by reference

The SEC allows us to incorporate by reference the information we file with them, which means:

incorporated documents are considered part of this prospectus supplement;

we can disclose important information to you by referring you to those documents; and

information that we file with the SEC after the date of this prospectus supplement will automatically update and supercede the information contained in this prospectus supplement and incorporated filings.

We incorporate by reference the documents listed below that we filed with the SEC under the Exchange Act:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2008;

our Quarterly Report on Form 10-Q for the period ended March 31, 2009;

our Current Reports on Form 8-K filed on January 14, 2009, February 2, 2009, February 25, 2009, April 1, 2009, April 13, 2009, May 5, 2009 and May 12, 2009;

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; and

the description of the common share purchase rights under the rights agreement contained in Form 8-A filed on October 14, 2008, including any subsequently filed amendments and reports updating such description.

Our Current Report on Form 8-K filed on May 12, 2009 in connection with our adoption of Statement of Financial Accounting Standards No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51 (SFAS 160)*, updates Items 6, 7, 8, 9A and 15 of our Annual Report on Form 10-K for the year ended December 31, 2008.

We also incorporate by reference each of the documents that we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus supplement until the offering of the securities terminates. 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 after the date of this prospectus unless, and except to the extent, specified in such Current Reports.

We will provide you with a copy of any of these filings (other than an exhibit to these filings, unless the exhibit is specifically incorporated by reference into the filing requested) at no cost, if you submit a request to us by writing or telephoning us at the following address and telephone number:

Cliffs Natural Resources Inc.

Edgar Filing: CLIFFS NATURAL RESOURCES INC. - Form 424B5

Investor Relations

200 Public Square

Suite 3300

Cleveland, Ohio 44114

Telephone Number: (216) 694-5700

iii

Table of Contents

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 the prospectus supplement, the accompanying prospectus, 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 and the accompanying prospectus, 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:

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

the outcome of any contractual disputes with our customers;

our actual economic iron ore and coal reserves;

the success of our business and growth strategies;

our ability to successfully identify and consummate any strategic investments;

adverse changes in currency values;

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

the success of our cost-savings efforts;

our ability to successfully implement our financing plans;

our ability to maintain appropriate relations with unions and employees;

environmental laws, regulations and court decisions affecting our business, directly and indirectly, including those relating to mine reclamation and restoration, greenhouse gas emissions and other emissions to the air and water and human exposure to

hazardous substances used, released or disposed of by us;

uncertainties associated with unanticipated geological conditions related to underground mining;

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.

Table of Contents

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.

Table of Contents

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. 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 serving the global steel industry. 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. Each of these is a critical raw material for the production of steel in blast furnaces. Our company is organized according to product category and geographic location: North American Iron Ore, North American Coal, Asia Pacific Iron Ore, Asia Pacific Coal and Latin American Iron Ore.

The North American business unit is comprised of six iron ore mines owned or managed in Michigan, Minnesota and Eastern Canada, and two coking coal mining complexes located in West Virginia and Alabama.

The Asia Pacific business unit is comprised of two iron ore mining complexes in Western Australia, serving the Asian iron ore markets with direct-shipping fines and lump ore, and a 45% economic interest in Sonoma, a coking and thermal coal mine located in Queensland, Australia. In Latin America, we have a 30% interest in Amapá, a Brazilian iron ore project.

The following map shows our locations:

S-1

Table of Contents

North American Iron Ore

We are the largest producer of iron ore pellets in North America. Our six owned or managed iron ore mines in North America have a rated capacity of 38.1 million tons of iron ore pellet production annually, representing approximately 46% of total North American pellet production capacity. Based on the percentage ownership of the mines we operate, our share of the North American rated pellet production capacity is approximately 30%, or 25.5 million tons of capacity annually.

Our North American Iron Ore revenues are primarily derived from sales of iron ore pellets to the North American integrated steel industry, consisting of four major customers: ArcelorMittal, Algoma (a subsidiary of Essar Steel Holdings), Severstal and U.S. Steel Canada Inc. Our supply agreements are typically multi-year contracts, many of which include minimum purchase obligations or take-or-pay provisions and have an average duration of six years. In many cases, we are the sole supplier of iron ore pellets to the customer.

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

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 joint venture partners, that in the case of ArcelorMittal and U.S. Steel Canada Inc. are also our customers.

At the end of 2008, our North American Iron Ore mines had proven and probable mineral reserves totaling approximately 950 million tons.

We expect to maintain our leadership position in North American iron ore through continued capital investments and by increasing the productivity and efficiency of our operations. 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.

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. We own and operate two North American coal mining complexes located in West Virginia and Alabama. Each mine produces high-quality, low-volatility metallurgical coal, which is used to make coke, a key component in the steelmaking process. Metallurgical coal generally sells at a premium over the more prevalent and mined, steam coal, which is generally used to generate electricity. Metallurgical coal receives this premium because of its coking characteristics, which include

Table of Contents

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 equal. Cliffs currently has over 240 million tons of high-quality, low-volatility in-place proven and probable reserves. For the year ended December 31, 2008, we sold a total of 3.2 million tons, compared with 1.2 million tons for the five months ended December 31, 2007. Each of our North American coal mines are positioned near rail or barge lines providing access to international shipping ports, which allows for export of our coal production. Exports and domestic sales represented 56% and 44%, respectively, of our North American Coal sales in 2008.

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 2008 (including our 0.4 million tonne share of Cockatoo Island) was 7.7 million tonnes, compared with 8.4 million tonnes in 2007.

We have over 90 million tonnes 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 tonnes of iron ore.

We have five-year term supply agreements with steel producers in China and Japan that account for approximately 74% and 26%, respectively, of sales. Sales volume under the agreements is partially dependent on customer requirements. Each agreement is priced based on benchmark pricing established for Australian producers. During 2008, 2007 and 2006, we sold 7.8 million, 8.1 million and 7.4 million tonnes of iron ore, respectively, from our Western Australia mines. Sales in 2008 were to 16 Chinese and three Japanese customers.

Our strategic transformation

In recent years, we have undergone a strategic transformation from our historic business model as predominantly a manager of iron ore mines for the integrated steel industry in North America to an international mining and natural resources company. Today, we are focused on growing and diversifying our business through strategic investments and acquisitions in politically stable regions around the world serving high growth markets. Our investments in Australia and Latin America, as well as acquisitions in minerals outside of iron ore, such as metallurgical coal, illustrate the successful execution of this strategy.

In fiscal year 2003, we generated revenues of \$825 million almost entirely from sales of iron ore in North America. For fiscal year 2008, our revenues totaled \$3.6 billion, with over one-third of our revenue generated from new regions or new minerals. Over the past five years, we have generated approximately \$2 billion in net cash from operating activities, enabling us to finance most of our growth internally and maintain what we believe is a conservative capital structure. We believe we remain well positioned to continue the execution of our strategy.

Table of Contents

A summary of our significant initiatives since 2005 follows:

April 2005 We completed the acquisition of an 80.4% interest in Portman, then Australia's third-largest iron ore producer. The acquisition increased our customer base in China and Japan and established our presence in the Australian mining industry. Through a series of actions in 2008, we acquired the remaining interest in Portman that we did not previously own. Portman subsequently adopted the brand Cliffs Natural Resources and now comprises our Asia Pacific Iron Ore business segment.

March 2007 We acquired a 30% minority interest in Amapá, an iron ore project in Brazil consisting of a mineral deposit, 192-kilometer railway and an existing port facility. Our 70% majority partner and operator of the mine is Anglo-American plc. The project commenced construction in 2007 and has a measured/indicated resource base anticipated to be at least 70 million tonnes. In 2008, the project continued ramping toward design capacity and produced 1.2 million tonnes of iron ore product.

April 2007 We completed the acquisition of a 45% stake in Sonoma in Queensland, Australia. The project commenced operations in January 2008, with expected production of hard coking and thermal coal of between three to four million tonnes annually in 2010 and beyond. Sonoma has economically recoverable reserves of 43 million tonnes.

June 2007 We entered into an alliance whereby Kobe Steel agreed to license its patented ITmk[®] iron-making technology to us. The alliance, which has a 10-year term, provides us with the technology to convert our low-grade iron ore reserves to high-purity iron nuggets that can be used in an electric arc furnace, a market in which we do not currently compete.

July 2007 We completed the acquisition of PinnOak, a privately-owned U.S. mining company with two high-quality, low-volatile metallurgical coal mining complexes. The acquisition furthered our growth strategy and expanded our diversification of products for the integrated steel industry.

November 2007 We acquired a 70% controlling interest in Renewafuel. Founded in 2005, Renewafuel produces high-quality, dense fuel cubes made from renewable and consistently available components such as corn stalks, switch grass, grains, soybean and oat hulls, wood, and wood byproducts.

July 2008 We acquired the remaining 30% interest in United Taconite. United Taconite is an iron ore mine located on Minnesota's Mesabi Iron Range and includes concentrator and pelletizing facilities with annual production capacity of 5.4 million tons of iron ore pellets.

Potential drivers for additional profit and free cash flow growth

Positioned to benefit from improvement in steel demand

We are poised to benefit from our position as the largest supplier of iron ore to the North American steel industry as well as from our recently solidified position in Western Australia, selling into higher growth Asian steel markets.

In response to the current economic environment, according to the American Iron & Steel Institute, North American capacity utilization has fallen from approximately 90% in May 2008 to

Table of Contents

approximately 42% in May 2009. As of May 2, 2009, year-to-date North American steel output has declined approximately 53% from 37.6 million tons to 17.7 million tons. Cliffs owned and managed mines account for approximately 46% of North American iron ore output capacity and we expect to benefit from an increase in demand for steel production in North America.

Chinese steel consumption growth has slowed in conjunction with the current global economic slowdown, but is expected to resume in line with general economic growth and development in China.

Focus on cost cutting and investment discipline

We have long established six-sigma and business improvement programs through which we focus on maximizing throughput while addressing our costs. This allowed us to take timely and effective action at the onset of the current global macroeconomic recession in the fall of 2008. In October 2008, we began a series of actions in our North American Iron Ore and North American Coal businesses to balance current production with current demand. These actions are intended to reduce expense and unnecessary use of cash to build inventories, while still maintaining Cliffs' ability to quickly resume production in the event of an improvement in the current economic environment.

We also continue to scrutinize capital spending in the current environment and recently reduced our 2009 expected capital expenditures budget by \$70 million to \$130 million from a previous expectation of \$200 million.

In addition, our focus on cost control and ongoing cash conservation has resulted in estimated 2009 selling, general and administrative expenses of \$140 million, which represents a decline of nearly 30% from \$189 million in 2008.

Recent developments

First quarter 2009 results

On April 29, 2009, we reported first-quarter results for the period ended March 31, 2009. Consolidated revenues in the seasonally slow first quarter were \$464.8 million, down 6% from \$494.4 million in the same quarter last year. The decrease was driven by lower year-over-year sales in Cliffs' North American Iron Ore and North American Coal segments, partially offset by higher sales in Asia Pacific Iron Ore and a \$53.3 million revenue contribution from Cliffs' economic interest in Sonoma.

Operating income for the first quarter was \$11.4 million, versus \$42.6 million in the same quarter last year. Operating income was lower year over year due to reduced sales volumes and pricing in North American Iron Ore and North American Coal. Margins also declined as a result of idle costs and the impact of lower production levels. Partially offsetting these factors was a nearly 30% decrease in selling, general and administrative expenses to \$31.8 million from \$44.6 million in the first quarter last year.

First-quarter 2009 net loss attributable to Cliffs was \$7.4 million, or \$0.07 per diluted share, down from net income of \$16.7 million, or \$0.16 per diluted share, in the first quarter of 2008.

Table of Contents

The net loss for the 2009 quarter reflected lower leverage over fixed costs in our North American business segments and a \$9.1 million equity loss related to our investment in Amapá.

Dividend reduction and board, executive and salaried employee compensation reductions

On May 12, 2009, as part of proactive initiatives designed to enhance financial flexibility, our board of directors elected to enact a 55% reduction in our quarterly common share dividend to \$0.04 from \$0.0875. The action is expected to result in an annual cash savings of approximately \$22 million. In addition, Cliffs also indicated that its board of directors and senior executive team have made the decision to make the following reductions to compensation, each effective July 1, 2009:

Cliffs' board of directors fee compensation and Chief Executive Officer, Joseph Carrabba's base compensation will both be reduced by 10%.

All executives at the Senior Vice President level or higher will have their base compensation reduced by 7%.

Other salaried employees will have their compensation reduced by 3% to 5%, depending on position.

In addition, we will suspend all 401(k) company contributions for salaried employees. The above changes are expected to result in savings of approximately \$15 million in 2009.

Outlook

Our priority in 2009 remains the generation and preservation of cash in order to maintain the highest degree of financial and operating flexibility. As a result, the management team continues to take action to bring production levels at each of our businesses in line with current demand.

Negotiations for the benchmark settlements of iron ore pellets, lump and fines continue between major producers and major consumers. The soft global macroeconomic environment throughout the first quarter, including stagnant capacity utilization among steelmakers in North America, continues to negatively impact demand for steelmaking raw materials.

North American Iron Ore Outlook

Cliffs has contractual obligations for approximately 18 million tons of sales volume in 2009. These commitments, combined with eventual revenue recognition of a previously disclosed 1.2 million tons deferred in 2008, total approximately 19 million tons of anticipated sales volume for 2009. This sales volume total assumes the recognition of bill and hold sales anticipated to occur in the fourth quarter of 2009, which may be impacted by the high level of uncertainty in the current economic environment. Accordingly, we acknowledge that there may be practical implications upon Cliffs and some of our customers in stockpiling physical inventories throughout the supply chain.

With annual price settlements for iron ore in 2009 not yet concluded, we are unable to provide guidance on average revenue per ton in our North American Iron Ore business segment. We previously indicated our average 2009 revenue per ton in this segment will benefit from

Table of Contents

contractual base-price adjustments, lag-year adjustments and price caps and floors contained in most of our current supply agreements. Actual realized average revenue per ton will ultimately depend on sales volume mix, World Pellet Prices, producer price indices and/or steel prices (all of which are factors in our formula-based pricing in contracts for the North American Iron Ore business segment).

We are currently operating at an annualized production rate of approximately 15 million equity tons notwithstanding that we are contracted to receive payment for the sale of approximately 18 million tons. In total, all owned or managed North American Iron Ore mines are operating at an annualized rate of approximately 50% of 38.1 million tons of capacity. Equity production across our North American Iron Ore mine portfolio is approximately 58% of 25.5 million tons of capacity, compared with non-equity production of approximately 35% of 12.6 million tons of capacity.

North American Iron Ore 2009 cost per ton is expected to be \$70 to \$80. The expected increase from 2008 cost per ton is the result of reduced leverage over fixed costs resulting from lower year-over-year production and sale levels.

North American Coal Outlook

In addition to actions announced in mid-April to match production with demand, we are deferring mine development activities at both the Pinnacle Complex in West Virginia and the Oak Grove Mine in Alabama.

We expect the business segment to produce and sell approximately 2 million tons of coal for the year at average revenue of approximately \$100 per ton, which includes production earmarks to fulfill obligations for tons deferred as a result of past production disruptions. Lower expected year-over-year volume and the related reduction in leverage over fixed costs, combined with significant depreciation and amortization in the segment, are expected to result in average cost of sales per ton in 2009 of \$125 to \$135.

Asia Pacific Iron Ore Outlook

In 2009, Asia Pacific Iron Ore sales and production volumes are expected to be 8.0 million tonnes and 8.2 million tonnes, respectively. With annual price settlements for iron ore in 2009 not yet concluded, we are currently unable to provide guidance on average revenue per tonne in our Asia Pacific Iron Ore business segment. We expect Asia Pacific Iron Ore costs per tonne of approximately \$45 to \$55.

Sonoma Coal Project Outlook

We expect total sales and production volumes of approximately 3.3 million tonnes and 3.1 million tonnes, respectively for 2009, with our equity share totaling approximately 1.5 million tonnes and 1.4 million tonnes, respectively. Production estimates have been reduced from a previous estimate of 3.5 million tonnes (1.6 million tonnes for Cliffs' equity share), as a result of a change in our current mine plan. Sonoma is expected to have an approximate 60/40 mix between thermal and metallurgical coal. Per-tonne costs at Sonoma are expected to be \$75 to \$85, down

Table of Contents

from a previous expectation of \$85 to \$95. The decrease from previous expectations is a result of lower-than-anticipated contract mining costs and royalties.

Amapá Iron Ore Project Update

Amapá commenced construction in 2007 and is currently ramping toward design capacity. Year to date, Amapá has demonstrated significant progress measured by improving operating metrics, including plant recovery, concentrate production and safety. In the first quarter of 2009, our share of the equity loss related to the project was \$9.1 million. We had previously provided a full-year estimate of \$50 million to \$60 million in equity losses related to the project.

S-8

Table of Contents

The offering

Issuer	Cliffs Natural Resources Inc.
Common Shares offered by us	12,000,000 shares.
Over-allotment option	1,800,000 shares.
Common Shares to be outstanding immediately after this offering	125,725,151 shares. ¹
Use of proceeds	We estimate that the net proceeds from the sale of common shares in this offering will be approximately \$ million (or \$ million if the over-allotment option is exercised in full). We intend to use the net proceeds from this offering for general corporate purposes, which may include, among other things, funding certain capital expenditures, repayment of indebtedness or strategic transactions. See Use of proceeds.
Risk factors	See Risk factors and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider.
Exchange listing	Our common shares trade on the NYSE, Euronext and the Chicago Stock Exchange under the symbol CLF.

¹ Based on 113,725,151 common shares outstanding as of April 27, 2009 and assumes no exercise of the underwriters over-allotment option. Excludes any common shares issuable under our equity compensation plans.

Table of Contents**Summary consolidated 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 for the years ended December 31, 2006, 2007 and 2008 from our audited financial statements incorporated by reference into this prospectus supplement. The financial data for the three months ended March 31, 2008 and 2009 are derived from our unaudited financial statements incorporated by reference into this prospectus supplement. The interim unaudited financial data have been prepared on the same basis as the annual financial and other statistical 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. Prospective investors should read the summary of 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.

	Year Ended December 31,			Three Months Ended March 31,	
	2006	2007(1)	2008(2)	2008	2009
Financial data (in millions, except per share amounts)					
Revenue from product sales and services	\$ 1,921.7	\$ 2,275.2	\$ 3,609.1	\$ 494.4	\$ 464.8
Cost of goods sold and operating expenses	(1,507.7)	(1,813.2)	(2,449.4)	(412.0)	(422.4)
Other operating expense	(48.3)	(80.4)	(220.8)	(39.8)	(31.0)
Operating income	365.7	381.6	938.9	42.6	11.4
Income (loss) from continuing operations	296.9	285.4	537.0	19.8	(7.6)
Income (loss) from discontinued operations	0.3	0.2			
Net income (loss)	297.2	285.6	537.0	19.8	(7.6)
Less: Net income (loss) attributable to noncontrolling interest	17.1	15.6	21.2	3.1	(0.2)
Net income (loss) attributable to Cliffs	280.1	270.0	515.8	16.7	(7.4)
Preferred stock dividends	(5.6)	(5.2)	(1.1)	(0.9)	
Income (loss) attributable to Cliffs common shareholders	274.5	264.8	514.7	15.8	(7.4)
Earnings (loss) per common share attributable to Cliffs shareholders basic(3)(4)	3.26	3.19	5.07	0.18	(0.07)
Earnings (loss) per common share attributable to Cliffs shareholders diluted(3)(4)	2.60	2.57	4.76	0.16	(0.07)
Total assets	1,939.7	3,075.8	4,111.1	3,301.0	4,025.8
Long-term obligations	47.2	490.9	580.2	668.0	618.8
Net cash from (used by) operating activities	428.5	288.9	853.2	(120.0)	(44.8)
Redeemable cumulative convertible perpetual preferred stock	172.3	134.7	0.2	110.7	
Distributions to preferred shareholders cash dividends	5.6	5.5	1.1	1.1	
Distributions to common shareholders cash dividends					
Per share(3)(4)	0.24	0.25	0.35	0.09	0.09
Total	20.2	20.9	36.1	7.9	9.9
Repurchases of common shares	121.5	2.2			
Iron ore and coal production and sales statistics					
(tons in millions North America; tonnes in millions Asia-Pacific)					
Production tonnage North American iron ore	33.6	34.6	35.2	8.3	5.8
North American coal		1.1	3.5	1.0	0.4
Asia-Pacific iron ore	7.7	8.4	7.7	1.9	