NEWS RELEASE

Cleveland-Cliffs Inc. Announces Earlier Than Planned Restart of HBI Construction and Tilden Mining Operations

6/9/2020

CLEVELAND--(BUSINESS WIRE)-- Cleveland-Cliffs Inc. **(NYSE: CLF)** ("Cliffs") today announced that it will be resuming construction of its Hot-Briquetted Iron (HBI) plant in Toledo, Ohio, and accelerating the restart of its Tilden mining operations in Michigan.

The construction of the Toledo HBI plant was temporarily shut down on March 20, 2020, and the Company has now begun the process of remobilizing the workforce to complete the project. Due to mandatory social distancing and other newly implemented safety related measures limiting the number of workers allowed to be present simultaneously on the job, construction is now expected to be completed in the fourth quarter of this year.

The Tilden mine primarily supplies the Company's own AK Steel facilities in Middletown, Ohio and Dearborn, Michigan. The mine was idled in mid-April, with a restart previously expected in July. The company now plans to restart Tilden later this month. The earlier restart of Tilden comes in response to a faster improvement in steel demand from AK Steel's clients than initially anticipated, particularly in the automotive sector.

Cliffs' Chairman, President, and Chief Executive Officer Lourenco Goncalves said, "The demand for our steel, iron ore, and metallics products has recovered dramatically over the past month, and in light of this, we are restarting Toledo and Tilden sooner than we originally expected. We suspended these operations in a way that allowed us to restart as easily and efficiently as possible, and that is what we will do. Our footprint is well situated to capitalize on the rapidly increasing demand from the automotive sector, which is occurring faster than our most aggressive expectations."

The Company has also already restarted numerous other previously idled facilities across the footprint, including Precision Partners, AK Tube, Mansfield Works, and the Dearborn downstream facilities, including the PLTCM and the galvanizing line.

About Cleveland-Cliffs

Founded in 1847, Cleveland-Cliffs is among the largest vertically integrated producers of differentiated iron ore and steel in North America. With an emphasis on non-commoditized products, Cliffs is uniquely positioned to supply both customized iron ore pellets and sophisticated steel solutions to a quality-focused customer base, with an industry-leading market share in the automotive industry. A commitment to environmental sustainability is core to our business operations and extends to how we partner with stakeholders across our communities and the steel value chain.

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 our 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 our future performance and cause results to differ from the forward-looking statements in this release include, but are not limited to: severe financial hardship, bankruptcy, temporary or permanent shutdowns or operational challenges, due to the ongoing COVID-19 pandemic or otherwise, of one or more of our major customers, including customers in the automotive market, key suppliers or contractors, which, among other adverse effects, could lead to reduced demand for our products, increased difficulty collecting receivables, and customers and/or suppliers asserting force majeure or other reasons for not performing their contractual obligations to us; uncertainty and weaknesses in global economic conditions, including downward pressure on prices caused by the COVID-19 pandemic, oversupply of imported products, reduced market demand and risks related to U.S. government actions with respect to Section 232, the USMCA and/or other trade agreements, treaties or policies; uncertainties associated with the highly competitive and highly cyclical steel industry and reliance on the demand for steel from the automotive industry; continued volatility of steel and iron ore prices and other trends, which may impact the price-adjustment calculations under certain of our sales contracts; our ability to successfully diversify our product mix and add new customers for our Mining and Pelletizing segment beyond our traditional blast furnace clientele; our ability to cost-effectively achieve planned production rates or levels, including at our HBI production plant once we restart construction activities, and to resume full operations at certain facilities that are temporarily idled due to the COVID-19 pandemic; our ability to successfully identify and consummate any strategic investments or development projects, including our HBI production plant; the impact of our steelmaking customers reducing their steel production due to the COVID-19 pandemic, or increased market share of steel produced using methods other than those used by our customers, or increased market share of lighter-weight steel alternatives, including aluminum; our ability to maintain adequate liquidity, our level of indebtedness and the availability of capital could limit cash flow available to fund working capital, planned capital expenditures, acquisitions, and other general corporate purposes or ongoing needs of our business; our actual economic iron ore reserves or reductions in current mineral estimates, including whether any mineralized material qualifies as a reserve; 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; problems or uncertainties with sales volume or mix, productivity, transportation, environmental liabilities, employee-benefit costs and other risks of the steel and mining industries; 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 maintain appropriate relations with unions and employees; the ability of our customers, joint venture partners and third-party service providers to meet their obligations to us on a timely basis or at all; events or circumstances that could impair or adversely impact the viability of a production plant or mine and the carrying value of associated assets, as well as any resulting impairment charges; uncertainties associated with natural disasters, weather conditions, unanticipated geological conditions, supply or price of energy, equipment failures, infectious disease outbreaks and other unexpected events; adverse changes in interest rates, foreign currency rates and tax laws; the potential existence of significant deficiencies or material weakness in our internal control over financial reporting; our ability to realize the anticipated benefits of the merger and to successfully integrate the businesses of AK Steel into our existing businesses, including uncertainties associated with maintaining relationships with customers, vendors and employees, as well as realizing the estimated future synergies; additional debt we assumed or issued in connection with the merger, as well as additional debt we incurred in connection with enhancing our liquidity during the COVID-19 pandemic, may negatively impact our credit profile and limit our financial flexibility; changes in the cost of raw materials and supplies; supply chain disruptions or poor quality of raw materials or supplies, including scrap, coal, coke and alloys; disruptions in, or failures of, our information technology systems, including those related to cybersecurity; and unanticipated costs associated with healthcare, pension and OPEB obligations.

For additional factors affecting the business of Cliffs, refer to Part II – Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020. You are urged to carefully consider these risk factors.

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Source: Cleveland-Cliffs Inc.