

**CLEVELAND-CLIFFS INC.****FACT SHEET**

Founded in 1847, Cleveland-Cliffs Inc. is the largest and oldest independent iron ore mining company in the United States. We are a major supplier of iron ore pellets to the North American steel industry from our mines and pellet plants located in Michigan and Minnesota. By 2020, we expect to be the sole producer of HBI in the Great Lakes region with the development of our first production plant in Toledo, Ohio.

In alignment with our strategic goals, we have become a North America-centric business and have updated the names of our operating segments. We are now organized according to our differentiated products. We have two reportable segments – the Mining and Pelletizing segment (formerly known as U.S. Iron Ore) and the Metallics segment.

Driven by the core values of safety, social, environmental and capital stewardship, Cliffs employees are committed to providing all stakeholders with operating and financial transparency. Fundamental to the Company's business is responsible and safe operation, respectful engagement and effective stewardship. By cultivating these values, Cliffs has been successful in developing opportunities while gaining the support of its stakeholders and agencies that grant its license to operate.

**2018 Key Highlights**

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**\$2.3 billion**  
Full-Year Consolidated Revenues

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**\$1.1 billion**  
Full-Year Adjusted Net Income

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**\$766 million**  
Full-Year Adjusted EBITDA

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**2,926**  
Employees as of Dec. 31, 2018

# OPERATING SEGMENTS



## Mining and Pelletizing

**Operations:** Four iron ore mines in Michigan and Minnesota plus one indefinitely idled mine

**2018 Adjusted EBITDA:** \$875 million

**2018 Cost of Goods Sold & Operating Expenses:** \$63 per long ton

**Product:** Pellets and DR-Grade Pellets

**Sales Volume:** 20.5 million tons

**Employees:** 2,722



## Metallics

The Hot-briquetted Iron (HBI) that will be produced by Cliffs is a compacted form of Direct-Reduced Iron (DRI), designed for ease of shipping, handling, and feeding into an electric arc furnace. HBI is transported and fed similarly to scrap and pig iron, and does not require the same special handling as Cold DRI. HBI can also be consumed into blast furnaces, helping to boost their productivity.

In June 2017, we announced the planned construction of an HBI production plant in Toledo, Ohio. Over the past 18 months, we have made significant progress on the construction of this plant. Based on current market analysis, greater-than-expected customer demand and expansion opportunities identified during the construction process, the expected productive capacity of the Toledo HBI production plant is approximately 1.9 million metric tons per year. Cliffs expects to be producing HBI at its Toledo facility by mid-2020.