

**SCHEDULE 14A
(RULE 14A-101)
INFORMATION REQUIRED IN PROXY STATEMENT**

SCHEDULE 14A INFORMATION

**PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check appropriate box:

- Preliminary Proxy Statement
- Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

CLEVELAND-CLIFFS INC

(Name Of Registrant As Specified In Its Charter)

Not Applicable

(Name Of Person(s) Filing Proxy Statement, If Other Than The Registrant)

Payment of filing fee (check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4. Proposed maximum aggregate value of transaction:

5. Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-II(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

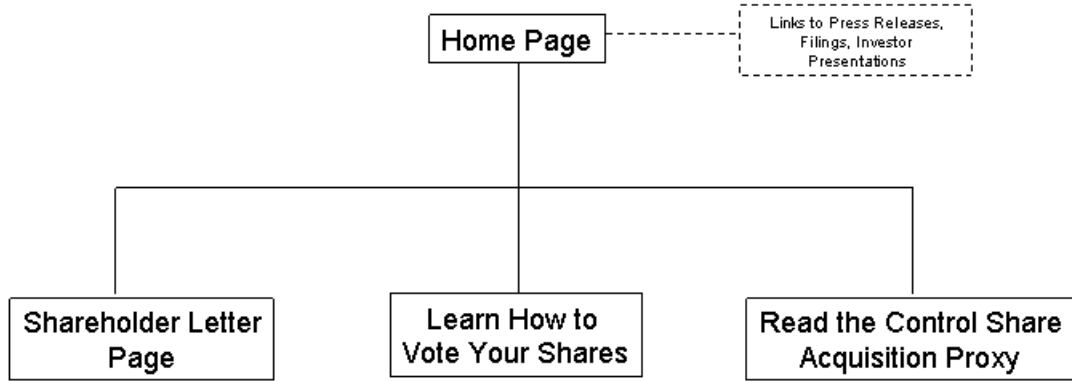
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2. Form, schedule or Registration Statement No.:

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4. Date Filed:

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Proxy Facts



"People will look back on this as the first major U.S. event, not as overpriced..."

— Wilbur Ross, chairman of International Coal Group Inc. and board member of Anheuser-Busch, comments on the Cleveland-Cliffs/Alpha Natural Resources announcement.

Cleveland-Cliffs is committed to providing the most shareholder value over the long term and firmly believes the proposed acquisition of Alpha is in the best interests of all of its shareholders. By combining the complementary operations and management capabilities of Cleveland-Cliffs and Alpha Natural Resources, the resulting company, Cliffs Natural Resources, will be well positioned to meet the world's increasing demand for raw materials.

Voting Against the Control Share Acquisition Proposal Preserves the Right of All Shareholders to Vote on the Proposed Transaction with Alpha.

As you may know, on July 15, 2008, Cliffs entered into an agreement to acquire Alpha Natural Resources in a cash and stock transaction valued at approximately \$10 billion. Your board firmly believes that Cliffs and Alpha are an ideal combination that provides compelling value creation for both Cliffs and Alpha shareholders.

Since announcing the transaction, the Cliffs management team has been actively meeting with shareholders and analysts and we are pleased with the feedback we have received from the vast majority of our institutional shareholders. However, if a single investor were to acquire up to one-third of Cliffs' outstanding stock, it would have the power to veto the Alpha merger, no matter what other shareholders may want.

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creation for both CIFI and Alpha shareholders. Since announcing the transaction, the CIFI management team has been actively meeting with shareholders and analysts and we are pleased with the feedback we have received from the vast majority of our institutional shareholders. However, if a single investor were to acquire up to one-third of CIFI's outstanding stock, it would have the power to veto the Alpha merger, no matter what other shareholders may want.

[Learn the reasons behind this recommendation.](#)

[Read the Control Share Acquisition Proxy Statement.](#)

[Learn How to vote your shares.](#)

Press Releases

- Cleveland-CIFI Board Asks Shareholders to Vote Against Control Share Acquisition Proposal**
CIFI has written a letter to shareholders, asking them to vote AGAINST Harbinger Capital Partners' control share acquisition proposal.
- Cleveland-CIFI and Alpha Natural Resources Receive Early Termination of HSR Waiting Period for Proposed Merger**
CIFI and Alpha reported that the FTC granted them early termination of the waiting period under the Hart-Scott-Rodino Act for their proposed merger.
- Cleveland-CIFI Announces Special Meeting to Vote on Proposed Control Share Acquisition**
CIFI announced a special meeting of shareholders to vote on a proposed control share acquisition by one of its shareholders.
- Cleveland-CIFI and Alpha Natural Resources File Preliminary Proxy and Registration Statement on Form S-4**
CIFI and Alpha have filed a preliminary registration statement on Form S-4, which includes a joint proxy statement and a prospectus in connection with their previously announced proposed merger.
- CIFI Q2 Earnings Release**
Webcast Alert: Cleveland-CIFI to Announce Second-Quarter and First-Half 2008 Results July 30; Conference Call July 31
- Cleveland-CIFI Responds to Largest Shareholder's Change in SEC Filing Status**
Cleveland-CIFI Inc today indicated it has need its largest shareholder's recently filed Schedule 13D.
- Cleveland-CIFI Announces AHR Acquisition**
Cleveland-CIFI Inc and Alpha Natural Resources, Inc. today announced that each company's Board of Directors has approved a definitive merger agreement.

Shareholder Presentations

- CIFI/Alpha Updated Investor Presentation**
Filed with the SEC on August 4, 2008
- CIFI/Alpha Investor Presentation Slides**

Salient SEC Filings

- CIFI Pre-14a, August 22, 2008**
Notice of Special Meeting of Shareholders to be held October 3, 2008 on Harbinger Control Share Acquisition
- CIFI/Alpha S4 Filing, August 12, 2008**
Joint proxy statement/prospectus

Other Relevant Information

- Cleveland-CIFI Investor Relations**
Corporate website archiving CIFI's news releases, investor presentations, financial data, and shareholder tools.
- Subscribe to CIFI Investor RSS Feed**
Receive the latest headlines and news releases from Cleveland-CIFI (RSS Feed Reader required).

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Shareholder Letter page

Reasons Behind Board of Directors' Recommendation Against Authorization of Control Share Acquis - Microsoft Internet Explorer

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Reasons to Vote Against Authorization of Control Share Acquisition

Below is a letter sent to all shareholders, outlining the Board of Directors' reasons to vote "Against" the Control Share Acquisition Proxy.

Fellow Shareholders of Cleveland-Cliffs Inc:

You should be aware that Harbinger Capital Partners is trying to gain approval for what would effectively be a blocking stake in the future strategic direction of your company at the special meeting of shareholders scheduled for October 3, 2008. After careful consideration, including consultation with financial and legal advisors, your Board of Directors unanimously recommends that Cliffs shareholders vote **AGAINST** the authorization of the control share acquisition.

Your vote is extremely important. To ensure that no single investor can acquire effective control over your company's future strategic decisions, we urge you to vote **AGAINST** the Control Share Acquisition proposal **TODAY** by completing, signing, dating and returning the **WHITE** proxy card and accompanying certification in the postage-paid envelope provided.

It is NOT in the Best Interests of ALL Cliffs Shareholders for a Single Investor to Effectively Control Your Company's Strategic Direction

Since major strategic transactions, such as mergers and acquisitions or a sale of Cliffs, require the approval of shareholders representing two-thirds of Cliffs' outstanding common stock, an acquisition of one-third of Cliffs' common stock effectively provides the acquiring person with control over such strategic decisions. By giving a single investor effective control, shareholders may forego other, value enhancing opportunities that your Board may recommend in order to build shareholder value.

Your Board believes that all Cliffs shareholders should have the opportunity to have their voices heard in connection with the approval of important corporate transactions. Providing a single investor with effective "veto" power over the strategic direction of the company would reduce the impact of the votes of all other Cliffs shareholders. By voting **AGAINST** the control share acquisition proposal, Cliffs shareholders will continue to have the opportunity to meaningfully impact the outcome of future strategic transactions.

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Your Board believes that all CDFS shareholders should have the opportunity to have their voices heard in connection with the approval of important corporate transactions. Providing a single investor with effective "veto" power over the strategic direction of the company would reduce the impact of the votes of all other CDFS shareholders. By voting **AGAINST** the control share acquisition proposal, CDFS shareholders will continue to have the opportunity to meaningfully impact the outcome of future strategic transactions.

Voting AGAINST the Control Share Acquisition Proposal Preserves the Right of All Shareholders to Have Their Vote Count on the Proposed Transaction with Alpha

As you may know, on July 15, 2008, CDFS entered into an agreement to acquire Alpha Natural Resources in a cash and stock transaction. Your Board firmly believes that CDFS and Alpha are an ideal combination that provides compelling value creation for both CDFS and Alpha shareholders.

Since announcing the transaction, the CDFS management team has been actively meeting with shareholders and analysts and we are pleased with the feedback we have received from the vast majority of our institutional shareholders. However, if a single investor were to acquire up to one-third of CDFS outstanding stock, it would have the power to veto the Alpha merger, no matter what other shareholders may want.

Harbinger is Offering Zero "Control" Premium


If authorization of the control share acquisition is obtained, Harbinger would have the ability to gain effective control without paying all shareholders a customary "control premium."

Protect Your Right to Have Meaningful Input on the Strategic Direction of Your Company

Your Board unanimously recommends that you vote **AGAINST** the control share acquisition proposal. To ensure that you will have a say in the future strategic direction of your Company, vote **AGAINST** the control share proposal **TODAY** by completing, signing, dating and returning the **WHITE** proxy card and accompanying certification in the postage-paid envelope provided.

Thank you for your support.

On behalf of the Board of Directors,



Joseph A. Canabba
Chairman, President and Chief Executive Officer
Cleveland-CDFS Inc.

[Learn how to vote your shares.](#)
[Read the Control Share Acquisition Proxy Statement.](#)
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CLIFFS

Cleveland-Cliffs Alpha Natural Resources

Please vote the **WHITE** proxy card today!
See below for complete instructions on how to vote "Against" the Control Share Acquisition Proxy.

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS OF CLEVELAND-CLIFFS INC FOR THE SPECIAL MEETING OF SHAREHOLDERS

UNDER SECTION 1701.631 OF THE OHIO REVISED CODE

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The undersigned hereby (i) appoints Tadi L. Forrester and James D. Graham, and each of them, with full power of substitution and resubstitution, attorneys and proxies of the undersigned to vote all of the outstanding shares of Cleveland-Cliffs Inc ("Cleveland-Cliffs") that the undersigned is entitled to vote, and with all the power that the undersigned would possess, if personally present, and/or (ii) directs T. Rowe Price Trust Company, as directed Trustee, to appoint Tadi L. Forrester and James D. Graham, and each of them, with full power of substitution and resubstitution, attorneys and proxies of the undersigned to vote all Cleveland-Cliffs common shares credited to the accounts of the undersigned in the Northshore Mining Company and Silver Bay Power Company Retirement Savings Plan (the "Plan") as of the Record Date, as directed hereon on the following matters, and, in their discretion, on any other matters that may properly be presented by Cleveland-Cliffs at the special meeting of Cleveland-Cliffs to be held on October 3, 2008 (the "Special Meeting"), or at any adjournment or postponement of the Special Meeting. To the extent that the Trustee has not received the directions from the undersigned by 5:00 p.m., Eastern Time, on September 29, 2008, with respect to any Plan shares, such Plan shares will not be voted at the Special Meeting.

If no directions are given, this proxy will be voted **AGAINST** the Control Share Acquisition.

* Please FOLD proxy card here and return in the envelope provided—DO NOT DETACH.

Mark Your Proxy "AGAINST"

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Date, as directed herein on the following matters, and, in their discretion, on any other matters that may properly be presented by Cleveland-Cliffs at the special meeting of Cleveland-Cliffs to be held on October 5, 2008 (the "Special Meeting"), or at any adjournment or postponement of the Special Meeting. To the extent that the Trustee has not received the directions from the undersigned by 5:00 p.m., Eastern Time, on September 26, 2008, with respect to any Plan shares, such Plan shares will not be voted at the Special Meeting.

If no directions are given, this proxy will be voted **AGAINST** the Control Share Acquisition.

Mark Your Proxy "AGAINST"

* Please fill in your name and return to the address provided - DO NOT DESTROY

CLEVELAND-CLIFFS BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST THE PROPOSAL SET FORTH BELOW

CONTROL SHARE ACQUISITION PROPOSAL: A resolution of Cleveland-Cliffs' shareholders authorizing the control share acquisition of Cleveland-Cliffs common shares pursuant to the acquiring person statement of Harbinger Capital Partners Master Fund L, L.S. and Harbinger Capital Partners Special Situations Fund, L.P. dated August 14, 2008.

AGAINST ABSTAIN FOR

Sign and Date Your Proxy

Print or type name of shareholder in full on each of the adjacent lines with the number of shares held under each name or "Control Share".

By _____ 2008
Signature _____
Signature (Print Name) _____
Title _____

CERTIFICATION AS TO ELIGIBILITY TO VOTE

As described in the Proxy Statement, the Ohio Control Share Acquisition Statute requires that the Control Share Acquisition be authorized by a vote of the majority of shares of Cleveland-Cliffs, Inc. ("Cleveland-Cliffs") to vote in the election of directors represented at the Special Meeting in person or by proxy, excluding any "interested shares." Any terms used but not defined herein shall have the meaning assigned to them in the Proxy Statement. For purposes of the Ohio Control Share Acquisition Statute, "interested shares" means the Cleveland-Cliffs shares in respect of which any of the following persons may exercise or direct the exercise of the voting power:

1. Harbinger or any of its Affiliates;

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CERTIFICATION AS TO ELIGIBILITY TO VOTE

As described in the Proxy Statement, the Ohio Control Share Acquisition Statute requires that the Control Share Acquisition be authorized by a vote of the majority of shares of Cleveland-Ciffs Inc ("Cleveland-Ciffs") to vote in the election of directors represented at the Special Meeting in person or by proxy, excluding any "Interested Shares." Any terms used but not defined herein shall have the meaning assigned to them in the Proxy Statement. For purposes of the Ohio Control Share Acquisition Statute, "Interested Shares" means the Cleveland-Ciffs shares in respect of which any of the following persons may exercise or direct the exercise of the voting power:

1. Harbinger or any of its Affiliates;
2. Any officer of Cleveland-Ciffs elected or appointed by the directors of Cleveland-Ciffs;
3. Any employee of Cleveland-Ciffs who is also a director of Cleveland-Ciffs;
4. Any person that acquires shares of Cleveland-Ciffs for valuable consideration August 14, 2008 and ending on the Record Date if (i) the aggregate consideration who acquired the shares, and any other persons acting in concert with the person, exceeds one-half of one percent of the outstanding shares of Cleveland-Ciffs, or (ii) the number of shares acquired by the person who acquired such acting in concert with that person, exceeds one-half of one percent of the outstanding shares of Cleveland-Ciffs; or
5. Any person that transfers such shares for valuable consideration to another person, if accompanied by the voting power of the transferor's blank proxy, as transferred, or otherwise.

(Please mark only one box)

not "Interested Shares" as defined in the Ohio Control Share Acquisition Statute.

OR

"Interested Shares" as defined in the Ohio Control Share Acquisition Statute.

If you own "Interested Shares" because you acquired more than \$250,000 of Cleveland-Ciffs shares or more than 0.5% of the outstanding shares of Cleveland-Ciffs between August 14, 2008 and the Record Date, please indicate in the following space the number of shares you acquired prior to August 14, 2008, which you continued to own as of the Record Date, and therefore will be entitled to vote in connection with the Second Majority Approval at the Special Meeting.

Number of shares acquired prior to August 14, 2008, which continue to be owned as of the Record Date: _____

If you checked the "Interested Shares" box but did not indicate how many eligible shares you own that were purchased prior to August 14, 2008, all of your shares will be considered "Interested Shares" and therefore will not be eligible to vote in connection with the Second Majority Approval at the Special Meeting.

→ If (i) no box is checked indicating whether shares represented by this proxy card are "Interested Shares," or (ii) both of the above boxes are checked, the shares represented by this proxy will be deemed to be "Interested Shares" and therefore ineligible to vote in connection with the Second Majority Approval, as described in the Proxy Statement.

By signing on the reverse side, you (i) instruct that the shares represented by this proxy card be voted as marked on the front side; (ii) certify whether or not your shares are "Interested Shares" as defined in the Ohio Control Share Acquisition Statute; and (iii) undertake to notify Cleveland-Ciffs if at any time after the Record Date you transfer shares entitled to vote in the election of directors, for valuable consideration, accompanied by the voting power in the form of a blank proxy, an agreement to vote as instructed by the transferee, or otherwise.

Check this box if your shares are "Not Interested Shares", or your shares will not be fully counted.

Done

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OR
 "Interested Shares" as defined in the Ohio Control Share Acquisition Statute.

If you own "Interested Shares" because you acquired more than \$250,000 of Cleveland-Ciffs shares or more than 0.5% of the outstanding shares of Cleveland-Ciffs between August 14, 2008 and the Record Date, please indicate in the following space the number of shares you acquired prior to August 14, 2008, which you continued to own as of the Record Date, and therefore will be entitled to vote in connection with the Second Majority Approval at the Special Meeting.

Number of shares acquired prior to August 14, 2008, which continue to be owned as of the Record Date: _____

If you checked the "Interested Shares" box but did not indicate how many eligible shares you own that were purchased prior to August 14, 2008, all of your shares will be considered "Interested Shares" and therefore will not be eligible to vote in connection with the Second Majority Approval at the Special Meeting.

➔ If no box is checked indicating whether shares represented by this proxy card are "Interested Shares," or if both of the above-boxes are checked, the shares represented by this proxy will be deemed to be "Interested Shares" and therefore ineligible to vote in connection with the Second Majority Approval, as described in the Proxy Statement.

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If you have questions about how to vote your shares or complete the required certification, or need additional assistance, please contact the firm assisting us in the solicitation of proxies:

Invisfree MBA Incorporated
Shareholders call toll-free: (877) 456-3507
Banks and Brokers call collect: (212) 750-5033

Important: We urge you not to sign any (COLOR) proxy card sent to you by Harbinger. If you have already done so, you have every legal right to change your vote by using the white proxy card to vote today.

Read the Control Share Acquisition Proxy Statement.
[Return to the Proxy main page.](#)

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