



STATE OF MINNESOTA

Office of Governor Tim Walz

75 Reverend Dr. Martin Luther King Jr. Blvd. ♦ Suite 130 ♦ Saint Paul, MN 55155-1611

February 1, 2021

Lourenco Goncalves
Chairman, President and Chief Executive Officer
Cleveland-Cliffs
200 Public Square, Suite 3300
Cleveland, OH
44114-2544

Dear Mr. Goncalves,

I am writing this letter out of concern about the future of two iron ore taconite operations—Minntac and Hibbing Taconite--on Minnesota's Iron Range and to request a call at your earliest convenience to discuss the challenges that these facilities face in the coming years. Both facilities are critical to the ongoing economic success of Minnesota's Iron Range--directly employing over 1700 workers collectively.

As you know, Hibbing Taconite has limited access to mineable ore reserves and is facing the possibility of closure in the coming years. While it is my understanding that Minntac has reliable reserves available for the immediate future, U.S. Steel has expressed interest in securing leases for additional high quality ore that would solidify the long-term options for the mine. Closure of any mine would be devastating to the individuals who work at the facility and to those in the surrounding community who depend on the mines.

I believe the continued success of both mines is possible. It is my understanding that there are mineable sources of additional ore in the immediate vicinity of both Minntac and Hibbing Taconite that are not currently owned or leased by the owner/operator of the mine to which the ore is most proximate. Minnesota needs leadership from our mining companies to work together on an approach that ensures the future success of both taconite operations. My agencies and I stand ready to provide assistance to U.S. Steel and Cleveland-Cliffs as they work towards a path forward.

While my staff had ongoing engagement with ArcelorMittal USA leadership about this issue, I am not aware that the challenges discussed have been resolved in the interim. With the recent acquisition of ArcelorMittal USA by Cleveland-Cliffs, I am hopeful that with your leadership a solution can be found that paves the way for a beneficial outcome for Minnesota's Iron Range. I look forward to your response and the opportunity to engage in discussions on how we can lay the groundwork for the continued success of both the Minntac and Hibbing Taconite mines.

Cleveland-Cliffs began mining iron ore in Minnesota over 100 years ago. The steel produced from that iron formed skyscrapers across the United States, became the backbone of the American automobile industry, and built the tanks and planes that won World War II. Minnesotans are proud of our shared history with Cleveland Cliffs and recognize this as a critical moment for ensuring that shared success continues for the next 100 years.

I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "T. J. Walz". The signature is fluid and cursive, with a large initial "T" and "J" followed by "Walz".

Tim Walz
Governor