CLIFFS NATURAL RESOURCES INC.

Form SC 13D/A January 12, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D (Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

(AMENDMENT NO. 2)*

CLIFFS NATURAL RESOURCES INC. (Name of Issuer)

COMMON SHARES (PAR VALUE \$0.125 PER SHARE)
(Title of Class of Securities)

185896107 (CUSIP Number)

JOEL B. PIASSICK
2100 THIRD AVENUE NORTH, SUITE 600
BIRMINGHAM, ALABAMA 35203
(Name, Address and Telephone Number of
Person Authorized to Receive Notices
and Communications)

JANUARY 8, 2009
(Date of Event which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box [_]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

IMPORTANT NOTE: THE SECURITIES SET FORTH IN THIS REPORT ARE DIRECTLY BENEFICIALLY OWNED BY HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD. AND/OR HARBINGER CAPITAL PARTNERS SPECIAL SITUATIONS FUND, L.P. (COLLECTIVELY, THE "FUNDS"). ALL OTHER ENTITIES AND PERSONS ARE INCLUDED WITHIN THIS REPORT DUE TO THEIR AFFILIATION WITH ONE OR BOTH OF THE FUNDS.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

	. 185896107			Page 2	2 of 17
		SCH	EDULE 13D		
 L	NAME OF REPORTING P	ERSONS			
	Harbinger Capital P	artners	Master Fund I, Ltd.		
 2	CHECK THE APPROPRIA	TE BOX I	F A MEMBER OF A GROUP		[_] [X]
 3	SEC USE ONLY				
 1	SOURCE OF FUNDS				
	WC				
 5	CHECK BOX IF DISCLO ITEMS 2(d) or 2(e)	SURE OF	LEGAL PROCEEDINGS IS REQU	IRED PURSU	JANT TO
					[_]
	CITIZENSHIP OR PLAC	E OF ORG	ANIZATION		
	Cayman Islands				
		7	SOLE VOTING POWER		
	NUMBER OF		-0-		
	SHARES	8	SHARED VOTING POWER		
BEN	EFICIALLY OWNED		7,902,754		
ВУ	EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		
	WITH	10	SHARED DISPOSITIVE POWE	R	
			7,902,754		
	AGGREGATE AMOUNT BE	NEFICIAL	LY OWNED BY EACH REPORTIN		
 L1	7 000 754				
 L1	7,902,754				
			AMOUNT IN ROW (11) EXCLUD	ES CENTAIL	A DIIWIYE'
	CHECK BOX IF THE AG	GREGATE			[_]
12 	CHECK BOX IF THE AG	GREGATE	AMOUNT IN ROW (11) EXCLUD D BY AMOUNT IN ROW (11)		[_]

CUSIP NO	0. 185896107			Page	 3 of 17
		SCHI	EDULE 13D		
. 	NAME OF REPORTING F	ERSONS			
	Harbinger Capital F	artners (Offshore Manager, L.L.C.		
?	CHECK THE APPROPRIA	ATE BOX II	F A MEMBER OF A GROUP	(a) (b)	[_] [X]
3	SEC USE ONLY				
 l	SOURCE OF FUNDS				
	AF				
5	CHECK BOX IF DISCLO	SURE OF	LEGAL PROCEEDINGS IS REQU	JIRED PURS	UANT TO
					[_]
					L J
 5	CITIZENSHIP OR PLAC	CE OF ORGA	ANIZATION		
5	CITIZENSHIP OR PLAC	EE OF ORG	ANIZATION		
5		CE OF ORGA	ANIZATION SOLE VOTING POWER		
	Delaware		SOLE VOTING POWER		
	Delaware NUMBER OF	7	SOLE VOTING POWER		
BE	Delaware NUMBER OF SHARES	7 8	SOLE VOTING POWER -0- SHARED VOTING POWER		
BE	Delaware NUMBER OF SHARES NEFICIALLY OWNED	7 8	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754		
BE	Delaware NUMBER OF SHARES NEFICIALLY OWNED EACH REPORTING	7 8 9	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER		
BE	Delaware NUMBER OF SHARES NEFICIALLY OWNED EACH REPORTING PERSON	7 8 9	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0-		
BE)	Delaware NUMBER OF SHARES NEFICIALLY OWNED EACH REPORTING PERSON WITH	7 8 9	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0- SHARED DISPOSITIVE POWE		
BE)	Delaware NUMBER OF SHARES NEFICIALLY OWNED EACH REPORTING PERSON WITH	7 8 10 CNEFICIAL	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0- SHARED DISPOSITIVE POWE 7,902,754 LY OWNED BY EACH REPORTIN		
BE) BY	Delaware NUMBER OF SHARES NEFICIALLY OWNED EACH REPORTING PERSON WITH AGGREGATE AMOUNT BE 7,902,754	7 8 10 ENEFICIAL	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0- SHARED DISPOSITIVE POWE 7,902,754	JG PERSON	

	6.96%				
14	TYPE OF REPORTING E	PERSON			
	00				
CUSIP	NO. 185896107			Page -	4 of 17
		SCH	EDULE 13D		
	NAME OF REPORTING E	PERSONS			
	HMC Investors, L.L.	.C.			
2	CHECK THE APPROPRIA	ATE BOX I	F A MEMBER OF A GROUP	(a) (b)	
3	SEC USE ONLY				
 1	SOURCE OF FUNDS				
	AF				
ō	CHECK BOX IF DISCLO	SURE OF 1	LEGAL PROCEEDINGS IS REQU	IRED PURS	UANT TO
					[_]
 5	CITIZENSHIP OR PLAC	CE OF ORG	ANIZATION		[_]
5	CITIZENSHIP OR PLAC	CE OF ORG	ANIZATION		[_]
		CE OF ORGA	ANIZATION SOLE VOTING POWER		[_]
					[_]
	Delaware		SOLE VOTING POWER		[_]
	Delaware NUMBER OF	7	SOLE VOTING POWER		[_]
	Delaware NUMBER OF SHARES	7 8	SOLE VOTING POWER -0- SHARED VOTING POWER		[_]
	Delaware NUMBER OF SHARES ENEFICIALLY OWNED	7 8	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754		[_]
	Delaware NUMBER OF SHARES ENEFICIALLY OWNED Y EACH REPORTING	7 8 9	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER		[_]
	Delaware NUMBER OF SHARES ENEFICIALLY OWNED Y EACH REPORTING PERSON	7 8 9	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0-		[_]
В	Delaware NUMBER OF SHARES ENEFICIALLY OWNED Y EACH REPORTING PERSON WITH	7 8 9	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0- SHARED DISPOSITIVE POWE		[_]
	Delaware NUMBER OF SHARES ENEFICIALLY OWNED Y EACH REPORTING PERSON WITH	7 8 9 10	SOLE VOTING POWER -0- SHARED VOTING POWER 7,902,754 SOLE DISPOSITIVE POWER -0- SHARED DISPOSITIVE POWE 7,902,754		[_]

13	PERCENT OF CLASS RE	PRESENTE	 D BY AMOUNT IN ROW (11)		
	6.96%				
14	TYPE OF REPORTING P	ERSON			
	00				
CUSIP N	0. 185896107			Page 	5 of 17
		SCH	EDULE 13D		
1	NAME OF REPORTING P	ERSONS			
	Harbinger Capital P	artners	Special Situations Fund,	L.P.	
2	CHECK THE APPROPRIA	TE BOX I	F A MEMBER OF A GROUP	(a) (b)	[_] [X]
3	SEC USE ONLY				
4	SOURCE OF FUNDS				
	WC				
5	CHECK BOX IF DISCLO	SURE OF	LEGAL PROCEEDINGS IS REQU	JIRED PURS	SUANT TO
					[_]
6	CITIZENSHIP OR PLAC	E OF ORG	ANIZATION		
	Delaware				
		7	SOLE VOTING POWER		
	NUMBER OF		-0-		
	SHARES	8	SHARED VOTING POWER		
BE	NEFICIALLY OWNED		7,059,514		
ВҮ	EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		
	WITH	10	SHARED DISPOSITIVE POWE		
			7,059,514		
11	AGGREGATE AMOUNT BE	NEFICIAL	LY OWNED BY EACH REPORTIN	NG PERSON	
	7,059,514				

12	CHECK BOX IF THE AG	GREGATE	AMOUNT IN ROW (11) EXCLUDE	ES CERTAIN	SHARES
					[_]
13	PERCENT OF CLASS RE	PRESENTE	D BY AMOUNT IN ROW (11)		
	6.22%				
14	TYPE OF REPORTING P	ERSON			
	PN				
CUSIP	NO. 185896107			 Page 6	of 17
		SCH	EDULE 13D		
1	NAME OF REPORTING P	ERSONS			
	Harbinger Capital P	artners	Special Situations GP, L.1	L.C.	
2	CHECK THE APPROPRIA	TE BOX I	F A MEMBER OF A GROUP	(a) (b)	[X]
3	SEC USE ONLY				
4	SOURCE OF FUNDS				
	AF				
5	CHECK BOX IF DISCLO	SURE OF	LEGAL PROCEEDINGS IS REQU	IRED PURSU <i>A</i>	ANT TO
					[_]
6	CITIZENSHIP OR PLAC	E OF ORG	ANIZATION		
	Delaware				
		7	SOLE VOTING POWER		
	NUMBER OF		-0-		
	SHARES	8	SHARED VOTING POWER		
Ι	BENEFICIALLY OWNED		7,059,514		
Ι	BY EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		
	WITH	10	SHARED DISPOSITIVE POWER	 R	
			7,059,514		
11	AGGREGATE AMOUNT BE	NEFICIAL	LY OWNED BY EACH REPORTING	 G PERSON	

	7,059,514				
12	CHECK BOX IF THE A	GGREGATE A	AMOUNT IN ROW (11) EXCLUDE	S CERTAIN	SHARES
					[_]
13	PERCENT OF CLASS R	EPRESENTEI	BY AMOUNT IN ROW (11)		
	6.22%				
14	TYPE OF REPORTING	PERSON			
	00				
CUSTP	 NO. 185896107			 Page 7	of 17
		SCHE	EDULE 13D		
1	NAME OF REPORTING	PERSONS			
	HMC - New York, In	c.			
2	CHECK THE APPROPRI	ATE BOX II	F A MEMBER OF A GROUP	(a) (b)	[_] [X]
3	SEC USE ONLY				
4	SOURCE OF FUNDS				
	AF				
5	CHECK BOX IF DISCL ITEMS 2(d) or 2(e)	OSURE OF I	LEGAL PROCEEDINGS IS REQUI	RED PURSUA	ANT TO
					[_]
6	CITIZENSHIP OR PLA	CE OF ORGA	ANIZATION		
	New York				
			SOLE VOTING POWER		
	NUMBER OF		-0-		
	SHARES	8	SHARED VOTING POWER		
В	ENEFICIALLY OWNED		7,059,514		
В	Y EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		
	WITH	10	SHARED DISPOSITIVE POWER		

7,059,514

11	AGGREGATE AMOUNT E	BENEFICIAL	LY OWNED BY EACH REPORTING	FERSON	
	7,059,514				
12	CHECK BOX IF THE A	GGREGATE A	AMOUNT IN ROW (11) EXCLUDE	ES CERTAIN	I SHARES
					[_]
13	PERCENT OF CLASS F	EPRESENTE	D BY AMOUNT IN ROW (11)		
	6.22%				
14	TYPE OF REPORTING	PERSON			
	CO				
CUSIP N	O. 185896107 	-		Page 8	of 17
		SCHI	EDULE 13D		
1	NAME OF REPORTING	PERSONS			
	Harbert Management	Corporati	ion		
2	CHECK THE APPROPRI	ATE BOX II	F A MEMBER OF A GROUP	(a)	
				(b)	[X]
3	SEC USE ONLY				
4	SOURCE OF FUNDS				
	AF				
5	CHECK BOX IF DISCI		LEGAL PROCEEDINGS IS REQUI	RED PURSU	JANT TO
					[_]
6	CITIZENSHIP OR PLA	CE OF ORG	ANIZATION		
	Alabama				
		7	SOLE VOTING POWER		
	NUMBER OF		-0-		
	SHARES	8	SHARED VOTING POWER		
BE	NEFICIALLY OWNED		7,059,514		
BY	EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		

	WITH	10	SHARED	DISPOSITI	VE POWER		
			7,059,5	514			
11	AGGREGATE AMOUNT	BENEFICIAL	LY OWNED	BY EACH R	EPORTING E	PERSON	
	7,059,514						
12	CHECK BOX IF THE	AGGREGATE .	AMOUNT IN	N ROW (11)	EXCLUDES	CERTAIN	SHARES
							[_]
13	PERCENT OF CLASS	REPRESENTE	D BY AMOU	JNT IN ROW	(11)		
	6.22%						
14	TYPE OF REPORTING	F PERSON					
	СО						
CUSTD NO	. 185896107					 Page 9	of 17
		SCH	EDULE 131)			
1	NAME OF REPORTING						
	Philip Falcone						
2		RIATE BOX I	 F A MEMBE	ER OF A GR	 OUP	 (a)	 [_]
						(b)	
3	SEC USE ONLY						
4	SOURCE OF FUNDS						
	AF						
5	CHECK BOX IF DISC	CLOSURE OF	 LEGAL PRO	CEEDINGS	 IS REQUIRE	ED PURSUA	ANT TO
	ITEMS 2(d) or 2(e	e)					
							[_]
6	CITIZENSHIP OR PI	LACE OF ORG	ANIZATION	Ŋ			
	U.S.A.						
		7	SOLE VO	OTING POWE	R		
	NUMBER OF		-0- 				
	SHARES	8	SHARED	VOTING PO	WER		
BEN	EFICIALLY OWNED		14.962.	. 268			

Е	BY EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		
	WITH	10	SHARED DISPOSITIVE POWE	lR	
			14,962,268		
11	AGGREGATE AMOUNT BEN	EFICIALI	LY OWNED BY EACH REPORTIN	IG PERSON	
	14,962,268				
12	CHECK BOX IF THE AGG	REGATE A	AMOUNT IN ROW (11) EXCLUD	ES CERTAI	N SHARES
					[_]
13	PERCENT OF CLASS REP	 RESENTEI	D BY AMOUNT IN ROW (11)		
	13.18%				
14	TYPE OF REPORTING PE				
	IN				
CUSIP	NO. 185896107			Page 1	10 of 17
		SCHI	EDULE 13D		
1	NAME OF REPORTING PE	RSONS			
	Raymond J. Harbert				
2	CHECK THE APPROPRIAT	E BOX II	F A MEMBER OF A GROUP	, ,	
				(b)	[X]
3	SEC USE ONLY				
4	SOURCE OF FUNDS				
	AF				
5	CHECK BOX IF DISCLOS	URE OF 1	LEGAL PROCEEDINGS IS REQU	JIRED PURST	JANT TO
	ITEMS 2(d) or 2(e)				
					[_]
6	CITIZENSHIP OR PLACE	OF ORGA	ANIZATION		
	U.S.A.				
		7	SOLE VOTING POWER		
	NUMBER OF		-0-		

	SHARES	8	SHARED VOTING POWER		
ВІ	ENEFICIALLY OWNED		14,962,268		
B	Y EACH REPORTING	9	SOLE DISPOSITIVE POWER		
	PERSON		-0-		
	WITH	10	SHARED DISPOSITIVE POWE	R	
			14,962,268		
11	AGGREGATE AMOUNT BENE	EFICIALI	LY OWNED BY EACH REPORTIN	G PERSON	
	14,962,268				
12	CHECK BOX IF THE AGGE	REGATE A	AMOUNT IN ROW (11) EXCLUD		N SHARES
					[_]
13	PERCENT OF CLASS REPR	RESENTEI	D BY AMOUNT IN ROW (11)		
	13.18%				
14	TYPE OF REPORTING PER	RSON			
	IN				
CUSIP N	NO. 185896107			Page	 11 of 17
CUSIP 1		SCHE	 EDULE 13D	Page	 11 of 17
			EDULE 13D	Page	11 of 17
	NO. 185896107		 EDULE 13D	Page	 11 of 17
1	NO. 185896107 NAME OF REPORTING PER Michael D. Luce CHECK THE APPROPRIATE	RSONS	F A MEMBER OF A GROUP	(a)	11 of 17
1	NO. 185896107 NAME OF REPORTING PER Michael D. Luce CHECK THE APPROPRIATE SEC USE ONLY	RSONS	F A MEMBER OF A GROUP	(a) (b)	[_] [x]
1	NO. 185896107 NAME OF REPORTING PER Michael D. Luce CHECK THE APPROPRIATE SEC USE ONLY	RSONS	F A MEMBER OF A GROUP	(a) (b)	[_] [x]
1	NO. 185896107 NAME OF REPORTING PER Michael D. Luce CHECK THE APPROPRIATE SEC USE ONLY	RSONS	F A MEMBER OF A GROUP	(a) (b)	[_] [X]
1	NO. 185896107 NAME OF REPORTING PERMICHAEL D. Luce CHECK THE APPROPRIATE SEC USE ONLY SOURCE OF FUNDS AF	RSONS BOX IF	F A MEMBER OF A GROUP	(a) (b)	[_] [x]
1 2 2 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	NO. 185896107 NAME OF REPORTING PERMICHAEL D. Luce CHECK THE APPROPRIATE SEC USE ONLY SOURCE OF FUNDS AF CHECK BOX IF DISCLOSE	RSONS BOX IF	F A MEMBER OF A GROUP	(a) (b)	[_] [x]
1 2 2 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	NO. 185896107 NAME OF REPORTING PERMICHAEL D. Luce CHECK THE APPROPRIATE SEC USE ONLY SOURCE OF FUNDS AF CHECK BOX IF DISCLOSE	RSONS BOX IF	F A MEMBER OF A GROUP	(a) (b)	[_] [X]

		7	SOLE VOTING POWER
	NUMBER OF		-0-
	SHARES	8	SHARED VOTING POWER
	BENEFICIALLY OWNED		14,962,268
	BY EACH REPORTING	9	SOLE DISPOSITIVE POWER
	PERSON		-0-
	WITH	10	SHARED DISPOSITIVE POWER
			14,962,268
11	AGGREGATE AMOUNT BEN	EFICIAL	LY OWNED BY EACH REPORTING PERSON
	14,962,268		
12	CHECK BOX IF THE AGG	REGATE	AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
			[_]
13	PERCENT OF CLASS REP	RESENTE	D BY AMOUNT IN ROW (11)
	13.18%		
14	TYPE OF REPORTING PE	RSON	
	IN		
	P NO. 185896107		Page 12 of 17

Item 1. SECURITY AND ISSUER.

This Amendment No. 2 to Schedule 13D ("Amendment No. 2") is being filed by the undersigned to amend the Schedule 13D filed by the Reporting Persons on July 17, 2008, as amended by Amendment No. 1 filed on August 14, 2008 (as amended, the "Schedule 13D") with respect to the Common Shares, \$0.125 par value per share (the "Shares"), of Cliffs Natural Resources Inc., an Ohio corporation (the "Issuer"). The address of the Issuer is 1100 Superior Avenue, Cleveland, Ohio 44114-2544.

Item 2. IDENTITY AND BACKGROUND.

No material change.

Item 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

No material change.

Item 4. PURPOSE OF TRANSACTION.

Item 4 of the Schedule 13D is hereby amended by adding the following after the last paragraph thereof:

"The Master Fund and the Special Fund (collectively, the "Funds") issued a press release on January 9, 2009 (the "Press Release") announcing, as part of their ongoing portfolio management and rebalancing, a reduction in their exposure to the Issuer in order to bring their position in the Issuer in line with current portfolio metrics and may continue to do so in the future, as conditions permit. The Funds stated that they maintain their conviction that the Issuer controls unique and valuable assets and believe that the Issuer will be one of the prime beneficiaries of the eventual economic recovery. The Funds further stated that although they have adjusted their stake in the Issuer, they maintain their commitment to support value-maximizing strategies at the Issuer and, as such, the Funds reserved their right to be in contact with members of the Issuer's management, members of the Board, shareholders and other relevant parties regarding alternatives that the Issuer could employ to maximize shareholder value. The Funds also stated that they reserve the right to repurchase Shares in the future if they deem it appropriate for their investors and should the Funds' portfolio metrics permit."

Item 5. INTEREST IN SECURITIES OF THE ISSUER.

Item 5 of the Schedule 13D is hereby amended by deleting paragraphs (a) and (b) thereof and replacing such items with the following:

"References to percentage ownerships of Shares in this Schedule 13D are based upon the 113,502,463 Shares stated to be outstanding as of October 27, 2008 by the Issuer in the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.

(a, b) As of the date hereof, the Master Fund may be deemed to be the beneficial owner of 7,902,754 Shares, constituting 6.96% of the Shares outstanding of the Issuer.

The Master Fund has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,902,754 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,902,754 Shares.

The Master Fund specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

(a, b) As of the date hereof, Harbinger Manager may be deemed to be the beneficial owner of 7,902,754 Shares, constituting 6.96% of the Shares outstanding of the Issuer.

Harbinger Manager has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,902,754 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,902,754 Shares.

Harbinger Manager specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

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(a, b) As of the date hereof, HMC Investors may be deemed to be the beneficial owner of 7,902,754 Shares, constituting 6.96% of the Shares

outstanding of the Issuer.

HMC Investors has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,902,754 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,902,754 Shares.

HMC Investors specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

(a, b) As of the date hereof, the Special Fund may be deemed to be the beneficial owner of 7,059,514 Shares, constituting 6.22% of the Shares outstanding of the Issuer.

The Special Fund has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,059,514 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,059,514 Shares.

The Special Fund specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

(a, b) As of the date hereof, HCPSS may be deemed to be the beneficial owner of 7,059,514 Shares, constituting 6.22% of the Shares outstanding of the Issuer.

HCPSS has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,059,514 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,059,514 Shares.

HCPSS specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

(a, b) As of the date hereof, HMCNY may be deemed to be the beneficial owner of 7,059,514 Shares, constituting 6.22% of the Shares outstanding of the Issuer.

HMCNY has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,059,514 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,059,514 Shares.

 $\,$ HMCNY specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

(a, b) As of the date hereof, HMC may be deemed to be the beneficial owner of 7,059,514 Shares, constituting 6.22% of the Shares outstanding of the Issuer.

HMC has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 7,059,514 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 7,059,514 Shares.

HMC specifically disclaims beneficial ownership in the Shares reported herein except to the extent it actually exercises voting or dispositive power with respect to such Shares.

- (a, b) As of the date hereof, Philip Falcone may be deemed to be the beneficial owner of 14,962,268 Shares, constituting 13.18% of the Shares outstanding of the Issuer.
- Mr. Falcone has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 14,962,268 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 14,962,268 Shares.
- Mr. Falcone specifically disclaims beneficial ownership in the Shares reported herein except to the extent he actually exercises voting or dispositive power with respect to such Shares.

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- (a, b) As of the date hereof, Raymond J. Harbert may be deemed to be the beneficial owner of 14,962,268 Shares, constituting 13.18% of the Shares outstanding of the Issuer.
- Mr. Harbert has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 14,962,268 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 14,962,268 Shares.
- Mr. Harbert specifically disclaims beneficial ownership in the Shares reported herein except to the extent he actually exercises voting or dispositive power with respect to such Shares.
- (a, b) As of the date hereof, Michael D. Luce may be deemed to be the beneficial owner of 14,962,268 Shares, constituting 13.18% of the Shares outstanding of the Issuer.
- Mr. Luce has the sole power to vote or direct the vote of 0 Shares; has the shared power to vote or direct the vote of 14,962,268 Shares; has sole power to dispose or direct the disposition of 0 Shares; and has shared power to dispose or direct the disposition of 14,962,268 Shares.
- Mr. Luce specifically disclaims beneficial ownership in the Shares reported herein except to the extent he actually exercises voting or dispositive power with respect to such Shares."
- (c) The trading dates, number of Shares purchased and sold and price per share for all transactions in the Shares by the Reporting Persons in the past sixty (60) days are set forth in Exhibit F."
- Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

No material change

- Item 7. MATERIAL TO BE FILED AS EXHIBITS.
 - Exhibit E: Joint Filing Agreement
 - Exhibit F: Transaction in the Common Shares of Cliffs Natural

Resources Inc.

Exhibit G: Press Release

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		IGNATURE
		d to the best of my knowledge and belief, I th in this statement is true, complete and
	HARB	INGER CAPITAL PARTNERS MASTER FUND I, LTD.
	By:	Harbinger Capital Partners Offshore Manager, L.L.C.
	Ву:	HMC Investors, L.L.C., Managing Member
	ву:	/s/ Joel B. Piassick
		Name: Joel B. Piassick Title: Executive Vice President
	HARB	INGER CAPITAL PARTNERS OFFSHORE MANAGER,
	Ву:	HMC Investors, L.L.C., Managing Member
	Ву:	/s/ Joel B. Piassick
		Name: Joel B. Piassick Title: Executive Vice President
	НМС	INVESTORS, L.L.C.
	Ву:	/s/ Joel B. Piassick
		: Joel B. Piassick e: Executive Vice President
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HARBINGER CAPITAL PARTNERS SPECIAL SITUATIONS

FUND, L.P. By: Harbinger Capital Partners Special Situations GP, LLC By: HMC - New York, Inc., Managing Member By: /s/ Joel B. Piassick Name: Joel B. Piassick Title: Executive Vice President HARBINGER CAPITAL PARTNERS SPECIAL SITUATIONS GP, LLC By: HMC - New York, Inc., Managing Member By: /s/ Joel B. Piassick Name: Joel B. Piassick Title: Executive Vice President HMC - NEW YORK, INC. By: /s/ Joel B. Piassick Name: Joel B. Piassick Title: Executive Vice President HARBERT MANAGEMENT CORPORATION By: /s/ Joel B. Piassick Name: Joel B. Piassick Title: Executive Vice President

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	/s/ Philip Falcone	

_____ Philip Falcone

/s/ Raymond J. Harbert ______ Raymond J. Harbert

/s/ Michael D. Luce
----Michael D. Luce

January 12, 2009

Attention: Intentional misstatements or omissions of fact constitute federal criminal violations (see 18 U.S.C. 1001)