



## **NORTH AMERICAN OPERATIONS**

### **United Taconite Mines**

#### **Statistical Information:**

*Previously EVTAC Mining Company, the operation produced its first pellets in 1965 and was idled in May 2003. The mine assets were purchased in December 2003 by Cleveland-Cliffs Inc (70%) and Laiwu Steel Group Ltd. (30%) of China. Cliffs is the managing agent. A unique aspect of this transaction is that Cleveland-Cliffs and its Wabush Mines venture partners entered into pellet sales and trade agreements with Laiwu in order to optimize shipping efficiency. Completion of a capital expansion in December 2004 increased production by one million tons per year, bringing the mine's annual rated capacity to 5.2 million gross tons per annum.*

#### **The numbers reported below are approximate as of December 31, 2006:**

- **Location:** Center of Minnesota's Mesabi Iron Range, mine located in Eveleth, Minnesota and processing facilities located in Forbes, Minnesota
- **Workforce:** 486 employees
- **Annual Payroll (including benefits):** \$46 million
- **Annual Local Services and Supplies:** \$138 million
  - Includes Annual Electric Power Purchase: \$19 million
- **Minnesota and Local Taxes:** \$9 million
  - Taconite Production Tax: \$8 million
- **Total Annual Local Economic Impact:** \$193 million

### **UNITED TACONITE FACILITY**

Type of Ore: Magnetite

Through 2006, the mine had produced 148,850,011 gross tons of pellets.

Pellet production began in 1965.

2006 Production: 4.3 million gross tons

2007 Production Estimate: At or near capacity

Annual Rated Capacity: 5.2 million gross tons

#### **The United Taconite Company is owned by:**

Cliffs Minnesota Mining Company—70%

Laiwu Steel Group Ltd. (China)—30%

***United Taconite is managed by Cleveland-Cliffs Inc***