

CLIFFS NATURAL RESOURCES INC.

Reported by
GALLAGHER DONALD J

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 08/03/05 for the Period Ending 08/02/05

Address	200 PUBLIC SQUARE STE. 3300 CLEVELAND, OH 44114-2315
Telephone	216-694-5700
CIK	0000764065
Symbol	CLF
SIC Code	1000 - Metal Mining
Industry	Metal Mining
Sector	Basic Materials
Fiscal Year	12/31

FORM 4

[] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**UNITED STATES SECURITIES AND EXCHANGE
COMMISSION
Washington, D.C. 20549**

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2008
Estimated average burden hours per response... 0.5

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public
Utility Holding Company Act of 1935 or Section 30(f) of the
Investment Company Act of 1940

1. Name and Address of Reporting Person * GALLAGHER DONALD J <small>(Last) (First) (Middle)</small> 1100 SUPERIOR AVENUE <small>(Street)</small> CLEVELAND, OH 44114 <small>(City) (State) (Zip)</small>	2. Issuer Name and Ticker or Trading Symbol CLEVELAND CLIFFS INC [CLF]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> X Officer (give title below) <input type="checkbox"/> Other (specify below) Executive VP, CFO & Treasurer
3. Date of Earliest Transaction (MM/DD/YYYY) <p align="center">8/2/2005</p>		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
4. If Amendment, Date Original Filed <small>(MM/DD/YYYY)</small>		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	8/2/2005		M		3300	A	\$37.8984	11352.012	D	
Common Stock	8/2/2005		S		800	D	\$77.56	10552.012	D	
Common Stock	8/2/2005		S		600	D	\$77.40	9952.012	D	
Common Stock	8/2/2005		S		1900	D	\$77.35	8052.012	D	
Common Stock								21522 ⁽¹⁾	I	By VNQDC ⁽²⁾

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Options (right-to-buy)	\$37.8984 ⁽³⁾	8/2/2005		M		3300		1/12/2003	1/12/2009	Common Shares	3300	\$0.00	3368	D	

Explanation of Responses:

- (1) Balance shown reflects 40 shares acquired June 1, 2005 pursuant to the dividend reinvestment feature of the Voluntary Non-Qualified Deferred Compensation Plan ("VNQDC") to shareholders of record as of May 20, 2005 and paid on June 1, 2005 at \$.10 per share.
- (2) Held for the benefit of the Reporting Person by the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan (VNQDC).
- (3) On December 31, 2004 the Company issued a 2-for-1 stock split. The stock split adjusted the original number of options left in the last report (3,334) to 6,668 options. The original conversion price of \$75.79688 was split in half to \$37.8984.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GALLAGHER DONALD J 1100 SUPERIOR AVENUE CLEVELAND, OH 44114			Executive VP, CFO & Treasurer	

SignaturesDonald J. Gallagher8/3/2005

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.