

Cline Mining Corporation

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NEWS RELEASE CLOSING OF \$6,000,000 PRIVATE PLACEMENT

October 25, 2004

NEX Symbol "CMK.H"

Sudbury, Ontario, October 25, 2004 – Cline Mining Corporation (the "*Company*") announces that further to its news release of September 29, 2004, it has now closed its private placement of 10,000,000 unit subscription receipts @ \$0.40/unit subscription receipt (\$4,000,000) and 4,009,500 flow-through share subscription receipts @ \$0.50/flow-through share subscription receipt (\$2,004,750).

The proceeds derived from this offering less allowable agent's expenses are being held in escrow pending graduation of the Company to Tier 1 or Tier 2 of the TSX Venture Exchange at which time each unit subscription receipt will automatically be converted into a unit (one share and ½ warrant) and each flow-through share subscription receipt will automatically be converted into a flow-through share, at no additional cost to the holder of the respective subscription receipts. In the event the Company does not graduate to the TSX Venture Exchange on or before December 30, 2004, then the proceeds plus applicable interest will be used by the Company to repurchase the subscription receipts for the applicable issue price thereof.

In connection with the closing of this offering, the Company has issued to the agent, Salman Partners Inc., 1,400,950 agent's warrants which are exercisable at the same price as the unit warrants, being \$0.50 per share for a period of 18 months from the date of issue. In addition, the Company will pay Salman Partners Inc. a cash commission of 8.5% of the gross proceeds of the Offering, payable out of the non-flow-through escrowed proceeds upon release of the escrowed proceeds.

All securities issued with respect to this offering are subject to a hold period expiring February 23, 2005.

Cline Mining Corporation

“Ken Bates”
President

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