



**CLINE ANNOUNCES \$6.8 MILLION PRIVATE PLACEMENT
THYSSENKRUPP – MITSUIMATSUSHIMA UP DATE**

Vancouver, July 5, 2005—Cline Mining Corporation (CMK-TSXV). Cline Mining Corporation announces that it is proceeding with a private placement financing of up to 5 million Units at a price of \$1.36 per Unit for total proceeds of \$6.8 million. Each Unit will comprise of one common share and one share purchase warrant which entitles the holder to purchase an additional common share at a price of \$0.75 per share for a period of one year from the date of issue of the warrants.

The Private Placement is to be taken up by ThyssenKrupp MinEnergy GmbH (ThyssenKrupp) of Germany and Mitsui Matsushima International Pty. Ltd, the Australian subsidiary of Mitsui Matsushima Co. Ltd. of Japan. Under the arrangements ThyssenKrupp is to take up 4 million of the Cline Units and Mitsui Matsushima International Pty. Ltd (Mitsui Matsushima) of Japan will take up 1 million Units. Mitsui Matsushima already own 3 million shares of Cline Mining Corporation.

The arrangements are consistent and in accordance with the announcements made by the Company on February 23, 2005 and April 29, 2005 with respect to the participation of ThyssenKrupp in the Company and its international coal marketing organization. Arrangements for the marketing and sale of the Company's coal mine products are in course of settlement with both the ThyssenKrupp and Mitsui Matsushima Groups.

The agreement is subject to requisite approvals by the Canadian regulatory authorities.

Cline Mining Corporation is a mine development company focused on the exploration and development of metallurgical coal in Canada for the international seaborne coal trade market. The Company website is at www.clinemining.com. Shares of the company trade on the TSX-Venture Exchange under the symbol CMK.

Cline Mining Corporation

"Ken Bates"

Ken Bates, President

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