



## FEASIBILITY STUDY COMPLETED ON LOSSAN COAL PROJECT

**Vancouver, British Columbia, January 13, 2006** – Cline Mining Corporation (the “Company”) (TSX: CMK) is pleased to announce that Norwest Corporation has delivered to the Company on December 23, 2005 a feasibility study (the “Study”) on the Lossan coal mine project (the “Lossan Coal Project”). The Lossan Coal Project is located in the Peace River Coalfield of northeastern British Columbia. Norwest Corporation is an independent engineering and consulting company. The environmental protection input and design contained in the Study was undertaken by Rescan Environmental Services Ltd.

The Study contemplates the production of 1,000,000 tonnes of saleable medium volatile bituminous pulverized coal injection (“PCI”) and metallurgical coking coal over a 14 year mine life.

The Study estimates total measured and indicated coal resources at the Lossan Coal Project of 186.1 million tonnes and total inferred coal resources at the Lossan Coal Project of 53.5 million tonnes as follows:

ASTM GROUP	IN-PLACE COAL RESOURCES ( MTONNES)		
	MEASURED	INDICATED	INFERRED
Medium Volatile Bituminous	108.8	77.3	53.5
<b>TOTAL</b>	186.1		53.5

The Study further estimates total proven and probable coal reserves at the Lossan Coal Project, which are utilized for the planned coal production from the above coal resource base, of 13.93 million tonnes as follows:

ASTM GROUP	CLEAN SALEABLE SURFACE MINEABLE COAL RESERVES (MTONNES)	
	PROVEN	PROBABLE
Medium Volatile Bituminous	8.96	4.97
<b>TOTAL</b>	13.93	

The Study contemplates a pre-tax net present value (“NPV”) for the Lossan Coal Project, using a 10% discount factor, of \$29.1 million, after repayment of invested capital, and a pre-tax internal rate of return on the invested capital (“IRR”) at the Lossan Coal Project of 19.8%, subject to future economic, cost, price and exchange rate sensitivities.

Among the key assumptions of the Study are a product yield of 74% being obtained, a waste to clean (product) coal strip ratio of 8.4:1 during the first two years of operation, increasing to an average of 10.2 bank cubic meters (BCM) of waste to one metric tonne of clean coal over the 14 year feasibility period, a project capital cost of approximately \$57 million, an average price of US\$80.00 per tonne of product PCI coal and US\$90.00 per tonne of product metallurgical coal and an exchange rate of CDN\$0.83 for US\$1.00.

The permitting process for the Lossan Coal Project is proceeding. Subject to regulatory approvals and coal sales contracts, construction and commissioning are scheduled to commence in the first quarter of 2007 and plant start up in mid-2007. An updated technical report for the Lossan Coal Project will be filed by the Company with the appropriate Canadian securities regulators within 45 days.

Statements in this press release, other than purely historical information, including statements relating to NPV, IRR, the Company's future plans and objectives or expected results constitute forward looking statements. Forward looking statements are based on numerous assumptions and are subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in mineral exploration and development. As a result, the results actually obtained by the Company will vary from those described in the forward looking statements and such variations may be material.

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](http://www.clinemining.com). Shares of the company trade on the Toronto Stock Exchange under the symbol CMK.

## **Cline Mining Corporation**

"Ken Bates"

### **Ken Bates, President and Chief Executive Officer**

Not for distribution to U.S. newswire services or for dissemination in the United States.

<b>Contacts:</b>	Ken Bates	Allan Taylor	Gordon Gormley	Jonathan Buick
	CEO	CFO	COO	Investor Relations
<b>Telephone:</b>	(416) 830-0709	(705) 560-8100	(604) 687-7789	(877) 748-0914 (416) 915-0915
<b>Fax:</b>		(705) 560-8521	(604) 687-7765	

**Head Office**  
530 Lasalle Boulevard  
Sudbury, Ontario  
P3A 1W9

**Vancouver Office**  
650 West Georgia Street  
Suite 2950, P.O. Box 11578  
Vancouver, B.C.  
V6B 4N8