



## FEASIBILITY STUDY COMPLETED ON LODGEPOLE COAL PROJECT

**Vancouver, British Columbia, January 24, 2006** – Cline Mining Corporation (the “Company”) (TSX:CMK) is pleased to announce that G.R. Technical Services Ltd. has delivered to the Company on **January 20, 2006**, a feasibility study (the “Study”) on the Lodgepole Coal Mine Project (the “Coal Project”). The Lodgepole Coal Project is located in the Crowsnest Coalfield of south eastern British Columbia. G.R. Technical Services Ltd. is an independent engineering and consulting company. The environmental protection input and design contained in the Study were undertaken by EBA Engineering Consultants Ltd.

The Study contemplates the production of 2,000,000 tonnes of saleable low volatile bituminous pulverized coal injection (“PCI”) coal over a 20 year mine life.

The Study estimates total measured and indicated in-place coal resources at the Coal Project of 154.572 million tonnes and total inferred coal resources at the Lodgepole Coal Project of 3.228 million tonnes as follows:

ASTM GROUP	IN-PLACE COAL RESOURCES (Million Tonnes)		
	MEASURED	INDICATED	INFERRED
Low Volatile Bituminous	105.878	48.694	3.228
<b>TOTAL</b>	154.572		

The Study further estimates total proven and probable coal reserves for the Coal Project, which are utilized for the planned coal production from the above coal resource base, of 40.599 million tonnes as follows:

ASTM GROUP	CLEAN SALEABLE SURFACE MINEABLE COAL RESERVES (Million Tonnes)	
	PROVEN	PROBABLE
Low Volatile Bituminous	35.532	5.067
<b>TOTAL</b>	40.599	

The Study contemplated a pre-tax net present value (NPV) for the Coal Project (using a 10 % discount factor) of \$ 274.5 million; after repayment of invested capital, and a pre-tax internal rate of return on the invested capital (IRR) at the Coal Project of 29.6 % subject to future economic, cost, price and exchange rate sensitivities.

Among the key assumptions of the Study are a product yield of 65 % being obtained, a waste to clean (product) coal strip ratio of 5.8:1 during the first five years of operation, increasing to an average of 8.0 bank cubic meters (BCM) of waste to one metric tonne of clean coal over the 20 year feasibility period, a project capital cost of approximately \$154.8 million, an average price of US\$ 85.00 per tonne of product PCI coal and an exchange rate of CDN\$ 0.83 for US\$ 1.00.

The permitting process for the Coal Project is proceeding subject to regulatory approvals and coal sales contracts, construction is scheduled to commence at the start of 2007 and plant commissioning in the last quarter of 2007. An updated technical report for the 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**

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