



CLINE ACQUIRES NEW ELK COAL MINE RIGHTS

Sudbury, Ontario, July 12, 2007. Cline Mining Corporation (“Cline” or the “Company”) (TSX: **CMK**) is pleased to announce that it has entered into an Agreement with New Elk Coal Company LLC (“New Elk Company”) under which Cline has acquired the right to purchase all of the existing mine and assets of the New Elk coal mine property which is located near the town of Trinidad in Los Animas County, Colorado, U.S.A. The total acquisition, capital and refurbishment costs for the mine have been estimated by the Company to be approximately \$50 million and includes assumption of the current reclamation bond, and a royalty of U.S.1.00 per tonne of coal mined and sold by Cline. The arrangements include the right of Cline to review and evaluate the data bank and economic projections and complete a due diligence examination during the next ninety day period.

The New Elk Mine was opened in 1951 by CF&I Steel Company to provide metallurgical coal for its iron and steel blast furnace plant at Pueblo, Colorado, which was converted to an electric steel furnace operation after 1982. The New Elk Company reports the continued operation of the Mine through 1989, and the coal preparation plant, which was built in 1984 to increase product coal specifications, continued until 1996.

The New Elk Company property includes a comprehensive data and asset base, including historical and recent engineering reports with respect to coal resources, product qualities, mine headframe, shafts and access, workings, the coal preparation plant, coal rail load-out, continuous miners, roof bolters, electrics and long wall miner. The New Elk Coal Company Business Plan Report identifies 184 million tons of raw recoverable coal of which 137 million tons (non NI 43-101 Compliant). is clean saleable coal, contained in several seams with an average seam thickness of 7 to 8 feet. The coal is saleable as a high quality metallurgical coking coal for export to steel makers, or as a thermal coal for sale to local electric power generation stations.

The data and information in this news release has been taken from engineering reports on the mine prepared by JMC Engineering LLP, Peak Project Management LLP, Charles W. McLothlin P.E., Mining Consultant, Thomas Dupree, Geological Consultant and John T. Boyd Company, Mining Consultant. Cline proposes to commission a NI 43-101 Report on the mine.

The Company cautions that the resources referred to above are based on historical assumptions and were compiled prior to the adoption of NI 43-101 and therefore are not compliant with NI 43-101 requirements. While Cline believes these historical results provide an indication of the potential of the property, the Company has not independently analyzed the findings of the reports and no reliance should be placed on the findings of such reports.

Cline Mining Corporation is a mine development company focused on the exploration and development of uranium and iron-ore in Madagascar, gold in Canada and metallurgical coal in Canada for the international seaborne coal trade market. The Company website can be located at www.clinemining.com

CLINE MINING CORPORATION

"Ken Bates"

Ken Bates, President and Chief Executive Officer

Contacts:	Ken Bates, CEO	Allan Taylor, CFO
Telephone:	(647)-294-0102 Mobile	(705) 560-8100 Office
Email:	cline@istar.ca	allan.taylor@clinemining.com
Fax:		(705) 560-8521
Head Office		Vancouver Office
2008 Lasalle Boulevard		650 West Georgia Street
Suite 4		Suite 2950, P.O. Box 11578
Sudbury, Ontario		Vancouver, B.C.
P3A 2A5		V6B 4N8