



CLINE MINING NEW ELK COAL MINE DEVELOPMENT

Toronto, Ontario, Canada June 16, 2009. Cline Mining Corporation (“Cline” or the “Company”) (TSX:CMK) announces that the mine re-opening, plant and site refurbishment and development to commercial production of its New Elk metallurgical coal mine located in southern Colorado, U.S.A. continues to proceed as planned. The requisite ongoing approvals and authorizations for the present important mine re-opening phase are issued as required, and the company’s operational activities monitored on site at this stage, by the Colorado Mine Safety and Health Administration (MSHA).

The Company has now opened both the east and west mine ventilation air shafts located at the east and west Mine Portal accesses to the New Elk Coal Mine and has completed the installation of the Ventilation Fans which are confirmed as operative. The Air Shafts are adjacent to the east and west mine portal ramp accesses into the mine, and located about 1.5 kilometers apart on the coal seams. The opening of the mine air ventilation shafts and installation and testing of the Ventilation Fan system was carried out by the Company with the requisite MSHA approval and on-site supervision. Completion of the dewatering process at the eastern portal area, breaking of the seals to both portals and ventilation of the complete mine to fully compliant air quality mining operational standards is expected to be achieved during the remainder of this month

As previously reported, the New Elk mine is designated an ‘Active’ coal mine and full regulatory compliance is strictly observed in all operations and activities. The completion of Phase I and full miner access to the mine had previously been anticipated to occur during May and is now scheduled for June; the delay being due to extra diligence and time taken to ensure regulatory compliance requirements. Upon completion of Phase I New Elk will enter and inspect the mine, roadways and coal seams, confirm conditions, the mine plan and recommence coal mining, subject to final regulatory approval of the formal New Elk mine plan and completing installation of the mining and handling equipment and production facilities.

New photographs of the mine surface installations, plant site and infrastructures and the Phase I work which are now installed can be seen on the Company’s website at clinemining.com

The New Elk Coal mine assets include a coal preparation plant with a designed production capacity of 550 tons per hour, product coal silos and rail load-out, buildings, railway right of way, surface real estate, mining equipment, conveyor systems, electrics, underground workings with mine portal access from the plant site, mine permit and coal waste dump. The mine is accessed directly by paved highway from the town of Trinidad, southern Colorado.

Cline continues with its plan to bring the New Elk coal mine back into commercial production as soon as possible. On completion of the full capital and refurbishment program the coal plant and mine is planned to eventually have the capacity to produce 3 million tons of high quality metallurgical steel making coal per annum. The mine is also capable of producing high-quality thermal coal. The management plan is to recommence initial coal production in 2009 at the annual rate of 500,000 tons of coal following completion of Phase I. The plan is to utilize as much of the existing infrastructure as possible, this includes refurbishment of the existing mine equipment, including the underground coal haulage rail system, and re-installation of new in-mine coal conveyors and the mine electric power system. Refurbishment of the surface coal plant will be a part of the work to bring the mine back into full commercial production. Coal production is planned to increase systematically with the re-installation of the steel railway line on the right of way from the mine connecting to the Burlington Northern Railroad system at the local town of Trinidad. The BNR is able to service continental customers as well as export coal terminals on both the U.S. coasts to reach the global sea-borne trade. The initial coal production tonnage and sales will be delivered to market in trucks to the BNR rail head; the production and sales plan calls for the increase to the present plant design capacity to 3 million tons a year by year three with the re-installation by New Elk Coal of the rail line to the major railroad carriers from the coal plant to provide unit train service from the existing New Elk mine load-out.

Cline is presently in discussions with financial institutions and financially interested groups with a view to raising on-going financing to bring New Elk into commercial production at its full planned rate of 3 million tons

of coal annually, as described. The Company has sufficient funds for its immediate purpose and is now providing for its near future and continuing requirement.

The New Elk Coal coal property contains 315,000,000 tons of National Instrument 43-101 (“NI 43-101”) compliant in-place metallurgical steel making and thermal grade coals, which are detailed in the May 2008 43-101 Technical Report from Behre Dolbear & Company Ltd. to Cline. Mr. Gardar G. Dahl Jr. C.P.G. is the NI 43-101 Qualified Person for the Report. The complete NI 43-101 is available on the Cline website www.clinemining.com and on SEDAR at www.sedar.com.

About Cline Mining

In addition to New Elk Coal, Cline has significant additional metallurgical coal property interests in British Columbia, Canada with Canadian Instrument 43-101 compliant independent Technical Reports. The total 43-101 reported measured, indicated and inferred coal in the Cline Canadian coal resources and in New Elk Coal exceeds 800 million tonnes. Cline Mining Corporation is a mine development company focused on the exploration and development of metallurgical steel making coals in Canada and the U.S. iron ore in Madagascar and gold in northern Ontario, Canada.

CLINE MINING CORPORATION

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Forward Looking Information

All statements, other than statements of historical fact, contained in this news release, including any information as to the Company’s current expectations with respect to the potential acquisition and future development of the New Elk Coal Properties, constitute “forward-looking information” within the meaning of applicable securities laws. Words such as “intend”, “may”, “will”, “plan”, “potential” or similar words suggesting future outcomes identifies forward looking information, which is, by its very nature, not a guarantee of Cline’s future operational or financial performance, and are subject to risks and uncertainties, both known and unknown, as well as other factors that could cause the Company’s actual results to differ materially from those expressed or implied in any forward-looking information made by, or on behalf of, the Company. Readers are cautioned not to place undue reliance on forward- looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be inaccurate. These factors include, but are not limited to: uncertainty related to the Company’s title to its properties; liabilities inherent in coal mine development and production; geological, mining and processing technical problems; the Company’s inability to obtain required mine licenses, mine permits and regulatory approvals required in connection with mining and coal processing operations; dependence on third party coal transportation systems; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; changes in commodity prices and exchange rates; changes in steel-making methods and other technological changes; the oversupply of, or lack of demand for, metallurgical coal; currency and interest rate fluctuations; various events which could disrupt operations and/or the transportation of coal products, including labour stoppages and severe weather conditions; the demand for and availability of rail, port and other transportation services; the other factors discussed under “Risk Factors” in Cline’s 2007 Annual Information Form; and management’s ability to anticipate and manage the foregoing factors and risks. Information relating to the magnitude or quality of mineral deposits is deemed to be forward-looking information.

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The reliability of such information is affected by, among other things: uncertainty of estimates of their size or composition; uncertainty of projections relating to costs or production, transportation or estimates of market prices for products; the possibility of delays in mining activities; changes in plans with respect to exploration, development projects or capital expenditures; and various other risks including those relating to health, safety

and environmental matters. The Company cautions that the list of factors set forth above is not exhaustive. Some of the risks, uncertainties and other factors which negatively affect the reliability of forward-looking information are discussed in the Company's public filings with the Canadian securities regulatory authorities, including its most recent management information circular, annual report, quarterly reports, material change reports and news releases. Copies of the Company's Canadian public filings are available at www.sedar.com. The Company further cautions that information contained on, or accessible through, this website is current only as of the date of such information and may be superseded by subsequent events or filings. Except as required by applicable securities laws, the Company undertakes no obligation to update publicly or otherwise revise any information, including any forward-looking information, whether as a information, future events or other such factors that affect this information.

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