



Cline New Elk Coal Mine Approvals

Toronto, Ontario, Canada, January 5, 2012 – Cline Mining Corporation (TSX: CMK) (“Cline” or the “Company”) is pleased to report that further to its news release of December 30, 2011, New Elk Coal Company (“New Elk”), a wholly-owned subsidiary of Cline, received the last regulatory approval required for room and pillar mining in the Blue Seam on January 3, 2012. Regulatory approval had previously been granted for mining the Allen seam. Accordingly, all approvals are now in place for mining in both seams in accordance with the mining plan at the New Elk Coal Mine in Las Animas County, southern Colorado.

As contemplated in the previous news release, New Elk continues to implement its first phase plan with a view to bringing the New Elk Coal Mine into full commercial production of high quality metallurgical coke making coal at a rate of 3.0 million tons of saleable coal annually during its initial 20-year mine project plan period. The full planned production rate is to be attained during the first half of 2012. Saleable coal production during calendar year 2012 is projected at 2.5 million tons, with production in the years 2013 and annually thereafter at the rate of 3.0 million tons. These projections are subject to any unforeseen, unexpected and unanticipated delays or events, including the receipt of normal ongoing regulatory permits and approvals, which could affect production or alter timelines.

Dennis Z. Mraz, P.Eng., Chief Operating Officer of Cline, is a Qualified Person within the meaning of NI 43-101 and is responsible for the technical content of this news release.

About Cline: Cline has metallurgical coal property interests in British Columbia, Canada and in Colorado, U.S.A. with NI 43-101 compliant independent Technical Reports. 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 from its Cline Lake Gold Mine Property in northern Ontario, Canada.

CLINE MINING CORPORATION

Ken Bates, President and Chief Executive Officer

Forward-Looking Information

This news release may contain forward-looking statements (including "forward-looking information" within the meaning of applicable Canadian securities laws), including without limitation, the magnitude or quality of mineral deposits, and the economic assessment and estimates regarding the mine life of the New Elk Coal Mine. The timing of drilling and work recommended by the 2011 Technical Report is based on current internal expectations, factors and assumptions, which may prove to be incorrect. Such forward-looking statements necessarily involve known and unknown risks and uncertainties that are common to junior mineral exploration companies. These risks and uncertainties include, among other things, the Company's need for additional funding to continue its exploration efforts, changes in general economic, market and business conditions, and competition for, among other things, capital and skilled personnel. Other risk factors and assumptions are discussed under "Risk Factors" in Cline's Annual Information Form for its 2010 financial year end, and include management's ability to anticipate and manage risk factors. These statements are not a guarantee of future performance and undue reliance should not be placed on them. The Company undertakes no obligation to update or revise any forward-looking statements except as required by applicable laws. Copies of the Company's public filings under applicable Canadian securities laws 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 filing such information and may be superseded by subsequent events or filings.

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