



CLINE MINING AMENDS WARRANT EXERCISE PRICE AND ISSUES NEW WARRANTS TO BONDHOLDERS

Toronto, Ontario, Canada -- January 11, 2013. Cline Mining Corporation ("Cline" or the "Company") (TSX:CMK) announced that today it has amended the exercise price of the 10 million warrants (the "Existing Warrants") previously issued to certain of its bondholders and has issued 1,400,000 new warrants (the "New Warrants") to the bondholders as part of the financial restructuring of the Company announced on December 27, 2012. The exercise price for the Existing Warrants, which expire on May 14, 2015, has been changed from CDN\$1.15 to CDN\$0.09 per common share, which was the weighted average trading price of Cline's common shares on the Toronto Stock Exchange for the five trading days preceding December 24, 2012, the date of the agreement providing for the restructuring. The New Warrants also have an exercise price of CDN\$0.09 per common share and will expire on January 11, 2016.

About Cline

Cline has metallurgical coal property interests in British Columbia and in Colorado, U.S.A. with NI 43-101 independent Technical Reports. Cline is focused on the exploration and development of metallurgical steel making coals in Canada and the U.S., and on its iron ore property in Madagascar and its Cline Lake gold property in northern Ontario, Canada.

Forward-Looking Statements

This press release contains forward-looking statements (including "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995) relating to, among other things, the operations of the Company, the environment in which it operates and the Company's future financial and operating performance. Generally, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Such statements are based on assumptions, estimates, forecasts and projections made in light of the trends, conditions and expected developments that are considered to be relevant and reasonable in the circumstances at the date that such statements are made. Forward-looking statements are not guarantees of future performance and such information is inherently subject to known and unknown risks, uncertainties and other factors that are difficult to predict and may be beyond the control of the Company. A number of factors and assumptions may cause actual results, level of activity, performance or outcomes of the Company to be materially different from those expressed or implied by such forward-looking statements including, without limitation, the future price of coal, industry market trends and predictions, the estimation of mineral reserves and resources, capital, operating and exploration expenditures, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and regulatory matters and other risks set forth in other public filings of the Company. Consequently,

undue reliance should not be placed on such forward-looking statements. In addition, all forward-looking statements in this press release are given as of the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, save and except as may be required by applicable securities laws.

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