



\$10.7 MILLION CAPITAL RAISE COMPLETE

Corporate Information

ASX Code	CDG
Quoted shares	112.4 million
Total shares	158.7 million
Unlisted options (20c)	34.8 million

Board and Management

Chairman - Donald C. Bailey
Managing Director - David Mendelawitz
Finance Director - Aaron Finlay
Non-Exec Director - Jim Williams
Non-Exec Director - Russell Scrimshaw

Contact

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Perth, WA, 22 August 2012: Cleveland Mining Company Ltd (ASX: CDG) is pleased to announce that it has completed a private placement of approximately 16.9 million new ordinary shares raising approximately \$10.7 million before costs.

The Company will issue approximately 8.1 million new ordinary shares to sophisticated, professional and institutional investors at \$0.62 per share to raise approximately \$5.03 million.

As announced on 20 August 2012, as part of this placement, BC Iron will take approximately 8.8 million new ordinary shares, representing 5% of the total ordinary shares on issue post this placement in Cleveland Mining Company Ltd. at the price of A\$0.642 per share, or approximately \$5.64m.

The new issue will rank equally with existing Cleveland ordinary shares quoted on the ASX.

The funds raised will be used for:

- facilities and equipment at the Premier Gold Mine relating to the mining and production of gold including the fabrication and installation of CIL plant;
- augmenting working capital requirements; and
- meeting the reasonable contributions under the BCI Strategic Alliance.

This placement uses a proportion of the available 15% capacity of the Company's issued capital prior to the placement, pursuant to ASX Listing Rule 7.1.

Managing Director, David Mendelawitz, said that, "the Company is very pleased to have BC Iron as a significant participant in this placement and as a strategic JV partner to co-develop new iron ore projects in Brazil. The Company will now be moving forward with stage 2 at the Premier Gold Mine, where the Company plans to boost production by installing a CIL circuit."

The Company expects that the trading halt currently in place with ASX will now be lifted to allow trading to recommence from the market opening on 22 August 2012.

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About Cleveland Mining

Cleveland Mining is an Australian-managed, publicly-listed minerals company, squarely focused on developing projects to owner-operate. Cleveland has three distinct project hubs:

- 1) The Crixás Hub, Goiás State, central Brazil. Projects: The Premier Gold Mine JV, O Capitão, Baú, Guarinhos, Pantera – Gold-focused
- 2) The Amapá Hub, Amapá State, northern Brazil. Projects: Ferradura, Porto Grande and Lebre – Iron ore-focused
- 3) The Canela Hub, central Chile. An small portfolio of projects between La Serena and Santiago – Gold/Copper-focused

The Company's most advanced project is the Premier Gold Project, which is currently being commissioned for mining. Cleveland also has promising exploration results for projects in all three hubs.

Cleveland has a different approach to project selection, with project economics driving target selection. Geological prospects, local costs and infrastructure are rigorously scrutinised before entering into a project. Projects are chosen according to their potential to generate returns at the bottom of the economic cycle, with Cleveland only operating in areas backed by legislation and government that can provide stable and transparent operating environments.

Investor and Media Contact

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Forward-looking Statements

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward looking statements. These forward looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this ASX update. Readers are cautioned not to put undue reliance on forward looking statements.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information reviewed by David Mendelawitz, who is a Fellow of the AusIMM. Mr Mendelawitz has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mendelawitz consents to the inclusion of the matters based on his information in the form and context in which it appears. Mr Mendelawitz is employed by Cleveland Mining Company Ltd.