

5 April 2007

CHURCHILL MINING PLC
("Churchill" or "the Company")

Discovery made at East Kutai coal project in Kalimantan, Indonesia

Highlights:

- *Discovery made in exciting new coal region*
- *8 out of 10 holes drilled intersect coal*
- *Best intercepts include coal seams of 19.25m, 13.8m and 9.35m thickness*

Churchill Mining Plc (AIM: CHL) announces that the Company's maiden drill programme at the East Kutai coal project in Kalimantan, Indonesia, has discovered occurrences of thermal coal in multiple seams.

The Company has drilled 10 holes, eight of which intersected coal seams greater than (or equal to) 0.5 metres in thickness. Best intercepts included 19.25 metres in drill hole RP-003 from 26.25m to 45.50m; RP-008 which intersected 13.80m of coal from 25.10m to 38.90m; and RP-006 which intersected 9.35m of coal between 22.00m and 31.35m. Apart from the high success rate of coal intercepts, the programme was notable because seven out of the 10 holes also intersected multiple coal seams. A full summary of the programme's results is set out below:

Coal Intercepts				Hole Details	
Hole	From (m)	To (m)	Thickness	Hole Depth	Inclination
RP-001	66.3	66.8	0.5	100.00m	-90
RP-002	15.4	17.7	2.3	100.00m	-90
	78.2	81.9	3.7		
RP-003	26.25	45.5	19.25	71.00m	-45
	45.8	46.75	0.95		
RP-004	31.25	34.9	3.65	70.00m	-45
	35.25	36.7	1.45		
RP-005	Nil			70.00m	-45
RP-006	22	31.35	9.35	50.00m	-45
	31.75	34.3	2.55		
RP-007	17.4	21.5	4.1	70.00m	-45
	53.6	54.9	1.3		
RP-008	23.6	24.6	1	53.00m	-45
	25.1	38.9	13.8		
	39.6	42	2.4		
RP-009	24.25	26.5	2.25	38.00m	-45
	26.8	27.7	0.9		
RP-010	Abandoned before target			40.00m	-45

Drill core taken from the project was subsequently sent for analysis at Intertek Caleb Brett's

laboratory in Samarinda, East Kalimantan. The provisional results from those samples tested so far indicate the coal type to be sub-bituminous with calorific values (air dried basis) ranging from 4,542-5,506 kcal/kg (average 5,096 kcal/kg), a total sulphur range of 0.10-0.22% (average 0.14%), an ash range of 1.82-15.86% (average 6.58%) and an inherent moisture content of between 11.96-21.44% (average 17.47%).

“We are encouraged by the low sulphur, low ash nature of the coal being intersected at East Kutai which is now finding new markets both as a primary coal and a blending stock,” Paul Mazak, Joint Managing Director of Churchill Mining, said. “It is still early days but we are delighted we’ve hit such solid thicknesses and repetitions of coal in our first programme.”

The drilling programme at East Kutai is being conducted as part of verification work being undertaken by Churchill designed to test the quality and continuity of coal outcrop targets identified in field work by the Company’s consulting groups PT Rimenco Geological and Mining Services and GMT Indonesia. Churchill has signed a 12-month Exclusivity Agreement with the owners of the East Kutai project, PT Techno Coal Utama.

The East Kutai project area covers approximately 399 square kilometres made up of two blocks and is situated 110 kilometres northwest of the main population centre of Sangatta in the Regency of East Kutai. The Regency of East Kutai’s coal prospectivity has been re-evaluated by several companies in recent times. The catalyst for the renewed interest is a discovery called Pakar, made by a private Indonesian group, which is located approximately 55 kilometres south-west of Churchill’s ground. The Pakar project, as of December 2006, had a JORC compliant resource of 3.3 billion tonnes of thermal coal.

Churchill currently has two drill rigs working at East Kutai and plans to add a third machine shortly. The rig is being relocated from the Company’s Sendawar project (also in Kalimantan) where the Company is preparing an extensive ground resistivity programme to refine targets for drilling later this year.

The Company maintains an active sourcing programme for coal exploration and mining opportunities in both Indonesia and elsewhere and will continue to examine more projects throughout 2007.

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*Blue Oar Securities Plc was formerly Corporate Synergy Plc and acts as Nominated Adviser to Churchill.

In accordance with the AIM Guidelines for Mining Companies, Mr Brett Gunter, of PT GMT Services, is the qualified person that has reviewed the technical information contained in this release.

Notes to editors

Churchill Mining Plc listed on AIM in April 2005. Its principle operations are the South Woodie Woodie manganese project in Australia and the Sendawar and East Kutai coal projects in Indonesia.

South Woodie Woodie

The South Woodie Woodie project covers approximately 490 square kilometres in the East Pilbara region of Western Australia. Owned via Churchill Mining’s wholly-owned subsidiary, Planet Mining Pty Ltd, the project

sits approximately 400km southeast of Port Hedland in the highly prospective Pilbara manganese province. Churchill owns the project 100%. To date much of the project area has never been explored due to the presence of surface cover. Churchill has conducted a versatile time-domain electromagnetic (VTEM) geophysics survey to define targets for drilling. VTEM is a leading heli-borne technology that can detect conductive mineralization and related structures to depths of 400m below surface.

Sendawar

The Sendawar project in Kalimantan, Indonesia, covers more than 1,000 square kilometres of prospective ground and lies in close proximity to two operating open-cut mines: Thai miner Banpu's newly commissioned Trubaindo operation, which will shortly be producing at a rate of approximately six million tonnes per annum (tpa); and the privately-owned Gunung Bayan mine which has been operating since 1998 and produces approximately 3.4 million tpa. Coal from these mines is transported by barge via the Mahakam River to the port of Samarinda. The Sendawar project is located approximately 50km from the Mahakam River.

East Kutai

Churchill announced on 15 February 2007 that it had signed an Exclusivity Agreement with PT Techno Coal Utama to enable it to conduct due diligence work on the thermal coal project, the preliminary drilling results from which are announced above.

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