

25 June 2012

AIM: CHL

CHURCHILL MINING PLC

Registration of Request for Arbitration against the Republic of Indonesia

Churchill Mining plc (AIM: CHL) ("Churchill" or the "Company") advises that on 22 June 2012 the International Centre for Settlement of Investment Disputes in Washington D.C. ("ICSID") notified Churchill and the Republic of Indonesia that Churchill's Request for Arbitration had been registered at ICSID.

The effect of the registration is that ICSID has accepted that it has jurisdiction in relation to the dispute between Churchill and the Republic of Indonesia under the Bilateral Investment Treaty between the United Kingdom and the Republic of Indonesia (the "UK-Indonesia BIT").

"The Board of Churchill is pleased that ICSID has registered the request for arbitration and that the arbitral proceedings have been formally initiated. Churchill will be seeking the full relief owed to it under the provisions of the UK-Indonesia BIT and under International law," said Churchill's Chairman David Quinlivan.

ICSID's registration of the Request for Arbitration formally institutes the arbitral proceedings between Churchill and the Republic of Indonesia. The next step in the proceedings is to constitute the three-member arbitral tribunal that will adjudicate the dispute. The Secretary-General of ICSID has invited Churchill and the Republic of Indonesia to proceed, as soon as possible, to constitute the arbitral tribunal.

Churchill filed its Request for Arbitration against the Republic of Indonesia at ICSID on 22 May 2012 in relation to breaches by the Republic of Indonesia of its obligations under the UK-Indonesia BIT. The dispute relates to Churchill's investment in Indonesia and the East Kutai Coal Project.

The Company will provide further updates on the progress of the international arbitration claim when available.

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