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

## Acquisition of remaining 20% interest in Exploration Licence E46/599

Churchill Mining Plc (AIM-CHL) is pleased to announce that it has purchased the 20% stake held by Black Peak Holdings Pty Ltd ("Black Peak") in exploration licence E46/599 resulting in Churchill becoming the 100% owner of the tenement.

The tenement is part of Churchill Mining's South Woodie Woodie project in the East Pilbara region of Western Australia. It is also the tenement containing the Enacheddong Creek discovery made by ANZECO in 1977 and which has been one of the focuses of Churchill's exploration program in 2005.

The consideration for the acquisition of the 20% stake in exploration licence E46/599 is a cash payment of AUD\$50,000 and the issue of 3 million new ordinary shares in Churchill Mining plc to Black Peak. Black Peak has entered into an orderly market arrangement in respect of the shares issued to them. Following admission to AIM the shares will rank pari passu with all other shares on issue. Application has been made for these new ordinary shares to be admitted to AIM and it is expected that such admission will be effective as of 8am on 6 January 2006.

As a result of this transaction Churchill will have 135,800,000 shares in issue. Black Peak will hold 8,800,000 shares, representing 6.48% of the issued share capital of the Company.

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