2 April 2008

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

Churchill acquires control of strategic new tenements abutting the East Kutai Coal Project, Indonesia.

Highlights:

- **Churchill acquires control of an additional 200km² of coal tenements, immediately abutting the current drill area at the East Kutai Coal Project (EKCP)**
- **Test drilling confirms EKCP seams run into new coal tenements**
- **New area has potential to significantly increase Churchill's coal resource position**
- **Vendor cash payment made from savings on original drilling budget**

Churchill Mining PLC is pleased to announce that it has acquired a 75% interest in an additional 200km² of coal tenements immediately abutting the western boundary of the EKCP, and in particular, adjacent to the current area of intensive drilling and resource calculation work being carried out by the Company. The newly extended East Kutai Coal Project now covers an area of approximately 775km².

Following on from geological observations by the Company that the coal seams currently being drilled at EKCP continued to the west, Churchill completed extensive technical and legal due diligence on the new area, including pilot drilling to confirm the continuity of the coal seams into the new tenements.

Interpretation of the coal seams currently being drilled in the coal resource target area clearly show them crossing the western boundary of the block with the lower coal package moving closer to the surface to the west, in particular the number 14 seam, which is consistent in thickness. Due diligence drilling in the new area has confirmed the geological interpretation with IR-001 intersecting coal between 12.43-20.06 metres (at a depth of 7.63 metres) and IR-002 between 17.85-25.90 metres (at a depth of 8.05 metres).

Moreover, there is an indication from the current drilling that additional seams may also occur beneath the number 14 seam and these should extend into the new concession area and become closer to the surface in the west. As these coal seams are merely

extensions to the known coal seams, the quality of the coal is expected to be the same as that presently being drilled.

Churchill has completed an agreement with the vendors, the Investmine Group of Indonesia, and has secured its 75% interest for an Indonesian Rupiah cash payment equivalent to US$1.55 million and a possible future issue of 2 million Churchill shares. The shares will only be issued should Churchill prove up a minimum JORC compliant 100Mt of measured coal resource.

The vendor cash payment was paid from savings that Churchill has made on the original exploration budget, due to the consistency of the coal seams being drilled.

"It is a real win for Churchill that we have been able to obtain the very blocks onto which our current target coal seams extend," said Churchill's Managing Director, Paul G Mazak. "The acquisition of this strategic ground position is a real boost for Churchill given the soaring demand for thermal coal and the white-hot interest in Indonesian coal projects. The addition of these new tenements has the potential over time to double Churchill's resource target, which currently sits at 500Mt."

Churchill's EKCP drilling and exploration data is being modeled by SMG Consultants and an initial JORC resource statement is expected later this month.

ENDS

In accordance with the AIM Guidelines, Mr Brett Gunter, the Principal Consultant of PT GMT Services, is the qualified person that has reviewed the technical information contained in this release. Brett Gunter has over 18 years experience in the mining industry and is a member of the AusIMM.

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Notes to editors

Churchill Mining Plc listed on AIM in April 2005.

East Kutai Coal Project

In May 2007 Churchill announced a sales agreement had been entered into to purchase a 75% interest in the East Kutai Coal Project from PT Techno Coal Utama. Churchill has now extended the size of the project by 200 square kilometres by acquiring a 75% interest in the abutting tenements to the west of EKCP from the Investmine Group of Indonesia. Exploration and resource drilling continue along with scoping and pre-feasibility work.

Sendawar – CBM

The Sendawar CBM project in Kalimantan, Indonesia, covers more than 800 square kilometres of prospective ground and lies in close proximity to two operating open-cut coal mines. The project is located approximately 50km from the Mahakam River.

During Churchill's coal exploration programme, data collected during geophysical and resitivity work, along with data collected from previous oil and gas exploration in the area, indicated that the area was highly prospective for Coal Bed Methane. Churchill (70% of the CBM project) along with its Indonesian partner RMU (30%) were granted Indonesia's first CBM JEA license in September 2007. The CBM project has the potential to host Gas-in-Place of 5.6 trillion cubic feet. Churchill is currently conducting further studies on the CBM project before starting detailed field work.

South Woodie Woodie

Given the increased prospectivity of South Woodie Woodie and Churchill's increasing focus on its Indonesian coal and coal bed methane projects, the Company sold 80% of the project to Australian company Spitfire Resources Limited ("Spitfire").

Spitfire, which listed on the ASX on the 12th December 2007, has the option to purchase the remaining equity in the project but must spend AUD$1.5 million on exploration. Aside from its large shareholding in Spitfire, Churchill also retains a price-indexed mining royalty over the South Woodie Woodie project.

The South Woodie Woodie project covers approximately 490 square kilometres (with a further 899 square kilometres under application) in the East Pilbara region of Western Australia, and sits approximately 400km southeast of Port Hedland in the highly prospective Pilbara manganese province. Spitfire has identified multiple drill targets and shall begin its new drill programme shortly.

In March 08 Spitfire announced that it had secured the strategic support of the diversified Norwegian-based industrial, trading and metals & alloys group, **Tinfos AS** ("Tinfos"), as its new major shareholder via a share placement.