

3<sup>rd</sup> April 2012

AIM: CHL

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

**Update on the Appeal to the Supreme Court of Indonesia and International  
Arbitration against the Republic of Indonesia**

Churchill Mining plc (AIM: CHL), advises that notations on the Indonesian Supreme Court's register of cases shows the Supreme Court has rejected the appeal by Churchill/Ridlatama.

It should be noted that:

1. The notations only provide an indication as to what the Supreme Court's decision will be and are not the same as the Supreme Court handing down its decision.
2. Until the Supreme Court hands down its decision there is no binding and enforceable judgment. The 'handing down' is when the Supreme Court provides its written judgment. The Company does not know when this will happen.

The appeal was launched to overturn the decision by the Administrative Tribunal in Samarinda, East Kalimantan in relation to the revocation of the four mining licenses that comprise the East Kutai Coal Project (Churchill 75% interest).

Churchill Mining's Chairman, David Quinlivan commented, "It's disappointing to see this notation on the case register. We are determined to continue to seek a legitimate remedy for our shareholders and protect our rights as a foreign investor in Indonesia."

When further information is available, the Company will provide an update on the Supreme Court's decision and, as appropriate, its steps in relation to the Civil Review of that decision.

**International Arbitration under the United Kingdom - Indonesia Bilateral Investment Treaty**

Churchill will now look to accelerate the filing of its claim at the International Centre for Settlement of Investment Disputes in Washington D.C. against the Republic of Indonesia. The Company has not received any response to its formal letter sent 22 November, 2011 to the Republic of Indonesia seeking an amicable and commercial resolution.

The letter highlighted that following a significant investment in exploration, Churchill identified a world class thermal coal deposit in East Kalimantan, only to be subjected to a sustained campaign designed to expropriate Churchill's legitimate rights to develop this deposit.

The Company will now move its attention to preparing and filing a claim against the Republic of Indonesia for direct breaches of Indonesia's investment laws and Indonesia's obligations under international investment treaties.

The Company's solicitors are already well advanced in the claim preparation and expect to file the Request for Arbitration shortly.

At the date of this announcement, the Company's current cash at bank is US\$13.84 million.

The Company will provide further updates on the progress when available.

**END**

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