

2 December 2011

AIM: CHL

**CHURCHILL MINING PLC**

**Letter to the Republic of Indonesia**

Churchill Mining plc (AIM: CHL) ("Churchill" or the "Company") advises that it has filed a formal letter to the Republic of Indonesia seeking cooperation from senior government officials to achieve an amicable and commercial resolution to the investment dispute the Company is currently facing.

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

The Company believes that the actions of various Indonesian parties, both government and private, seeking to expropriate the Company's legitimate rights to develop the East Kutai coal deposit are in direct breach of both Indonesia's investment laws and Indonesia's obligations under a number of international investment treaties.

A full copy of the letter will be made available on the company's website at [www.churchillmining.com](http://www.churchillmining.com)

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