

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

Update on Notice of Dispute delivered to Ridlatama

Churchill Mining plc (AIM: CHL), ("Churchill" or the "Company") provides an update on the Notice of Dispute delivered to its Indonesian minority partner, the Ridlatama Group ("Ridlatama"), as well as related individuals as announced on 4 July. Churchill advises that following the expiry of the thirty day period provided to Ridlatama to resolve the dispute, it has not received any response to the notice of dispute in relation to the East Kutai Coal Project.

The dispute relates to alleged breaches of the investors agreements entered into between Churchill's subsidiary, PT Indonesia Coal Development ("ICD"), and members of the Ridlatama Group.

In the absence of any response ICD has now lodged an unlawful act claim against Mr Andreas Rinaldi, a member of the Ridlatama Group, in the Tangerang District Court in Jakarta Indonesia seeking, amongst other things, an order for damages to compensate ICD for losses suffered arising from Mr Andreas Rinaldi's unlawful acts which gave rise to the alleged breaches of the investors agreements.

In addition ICD will also commence arbitration proceedings in Singapore against other members of the Ridlatama Group who are parties to the investors agreements, under the rules of the International Chamber of Commerce, for their alleged breaches of the investors agreements. ICD is seeking, amongst other things, a declaration that there have been breaches of the investors agreements and for damages to be assessed.

The Company will provide a further update to the market on these proceedings when available.

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