

4 July 2011

AIM: CHL

CHURCHILL MINING PLC
(“Churchill” or “the Company”)

Notice of Dispute delivered to Ridlatama

Churchill Mining plc (AIM: CHL), announces that it has today delivered a notice of dispute to its Indonesian minority partner, the Ridlatama group, as well as several related individuals, 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, and members of the Ridlatama Group.

Churchill believes that the Ridlatama Group has breached various provisions of the investors agreements. Ridlatama now has the opportunity to resolve the dispute within 30 days. If there is no resolution within 30 days, Churchill will pursue legal action in Singapore against the Ridlatama Group, its shareholders and its principals in accordance with the dispute resolution provisions contained in the investors agreements.

While Churchill's claims against Ridlatama relate in part to information that emerged in the Administrative Tribunal hearing earlier this year, the claims do not prejudice the appeal of the Administrative Tribunal decision currently in process. Churchill and Ridlatama have both rejected the conclusions of the Administrative Tribunal and have lodged the notice of appeal to the Administrative High Court in Jakarta as previously announced.

END

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