



# CHURCHILL MINING PLC

2014 Annual  
General Meeting

# CHURCHILL BOARD

## INCLUDES STRONG MINING, CORPORATE AND LEGAL EXPERTISE



**David Quinlivan**  
*Executive Chairman*



**John Nagulendran**  
*Non Executive Director*



**Nikita Rossinsky**  
*Non Executive Director*



**Nicholas Smith**  
*Managing Director*



**Gregory Radke**  
*Non Executive Director*



**Fara Luwia**  
*Non Executive Director*

# THE LAST 12 MONTHS .....

February 2014

ICSID tribunal rejects Indonesia's jurisdictional challenge following a hearing in May 2013

June 2014

Churchill files damages claim of US\$ 1.315 Billion following independent damages assessment by FTI Consulting LLC

August 2014

ICSID ordered document inspection takes place on 29 August 2014. On the same day, police from Indonesia raid the Company's Jakarta office

September 2014

Churchill applies for provisional (protective measures) arising out of Indonesia's decision to raid the Company's Jakarta offices

# THE LAST 12 MONTHS .....

September 2014

Indonesia requests separate hearing on fraud/forgery allegations.

Indonesia files application to dismiss Churchill / Planet's claims

Churchill files objection to Indonesia's request for a separate hearing and application to dismiss.

October 2014

ICSID issues Procedural Order #12.

- Dismisses Indonesia's application
- Directs Indonesia to file its Counter Memorial
- Orders that the Quantum of Damages be concluded separately after the liability phase

November 2014

Indonesia objects to terms of Procedural Order #12.

ICSID considers objection and issues Procedural Order #13

- Directs that the proceedings shall deal with the issues of document authenticity as a preliminary matter

Churchill objects to terms of Procedural Order #13.

ICSID considering Churchill's objection.

Future timetable of arbitration pending ICSID review of Order #13

# Churchill's EKCP Investment Summary

2007

Acquisition of a 75% interest in the East Kutai Coal Project ("EKCP") in Indonesia

2007-2010

Detailed exploration and pre-development activities at EKCP

February 2010

JORC Resources of 2.73Bt including 961 Mt Reserve

April 2010

Appointment of Credit Suisse as strategic financial advisor to assist with the development of the EKCP

September 2010

30Mtpa Feasibility Study completed including Prefeasibility Study work for a 50Mtpa Rail operation

# Churchill's Investment Summary

May 2010

Mining licenses improperly revoked by the East Kutai Regent

April 2012

All avenues of appeal in Indonesia are exhausted

May 2012

Request for arbitration filed with ICSID alleging that the Republic of Indonesia breached its obligations under the United Kingdom and Australian Bilateral Investment Treaties

# INTERNATIONAL CENTRE FOR INVESTMENT DISPUTES (“ICSID”)

- Established in 1966;
- ICSID convention is a multi lateral treaty formulated by the World Bank;
- Primary purpose of ICSID is to provide facilities for conciliation and arbitration of international investment disputes;
- United Kingdom, Australia and Indonesia are member states to the ICSID convention;
- Considered to be the leading international arbitration institution devoted to Investor-State dispute settlement.

# CHURCHILL'S CLAIM AT ICSID

- Key elements in Churchill/Planet's claim for damages are :-
  - Indonesia initially supported and encouraged Churchill/Planet to invest in the East Kutai Coal Project;
  - Churchill/Planet invested in Indonesia in compliance with applicable laws and regulations;
  - The Republic of Indonesia took a series of unlawful actions that resulted in the revocation of the mining licenses in which Churchill held an interest
- Progress of the ICSID case can be found at <https://icsid.worldbank.org/ICSID/Index.jsp> (Search under cases for "Churchill").



# LEGAL TEAM

- Churchill/Planet have retained experienced international legal counsel Quinn Emanuel Urquhart & Sullivan LLP (“Quinn Emanuel”) headed by advocate Stephen Jagusch;
- The Quinn Emanuel fee structure incorporates a contingency / success outcome component.

# QUANTUM DAMAGES CLAIM

- In June 2014, International valuation experts FTI Consulting LLC (“FTI”) have provided an independent valuation of Churchill/Planet losses
- FTI determined the damages to Churchill/Planet’s for a total of US\$1.315 Billion
- FTI also considered market based and comparable transactions to supplement the conclusions on the fair market value reached.
- FTI valuation did not attribute any value for the 1.765 Billion tonnes of JORC resource remaining at the end of the 29 year mine plan

# CORPORATE DATA

## Capital Structure

Exchange	London, AIM
Date of Listing	Apr-05
Shares in issue	123.6 million
Options in issue (28p-50p)	14.65 million
Market Cap – Basic	£20.39 million (\$32.6 million) @ 16.5p (2 Dec)

## Major shareholders

Pala Investments	25.47%
GL Global Investments	15.92%
Cause First Holdings Limited	12.86%

Note: Company is subject to the UK Takeover Code

# CONTACT DETAILS



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