

16 December 2010

CHL: AIM

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

CHURCHILL COMPLETES LAND ACQUISITION FOR PORT FACILITY

Churchill Mining PLC (AIM: CHL) is pleased to announce that it has completed the purchase of the land to be used as the site of the future port facility for the shipment of coal from the East Kutai Coal Project.

As announced in September 2010, Churchill received internal sign-off on the port site from the Department of Transportation Initiating the land acquisition process in cooperation with the local community and relevant government departments. The location of the port facility is a key component for the direct access of exporting thermal coal to the international markets.

The port stockyard comprising of an area of just over 340 hectares and will have four stockpiles of approximately 500m each in length with a total storage capacity of 852,000 tonnes. Transportation of coal from the port stockyard will be by a series of conveyors on to a jetty extending 1,500m to deep water. The wharf facility at the end of the jetty will be equipped with two dedicated ship loaders capable of handling 30Mtpa of coal.

The wharf facility will handle shipping from Handymax to Capesize 210,000 DWT vessels.

Churchill Mining's Managing Director Paul Mazak commented:

“We would like to thank the local community and its leaders, along with the relevant government agencies for working with Churchill to advance the project which will ultimately bring a welcome economic boost to the local economy. We believe that the port location is the best available site within the region, and are proud that our land acquisition team successfully completed the acquisition of this site in rapid time.”

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Notes to Editors

Churchill Mining PLC is an AIM listed (Ticker: CHL) mining company with a significant thermal coal development project located in the East Kutai Regency of Kalimantan, Indonesia, where to date more than 2.73 Billion tonnes of coal resource has been defined to JORC standard. Churchill has a 75% interest in the Project, with its Indonesian partners the Ridlatama Group owning the remaining 25%. Churchill is working with the Ridlatama Group to develop the Project.

The Project feasibility study has been completed and forms the platform for the next stage in the development of the Project and the ongoing strategic process. Highlights of the feasibility study include:

- NPV of US\$1.8 Billion modelled over an initial 25-year period
- Pre-tax net cashflow in excess of US\$500 Million per annum over the first 20 years of capacity production
- 30Mtpa open-pit mining operation producing high-quality sub-bituminous coal
- Operating cost estimated at US\$25.10 per tonne FOB (excluding royalty payment)

In addition to the East Kutai Coal Project, Churchill has interests in the Sendawar Coal Bed Methane Project in East Kalimantan, Indonesia and a strategic holding in Spitfire Resources, who are developing the South Woodie Woodie Manganese Project in Western Australia.

For more information, please visit www.churchillmining.com.

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