

THE CHURCHILL CORPORATION

**For immediate release
Tuesday, April 19, 2005**

CHURCHILL ANNOUNCES \$10,646,000 EQUITY ISSUE

The Churchill Corporation (CUQ-TSX) is pleased to announce that it has agreed to complete a \$10,646,000 equity financing.

Subject to shareholder approval, Churchill will issue 5,323,000 common shares at \$2.00, being the closing price of the Churchill common shares on April 15th, 2005. Of the total \$10,646,000 financing, \$7,000,000 (3,500,000 shares) will be subscribed by Matco Capital Ltd. ("Matco"), a private investment firm based in Calgary, Alberta, which is arm's length to Churchill. The balance of \$3,646,000 (1,823,000 shares) will be subscribed by Peter Allard who currently owns approximately 14% of Churchill. After giving effect to the issue, each of Matco and Mr. Allard will own 3,500,000 shares or approximately 19.9% of the outstanding common shares of Churchill.

"Having two strong supportive significant shareholders and a \$10.6 million equity capital injection positions Churchill to aggressively pursue its growth and development plans" said Mr. Norm Rokosh, Churchill's incoming CEO. As the financing will be completed on a non brokered basis, substantially all of the gross proceeds will be available to Churchill.

Churchill expects to seek the requisite shareholder approval at or shortly after its scheduled May 12, 2005 shareholder meeting. The financing is also subject to regulatory approval and to the execution of definitive documentation.

As an interim matter, prior to obtaining shareholder approval, Matco has agreed to lend Churchill \$7,000,000, repayable not later than July 31, 2005. Upon obtaining shareholder approval, the loan will be converted into 3,500,000 common shares. If Churchill shareholders fail to approve the conversion, the loan will be repayable in full at maturity (July 31, 2005), together with accrued interest and a funding fee of \$100,000. Matco will have the right, commencing from the date of advance of the loan until maturity, to convert up to \$3,354,000 of such loan into 1,677,000 common shares (being the same number of shares currently owned by Allard), reflecting a conversion price of \$2.00 per share. The loan will accrue interest at 9% per annum, calculated and paid monthly in arrears and will be secured by a promissory note and a general security agreement, subordinated to security granted to Churchill's bankers and bonding companies.

The Churchill Corporation provides building construction, industrial construction and maintenance services throughout western Canada. Churchill shares are listed on The Toronto Stock Exchange under the symbol "CUQ".

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