



ASX Announcement

30 April 2014

## Celamin Holdings NL: March 2014 Quarterly Operations Report

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### Board of Directors

Andrew Thomson, Non-Exec  
Chairman

David Regan, Managing Director

Russell Luxford, Non-Exec Director

Martin Broome, Non-Exec Director

### Company Secretary

Melanie Leydin

### Securities on Issue

CNL: 235,671,986 ordinary shares

CNLCA: 14,887,796 partly paid shares

### Highlights:

- Chaketma Phosphates SA – Project Company under formation
  - Capital-raising for AU\$1.88m completed
  - Long lead items and planning underway for next phase of Chaketma Phosphate Project
  - Infill drilling improving constraint within Kef El Louz North Inferred Mineral Resource zone.
  - Extension to mineralisation confirmed up to 1km south of the existing resource area.
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Celamin Holdings NL (ASX: CNL) (Celamin, the Company) is pleased to present its Quarterly Activity Report for the quarter ending 31 March 2014.

Celamin and its partner, Tunisian Mining Services (TMS), are creating the Chaketma Phosphate Project Company, Chaketma Phosphates SA which will be owned 51% by Celamin and 49% by TMS. This is an important step as the Chaketma Phosphate Permit will be transferred to Chaketma Phosphates SA, which will serve as the potential development vehicle for the project.

Celamin and TMS have been laying the foundations for the next phase of the Chaketma Phosphate Project. This includes work and planning on long lead items including the important Environmental and Social Impact Assessment (ESIA) and metallurgical test work.

Celamin recently completed a successful capital-raising (as announced on the 19<sup>th</sup> of March 2014) for \$1.88m.

Constructive meetings have been held with the Tunisian Administration and with Members of Parliament representing the constituencies in which the Project is located. The Annual report for 2013 for the Chaketma Phosphate Permit was prepared and submitted to the Director General of Mines in Tunis.

## **Environmental and social activities**

Celamin and TMS have been working with an International Financial Institution to ensure that the Environmental Social Impact Assessment (ESIA) is conducted in accordance to the Equator Principles. Equator Principles is a globally recognised risk management framework used by financial institutions to assess and manage environmental and social risk in projects. In collaboration with international experts, a questionnaire has been developed for a quantitative social survey for the Chaketma permit area. Celamin and TMS are engaging the local communities prior to and as part of the Quantitative social survey.

During the quarter, environmental and social activities included the preparation of an action plan focused on the key environmental permits required for Chaketma Phosphate project along with the stakeholders' engagement plan. The applications for these permits will be undertaken at an early stage of the project and are part of the plan.

ESIA Tenders were received from four tenderers during the quarter. An ESIA evaluation criteria, to help deliver an objective assessment of proposals, has been prepared.

As part of the commitment to Social engagement in the areas surrounding the Chaketma Phosphate Project, Celamin and TMS have worked with El Ezdihar Association in the town of Jedeliene on a project which included cleaning, planting trees along the main road and painting the school walls. The project involved 34 people from Jedeliene (17 women and 17 men), aged from 18 to 34.

## **Metallurgical Testing**

Metallurgical test work is currently underway and representative samples from a selection of Kef El Louz drill-holes are being forwarded to the KEMWorks laboratory in Florida to undergo analysis and assist with flow-sheet optimization. A visit to the laboratory will be conducted in early May 2014.

Comminution work was completed in SGS laboratory, in Cornwall, UK, a report should be received shortly. Additional work at the facility is also under way.

## **Ongoing Exploration**

Ongoing exploration activities were detailed in an ASX announcement dated 10<sup>th</sup> April 2014 (<http://www.asx.com.au/asxpdf/20140410/pdf/42nxmsbjqhjm4r.pdf>).

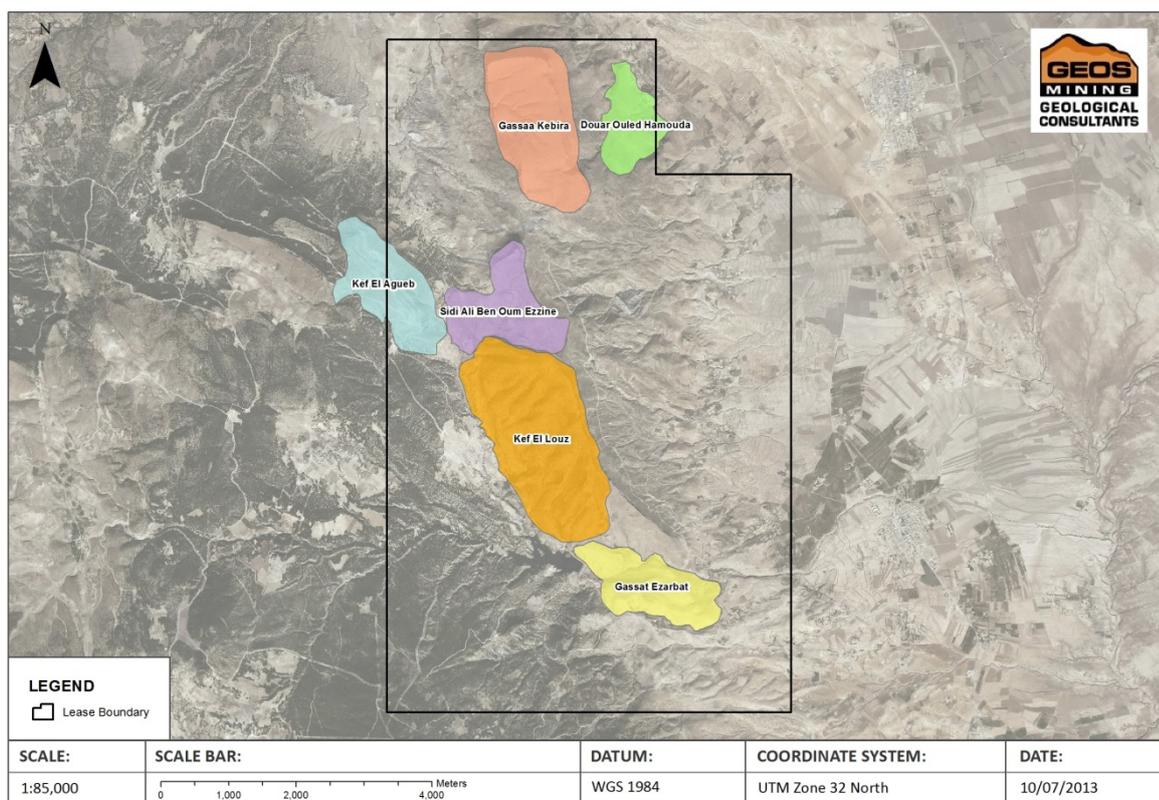
Infill drilling continues to improve constraint within the existing Kef El Louz North resource area and exploration drilling has confirmed the existence of additional mineralisation up to 1km outside of the resource area.

## Background

Celamin is an ASX listed Company (ASX Code: CNL) which is focused on the exploration and development of the Chaketma Phosphate Project in Tunisia. Celamin holds the Chaketma Phosphate Permit with its Tunisian partner Tunisian Mining Services (TMS).

The Chaketma project consists of 6 individual phosphate prospects: Kef El Louz, Sidi Ali Ben Oum Ezzine, Gaasaa Kebira, Gaasaa Ezarbat, Kef El Agueb and Douar Ouled Hamouda (see figure below) within the 56km<sup>2</sup> exploration permit.

Exploration activities comprise geological mapping, diamond drilling, trenching and induced polarity surveys. To date detailed exploration and resource definition has been carried out at Kef El Louz, Gassaa Kebira and Sidi Ali Ben Oum Ezzine. Douar Ouled Hamouda is currently in the initial exploration phase.



### Chaketma Exploration Permit and major prospects

The current total Chaketma project inventory stands at 130Mt at a grade of 20.5% P<sub>2</sub>O<sub>5</sub> contained in two separate Inferred Mineral Resources: 37Mt at 21% P<sub>2</sub>O<sub>5</sub> is located at the Kef El Louz (North) prospect<sup>1</sup> and 93Mt at 20.3% P<sub>2</sub>O<sub>5</sub> located at the neighbouring Gassaa Kebira prospect<sup>2</sup> in the north of the tenement.

The Chaketma Project Scoping Study announced on 14 August 2012, delivered positive results, including robust project economics. Definition of areas of high-grade mineralisation with acceptable metallurgical properties and mine development potential remains a priority.

1. Kef El Louz Inferred Mineral Resource announced 09/11/2012 - <http://www.asx.com.au/asxpdf/20121109/pdf/42b2p3zc2hh8gf.pdf>
2. Gassaa Kebira Inferred Mineral Resource announced 18/06/2013 - <http://www.asx.com.au/asxpdf/20130618/pdf/42gid74ppx65v9.pdf>

## LIST OF TENEMENTS HELD

<b>Mining Tenement</b>	<b>Location</b>	<b>Beneficial Percentage held</b>	<b>Interest acquired/farm-in during the quarter</b>	<b>Interest disposed/farm-out during the quarter</b>
Bir El Afou	Tunisia	0%*		
Chaketma	Tunisia	51%*		
Sidi Driss	Tunisia	50%		
Oued El Maden	Tunisia	50%		
El Haouaria	Tunisia	50%		
Wedderburn EL5471	Victoria, Australia	100%		

\* Changes to the beneficial interest will be effective upon gazettal provided for in the Agreement announced by the Company on the 15<sup>th</sup> of October 2013

### Competent Persons Statement

*Information in this report that relates to Exploration Results from Chaketma is based on information compiled by Mr Oliver Willetts, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Willetts is a consultant geologist and has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activities reported on to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves. Mr Willetts consents to the inclusion in this report of the matters based on information in the format and context in which it appears.*