Celamin Holdings NL

ABN 82 139 255 771

Annual Report - 30 June 2017

Contents

Directors	Mr Martin Broome (Non-Executive Chairman) Mr Nic Clift (Non-Executive Director) Mr Tim Markwell (Non-Executive Director) Ms Sue-Ann Higgins (Non-Executive Director)
Company secretary	Ms Melanie Leydin
Registered office	Level 4, 100 Albert Road South Melbourne, VIC 3205 Australia +61 3 9692 7222
Principal place of business	Level 4, 100 Albert Road South Melbourne, VIC 3205 Australia +61 3 9692 7222
Share register	Advanced Share Registry Ltd 150 Stirling Highway Nedlands, WA 6009 +61 8 9389 8033
Auditor	Grant Thornton Audit Pty Ltd Collins Square, Tower 1 727 Collins Street Melbourne VIC 3008
Stock exchange listing	Celamin Holdings NL shares are listed on the Australian Securities Exchange (ASX code: CNL, ASX code: CNLCA - partly paid shares)
Website	www.celaminnl.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Celamin Holdings NL (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2017.

Directors
The following persons were directors of Celamin Holdings NL during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Martin Broome, Non-Executive Chairman
Mr Nic Clift, Non-Executive Director
Mr Tim Markwell, Non-Executive Director
Ms Sue-Ann Higgins, Non-Executive Director

Principal activities
During the financial year the principal continuing activities of the consolidated entity focused on its dispute with its joint venture partner, Tunisian Mining Services ("TMS"), regarding ownership and control of the joint venture company Chaketma Phosphates SA ("CPSA") and its 51% shareholding. The Company's centre of interest consisted of:

- Exploration and development of Chaketma Phosphate Project in Tunisia

Dividends
There were no dividends paid or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $2,025,351 (30 June 2016: $14,300,931).

Financial Performance
Operating expenses for the financial year were $2,029,739 (2016: $14,381,368). Legal expenses amounted to $778,783 (2016: $1,299,281).

Financial Position
The net liabilities of the consolidated entity increased by $1,884,562 to a $3,093,276 at 30 June 2017 (30 June 2016: $1,208,714).

Cashflow
During the period the consolidated entity had a negative cash flow from operating activities of $1,285,815 (2016:$1,778,316). As stated above, due to the ongoing dispute all exploration expenditure is being expensed immediately through the statement of profit and loss compared to the previous year, where all exploration expenditure was capitalised through the Statement of Financial position along with the increase in legal expenditure where various processes are being pursued to resolve the situation.

JV Partners' Dispute
Celamin's wholly-owned subsidiary, Celamin Limited, remains in dispute with its joint venture partner, TMS, regarding ownership and control of CPSA and is working actively with its legal advisers to resolve this situation.

Arbitration success
Celamin Holdings NL has received notification that the final award has been delivered by the sole arbitrator appointed by the International Court of Arbitration of the International Chamber of Commerce to conduct the arbitration of its dispute with its joint venture partner TMS in relation to the fraudulent transfer to TMS of Celamin's 51% shareholding in CPSA, the operating company which holds the Chaketma Phosphates Permit. The Arbitrator has ruled in favour of Celamin Limited ordering TMS to return Celamin Limited's 51% shareholding in CPSA and to pay damages and costs in excess of US$4 million.

Funding
Following the US$4 million Arbitration award made in favour of Celamin Holdings NL, the company has secured a capital raising of $1,551,750 which will provide funding to pursue enforcement of the Final Arbitration award for recovery of its interest in Chaketma Phosphate, other legal actions in Tunisia, and for general working capital purposes.

Background to dispute
Celamin's core asset, The Chaketma Phosphate Project in Tunisia, is operated by a joint venture company, CPSA, in which Celamin held a 51% interest and TMS held a 49% interest.

Celamin has been the sole funder of the Chaketma Phosphate Project providing US$8.6M of funding to December 2014. Celamin's partner, TMS, has been beneficiary of 50% of this project expenditure, as the largest service provider, using equipment purchased with loans from Celamin.

On 21 October 2014, the Director General of CPSA, without seeking the required approval from the CPSA Board, made a US$3.3M cash call directed to Celamin Limited for funding of the Chaketma feasibility study. CPSA already held an excess of funds above requirements at that time and, in Celamin Limited's view, no cash call was justified.

Celamin Limited objected to this cash call and, after negotiations, TMS and Celamin Limited entered into an agreement dated 10 December 2014 to reduce the cash call to US$2M and extend the due date for payment until 15 January 2015, in the expectation of agreement being reached in the first quarter of 2015 on the choice of engineering contractor and the terms of their engagement for conducting the feasibility study for the Chaketma Phosphate Project.

Celamin deposited US$2M into CPSA's Tunisian bank account on behalf of Celamin Limited in payment of the cash call, receipt of which was confirmed by both CPSA's bank and the Director General of CPSA on 13 January 2015.

On 19 January 2015 the Director General issued a notice of default to Celamin Limited for failure to pay the US$2M cash call by the due date ("alleged default"), rejecting payment by Celamin on Celamin Limited's behalf despite this payment meeting Tunisian legal requirements and having been made in exactly the same manner as one of the two previous cash calls. Celamin Limited objected to the default notice and the action by the Director General and called a Board meeting scheduled for 9 March 2015 for the purpose of reversing these actions, however this meeting was not held.

Within 24 hours after receipt of the default notice, TMS indicated that it would not be acting on that notice and the Director General and TMS continued working collaboratively with Celamin in progressing the Chaketma Phosphate Project.

On 3 March 2015 the Company was advised by the then Chairman of CPSA, Mr David Regan, that he had received notice from the Director General of CPSA to the effect that Celamin Limited's shares in CPSA had been transferred to TMS on 13 February 2015. Celamin requested a voluntary trading halt on its shares from trading on ASX on 4 March 2015. The shares remain suspended from trading on ASX.

Following initial legal investigations, the Company understands that the Director General (without Celamin's knowledge and without any authority from the CPSA Board) has purported to transfer Celamin Limited's shares to TMS on the basis of the alleged default.

The Company disputes the existence of any default on the part of Celamin Limited and asserts that Celamin Limited's shares in CPSA have been transferred without any legal basis.

The US$2M deposited by Celamin for the cash call, which remained in a Tunisian bank account in CPSA's name for a period of over three months, was received back into Celamin's bank account in Australia on 27 April 2015, transferred from the Tunisian bank of CPSA at the instigation of the Director General of CPSA after having declared the "default". Celamin received no communications from TMS or CPSA in relation to the transferred funds.

On the basis of strong documentary evidence, Celamin disputes the existence of any default on the part of Celamin Limited and considers that there has been a wrongful and ineffective transfer and purported expropriation of Celamin Limited's shares in CPSA. Celamin therefore considers that it remains the rightful owner of its 51% shares in CPSA. Celamin remains committed to pursuing return of its interest in CPSA and the Chaketma Project and believes early resolution of this dispute is in the best interests of all parties and Tunisia and its people. The Chaketma Phosphate Project is a world class asset and Celamin believes it is best placed to manage the Project to ensure that it proceeds to development.

Significant changes in the state of affairs
On 20 October 2016, Celamin provided an update on the arbitration of the dispute between its wholly owned subsidiary Celamin Limited and its joint venture partner TMS in relation to the fraudulent transfer to TMS of Celamin's 51% shareholding in CPSA.

The sole arbitrator appointed by the International Court of Arbitration of the International Chamber of Commerce has considered the jurisdictional challenges raised by TMS and has issued an award confirming Celamin's position regarding jurisdiction of the arbitrator and the ICC. The arbitration proceedings on the merits to recover Celamin's interest in CPSA will now continue. The arbitrator did not accept jurisdiction over CPSA and CPSA will not continue as a party to the arbitration on the merits of the case. The Board is of the view that this will not affect either the relief sought or the enforceability of the orders against TMS.

Celamin has already been granted certain emergency and later interim orders from the sole arbitrator against TMS preserving the status quo regarding CPSA's shares and assets until the dispute is finally determined. These orders were made without prejudice to the decision of the sole arbitrator on the merits of the case. These orders continue in force for the purpose of preventing TMS's disposal of CPSA's shares and assets and ensuring a continuous disclosure of information to Celamin in relation to CPSA activity and the Chaketma Permit.

TMS has not complied with these orders to date and penalties have been ordered for failure to comply.

On 6 April 2017, Celamin Limited obtained a conservatory seizure order from the President of the Tribunal of First Instance of Tunisia against all shares that TMS owns in the capital of CPSA, (being the 49% of CPSA previously held by TMS as well as the 51% of CPSA shares fraudulently taken from Celamin by TMS), (Seizure Order). This Seizure Order prevents TMS from dealing with any of these shares and subject to determination of an opposition application by TMS, will remain in place until enforcement of the final arbitral award. TMS have filed an application for cancellation of the Seizure Order, however, the Seizure Order will remain in effect unless TMS' application is eventually successful.

On 30 May 2017, Celamin announced a capital raising of $1,050,000 which will provide it with funding to pursue the Arbitration of its dispute with its joint venture partner through to determination, other legal actions in Tunisia and for general working capital purpose.The Company received placement applications from sophisticated investor clients of Patersons Securities Limited (Patersons) for the placement of 350,000,000 Shares at an issue price of 0.1 cents per Share together with one free attaching 3 year 0.2 cent option for every two Shares subscribed for (New Options), raising AUD$350,000, together with applications from each of its two major shareholders: African Lion 3 Limited (AFL) and Polo Resources Limited (Polo) to subscribe for 350,000,000 Shares and 175,000,000 New Options on the same terms, raising a further AUD$350,000 from each of AFL3 and Polo and bringing the total amount raised to AUD$1,050,000. (Placement). Patersons will be paid a 6% fee on the funds contributed by their clients.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
On 6 July 2017, the Company held a General Meeting to approve the issue of the following shares and options in the Company:

- Shares and options issued upon settlement of Tranche 2 of the Placement.

- Shares and options issued as settlement of the balance owing under the AFL3 and Polo loans (including interest, fees and other money owing) as at 30 June 2017.

- Shares and options issued as consideration for up to 100% of outstanding Directors' fees for the period 1 January 2015 to 30 June 2017.

- Shares and options issued as part satisfaction of fees owing to Leydin Freyer for Company Secretarial and Accounting services.

- Shares and options issued as satisfaction for fees owing to Mike Brook as Executive Manager for Business Development from the period 1 February 2017 to 9 June 2017.

On 30 November 2017 Celamin Holdings NL received notification that the final award ("Final Award") has been delivered by the sole arbitrator ("Arbitrator") appointed by the ICC to conduct the arbitration of its dispute with its joint venture partner TMS in relation to the fraudulent transfer to TMS of Celamin's 51% shareholding in CPSA, the operating company which holds the Chaketma Phosphates Permit. The Arbitrator has ruled in favour of Celamin Limited ordering TMS to return Celamin Limited's 51% shareholding in CPSA and to pay damages and costs in excess of US$4 million.

Celamin Limited has applied for enforcement of the Final Award in Tunisia by way of application to the Tunisian Court of Appeal. If enforcement is granted, the award may be executed against TMS in the same manner as any Tunisian Court decision. TMS has lodged an application to set aside the Final Award with the Swiss Federal Court on the basis of an alleged procedural defect. TMS have alleged that they were not provided with certain invoices relating to a portion of the damages awarded by the Arbitrator, a matter which is unequivocally denied by Celamin's legal counsel. Celamin is of the view that the issues raised by TMS are not relevant to the Arbitrator's decision on the merits of the dispute and Celamin Limited has appointed Swiss Counsel to defend this application.

On 10 January 2018, the company secured a capital raising of $1,551,750 which will provide funding to pursue enforcement of the Final Award for recovery of its interest in Chaketma Phosphate, other legal actions in Tunisia, and for general working capital purposes. The company received applications for the placement of a total of 6,207,000,000 shares at an issue price of 0.025 cents per share ("2018 Placement"). The 2018 Placement was undertaken in two tranches as follows:
(a) the First Tranche being the issue of 400,000,000 Shares to sophisticated investors pursuant to the Company's 15% placement capacity under Listing Rule 7.1, to raise AUD$100,000 which was completed on 10 January 2018; and
(b) the Second Tranche being the issue of the balance Shares under the 2018 Placement, following shareholder approval at a general meeting of the Company held on 14 February 2018, which was completed on 23 February 2018.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
In relation to the dispute between its wholly owned subsidiary Celamin Limited and its joint venture partner TMS in relation to the fraudulent purported transfer to TMS of Celamin's 51% interest in the joint venture company CPSA, the consolidated entity will continue to pursue all available legal and other avenues in order to secure the preservation and recognition of Celamin's rights, including restitution of its shares in CPSA and compensation for damages suffered.

Environmental regulation
The consolidated entity is not currently subject to any significant environmental regulation under Australian Commonwealth or State law.

The Company previously held participating interests in a number of exploration tenements. The various authorities granting tenements required the tenement holder to comply with the terms of the grant of the tenement given to it under those terms of the tenement. There have been no known breaches of the tenement condition, and no such breaches have been notified by any government agency during the financial year ended 30 June 2017 or previously.

Information on directors

Name:	Mr Martin Broome
Title:	Non-Executive Chairman
Qualifications:	B.Sc(Hons) Geology, M.Sc Engineering Rock Mechanics, Chartered Engineer, FIOM
Experience and expertise:	Mr. Broome has more than 38 years of experience working in the minerals industry in Africa. Until 2010, Mr. Broome was Managing Director of African Mining Consultants ("AMC") having founded AMC in 1994. This followed a 20 year career with Zambian Consolidated Copper Mines Ltd ("ZCCM") in the Zambian Copperbelt.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of Remuneration & Nomination Committee and member of Audit Committee
Interests in shares:	373,000,000 fully paid ordinary shares
Interests in options:	31,500,000 unlisted options exercisable at $0.002 (0.2 cents) per option

Name:	Mr Nic Clift
Title:	Non-Executive Director
Qualifications:	BSc (Hons), MBA, FAusIMM, MIMMM, GAICD, CEng
Experience and expertise:	Mr Clift has more than 30 years' experience in the international resources industry, with roles in mining and base metals extraction, refining and recycling, and has worked in Africa, France, Germany, United Kingdom and Australia. He has held a variety of corporate, management, project, development and operating roles. Mr Clift is a metallurgist with significant project experience. He was previously managing director of Algerian focused base metals company Terramin Australia Ltd (ASX: TZN), from September 26, 2011 to May 31, 2013. Prior to that he was General Manager of Algerian Operations at Terramin. Mr Clift's previous experience also includes roles with Anglo American, Kumba Iron Ore Ltd, Kamoto Operating Ltd, Zinifex Ltd, Mount Isa Mines Ltd, and Zambia Consolidated Copper Mines Ltd. Mr Clift was also Managing Director of Celamin Holdings NL until 31 May 2016.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	63,088,757 fully paid ordinary shares
Interests in options:	6,544,379 unlisted options exercisable at $0.002 (0.2 cents) per option

Name:	Mr Tim Markwell
Title:	Non-Executive Director
Qualifications:	(BSc (Hons), MAusIMM)
Experience and expertise:	Mr Markwell is a qualified geologist with 20 years' experience in the resource sector, including senior technical roles with BHP Billiton, Golder Associates and Minara Resources. He has specific expertise in resource assessment and was involved in feasibility studies for a number of Australian resources projects. Tim joined African Lion in February 2007. Prior to this he held roles as a resources/investment analyst with a broking firm and then a listed investment fund. He graduated with an honours degree in geology from the University of Western Australia in 1993, and has a Graduate Diploma in Applied Finance and Investment from FINSIA.
Other current directorships:	Aurora Minerals Ltd (ASX: ARM, appointed 22 July 2014)
Former directorships (last 3 years):	Predictive Discovery Limited (ASX: PDI, resigned 17 December 2015)
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Ms Sue-Ann Higgins
Title:	Non-Executive Director
Qualifications:	BA, LLB (Hons), GAICD, AGIA
Experience and expertise:	Sue-Ann Higgins is an experienced company executive with diversified skills and global corporate experience, having held senior legal and commercial roles with ARCO Coal Australia Inc, WMC Resources Ltd, Oxiana Limited and Citadel Resource Group Limited. Sue-Ann has extensive experience in governance and compliance, mergers and acquisitions, equity capital markets and mineral exploration, development and operations. Sue-Ann is company secretary of Metal Bank Limited, an ASX listed junior exploration company and provides legal and commercial consultancy services to a number of ASX listed entities.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of Audit Committee
Interests in shares:	123,840,340 fully paid ordinary shares
Interests in options:	21,920,170 unlisted options exercisable at $0.002 (0.2 cents) per option

"Other current directorships" quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

"Former directorships (in the last 3 years)" quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Company secretary
Melanie Leydin holds a Bachelor of Business majoring in Accounting and Corporate Law. She is a member of the Institute of Chartered Accountants and is a Registered Company Auditor. She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of chartered accounting firm, Leydin Freyer.

The practice provides outsourced company secretarial and accounting services to public and private companies specialising in the Resources, technology, bioscience and biotechnology sector.

Melanie has over 24 years' experience in the accounting profession and has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Mr Martin Broome	4	5
Mr Nic Clift	5	5
Mr Tim Markwell	5	5
Ms Sue-Ann Higgins	5	5

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)
The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The intention of the consolidated entity's and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The planned framework aims to align executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- alignment of executive compensation
- transparency

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity and company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Remuneration and Nomination Committee will implement an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- focusing on sustained growth in shareholder wealth, growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retains high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration
Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. The limit of Non-Executive Director fees was increased to a maximum of $350,000 at the company's Annual General Meeting on 20 October 2010. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act 2001 at the time of the Director's retirement or termination. Non-Executive Directors' remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

During the year ended 30 June 2015 the Company remunerated Non-Executive Directors at a rate of $60,000 per annum plus superannuation except for the Non-Executive Chairman who received fees of $120,000 per annum. As from 1 July 2015 the Company remunerates Non-Executive Directors at a rate of $40,000 per annum plus superannuation except for the Non-Executive Chairman who receives fees of $60,000 per annum. There were no incentives, bonuses or options paid during the year to Non-Executive Directors. For additional duties in assisting management beyond the normal time commitments of non-executive directors, non-executive directors are paid at a per diem rate, with the rates approved by other directors.

On 24 April 2015, the company announced a cash conservation programme. Since that time the payment of all non-executive director fees has been deferred, and those fees are being accrued rather than paid.

Executive remuneration
Despite remuneration for executives currently consisting of entirely fixed remuneration, the consolidated entity aims to reward executives with a level and mix of remuneration, based on their position and responsibility, which is both fixed and variable. The consolidated entity will take steps to ensure that executives are paid the correct blend of remuneration to align the interests of executives and shareholders.

The executive remuneration and reward framework has the following components:
- base pay
- share based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

The long-term incentives ('LTI') include long service leave and share based payments.

Consolidated entity performance and link to remuneration
The remuneration of directors and executives are not linked to the performance, share price or earnings of the consolidated entity.

As stated above, the consolidated entity aims to reward executives with a level and mix of remuneration, based on their position and responsibility, which is both fixed and variable.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, is reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Details of remuneration

Amounts of remuneration
Details of the remuneration of the directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) and executives of Celamin Holdings NL are set out in the following tables.

In accordance with best practice corporate governance, the structure of Non-Executive Directors and executive remunerations are separate. This provides a clear structure for earning rewards.

All remuneration paid to Non-Executive Directors during the 2017 and 2016 financial years was fixed.

The key management personnel of the consolidated entity consisted of the following directors and other executives of Celamin Holdings NL:
- Mr Martin Broome, Non-Executive Chairman
- Mr Nic Clift, Non-Executive Director
- Mr Tim Markwell, Non-Executive Director
- Ms Sue-Ann Higgins, Non-Executive Director
- Mr M Brook, Executive Manager - Business Development
- Ms Melanie Leydin, Company Secretary

	Short-term benefits		Post-employment benefits	Long-term benefits		Share-based payments - options	
2017	Cash salary and fees $	Bonuses $	Super-annuation $	Long service leave $	Termination payments $	Equity-settled $	Total $
Non-Executive Directors:							
Mr M Broome*	60,000	-	-	-	-	-	60,000
Mr T Markwell*	40,000	-	-	-	-	-	40,000
Ms S Higgins* (1)	100,000	-	-	-	-	-	100,000
Mr N Clift* (2)	40,000	-	-	-	-	-	40,000
Other Key Management Personnel:							
Ms M Leydin* (3)	48,400	-	-	-	-	-	48,400
Mr M Brook	71,600	-	-	-	-	-	71,600
	360,000	-	-	-	-	-	360,000

* Director/executive has agreed to defer payment of part salary/fees payable to them until the current Tunisia dispute is resolved. The amount of the deferred payments is included in Cash Salary and Fees above.

1. Of fees paid to S Higgins, $60,000 related to additional professional and consulting services
2. Resigned as Managing Director 31 May 2016, Appointed as Non-Executive Director 1 June 2016.
3. Fees paid to Leydin Freyer Corporate Pty Ltd for company secretarial fees and accounting services.

2016	Short-term benefits: Cash salary and fees $	Short-term benefits: Bonuses $	Short-term benefits: Non-monetary $	Post-employment benefits: Super-annuation $	Long-term benefits: Termination payments $	Share-based payments - options: Equity-settled $	Total $
Non-Executive Directors:							
Mr M Broome*	60,000	-	-	-	-	-	60,000
Mr T Markwell*	40,000	-	-	-	-	-	40,000
Ms S Higgins* (1)	100,000	-	-	-	-	-	100,000
Executive Directors:							
Mr N Clift* (2)	166,132	-	15,782	-	150,000	16,928	348,842
Other Key Management Personnel:							
Ms M Leydin* (3)	76,000	-	-	-	-	-	76,000
Mr N Sekfali* (4)	220,205	-	-	-	-	-	220,205
	662,337	-	15,782	-	150,000	16,928	845,047

* Director/executive has agreed to defer payment of part salary/fees payable to them until the current Tunisia dispute is resolved. The amount of the deferred payments is included in Cash Salary and Fees above.

1. Of fees paid to S Higgins, $60,000 related to additional professional and consulting services.
2. Resigned as Managing Director 31 May 2016, Appointed as Non-Executive Director 1 June 2016.
3. Fees paid to Leydin Freyer Corporate Pty Ltd for company secretarial fees and accounting services
4. Terminated as Project Director in March 2016.

Name	Fixed remuneration 2017	Fixed remuneration 2016	At risk - STI 2017	At risk - STI 2016	At risk - LTI 2017	At risk - LTI 2016
Non-Executive Directors:						
Mr M Broome	100%	100%	-	-	-	-
Mr T Markwell	100%	100%	-	-	-	-
Ms S Higgins	100%	100%	-	-	-	-
Executive Directors:						
Mr N Clift	100%	95%	-	-	-	5%
Mr M Brook	100%	-	-	-	-	-
Other Key Management Personnel:						
Ms M Leydin	100%	100%	-	-	-	-
Mr N Sekfali	-	100%	-	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mr Nic Clift
Title:	Non-Executive Director
Agreement commenced:	1 June 2016
Details:	Mr Clift may resign from his position and thus terminate this contract at any time by giving written notice. Remuneration comprises a base salary of $40,000 for non-executive board duties, plus applicable superannuation.

Name:	Mr Martin Broome
Title:	Non-Executive Chairman
Agreement commenced:	22 February 2012 (revised 1 July 2015)
Details:	Mr Broome may resign from his position and thus terminate this contract by giving one month's written notice. The engagement of the Director may be terminated at any time by three months' written notice to the Director. The Company may terminate the contract at any time without notice if serious misconduct has occurred. Remuneration comprises a base salary of $60,000 for non-executive board duties.

Name:	Mr Tim Markwell
Title:	Non-Executive Director
Agreement commenced:	2 February 2015 (revised 1 July 2015)
Details:	Mr Markwell may resign from his position and thus terminate this contract at any time by giving written notice. Remuneration comprises a base salary of $40,000 for non-executive board duties, plus applicable superannuation.

Name:	Ms Sue-Ann Higgins
Title:	Non-Executive Director
Agreement commenced:	2 February 2015 (revised 1 July 2015)
Details:	Ms Higgins may resign from her position and thus terminate this contract at any time by giving written notice. Remuneration comprises a base salary of $40,000 for non-executive board duties, plus applicable superannuation.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2017.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2017.

Additional information
The earnings of the consolidated entity for the five years to 30 June 2017 are summarised below:

	2017 $	2016 $	2015 $	2014 $	2013 $
Revenue	884	2,758	10,265	31,927	53,388
Loss before income tax	(2,025,351)	(14,300,931)	(3,490,522)	(22,407,151)	(2,131,976)
Loss after income tax	(2,025,351)	(14,300,931)	(3,490,522)	(22,407,151)	(2,131,976)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2017	2016	2015	2014	2013
Share price at the start of the financial year ($)	0.01	0.01	0.04	0.08	0.16
Share price at the end of the financial year ($)	0.01	0.01	0.01	0.04	0.08
Basic earnings per share (cents per share)	(0.20)	(1.44)	(0.55)	(11.08)	(1.35)

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr M Broome	10,000,000	-	-	-	10,000,000
Mr N Clift	10,000,000	-	-	-	10,000,000
Ms M Leydin	47,500	-	-	-	47,500
	20,047,500	-	-	-	20,047,500

Option holdings
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr N Clift	2,000,000	-	-	(2,000,000)	-
	2,000,000	-	-	(2,000,000)	-

This concludes the remuneration report, which has been audited.

Shares issued on the exercise of options
There were no ordinary shares of Celamin Holdings NL issued on the exercise of options during the year ended 30 June 2017 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of Grant Thornton Audit Pty Ltd
There are no officers of the company who are former partners of Grant Thornton Audit Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors:

Martin Broome
Non-Executive Chairman

26 April 2018
Melbourne

Grant Thornton

Collins Square, Tower 1
727 Collins Street
Docklands Victoria 3008

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration to the Directors of Celamin Holdings NL

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Celamin Holdings NL for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M A Cunningham
Partner - Audit & Assurance

Melbourne, 26 April 2018

Celamin Holdings NL
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $
Revenue	5	884	2,758
Other income	6	3,504	77,679
Expenses			
Legal expenses		(778,783)	(1,299,281)
Corporate expenses		(213,960)	(441,944)
Administration expenses		(177,304)	(353,148)
Employment expenses		(382,325)	(716,440)
Depreciation and amortisation		-	(26,464)
Loss on sale of property plant and equipment		-	(13,128)
Exploration expenditure written off		-	(9,366,644)
Share Based Payments		(14,809)	(20,474)
Impairment of exploration and evaluation		-	(1,983,845)
Doubtful debts expense		-	(160,000)
Interest and finance costs		(462,558)	-
Loss before income tax expense		(2,025,351)	(14,300,931)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Celamin Holdings NL		(2,025,351)	(14,300,931)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Celamin Holdings NL		(2,025,351)	(14,300,931)
		Cents	**Cents**
Basic earnings per share	31	(0.20)	(1.44)
Diluted earnings per share	31	(0.20)	(1.44)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Celamin Holdings NL
Statement of financial position
As at 30 June 2017

	Note	Consolidated 2017 $	2016 $
Assets			
Current assets			
Cash and cash equivalents	9	79,032	178,958
Trade and other receivables	10	30,014	5,416
Other	11	36,590	37,722
Total current assets		145,636	222,096
Total assets		145,636	222,096
Liabilities			
Current liabilities			
Trade and other payables	15	1,714,819	1,430,810
Borrowings	16	1,524,093	-
Total current liabilities		3,238,912	1,430,810
Total liabilities		3,238,912	1,430,810
Net liabilities		(3,093,276)	(1,208,714)
Equity			
Issued capital	17	45,483,459	45,357,479
Reserves	18	-	34,627
Accumulated losses		(48,576,735)	(46,600,820)
Total deficiency in equity		(3,093,276)	(1,208,714)

The above statement of financial position should be read in conjunction with the accompanying notes

Celamin Holdings NL
Statement of changes in equity
For the year ended 30 June 2017

Consolidated	**Non-controlling Interest $**	**Contributed equity $**	**Reserves $**	**Accumulated losses $**	**Total deficiency in equity $**
Balance at 1 July 2015	(3,500)	45,357,479	88,055	(32,370,558)	13,071,476
Loss after income tax expense for the year	-	-	-	(14,300,931)	(14,300,931)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(14,300,931)	(14,300,931)
Transactions with owners in their capacity as owners:					
Share-based payments (note 32)	-	-	20,474	-	20,474
Lapse of Options	-	-	(74,169)	74,169	-
Revaluation of foreign currency translation reserve	-	-	267	-	267
Derecognition on disposal of minority interest	3,500	-	-	(3,500)	-
Balance at 30 June 2016	-	45,357,479	34,627	(46,600,820)	(1,208,714)

Consolidated	**Non-controlling Interest $**	**Contributed Equity $**	**Reserves $**	**Accumulated Losses $**	**Total deficiency in equity $**
Balance at 1 July 2016	-	45,357,479	34,627	(46,600,820)	(1,208,714)
Loss after income tax expense for the year	-	-	-	(2,025,351)	(2,025,351)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(2,025,351)	(2,025,351)
Share based payments (note 32)	-	-	14,809	-	14,809
Lapse of options	-	-	(49,436)	49,436	-
Capital issued	-	148,975	-	-	148,975
Capital raising costs	-	(22,995)	-	-	(22,995)
Balance at 30 June 2017	-	45,483,459	-	(48,576,735)	(3,093,276)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Celamin Holdings NL
Statement of cash flows
For the year ended 30 June 2017

	Note	Consolidated 2017 $	2016 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,284,163)	(1,781,073)
Interest received		884	2,757
Interest and other finance costs paid		(2,536)	-
Net cash used in operating activities	30	(1,285,815)	(1,778,316)
Cash flows from investing activities			
Payments for security deposits		(182)	-
Net cash used in investing activities		(182)	-
Cash flows from financing activities			
Proceeds from issue of shares	17	148,975	-
Share issue transaction costs		(22,995)	-
Proceeds from borrowings		1,061,526	-
Net cash from financing activities		1,187,506	-
Net decrease in cash and cash equivalents		(98,491)	(1,778,316)
Cash and cash equivalents at the beginning of the financial year		178,958	1,957,274
Effects of exchange rate changes on cash and cash equivalents		(1,435)	-
Cash and cash equivalents at the end of the financial year	9	79,032	178,958

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Celamin Holdings NL as a consolidated entity consisting of Celamin Holdings NL and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Celamin Holdings NL's functional and presentation currency.

Celamin Holdings NL is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4
100 Albert Road
South Melbourne, VIC 3205

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 April 2018. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The consolidated entity made a loss after tax of $2,025,351 during the financial year (2016: $14,300,931) and had net operating cash outflows of $1,285,815 (2016: $1,778,316). The cash balance as at 30 June 2017 was $79,032 (2016: $178,958).

The Company has received applications for a placement totalling 6,207,000,000 shares at an issue price of 0.025 cents per share for proceeds of $1,551,750.

Key contributors to the placement include AFL3, Polo, Lion Selection Group, directors and sophisticated investors, including clients of Patersons Securities.

The Placement was undertaken in two tranches as follows:

- the First Tranche being the issue of 400,000,000 shares to sophisticated investors pursuant to the Company’s 15% placement capacity under Listing Rule 7.1, to raise $100,000 which was completed on 10 January 2018; and
- the Second Tranche being the issue of the balance of shares under the placement, which was approved at a general meeting of the Company held on 14 February 2018, which was completed on 23 February 2018.

The Directors continue to monitor the ongoing funding requirements of the consolidated entity through the preparation of cash flow forecasts prepared by management to ensure that the consolidated entity has sufficient funds to meet their commitments. The Directors are confident that sufficient funds can be secured if required by a combination of capital raising and sale of assets to enable the consolidated entity to continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

Note 2. Significant accounting policies (continued)

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Celamin Holdings NL ('company' or 'parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. Celamin Holdings NL and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ("CODM"). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Celamin Holdings NL's functional and presentation currency.

Note 2. Significant accounting policies (continued)

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Other receivables are recognised at amortised cost, less any provision for impairment.

Joint ventures
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-8 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 2. Significant accounting policies (continued)

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital
Ordinary shares are classified as equity.

Note 2. Significant accounting policies (continued)

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Celamin Holdings NL, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 2. Significant accounting policies (continued)

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019. The company has made an assessment of the changes and does not expect any material impact on implementation.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Exploration and evaluation costs
At each reporting date, the directors review the carrying value of each area of interest, with reference to the indicators of impairment outlined in AASB 6 - Exploration for and Evaluation of Mineral Resources. The directors also consider whether the expenditure on each area of interest qualify for treatment under the requirements of AASB 6.

Note 4. Operating segments

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the Chief Operating Decision Makers ("CODM") in order to allocate resources to the segment and to assess its performance. The consolidated entity is currently organised into one operating segment: exploration and development of resource projects in North Africa.

This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are the CODM) in assessing performance and in determining the allocation of resources.

Note 5. Revenue

	Consolidated 2017 $	Consolidated 2016 $
Interest revenue - bank deposits	884	2,758

Note 6. Other income

	Consolidated 2017 $	Consolidated 2016 $
Net foreign exchange gain	3,504	77,679

Note 7. Expenses

	Consolidated 2017 $	Consolidated 2016 $
Loss before income tax includes the following specific expenses:		
Employee benefits expense		
Superannuation	-	27,823

Note 8. Income tax expense

	Consolidated 2017 $	Consolidated 2016 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(2,025,351)	(14,300,931)
Tax at the statutory tax rate of 27.5% (2016: 28.5%)	(556,972)	(4,075,765)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Costs incurred in deriving non-assessable non-exempt income	218,510	1,584,413
Share-based payments	14,809	5,835
	(323,653)	(2,485,517)
Current year tax losses not recognised	360,479	190,056
Current year temporary differences not recognised	(36,826)	2,295,461
Income tax expense	-	-

	Consolidated 2017 $	Consolidated 2016 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	15,724,046	14,475,034
Potential tax benefit @ 27.5% (2016: 28.5%)	4,324,113	4,125,385

Note 8. Income tax expense (continued)

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

i) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
ii) the consolidated entity continues to comply with the conditions for deductibility imposed by law; and
iii) no change in tax legislation adversely affects the consolidated entity in realizing the benefits from deducting the losses.

In respect of the activities in Tunisia, the current Mining Code of the Republic of Tunisia provides the holder of exploration permits with a five year exemption from payment of income tax following the commencement of effective exploitation.

	Consolidated	
	2017	**2016**
	$	**$**
Deferred tax assets not recognised		
Deferred tax assets not recognised comprise:		
Accrued expenses	187,252	164,136
Tax losses	4,324,113	4,125,385
Other temporary differences	244,977	2,546,127
Total deferred tax assets not recognised	4,756,342	6,835,648

The above potential tax benefit for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 9. Current assets - cash and cash equivalents

	Consolidated	
	2017	**2016**
	$	**$**
Cash on hand	1,608	(74)
Cash at bank	77,424	179,032
	79,032	178,958

Note 10. Current assets - trade and other receivables

	Consolidated	
	2017	**2016**
	$	**$**
Trade and other receivables	160,000	160,000
Less: Provision for doubtful debts	(160,000)	(160,000)
	-	-
GST receivable	30,014	5,416
	30,014	5,416

Celamin has launched legal action in the Tunisian courts to recover the $160,000 as the samples have never been delivered to Celamin by TMS. TMS have not refunded the $160K that Celamin paid to TMS for the samples. Celamin are pursuing the return of these funds through a separate legal action in Tunisia. This legal action is ongoing at reporting date.

Note 11. Current assets - other

	Consolidated 2017 $	Consolidated 2016 $
Prepayments	16,203	17,517
Deposits supporting bank guarantees	20,387	20,205
	36,590	37,722

Note 12. Non-current assets - investments accounted for using the equity method

This asset is the value of the consolidated entity's investment in the joint venture company CPSA. In accordance with the accounting standard AASB 128 the carrying value of the asset can no longer be justified as fair value so the decision was made by the Company to write down their investment in joint venture CPSA in full at 30 June 2016.

The consolidated entity is currently in dispute with its joint venture partner regarding the legal ownership of the consolidated entity's shareholding in CPSA. The consolidated entity is currently undertaking steps to recover this shareholding - refer to the Review of Operations section of the Directors' Report accompanying these financial statements for more information.

Note 13. Non-current assets - property, plant and equipment

	Consolidated 2017 $	Consolidated 2016 $
Plant and equipment - at cost	-	23,218
Less: Accumulated depreciation	-	(23,218)
	-	-
Motor vehicles - at cost	-	42,601
Less: Accumulated depreciation	-	(42,601)
	-	-
	-	-

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & equipment $	Motor vehicles $	Total $
Balance at 1 July 2015	25,928	13,664	39,592
Disposals	(13,128)	-	(13,128)
Depreciation expense	(12,800)	(13,664)	(26,464)
Balance at 30 June 2016	-	-	-
Balance at 30 June 2017	-	-	-

Note 14. Non-current assets - exploration and evaluation

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & Evaluation $
Balance at 1 July 2015	9,366,644
Write off of assets	(9,366,644)
Balance at 30 June 2016	-
Balance at 30 June 2017	-

The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful exploration and sale of phosphate and base metals across the permits held by CPSA, in which the consolidated entity claims 51% ownership.

Significant judgment is required in determining whether it is likely that future economic benefits will be derived from the capitalised exploration and evaluation expenditure. In the judgement of the Directors, at 30 June 2017 exploration activities in each area of interest have reached a stage which permits a reasonable assessment of the existence or other of economically recoverable reserves. Taking this into consideration the Company has decided to write off the exploration asset due the uncertainty surrounding it's 51% shareholding in the joint venture company CPSA which has been fraudulently purported to be transferred to its joint venture partner TMS, which steps are currently being undertaken to recover.

Refer to the Review of Operations section of the Directors' Report accompanying these financial statements for more information.

Note 15. Current liabilities - trade and other payables

	Consolidated	
	2017 **$**	**2016** **$**
Trade payables	627,675	362,242
Other payables	1,087,144	1,068,568
	1,714,819	1,430,810

Refer to note 20 for further information on financial instruments.

Following the Dispute arising with TMS, the Company announced a cash conservation programme on 24 April 2015. Since that time the payment of all Non-Executive Director fees has been deferred, and those fees have been accrued, rather than paid in cash. A total amount of $415,854 has been accrued for Non-Executive Director fees as at 30 June 2017. The Directors sought shareholder approval of a resolution to enable the Directors to elect to take shares in lieu of the Company making a physical cash payment for the outstanding amounts owing to Directors.

Note 16. Current liabilities - borrowings

	Consolidated	
	2017	2016
	$	$
Loan - African Lion	786,154	-
Loan - Polo Resources	737,939	-
	1,524,093	-

Refer to note 20 for further information on financial instruments.

On 16 June 2016, the Company entered into a Loan Agreement (AFL3 Loan) with African Lion 3 Limited (AFL3) for advances of up to a principal amount of US$400,000 (equivalent AUD$529,772) plus interest, fees and charges. The AFL3 Loan was subsequently fully drawn down and was due for repayment (together interest, fees and other money owing) on 30 April 2017. The Company has reached agreement with AFL3 to repay the balance owing under the AFL3 Loan (including interest, fees and other money owing) as at 30 June 2017, being a total of AUD$786,154, in exchange for the issue of 262,051,547 Shares at an Issue Price of 0.3 cents and 131,025,774 new options.

On 7 June 2016, the Company entered into a Loan Agreement (Polo Loan) with Polo Resources Limited (Polo) for advances of up to a principal amount of US$400,000 (equivalent AUD$531,755) plus interest, fees and charges. The Polo Loan was subsequently fully drawn down and was due for repayment (together interest, fees and other money owing) on 30 April 2017. An agreement has also been reached with Polo to repay the balance owing under the Polo Loan (including interest, fees and other money owing) as at 30 June 2017, being a total of AUD$737,939, in exchange for the issue of 245,979,557 Shares at an Issue Price of 0.3 cents and 122,989,779 new options.

Note 17. Equity - issued capital

	Consolidated			
	2017 Shares	2016 Shares	2017 $	2016 $
Ordinary shares - fully paid	1,142,147,036	993,171,986	45,466,174	45,340,194
Partly paid shares	14,887,796	14,887,796	17,285	17,285
	1,157,034,832	1,008,059,782	45,483,459	45,357,479

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2015	993,171,986		45,340,194
Balance	30 June 2016	993,171,986		45,340,194
Placement	May 2017	148,975,050	$0.001	148,975
Issue costs	May 2017	-		(22,995)
Balance	30 June 2017	1,142,147,036		45,466,174

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 17. Equity - issued capital (continued)

Partly paid shares
Partly paid shares do not entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held.

Partly paid shares do not have any voting rights.

Options
Options do not entitle the holder to participate in dividends and the proceeds on the winding up of the company.

Option holders do not have any voting rights.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The consolidated entity may issue new shares in order to provide a sufficient level of funding for its phosphate projects whilst maintaining an appropriate capital structure and sound gearing.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2016 Annual Report.

Note 18. Equity - reserves

	Consolidated	
	2017 $	2016 $
Options reserve	-	34,627

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 18. Equity - reserves (continued)

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Option $	Foreign Currency $	Total $
Balance at 1 July 2015	88,322	(267)	88,055
Foreign currency translation	-	267	267
Share based payments	20,474	-	20,474
Transfer of lapsed options	(74,169)	-	(74,169)
Balance at 30 June 2016	34,627	-	34,627
Share based payments	14,809	-	14,809
Transfer of lapsed options	(49,436)	-	(49,436)
Balance at 30 June 2017	-	-	-

Note 19. Equity - dividends

There were no dividends paid or declared during the current or previous financial year.

Note 20. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is assessed using cash flow forecasting.

Interest rate risk
The consolidated entity's only exposure to interest rate risk is primarily in relation to short-term deposits held which are held with reputable financial institutions.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

Note 20. Financial instruments (continued)

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	627,675	-	-	-	627,675
Other payables	-	1,087,144	-	-	-	1,087,144
Interest-bearing - fixed rate						
Loan - African Lion	10.00%	786,154	-	-	-	786,154
Loan - Polo Resources	15.00%	737,939	-	-	-	737,939
Total non-derivatives		3,238,912	-	-	-	3,238,912

Consolidated - 2016	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	362,242	-	-	-	362,242
Other payables	-	922,472	-	-	-	922,472
Total non-derivatives		1,284,714	-	-	-	1,284,714

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 21. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2017 $	Consolidated 2016 $
Short-term employee benefits	360,000	662,337
Post-employment benefits	-	15,782
Termination benefits	-	150,000
Share-based payments	-	16,928
	360,000	845,047

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the company:

	Consolidated	
	2017	**2016**
	$	**$**
Audit services - Grant Thornton Audit Pty Ltd		
Audit or review of the financial statements	57,500	30,000

Note 23. Contingent liabilities

In the event the JV Partners dispute proceeds to a final hearing and award, the Success Fee payable to the Company's arbitration lawyers Brown Rudnick will be:

- A fixed amount of Euro 300,000 payable upon return of Celamin's 51% interest in Chaketma; and
- An additional amount equal to 2% of any damages awarded in favour of Celamin in the Final Award, payable upon payment of those damages and/or transfer to Celamin of an increased percentage interest in CPSA in lieu of payment of such damages.

Note 24. Related party transactions

Parent entity
Celamin Holdings NL is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 26.

Joint ventures
Interests in joint ventures are set out in note 27.

Key management personnel
Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the directors' report.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 25. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2017	**2016**
	$	**$**
Loss after income tax	(22,333,555)	(20,984,099)
Total comprehensive income	(22,333,555)	(20,984,099)

Note 25. Parent entity information (continued)

Statement of financial position

	Parent 2017 $	Parent 2016 $
Total current assets	117,859	110,406
Total assets	117,859	110,406
Total current liabilities	2,720,475	765,087
Total liabilities	2,720,475	765,087
Equity		
Issued capital	45,483,459	45,357,479
Foreign currency reserve	-	267
Options reserve	-	34,627
Accumulated losses	(48,086,075)	(46,047,054)
Total deficiency in equity	(2,602,616)	(654,681)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2017 and 30 June 2016.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2017 and 30 June 2016.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2017 and 30 June 2016.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity.

Note 26. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2017 %	Ownership interest 2016 %
Celamin Limited	Australia	100.00%	100.00%

Note 27. Interests in joint ventures

Interests in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the consolidated entity are set out below:

		Ownership interest	
	Principal place of business /	**2017**	**2016**
Name	**Country of incorporation**	**%**	**%**
Chaketma Phosphates SA	Tunisia	51.00%	51.00%

As noted in the Review of Operations section of the Directors' Report accompanying these financial statements, the consolidated entity's 51% shareholding in the joint venture company CPSA has been fraudulently purported to be transferred to its joint venture partner TMS. The consolidated entity is currently undertaking steps to recover this shareholding - refer to the Review of Operations section of the Directors' Report accompanying these financial statements for more information.

Note 28. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Celamin Holdings NL
Celamin Limited

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Celamin Holdings NL, they also represent the 'Extended Closed Group'.

Note 29. Events after the reporting period

On 6 July 2017, the Company held a General Meeting to approve the issue of the following shares and options in the Company:

- Shares and options issued upon settlement of Tranche 2 of the Placement.

- Shares and options issued as settlement of the balance owing under the AFL3 and Polo loans (including interest, fees and other money owing) as at 30 June 2017.

- Shares and options issued as consideration for up to 100% of outstanding Directors' fees for the period 1 January 2015 to 30 June 2017.

- Shares and options issued as part satisfaction of fees owing to Leydin Freyer for Company Secretarial and Accounting services.

- Shares and options issued as satisfaction for fees owing to Mike Brook as Executive Manager for Business Development from the period 1 February 2017 to 9 June 2017.

Note 29. Events after the reporting period (continued)

On 30 November 2017 Celamin Holdings NL received notification that the final award ("Final Award") has been delivered by the sole arbitrator ("Arbitrator") appointed by the ICC to conduct the arbitration of its dispute with its joint venture partner TMS in relation to the fraudulent transfer to TMS of Celamin's 51% shareholding in CPSA, the operating company which holds the Chaketma Phosphates Permit. The Arbitrator has ruled in favour of Celamin Limited ordering TMS to return Celamin Limited's 51% shareholding in CPSA and to pay damages and costs in excess of US$4 million.

Celamin Limited has applied for enforcement of the Final Award in Tunisia by way of application to the Tunisian Court of Appeal. If enforcement is granted, the award may be executed against TMS in the same manner as any Tunisian Court decision. TMS has lodged an application to set aside the Final Award with the Swiss Federal Court on the basis of an alleged procedural defect. TMS have alleged that they were not provided with certain invoices relating to a portion of the damages awarded by the Arbitrator, a matter which is unequivocally denied by Celamin's legal counsel. Celamin is of the view that the issues raised by TMS are not relevant to the Arbitrator's decision on the merits of the dispute and Celamin Limited has appointed Swiss Counsel to defend this application.

On 10 January 2018, the company secured a capital raising of $1,551,750 which will provide funding to pursue enforcement of the Final Award for recovery of its interest in Chaketma Phosphate, other legal actions in Tunisia, and for general working capital purposes. The company received applications for the placement of a total of 6,207,000,000 shares at an issue price of 0.025 cents per share ("2018 Placement"). The 2018 Placement was undertaken in two tranches as follows:
(a) the First Tranche being the issue of 400,000,000 Shares to sophisticated investors pursuant to the Company's 15% placement capacity under Listing Rule 7.1, to raise AUD$100,000 which was completed on 10 January 2018; and
(b) the Second Tranche being the issue of the balance Shares under the 2018 Placement, following shareholder approval at a general meeting of the Company held on 14 February 2018, which was completed on 23 February 2018.

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 30. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2017 $	2016 $
Loss after income tax expense for the year	(2,025,351)	(14,300,931)
Adjustments for:		
Depreciation and amortisation	-	26,464
Impairment of non-current assets	-	9,366,644
Write off of investments	-	1,983,845
Net loss on disposal of property, plant and equipment	-	13,128
Share of loss - joint ventures	-	1,772
Share-based payments	14,809	20,474
Foreign exchange differences	(19,055)	(77,680)
Interest and finance costs	462,568	-
Doubtful debt expense	-	160,000
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(24,598)	4,455
Decrease/(increase) in prepayments	1,314	(14,365)
Increase in trade and other payables	304,498	1,074,864
Decrease in other provisions	-	(36,986)
Net cash used in operating activities	(1,285,815)	(1,778,316)

Note 31. Earnings per share

	Consolidated 2017 $	Consolidated 2016 $
Loss after income tax attributable to the owners of Celamin Holdings NL	(2,025,351)	(14,300,931)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	1,006,232,812	993,171,986
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,006,232,812	993,171,986
	Cents	**Cents**
Basic earnings per share	(0.20)	(1.44)
Diluted earnings per share	(0.20)	(1.44)

Diluted earnings per share

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 "Earnings per Share". The rights to options are non-dilutive as the consolidated entity generated a loss during the financial year.

Note 32. Share-based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the parent entity to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Set out below are summaries of options granted under the plan:

2017

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
14/07/2014	04/05/2017	$0.050	2,000,000	-	-	(2,000,000)	-
			2,000,000	-	-	(2,000,000)	-

2016

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
23/05/2013	31/05/2018	$0.200	2,000,000	-	-	(2,000,000)	-
14/07/2014	04/05/2017	$0.050	2,000,000	-	-	-	2,000,000
			4,000,000	-	-	(2,000,000)	2,000,000

Note 32. Share-based payments (continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2017 Number	2016 Number
14/07/2014	04/05/2017	-	2,000,000
		-	2,000,000

Celamin Holdings NL
Directors' declaration
30 June 2017

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 28 to the financial statements.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Martin Broome
Non-Executive Chairman

26 April 2018
Melbourne

Collins Square, Tower 1
727 Collins Street
Melbourne Victoria 3008

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report
to the Members of Celamin Holdings NL

Report on the audit of the financial report

Opinion

We have audited the financial report of Celamin Holdings NL (the Company) and its subsidiaries (the Group) , which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

a Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

b Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Group incurred a net loss of $2,025,351 during the year ended 30 June 2017, and as of that date, the Group had net operating cash outflows of $1,285,815. The cash balance as at 30 June 2017 was $79,032. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Subsequent events – Note 29	
Subsequent to year end the Group entered into and completed several transactions including: • the issue of shares and options on 6 July 2017 which settled the Group's borrowings and other payables • On 30 November 2017, the International Chamber of Commerce (ICC) issued a final award in the Group's favour on the legal dispute of its 51% shareholding interest in Chaketma Phosphates SA (CPSA). Furthermore, the Group was awarded damages and costs in excess of US$4 million • On 10 January 2018, the Group secured a capital raising of $1,551,750 AASB 110 *Events after the Reporting Period* requires an entity to assess and consider whether transactions occurring after the reporting period are adjusting or non-adjusting events Given the volume of transactions and the impact on the financial report at 30 June 2017, this has been a key area of audit focus	Our procedures included, amongst others: • reading minutes of meetings of management and those charged with governance and obtaining the underlying documentation behind each transactions to assess whether each of the transactions are considered adjusting or non-adjusting events • obtaining the underlying contracts and agreements relating to the transactions • obtaining and reviewing solicitor's confirmations about the legal matter and reviewing the correspondence and final award concerning the legal dispute • assessing whether the transactions have been correctly accounted for in the financial report in line with Australian accounting standards • reviewing the appropriateness of the related disclosures within the financial statements

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of the Directors' for the Financial Report

The Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Celamin Holdings NL, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M A Cunningham
Partner - Audit & Assurance

Melbourne, 26 April 2018

Celamin Holdings NL
Shareholder information
30 June 2017

As at 20 April 2018

Distribution of equity securities
Analysis of number of equity security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of partly paid shares
1 to 1,000	13	2
1,001 to 5,000	32	31
5,001 to 10,000	144	27
10,001 to 100,000	170	28
100,001 and over	151	15
	510	103
Holding less than a marketable parcel	313	38

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Number held	% of total shares issued
AFRICAN LION 3 LIMITED	1,332,200,000	14.87
POLO INVESTMENTS LIMITED	1,320,000,000	14.73
POLO INVESTMENTS LIMITED	783,413,594	8.74
RETZOS EXECUTIVE PTY LTD < RETZOS EXECUTIVE S/FUND A/C>	720,859,554	8.05
AFRICAN LION 3 LIMITED	623,718,214	6.96
LION SELECTION GROUP LIMITED	400,000,000	4.47
LANCASTER CONSULTANTS LIMITED	363,000,000	4.05
AFRICAN LION 3 LIMITED	328,552,589	3.67
BERNE NO 132 NOMINEES PTY LTD < 602987 A/C>	300,000,000	3.35
LION MANAGER PTY LTD	290,666,517	3.24
MR RICHARD THOMAS HAYWARD DALY + MRS SARAH KAY DALY < DALY FAMILY S/F A/C>	251,470,522	2.81
SCANLAN GARY < GFP SCANLAN SUPER FUND A/C>	200,000,000	2.23
YONDRO PTY LTD < PASIAS FAMILY A/C>	149,999,900	1.67
CITICORP NOMINEES PTY LIMITED	142,583,553	1.59
SAM GOULOPOULOS PTY LTD < S GOULOPOULOS F/SUPER A/C>	124,276,426	1.39
T E & J PASIAS PTY LTD	116,499,900	1.30
IBT HOLDINGS PTY LTD < IBT HOLDINGS PTY LTD FAM A/C>	113,552,951	1.27
CS LOGISTICS PTY LTD < JEPSAK DISCRETIONARY A/C>	100,000,000	1.12
ATLANTIS MG PTY LTD < MG FAMILY A/C>	100,000,000	1.12
MIKEJEN PTY LTD < BROOK FAMILY A/C>	80,000,000	0.89
	7,840,793,720	87.52

Celamin Holdings NL
Shareholder information
30 June 2017

	Partly paid shares Number held	% of total Partly Paid shares issued
Kenneth William Nichol	3,627,754	24.37
RNAJ Pty Ltd (RNAJ Stagg Super Fund A/C)	2,194,097	14.74
Hawra Pty Ltd (The Bailey Family A/C)	2,100,000	14.11
David GM Regan & Marie M Regan (Regan Superannuation Fund)	2,088,421	14.03
Hawra Pty Ltd (The Bailey Family A/C)	742,718	4.99
IDBC SARL	739,430	4.97
Dawesville Nominees Pty Ltd (Peter Avery Super Fund A/C)	600,000	4.03
Strefrewen Pty Ltd	290,000	1.95
Mr Douglass Wakley Cahill	262,600	1.76
Treluc Investment Pty Ltd (The Treluc A/C)	252,500	1.70
J & TW Dekker Pty Ltd (J & TW Dekker Family A/	200,000	1.34
African Lion 3 Limited	200,000	1.34
Ian Lovett (The Lovett Super Fund A/C)	200,000	1.34
Charles W Thomas	150,000	1.01
Sharon R Sievert	145,511	0.98
Douglass Cahill	70,000	0.47
Mineconnect Pty Ltd	46,605	0.31
Brian P Byass	45,000	0.30
White Knight Technology Pty Ltd (The Kell Family A/C)	41,640	0.28
Gaje Pty Ltd (Lagana Super Fund A/C)	40,000	0.27
	14,036,276	94.29

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares with exercise price of $0.002 (0.2 cents) expiring 11 July 2020	865,660,939	22
Options over ordinary shares with exercise price of $0.002 (0.2 cents) expiring 10 January 2021	13,502,498	4

Substantial holders
Substantial holders in the Company, as disclosed in substantial holding notices given to the Company, are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Lion Selection Group Limited	2,684,470,803	29.97
Polo Resources Limited	2,245,979,557	25.07
Mr Chris Retzos	767,307,817	8.57

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.