



ASX Announcement

27 April 2018

Quarterly Activity & Cashflow Reports for Quarter ending 31 March 2018

ACN 139 255 771
ABN 82 139 255 771

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Board of Directors:

Martin Broome, Chairman
Nic Clift, Non-Executive Director
Sue-Ann Higgins, Non-Exec Director
Tim Markwell, Director & Acting CEO

Company Secretary

Melanie Leydin

Securities on Issue

CNL: 8,958,498,854 ordinary shares
CNLCA: 14,887,796 partly paid shares
CNLOA: 865,660,939 unlisted options
CNLOB: 13,502,498 unlisted options

Summary:

- **Completion of \$1.55M Placement**
- **Celamin granted 3 month extension to the deadline for the Company to be removed from the ASX official list**
- **Celamin continues to focus on pursuing the return of its interest in Chaketma Phosphates SA (CPSA)**
- **Legal actions continue in the Tunisian courts**
- **Seizure order obtained over all shares in CPSA held by TMS**
- **Shares remain suspended from trading on ASX**

Phosphate exploration and development company Celamin Holdings NL (ASX: CNL) (Celamin, the Company) presents details of its activities for the Quarter ending 31 March 2018.

Celamin has been focused on the exploration and development of the Chaketma Phosphate Project in Tunisia. The Chaketma Project is a potential large scale phosphate development asset, which comprises six prospects over a total area of 56km². It hosts a total JORC compliant Inferred Resource of 130Mt @ 20.5% P₂O₅, confirmed from drilling at only two of the project's six prospects.

Arbitration Success:

As previously announced on 1 December 2017, a final award (**Final Award**) has been delivered by the sole arbitrator (**Arbitrator**) appointed by the International Court of Arbitration of the International Chamber of Commerce to conduct the arbitration of its Celamin Limited's dispute with its joint venture partner Tunisian Mining Services (**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 found in favour of Celamin Limited ordering TMS to return Celamin Limited's 51% shareholding in Chaketma Phosphates SA (**CPSA**) and to pay damages and costs in excess of US\$4 million.

To date, TMS has not complied with the Final Award, which is binding on both parties. Celamin Limited applied for enforcement of the Final Award in Tunisia by way of application to the Tunisian Court of Appeal lodged in March 2018. If enforcement is granted, the award may be executed against TMS in the same manner as any Tunisian Court decision.

As previously announced on 6 April 2017, Celamin Limited has obtained a conservatory Seizure Order against all shares that TMS owns in the capital of CPSA from the President of the Tribunal of First Instance of Tunisia, which prevents TMS from dealing with any of its shares in CPSA. An appeal by TMS against this Seizure Order was dismissed by the Tribunal in February 2018 and the Seizure Order will remain in place until enforcement of the final arbitral award.

TMS lodged an application to set aside the Final Award with the Swiss Federal Court in January 2018 on the basis of an alleged procedural defect. TMS allege in this application that they were not provided with certain invoices relating to a portion of the damages awarded in the Final Award, a matter which is unequivocally denied by Celamin's legal counsel, who also advise that the issues raised by TMS are not relevant to the Arbitrator's decision on the merits of the dispute in the Final Award. Submissions have been made by both parties on this application and a decision is now awaited.

Celamin is also continuing with various other legal actions in Tunisia including the criminal proceedings and debt recovery actions as previously announced.

Celamin has also initiated a strategy to engage with a local partner for the re-commencement of activities in Tunisia following the successful arbitration award and the start of the enforcement process.

ASX Suspension Update:

As previously announced on 2 March 2018, Celamin received notification from ASX that it has granted the Company with a 3 month extension to the deadline for the Company to be removed from the ASX official list, to allow the Company to take the necessary steps to resume trading by 6 June 2018.

The Company is currently in the process of completing the following steps during this extension period to support an application for reinstatement to trading:

- (i) preparation and lodgement of Cleansing Prospectus for the recent placement;
- (ii) preparation and lodgement all outstanding accounts and reports as required by the Corporations Act and the ASX Listing Rules;
- (iii) preparing notices for shareholders meetings to approve a share consolidation and also hold any relevant Annual General Meetings not held in previous years;
- (iv) payment of all outstanding ASX fees; and
- (v) satisfying ASX that it complies with Chapter 12 of the Listing Rules

Subsequent to the end of the quarter, the Company announced its 31 December 2015 half-year financial report, 30 June 2016 annual report and 31 December 2016 half-year financial report.

The Company will provide further updates on the ASX Suspension in due course.

Funding Update:

During the March 2018 quarter the Company announced the completion of the second Tranche of its placement to AFL3, Polo Resources, Lion Selection Group, Directors and sophisticated investors, including clients of Patersons Securities Limited, following shareholder approval at the Company's General Meeting held on 14 February 2018.

The placement raised a total of \$1.55 million with proceeds to be used to pursue enforcement of the Final Arbitration Award for recovery of its interest in the Chaketma Phosphate Project, and other legal actions in Tunisia and for general working capital purposes.

Other Activities:

The Board continued to review new project opportunities, including new projects in Tunisia, and potential transactions with a view to identifying projects and/or transactions that have the ability to add shareholder value. This review is ongoing.

Celamin has also made applications for base metal exploration permits within Tunisia.

For further information or enquiries, please contact:

Melanie Leydin

Company Secretary

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Lists of Tenements Held

Mining Tenement	Location	Beneficial Percentage held	Interest acquired/farm-in during the quarter	Interest Disposed/farm-out during the quarter
Chaketma	Tunisia	- %*		- * (see below)

*** The Chaketma Phosphate Permit is 100% held by CPSA. Prior to 13 February 2015, Celamin held 51% of CPSA and the transfer of its interest in CPSA to TMS is the subject of legal actions as detailed in this Report.**

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

CELAMIN HOLDINGS NL

ABN

82 139 255 771

Quarter ended ("current quarter")

31 MARCH 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(14)	(95)
(e) administration and corporate costs	(583)	(1,425)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(595)	(1,517)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,552	2,453
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(50)	(50)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	1,502	2,403

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	58	79
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(595)	(1,517)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,502	2,403
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	965	965

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	965	58
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	965	58

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	-
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

N/A

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Nil

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Production	-
9.4 Staff costs	19
9.5 Administration and corporate costs	412
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	431

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Date: 27 April 2018

Company Secretary

Print name:

MELANIE LEYDIN

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.