



ASX Announcement

31 January 2019

Quarterly Activity & Cashflow Reports for Quarter ending 31 December 2018

Celamin Holdings Ltd

ASX Code: CNL / CNLO

ACN 139 255 771

ABN 82 139 255 771

Board and Management

Robin Widdup	Chairman
Simon Eley	CEO & Exec Director
Taz Aldaoud	Non-Exec Director
Tim Markwell	Alternate Director to Robin Widdup

Company Secretary

Melanie Leydin

Securities on Issue

132,498,394	ordinary shares
64,270,074	listed options
8,656,616	unlisted options
135,027	unlisted options
3,787,500	unlisted options

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Summary:

- **Tunisian courts rule in favour of Celamin, rejecting former partner's application to have seizure order on CPSA shares lifted**
- **Board Changes**
- **Appointment of leading phosphate expert**
- **Djebba Zinc-Lead Project, Tunisia – Historical Resource Estimate**
- **Celamin successfully completes Share Purchase Plan, Bonus Options Offer and Top Up Placement**

Phosphate and mineral exploration and development company Celamin Holdings Limited (ASX: CNL, CNLO) ("Celamin" or the "Company") is pleased to present details of its activities for the Quarter ending 31 December 2018.

Celamin remains focused on the exploration and development of the Chaketma Phosphate Project in Tunisia ("Chaketma"). Chaketma 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. Celamin is expanding its interests in Tunisia to include base and precious metals.

Enforcement and Legal Update

Subsequent to the period, further progress was made in the legal proceedings to recover Celamin's 51% shareholding of the 130Mt @ 20.5% P₂O₅ Chaketma project, currently held by the project company Chaketma Phosphate SARL ("CPSA"). The Company's original partner in Chaketma, Tunisian Mining Services (TMS), had applied to have the seizure order on its shares in CPSA lifted. As announced by the Company on 3 January 2019, this application was rejected by the Tunisian courts. This is a favourable outcome to Celamin as the seizure prevents TMS dealing the shares in CPSA during the dispute and protects the Company's interest in Chaketma. Celamin understands that this decision is final and cannot be challenged.

The Company is very pleased with the decision of the Tunisian Supreme Court and confirms its confidence as it looks to have the arbitration decision awarded on 30 November 2017 enforced. The arbitration award in Celamin's favour ordered (amongst other matters) TMS to return to the Company's wholly owned subsidiary, Celamin Limited, its 51% shareholding in CPSA and to pay damages and costs in excess of US\$4 million.

Board Changes

During and subsequent to the end of the December 2018 quarter, Celamin announced a number of appointments and resignations to its Board to increase the strength and diversity of the Board in anticipation of continued success in Tunisia as it progresses the recovery of the Chaketma Phosphate Project and increases work on its new lead/zinc exploration permits.

The appointments include Mr Robin Widdup as Chairman, Mr Tarecq Aldaoud as a Non-Executive Director and Mr Simon Eley as Executive Director whilst continuing in his role as CEO.

The resignations included Mr Martin Broome, Ms Sue-Ann Higgins, Mr Nic Clift and Mr Tim Markwell. Mr Markwell has since been appointed as Mr Robin's Widdup's Alternate Director.

Commenting on the Board changes, Mr Eley said "The appointment of Robin as Chair and Tarecq as a Director of the Company further strengthens the Board as it prepares for the next phase of recovering its interest in Chaketma. I am also very grateful to have Tim continue in the capacity of an Alternate Director to provide not only strong technical support but also considerable corporate history. The Board is very thankful for the patience and guidance Tim has provided over the last 4 years as both a Director and CEO."

Appointment of leading phosphate expert

Following a technical review of Chaketma, and in light of Celamin's confidence in regaining control of Chaketma, Celamin has appointed Mr Brian Campbell as a consultant to the Company. Mr Campbell is a Project Manager and Chemical Engineer who has previously worked in senior roles with WorleyParsons, ThyssenKrupp and BHP Billiton. He has led eight phosphate studies and has phosphate industry experience in fifteen countries, including Tunisia. He is currently developing technologies in phosphate mineral processing and is a regular presenter at international phosphate conferences. His current role with Celamin is to evaluate new opportunities and lead existing projects.

Mr Campbell's engagement is for an initial term of two years and he will be paid a daily rate for work provided. Celamin will also issue 2,000,000 options exercisable at \$0.04 with a term of two years. The options will vest on the return of control of Chaketma to Celamin.

The Company will work with Mr Campbell to progress feasibility work upon the recovery of Chaketma and assess the pathways to production.

Djebba Zinc-Lead Project, Tunisia – Historical Resource Estimate

On 31 October 2018 the Company announced that since the grant of the two exploration permits in Tunisia – Djebba and Zeflana, Celamin had acquired the report on the mining study completed in 1989 by Montreal-based consultancy, Le Groupe SIDAM-Minorex, for the Office National des Mines (ONM) in Tunisia, and engaged CSA Global to review this study to enable announcement of the historical resource estimate.

Celamin is now focusing on validation of the historical resource based on confirmatory drilling and target generation work to define new targets for drill testing as this style of mineralisation can be extensive and form large deposits.

Celamin also continues to review other new opportunities in Tunisia consistent with its strategy to build a portfolio of resource assets to add shareholder value.

Completion of Share Purchase Plan, Bonus Options Offer and Top Up Placement

On 9 November 2018, Celamin announced that it had successfully raised \$622,500 from existing shareholders via the share purchase plan, representing 92% of the maximum amount able to be raised by the SPP.

The Company also announced on 14 November 2018, that it had raised \$336,502 from sophisticated investors via a Top-Up Placement.

The Bonus Options Offer was also completed during the quarter where eligible shareholders received one (1) Bonus Option for every two (2) Shares held by Eligible Bonus Option Shareholders registered on the record date.

The Company is grateful for the continuing support from its shareholders and looks forward to continuing with the enforcement of the arbitration decision and continued work on its new zinc exploration permits.

On 6 December 2018, the Company lodged a Supplementary Prospectus extending the date of the Placement Offer to sophisticated, institutional and/or professional investors to apply for up to \$250,000 worth of Shares at the Placement Offer Price of \$0.025 per Placement Share, plus one (1) free attaching Option for every two (2) Shares applied for exercisable at \$0.05 per Option on or before 18 May 2020 to Friday 8 February 2019.

For further information or enquiries, please contact:

Simon Eley

CEO & Executive Director

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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)
Zeflana	Tunisia	100%	-	-
Djebba	Tunisia	100%	-	-

*** 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 an arbitration award returning Celamin's 51% interest and enforcement proceedings 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 LIMITED

ABN

82 139 255 771

Quarter ended ("current quarter")

31 DECEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	(171)	(222)
(e) administration and corporate costs	(187)	(354)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	4
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	(356)	(572)

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 (6 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	959	959
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	(48)	(48)
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	911	911

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	367	585
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(356)	(572)
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)	911	911
4.5 Effect of movement in exchange rates on cash held	1	(1)
4.6 Cash and cash equivalents at end of period	923	923

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	923	367
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)	923	367

6. Payments to directors of the entity and their associates

- 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

Current quarter \$A'000
163
-

Fees paid to directors and to director related entities during the December 2018 quarter. Included in this amount is a lump sum payment of \$127K to former Directors in relation to their accrued Director's fees for the period 1 January 2018 up to the date of their cessation.

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000
-
-

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.		
N/A		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	30
9.2 Development	-
9.3 Production	-
9.4 Staff costs	38
9.5 Administration and corporate costs	170
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	238

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: 31 January 2019

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.