



Celamin Holdings N.L

ACN 139 255 771 ABN 82 139 255 771
Suite 304, 22 St Kilda Road, St Kilda, VIC 3182

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30 May 2011

EARN-IN AGREEMENT FOR OUED EL KEBIR PROJECT SIGNED IN ALGIERS

Board of Directors

Kevin Nichol (Chairman)

David Regan (Executive Director)

Peter Avery (Non-executive Director)

Michael Trifunovic (Non-executive Director)

Company Secretary

Melanie Leydin

Securities on Issue:

CNL: 46,950,903 ordinary shares

CNLO: 25,367,001 options expiring 31
March 2014

CNLCA: 17,809,901 partly paid shares

Celamin Ltd has advised Celamin Holdings the following:

Celamin Limited and its new wholly owned subsidiary Celamin Algeria WLL ('Celamin') signed the Earn-In agreement with Faïenceries Algériennes on 24th April 2011 in Algiers.

Faïenceries Algériennes ('FA') holds the rights to the Oued El Kebir Exploitation Permit near Jijel in North Eastern Algeria. Details of the Oued El Kebir deposit have previously been advised to the CNL shareholders in an announcement as its former entity Victorian Gold Mines NL (VGM) on 29th July 2010 entitled "Acquisition of North African Interest". FA also holds exploration permits in Algeria that are not part of the earn-in agreement.

The deposit occurs in a volcanic complex in the Paleozoic fold belt of northern Algeria.

During the 1970's and 1980's Russian investigators drilled diamond core drill holes numbered 1 to +300. Extensive data from more than 160 of these holes has been studied by Celamin. This work delineated B + C1 + C2 reserves (Russian classification) totalling 11.5 million tonnes at 2.6 percent lead, 2.1 percent zinc, 0.7 percent copper and 95 grams per tonne Ag. Celamin has estimated this is equivalent to an Inferred Resource. Gold has been identified in the mineralisation at about 0.5 gram per tonne on average but this was not formally quantified by the Russians and is not included in the inferred resource.



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Mineralisation occurs as massive sulphide lenses and is described as 'Kuroko-style', distinct style of massive sulphide deposit(s) with a 'type area' in Japan. The deposit occurs in a single zone but the mineralisation is stratified within that zone. Some of this zone is up to 20 metres thick, the average thickness of the resource exceeds 10 metres. In general an upper zone of mineralisation with a Baryte-rich 'Pb-Zn' signature is overlain by mineralisation with a dominantly 'Cu' signature.

The mineralisation occurs as a variable, but generally flat-lying, sheet. It outcrops in one place but it is up to 250 metres below the surface. The zone is at least 1.5 kilometres long and 200-400m wide. Drilling is regularly spaced at about 100 metres over most of the deposit; closer spacing occurs near the outcrop.

The agreement allows Celamin to earn up to 49% interest in the project. Under current Algerian law 49% is the maximum a foreign investor can invest in Algeria. The agreement allows Celamin to earn 50% should this law change any time in the future. Initially a due diligence phase will be undertaken during which Celamin will complete a work program to confirm the intersections made in past diamond core drilling at the site. Currently Celamin plans to drill at least three drillholes in the latter part of 2011. Cores from these holes will be sampled using modern sampling protocols and analysed at recognised International laboratories. Mineralogy and metallurgy will also be undertaken on these cores. All the past data will be analysed using modern computer based techniques. This will allow a decision to be made as to whether Celamin will proceed to the next stage, a 2-staged Feasibility Study. The appropriate Algerian regulators have been informed of the agreement and the proposed program.

Following completion of the due diligence phase, Celamin and FA will form a joint operating company and gain approval for the transaction from the appropriate regulators before proceeding to the 2-staged Feasibility phase. On completion of a Feasibility Study FA will transfer the OEK permit to the joint operating company and Celamin will assign the Feasibility Study to this company.

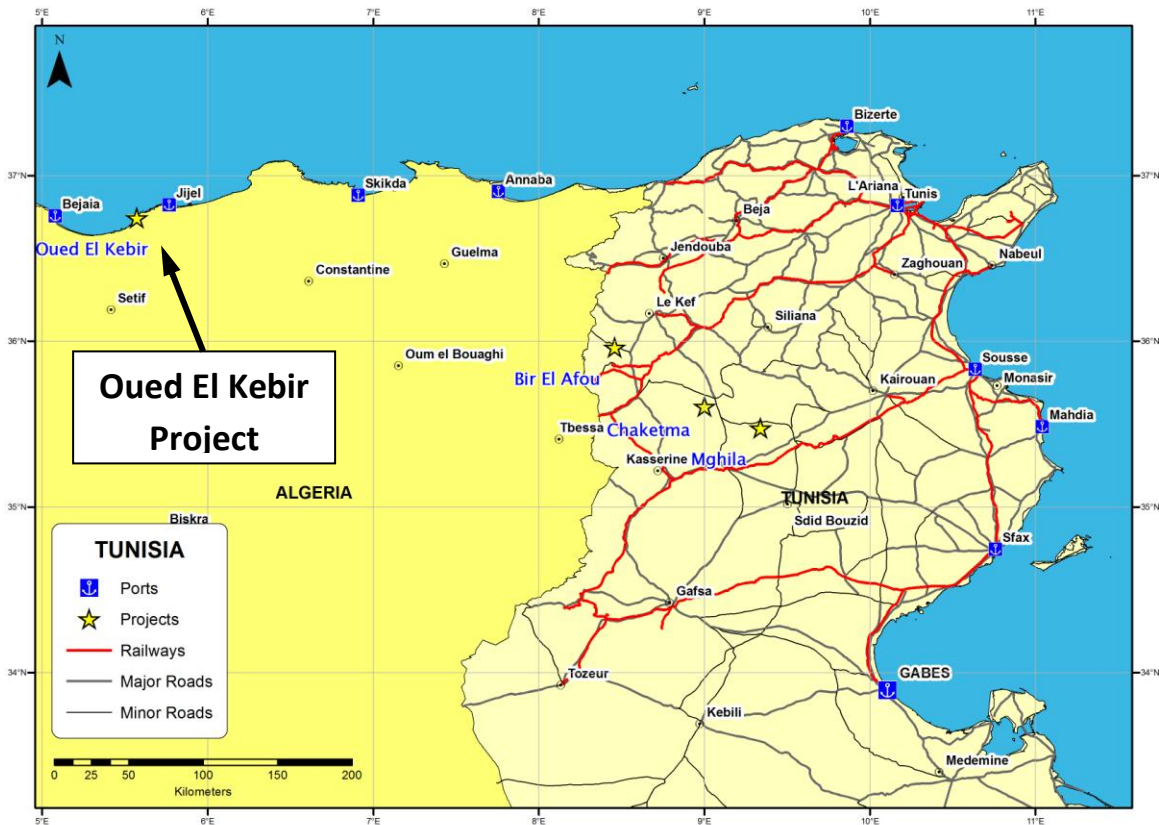
The joint operating company will then proceed to develop the project subject to approvals being received from the appropriate Algerian regulatory authorities. The agreement includes clauses that protect parties from blocking if one party wishes to proceed and the other does not.

Kevin Nichol the Chairman of CNL commented on this agreement: "The completion of this agreement is particularly pleasing as it again demonstrates Celamin's continued ability to complete transactions in a timely manner. The OEK Project has excellent potential to develop a mining operation producing Silver, Copper, Lead, Zinc, Gold and possibly Baryte from an existing resource. This mineralisation has high silver values and the recent strong increase in silver prices has enhanced this mineralisation."

Celamin's base metal team will be working on this program with FA's technical team. Celamin has a separate focussed team working on its Bir El Afou Phosphate Pre-Feasibility Study and its Chaketma Phosphate Project in Tunisia.



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Location of the Oued El Kebir Project in Algeria

Yours faithfully,
CELAMIN HOLDINGS NL

A handwritten signature in black ink, appearing to read 'Kevin Nichol'.

Kevin Nichol
Chairman



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About Celamin Holdings NL

Celamin Holdings NL (ASX Code CNL) is an ASX listed company focused on the exploration and development of resource projects in North Africa initially in Tunisia and Algeria.

Through Celamin Ltd (Celamin), the Company's immediate focus is the Bir El Afou Phosphate project held in partnership with local company Tunisian Mining Services SA (TMS). A pre feasibility study targeted on a high grade, low cost Stage 1 mine development is expected to be completed by end September 2011. The Company has currently targeted first mine production by the end of 2013.

Celamin also holds another Phosphate exploration permit in Tunisia with TMS (Chaketma). This project has larger target potential than Bir El Afou. The Company's development plan is for a sequential staged development depending on market conditions once Bir El Afou Stage 1 is in production.

Celamin has also acquired rights to several base metal tailings Projects in Tunisia with TMS and is farming in to an Exploration Permit with base metal (Pb/Zn) targets.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Ralph N Stagg who is a Fellow of the Australasian Institute of Mining and Metallurgy. Ralph N Stagg is a director of Celamin Ltd. Ralph N Stagg has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the type of activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Ralph N Stagg consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.