Celamin Holdings N.L
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**31 May 2011**

## TRENCH AND DRILL RESULTS – SALSALA PROSPECT – BIR EL AFOU PROJECT

Celamin Ltd has advised Celamin Holdings the following:

Trench and drill hole sampling results have been received for the Salsala Prospect and for trenches and a pit at Bir El Afou prospect. These results have confirmed the Phosphate mineralisation as expected.

Full results are listed in the attached tables, highlights are included in the following table:

| Prospect | Number | Intercept Thickness (m) | Analysis $P_2O_5$ % | MgO % | $SiO_2$ % | CaO % | U ppm | Cd ppm |
|---|---|---|---|---|---|---|---|---|
| Salsala | Trench 9 | 2.3 | 12.1 | 2.7 | 17.4 | 36.8 | <10 | 6.9 |
| | Trench 12 | 3.1 | 17.5 | 0.8 | 7.2 | 48.6 | 16.8 | 3.8 |
| | Trench 14 | 4.1 | 16.6 | 1.5 | 7.9 | 47.6 | 12.7 | 4.9 |
| | SADD-2010-32 | 4.9 | 14.2 | 0.8 | 7.7 | 48.6 | 22.0 | 5.0 |
| BEA | Trench 35* | 9.05 | 16.7 | 2.1 | 11.3 | 43.8 | 14.6 | 9.1 |
| | Trench 1* | 5.9 | 14.4 | 3.4 | 15.3 | 39.6 | 19.7 | 10.5 |
| | Trench 7* | 5.3 | 12.2 | 4.2 | 20.1 | 33.2 | 12.3 | 9.1 |
| | Pit 4* | 8.5# | 17.3 | 3.8 | 11.2 | 42.2 | 34.7 | 8.5 |

* *Multiple Intercepts*

\# *Incomplete section*

Locations of the pits and trenches at Salsala are shown in the attached figure. All drill hole collar co-ordinates are listed in the attached table.

The trenching program was curtailed at Bir El Afou in favour of drilling. The terrane necessitated deeper pits and trenches than originally planned.

Drill holes at Salsala were the first holes put into this prospect and were located at regular intervals along the outcrop. Only one drill hole (which did not intersect mineralisation) drilled <90% core recovery. Most drillholes drilled >95% core recovery. HQ size core was cut and half core sampled to lithological intervals or 1 metre. Trenches were channel sampled perpendicular to mineralisation at 1 metre intervals or to lithology. Continuous channels were cut at least 15 cm wide and 5-10 cm deep into the walls of the pits or trenches.

Drilling was slowed by the events that occurred in Tunisia in January and the subsequent curfew. Drilling conditions in the limestone overburden at Bir El Afou and Boukechrid also slowed progress more recently.

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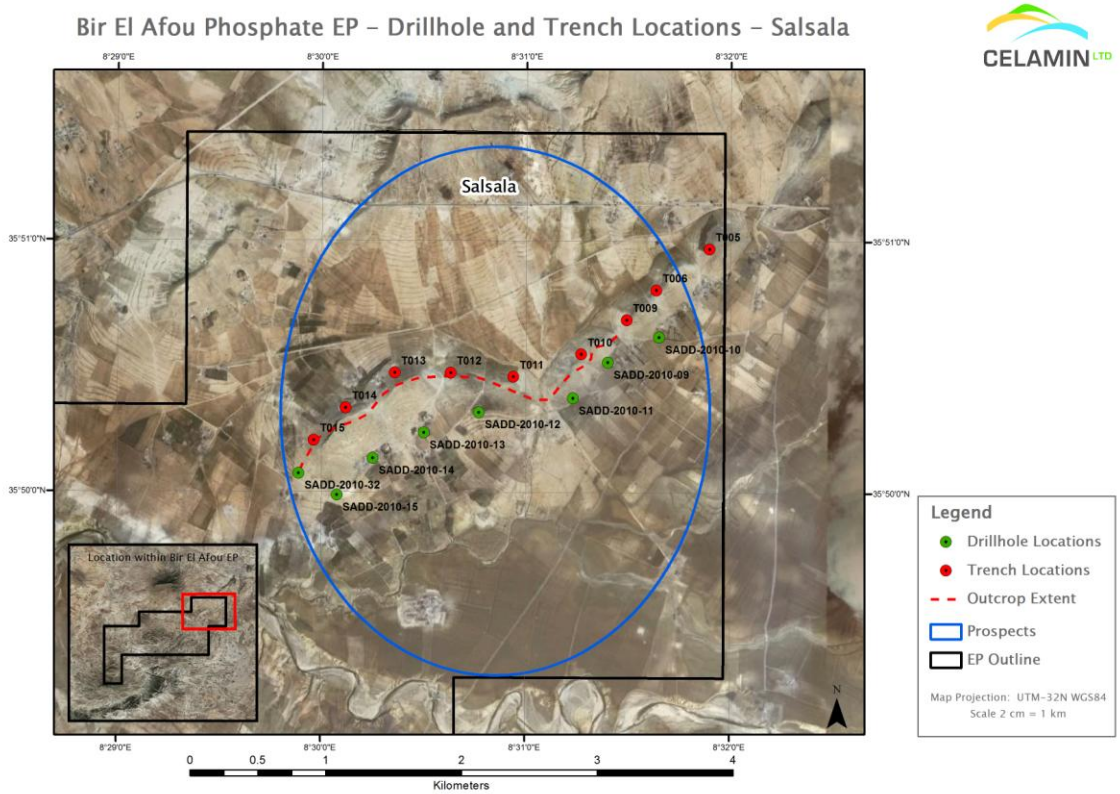
All the samples were analysed by ALS Global by ME-ICP61 for 33 elements and by ME-XRF06m for 11 major oxide compounds. Core samples were half split and prepared in Tunisia by TMS for shipment to Spain. Pulps were prepared by ALS-Global in Spain for shipment to Canada for analysis. Trench channel samples were prepared in a similar fashion in Tunisia and shipped to ALS Global in Spain for preparation and analysis using the same methodology as half-split core.

Duplicate and replicate sample analysis was slowed by a number of issues including the events that occurred in Tunisia in January. Replicate pulps were sent to another laboratory for analysis of major oxide compounds using XRF techniques as well. A further check has been undertake at ALS using another XRF method (direct fusion digest - XRF12P) specifically designed for high-carbonate phosphate samples. All these checks have compared well.

The initial survey results at Salsala indicate that the southern end of the area is prospective. This will be examined in more detail during the proposed Feasibility Study. Evaluation of data from the BEA prospect area as well as engineering planning considerations has led the drilling focus into this prospect area for the delineation of the initial Stage 1 mineralisation target.

Kevin Nichol the Chairman of CNL said “We are very pleased to announce the initial trench and drill results at the Bir El Afou Project and to confirm that they are in line with our expectations for this Project. Our exploration team has now overcome some organisational issues, partly caused by the events in Tunisia in January and we expect results will flow more regularly from now on.”



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Attachments:

**Salsala Prospect – Trenching**

| Number | Intercept Thickness (m) | Lithology | Analysis | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | $P_2O_5$% | MgO% | $SiO_2$ % | CaO% | U ppm | Cd ppm |
| Trench 5 | 1.85 | Phosphate | 10.2 | 1.4 | 14.2 | 40.8 | <10 | 10.8 |
| | 2.85 | Phosphatic Marl | 3.2 | 2.7 | 31.4 | 18.3 | <10 | 4.2 |
| | 1.10 | Phosphate | 13.5 | 1.9 | 20.0 | 35.0 | <10 | 7.4 |
| Trench 6 | 2.10 | Phosphate | 2.7 | 0.8 | 6.0 | 48.8 | <10 | 2.5 |
| | 3.10 | Limestone & Marl | 1.9 | 3.3 | 13.9 | 41.5 | <10 | 6.5 |
| | 3.00 | Phosphate & Marl | 3.1 | 1.8 | 30.4 | 28.1 | 15.7 | 4.7 |
| Trench 9 | 3.8 | Phosphate | 4.1 | 0.9 | 7.7 | 48.3 | <10 | 2.4 |
| | 3.5 | Limestone and Marl | 1.0 | 5.3 | 23.8 | 33.3 | <10 | 5.1 |
| | 2.3 | Phosphate | 12.1 | 2.7 | 17.4 | 36.8 | <10 | 6.9 |
| | 1.5 | Marl | 1.9 | 4.2 | 39.0 | 11.5 | <10 | 3.3 |
| Trench 10 | 3.65 | Phosphate | 6.1 | 1.2 | 5.9 | 49.1 | <10 | 2.7 |
| | 0.75 | Phosphatic Limestone | 1.6 | 0.9 | 6.4 | 48.5 | <10 | 1.9 |
| | 1.20 | Phosphate | 4.2 | 1.1 | 10.8 | 44.0 | <10 | 4.1 |
| | 4.05 | Limestone | 0.8 | 8.2 | 16.3 | 34.7 | <10 | 10.0 |
| | 1.30 | Phosphate | 11.1 | 1.8 | 10.6 | 43.5 | 20.0 | 4.3 |
| Trench 11 | 0.75 | Marl and Limestone | 2.1 | 3.1 | 39.3 | 11.7 | <10 | 0.5 |
| | 2.00 | Phosphate | 6.6 | 0.8 | 5.8 | 49.3 | <10 | 2.5 |
| | 1.65 | Phosphatic Limestone and Marl | 1.3 | 1.2 | 11.7 | 44.4 | <10 | 3.3 |
| | 0.45 | Phosphate | 4.6 | 4.9 | 7.6 | 43.4 | <10 | 2.7 |
| | 3.45 | Limestone & Phosphatic Marl | 0.9 | 7.1 | 18.0 | 34.4 | <10 | 4.1 |
| | 0.60 | Phosphate | 10.6 | 1.5 | 9.1 | 45.6 | <10 | 3.6 |
| | 1.50 | Marl | 2.3 | 2.7 | 44.4 | 8.5 | <10 | 2.5 |
| Trench 12 | 0.6 | Phosphate | 9.8 | 1.6 | 18.2 | 40.3 | <10 | 1.8 |
| | 1.2 | Phosphatic Limestone and Marl | 1.8 | 5.3 | 12.2 | 39.1 | <10 | 3.5 |
| | 3.1 | Phosphate | 17.5 | 0.8 | 7.2 | 48.6 | 16.8 | 3.8 |
| | 1.5 | Phosphatic Marl | 6.6 | 2.2 | 35.4 | 18.5 | <10 | 5.7 |
| Trench 14 | 1.7 | Phosphatic Limestone and Marl | 8.0 | 1.2 | 9.7 | 46.3 | <10 | 2.9 |
| | 2.7 | Limestone & Phosphatic Limestone | 1.0 | 9.7 | 18.6 | 31.8 | <10 | 4.4 |
| | 4.1 | Phosphate | 16.6 | 1.5 | 7.9 | 47.6 | 12.7 | 4.9 |
| | 0.9 | Marl | 1.4 | 3.2 | 42.9 | 8.4 | <10 | 2.5 |

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**Salsala Prospect – Drilling**

| Number | From (m) | To (m) | Intercept Thickness (m) | Lithology | Analysis $P_2O_5$% | MgO% | $SiO_2$ % | CaO% | U ppm | Cd ppm |
|---|---|---|---|---|---|---|---|---|---|---|
| SADD-2010-08 | 31.10 | 33.00 | 1.90 | Phosphate | 8.5 | 0.7 | 4.8 | 47.9 | 12.9 | 3.5 |
| | 38.95 | 41.80 | 2.85 | Phosphate | 7.9 | 1.4 | 17.8 | 36.8 | 5.6 | 4.4 |
| | 41.80 | 43.25 | 1.45 | Phosphatic Marl | 8.8 | 2.2 | 28.4 | 26.6 | <10 | 9.3 |
| SADD-2010-09 | 63.35 | 65.00 | 1.65 | Phosphate | 10.3 | 2.1 | 8.8 | 46.2 | 20.3 | 2.5 |
| | 70.25 | 72.75 | 2.50 | Phosphatic Marl | 6.2 | 2.9 | 26.0 | 27.8 | 10.8 | 5.3 |
| SADD-2010-10 | 49.50 | 52.40 | 2.90 | Phosphate | 6.2 | 0.5 | 3.8 | 51.3 | 36.6 | 1.7 |
| | 57.30 | 60.00 | 2.70 | Phosphatic Marl | 3.6 | 1.9 | 16.1 | 38.3 | 22.2 | 2.9 |
| SADD-2010-11 | 84.3 | 84.9 | 0.60 | Phosphate | 9.3 | 1.6 | 5.0 | 50.0 | 50.0 | 2.0 |
| | 92.5 | 93.6 | 1.10 | Phosphate | 8.5 | 2.8 | 10.2 | 43.5 | 20.0 | 3.8 |
| | 93.6 | 94.6 | 1.00 | Phosphatic Marl | 2.4 | 3.9 | 39.2 | 12.8 | 10.0 | 1.9 |
| SADD-2010-12 | 87.00 | 89.60 | 2.60 | Phosphate | 3.9 | 1.7 | 8.0 | 46.8 | 5.8 | 2.4 |
| | 97.20 | 99.60 | 2.40 | Phosphate | 7.9 | 3.1 | 14.5 | 39.4 | 26.3 | 3.3 |
| Incl. | 98.10 | 99.60 | 1.50 | Phosphate | 11.1 | 3.6 | 14.5 | 39.4 | 30.0 | 3.9 |
| SADD-2010-13 | 53.50 | 54.20 | 0.70 | Phosphate | 10.5 | 7.5 | 10.9 | 38.9 | 40.0 | 3.0 |
| | 60.70 | 61.80 | 1.10 | Phosphate | 12.5 | 2.6 | 10.9 | 43.6 | 40.0 | 4.0 |
| SADD-2010-14 | 43.40 | 44.60 | 1.20 | Phosphate | 4.7 | 8.2 | 7.6 | 39.8 | 30.0 | 2.4 |
| | 47.60 | 49.80 | 2.20 | Phosphate | 4.8 | 2.0 | 12.8 | 42.3 | 35.5 | 4.0 |
| SADD-2010-32 | 12.40 | 13.70 | 1.30 | Phosphate | 8.3 | 1.0 | 7.5 | 48.5 | 10.0 | 4.3 |
| | 20.70 | 25.60 | 4.90 | Phosphate | 14.2 | 0.8 | 7.7 | 48.6 | 22.0 | 5.0 |

| Drill hole | UTM East | UTM North | Angle degrees | Depth m | Recovery % | Core Size |
|---|---|---|---|---|---|---|
| SADD-2010-08 | 456956.0 | 3966523.0 | -90 | 49.6 | 98.5 | HQ |
| SADD-2010-09 | 457334.0 | 3966706.0 | -90 | 78.0 | 98.9 | HQ |
| SADD-2010-10 | 456699.0 | 3966261.0 | -90 | 63.5 | 97.2 | HQ |
| SADD-2010-11 | 456006.0 | 3966159.0 | -90 | 96.3 | 99.7 | HQ |
| SADD-2010-12 | 455601.0 | 3966010.9 | -90 | 104.5 | 96.8 | HQ |
| SADD-2010-13 | 455224.4 | 3965823.4 | -90 | 67.4 | 99.1 | HQ |
| SADD-2010-14 | 454958.0 | 3965554.2 | -90 | 53.6 | 98.5 | HQ |
| SADD-2010-15 | 454678.0 | 3965715.1 | -90 | 25.1 | 80.7 | HQ |
| SADD-2010-32 | 454830.0 | 3965967.0 | -90 | 30.3 | 91.1 | HQ |

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**BEA Prospect – Trenching and Pitting**

| Number | Intercept Thickness (m) | Lithology | Analysis | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | $P_2O_5$% | MgO% | $SiO_2$% | CaO% | U ppm | Cd ppm |
| Trench 35 | 0.90 | Phosphatic Limestone | 6.1 | 1.5 | 22.9 | 36.6 | <10 | 6.6 |
| | 1.40 | Phosphate | 24.1 | 0.7 | 7.0 | 49.8 | 30.0 | 6.0 |
| | 1.00 | Limestone | 3.1 | 4.0 | 17.4 | 39.1 | <10 | 8.3 |
| | 6.25 | Phosphate | 15.2 | 2.6 | 12.0 | 42.6 | 12.2 | 8.5 |
| Incl. | 3.80 | Phosphate | 19.7 | 2.8 | 8.9 | 45.1 | 20.0 | 7.0 |
| | 1.80 | Phosphate with Limestone | 7.0 | 2.7 | 25.9 | 34.4 | <10 | 10.8 |
| | 1.30 | Phosphatic Marl | 3.9 | 3.2 | 28.4 | 25.7 | <10 | 6.7 |
| | 1.40 | Phosphate | 15.9 | 1.4 | 12.5 | 43.6 | <10 | 15.1 |
| | 1.00 | Marl | 1.4 | 5.2 | 34.6 | 16.7 | <10 | 3.7 |
| Total | 9.05 | Phosphate | 16.7 | 2.1 | 11.3 | 43.8 | | 9.1 |
| Trench 1 | 1.10 | Limestone | 1.3 | 3.9 | 35.9 | 27.7 | <10 | 4.8 |
| | 1.40 | Phosphate | 25.6 | 0.5 | 9.7 | 48.5 | 40 | 8.4 |
| | 0.20 | Limestone | 2.7 | 0.6 | 44.5 | 27.8 | <10 | 11.0 |
| | 0.50 | Phosphate | 22.2 | 0.7 | 11.3 | 47.1 | 40 | 15.0 |
| | 0.70 | Limestone | 2.4 | 12.1 | 9.0 | 35.7 | <10 | 12.7 |
| | 4.00 | Phosphate | 9.4 | 4.7 | 17.7 | 35.6 | <10 | 10.6 |
| | 3.40 | Phosphatic Marl | 6.6 | 2.9 | 30.7 | 23.8 | <10 | 6.3 |
| Total | 5.90 | Phosphate | 14.4 | 3.4 | 15.3 | 39.6 | | 10.5 |
| Trench 7 | 1.00 | Limestone | 4.8 | 1.0 | 19.0 | 41.2 | <10 | 7.4 |
| | 0.80 | Phosphate | 25.2 | 0.7 | 4.5 | 50.8 | 30.0 | 6.6 |
| | 0.90 | Limestone | 0.8 | 0.7 | 49.1 | 23.7 | <10 | 8.0 |
| | 4.50 | Phosphate | 9.9 | 4.8 | 22.9 | 30.0 | 9.1 | 9.5 |
| | 0.90 | Phosphatic Marl | 1.4 | 1.4 | 29.7 | 33.6 | 10.0 | 10.2 |
| Total | 5.30 | Phosphate | 12.2 | 4.2 | 20.1 | 33.2 | 12.3 | 9.1 |
| Pit 4 | 1.0 | Phosphatic Limestone | 4.6 | 7.1 | 24.3 | 30.4 | 20.0 | 7.7 |
| | 0.8 | Phosphate | 24.9 | 0.7 | 6.0 | 50.0 | 70.0 | 7.4 |
| | 1.3 | Limestone | 1.3 | 9.6 | 31.1 | 24.7 | 10.0 | 9.8 |
| | 7.7 | Phosphate | 16.5 | 4.1 | 11.7 | 41.4 | 31.0 | 8.6 |
| Incl. | 3.2 | Phosphate | 24.4 | 2.5 | 7.5 | 46.5 | 46.8 | 8.3 |
| Total | 8.5 | Phosphate | 17.3 | 3.8 | 11.2 | 42.2 | 34.7 | 8.5 |

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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[1]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.

Yours faithfully,
**CELAMIN HOLDINGS NL**

**Kevin Nichol**
**Chairman**

*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.*