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31 January 2012

DECEMBER 2011 QUARTERLY ACTIVITY ANNOUNCEMENT

Securities on Issue:
CNL: 53,956,177 ordinary shares

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

CNLCA: 15,471,296 partly paid shares

HIGHLIGHTS

Chaketma – Positive Exploration Results Reported

Drilling results include:

- CDHH-2011-003 : **24 metres at 19.8% P_2O_5**
- CDHH-2011-008 : **23 metres at 21.6% P_2O_5**
- CDHH-2011-002 : **20 metres at 21.2% P_2O_5**

Historic trench results:

- T6 : **39 metres at 22.4% P_2O_5**
- T9 : **27.5 metres at 21.8% P_2O_5**
- T1 :**18 metres at 20.8% P_2O_5**
- Well located 210 Kilometres from Export port
- Access to existing well located infrastructure and services;
- Positive Government and Community support at all levels;
- Attractive investment terms (5-year tax holiday) also applicable to BEA

Bir El Afou (BEA)

- Maiden Inferred Resource of **29Mt at 11.1% P_2O_5 at 7.5%** P_2O_5 cutoff grade;
- High grade **30% P_2O_5** phosphate rock concentrate achievable at **150 micron grind**;
- Additional exploration targets potential for 115 to 175 million tonnes phosphate at Kef Rebiba, BEA Blocks D, E, F and Majuoba;
- Good potential to increase grade, tonnage and improve mining factors during Delineation Phase;
- The major findings of the BEA PFS are applicable to the Chaketma Project, which has similar geology, mining, processing and infrastructure requirements;
- Access to existing well located infrastructure and services;
- BEA and Chaketma Projects could share process and infrastructure facilities reducing capital cost

Figure 1. Location of Celamin's Tunisia and Algerian Projects

Celamin's Projects:

1. **Chaketma, Tunisia –Phosphate (50:50 JV)**
2. **Bir El Afou, Tunisia – Phosphate (50:50 JV)**
3. **El Haouria, Tunisia – Base Metals (Pb/Zn) (50:50 JV)**
4. **Oued Maden, Tunisia –Base Metals (Pb/Zn) (50:50 JV)**
5. **Sidi Driss, Tunisia – Base Metals (Pb/Zn) (50:50 JV)**
6. **Oued El Kebir – Algeria Base & Precious Metals (Pb/Zn/Ag) (Celamin: 49%)**

1.1 CHAKETMA PHOSPHATE PROJECT

(Celamin Limited / Tunisian Mining Services 50:50 JV)

The Chaketma project is located 210km from Tunis by road. Celamin Ltd and their joint venture partner Tunisian Mining Services SARL (TMS) completed a 12 holes (1,200m) diamond drilling program on the Chaketma Exploration Permit (EP) in Northern Tunisia in late 2011.

Analytical results have been received for all of the 12 (twelve) drill holes, with eleven of the 12 holes returning potentially economic thicknesses of phosphate rock (locations shown in Figure 2, results are summarised in Table 1 details of the holes listed in Table 3).

The thickest intercepts were drill holes:

- CDHH-2011-008 (**23.4 metres at 21.6% P_2O_5**) Sidi Ali Ben Oum Ezzine, this hole also had the highest grade intercept and;
- CDHH-2011-003 drilled at Gasaa Kebira (**24 metres at 19.8% P_2O_5**).

The length, weight and average grade of the intercepts at:

- Gasaa Kebira (7 holes) is **20.4% P_2O_5**;
- Sidi Ali Ben Oum Ezzine (4 holes) is **20.6% P_2O_5**.
-

The average length of all intercepts is 14.4 metres. Overburden in the drill holes thicknesses range from 9 to 153 metres.

Table 1. Summary of Intercepts above 10% Cut Off Grade for Core Drilling at Chaketma
(Sorted by Grade X Width)

Drill Hole	From	To	Intercept Length (m)	Average grade P_2O_5 %	CaO %
CHDD-2011-008	8.6	32	23.4	21.6	41.5
CHDD-2011-003	137.3	161.3	24	19.8	45.1
CHDD-2011-002	153.2	173.7	20.4	21.2	44.8
CHDD-2011-009	14.9	31	16.1	20.4	41.0
CHDD-2011-004	100.7	116.3	15.6	20.5	44.7
CHDD-2011-001	149	163.7	14.7	20.2	41.0
CHDD-2011-012	13.3	26.8	13.5	21.9	42.4
CHDD-2011-010	23.5	38.4	14.9	18.6	40.2
CHDD-2011-005	73.7	86.7	13	20.5	41.1
CHDD-2011-006	94.3	103.2	8.9	21.1	41.3
CHDD-2011-007	96.9	106	9.1	20.0	41.2
CHDD-2011-011				NSI	

Chaketma Drilling

Celamin has also compiled available historic data for the Chaketma project which includes two diamond holes and 11 trenches excavated in the late 1960's (Table 7). Results are available for 12 of the trenches and the two diamond drill holes, ten (10) of the trenches (results available for nine (9)) are within area of the EP (Figure 3). Collectively this early work demonstrates the tenor and continuity of the mineralised phosphate unit (Location of earlier work shown in Figure 4).

These historic trench results correlate well with the mapped geology and include significant results including: -

- Gasaa Kebira Trench **T6 39 metres at 22.4% P_2O_5**
- Sidi Ali Ben Oum Ezzine Trench **T9 27.5 metres at 21.8% P_2O_5**

Empirically, there is a good correlation between the grades in drill holes at Chaketma and historic trench results. Particularly trench T1 (18m@21% P_2O_5) with CHDD2011-001 (20m@21% P_2O_5) and trenches T3 (17m@20% P_2O_5) and T4 (19m@19% P_2O_5) with CHDD2011-002 (14.7m@20% P_2O_5). The phosphate grades are also comparable to channels previously reported Celamin/TMS sampling at Gasaa Kebira in the north and Gassaat Ez Zerbat 12 kilometres to the south.

The Chaketma permit area has been mapped in detail and six trenches excavated at the same locations as historic trenches. The samples from this work have been submitted for analysis and the results are pending. The standard of trenching is high. Trenches were dug perpendicular to stratigraphy. Sampling to geological boundaries was done along channels, uniformly cut with an angle-grinder. The position of each sample was determined by hand-held GPS. Sample locations were marked with spray paint for later pick up by a surveyor.

The bulk of the phosphate is located at the base of a massive limestone unit close to the top of a high segmented plateau, which rises approximately 600m above the valley floor. The area is faulted into blocks and tilted plates bordered in some places by high cliffs. The limestone cap is from 9 to 153 metres thick in the vertical drill holes. The phosphate unit ranges in thickness from 9 metres to 39 metres with an average of around 15 metres. The strata are relatively flat lying, but have been folded in to a series of broad-open east-west orientated anticlines and synclines then block faulted.

This plateau extends for approximately 12 kilometres from north to south, and from 900 in 1,200 metres width. The average width of the ridge is 1,000 metres. The plateau is divided in to distinct domains or prospects by a series of normal faults.

The phosphate unit has been identified at all the prospects and is continuous under the limestone overburden. Within the Celamin/TMS exploration permit these are from north to south: -

Gassaa Kebira – a basin like feature with an outer rim at 1100 to 1170 metres dipping to the west at 5 to 20 degrees;

Douar Ouled Hamouda – a slump or down faulted block at a height of 875 metres to the east of Gassaa Kebira;

Kef Sidi Ali Ben Oum Ezzine – a prominent pinnacle rising to 1307 metres;

Kef El Louz – a fault bound monocline which dips to the west at 10-15 degrees;

Gassaat Ez Zerbat – the southern most phosphate occurrence in the Chaketma tenement area.

No resource estimate has been made for Chaketma. The relative simplicity of the geology, the continuity and the amount of exposure of the phosphate unit mean that exploration on this project should be a comparatively straight forward exercise. Continuity of the mineralisation has demonstrated both by detailed outcrop mapping and trenching and then confirmed by drilling.

Over burden thicknesses can be estimated from outcrop to a level of confidence not often encountered in exploration. Estimates of potential target size can also be made to a degree not found in other styles of mineral deposit.

Table 2. Conceptual Exploration Target Size of Prospects at Chaketma

Prospect	Area m^2	Thickness Range	Tonnage Potential (millions)
Gassaa El Kebira	1,400,000	9 to 39m	30 to 50
Kef Sidi Ali Ben Oum Ezzine	400,000	13 to 24m	10 to 15
Kef El Louz	3,000,000	10 to 20m	70 to 110
Gassaat Ez Zerbat	1,000,000	10 to 20m	20 to 35
Douar Ouled Hamouda	1,000,000	10 to 20m	20 to 35
Total Area	**6,800,000**		**150 to 245 million tonnes**
Note: Surface Areas projected to horizontal Plane, SG 2.4t/m^3			

SAMPLING AND ASSAYING PROCEDURES FOR CHAKETMA DRILLING

Core from the drill holes was half split and sampled after geological logging generally at 1-m intervals or to lithological boundaries. These samples were crushed and riffle split and 500g splits were sent to commercial laboratories for analysis.

The samples from six holes, CHDD2011-003 to CHDD2011-008, (145 in total) were sent to both ALS Global in Seville in Spain and Al Amri Laboratory in Jeddah Saudi Arabia for analysis for major oxides using XRF on fused “buttons”. Samples from the remaining holes six, CHDD2011-001, CHDD2011-002 and CHDD2011-009 and CHDD2011-012, were only analysed at Al Amri Laboratory in Jeddah.

At the time of writing Celamin/TMS had received major element oxide analyses for all 12 holes. All samples within the phosphatic horizon will also be analysed from a comprehensive suite of 34 trace elements in due course.

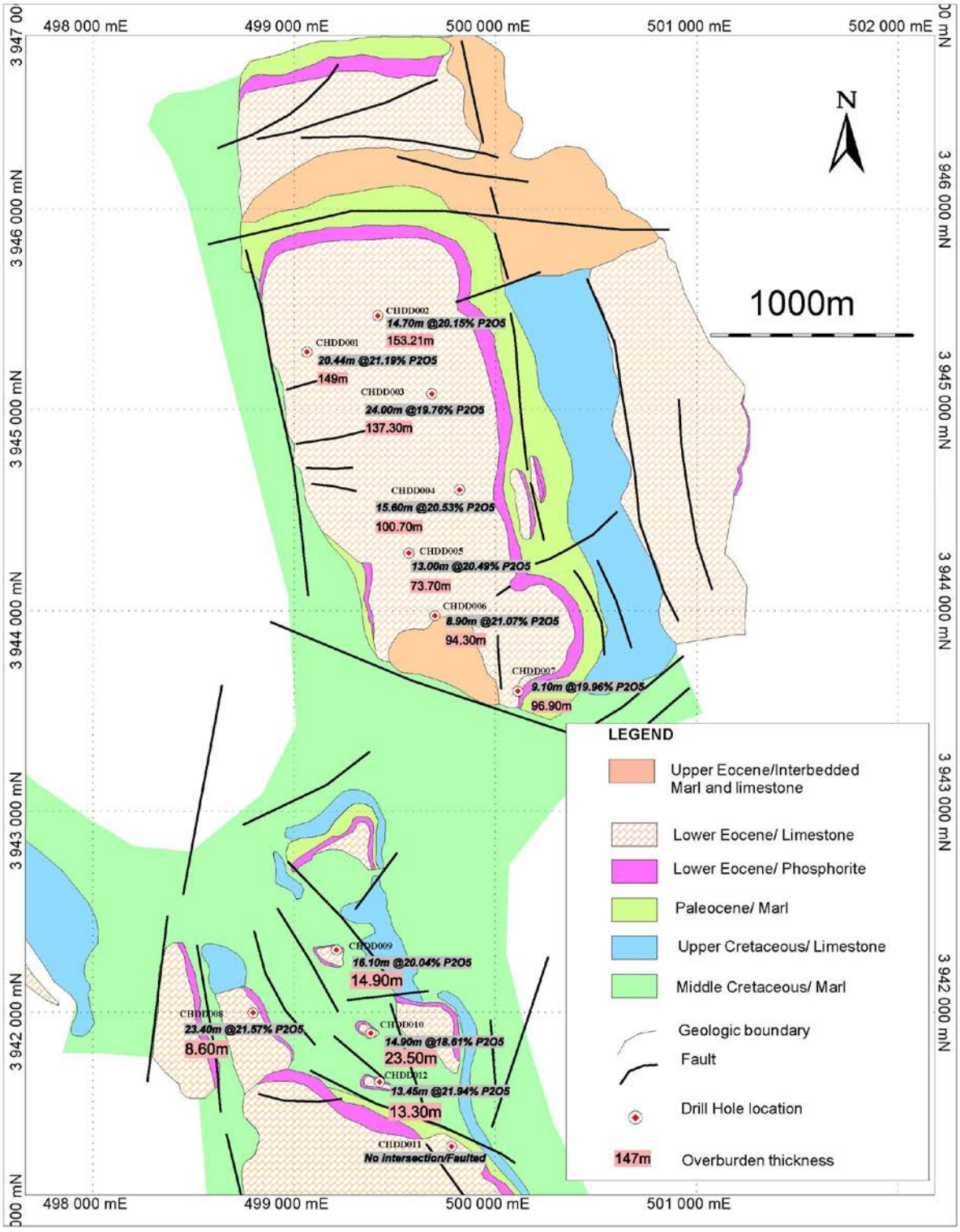

Figure 2. Chaketma Drill Hole Locations with Values of Intercepts.

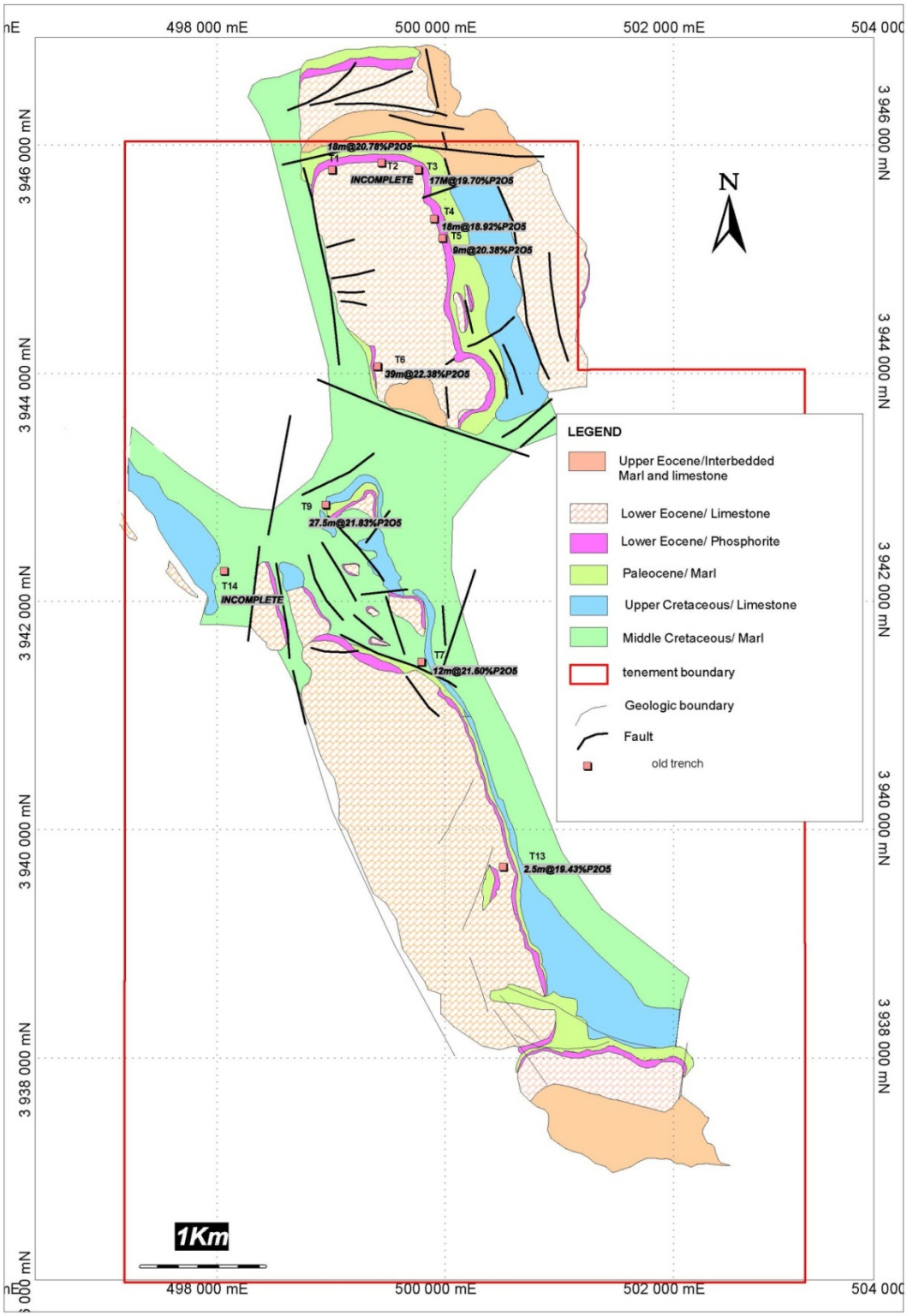

Figure 3. Chaketma Geology and Location of Historic Trenching

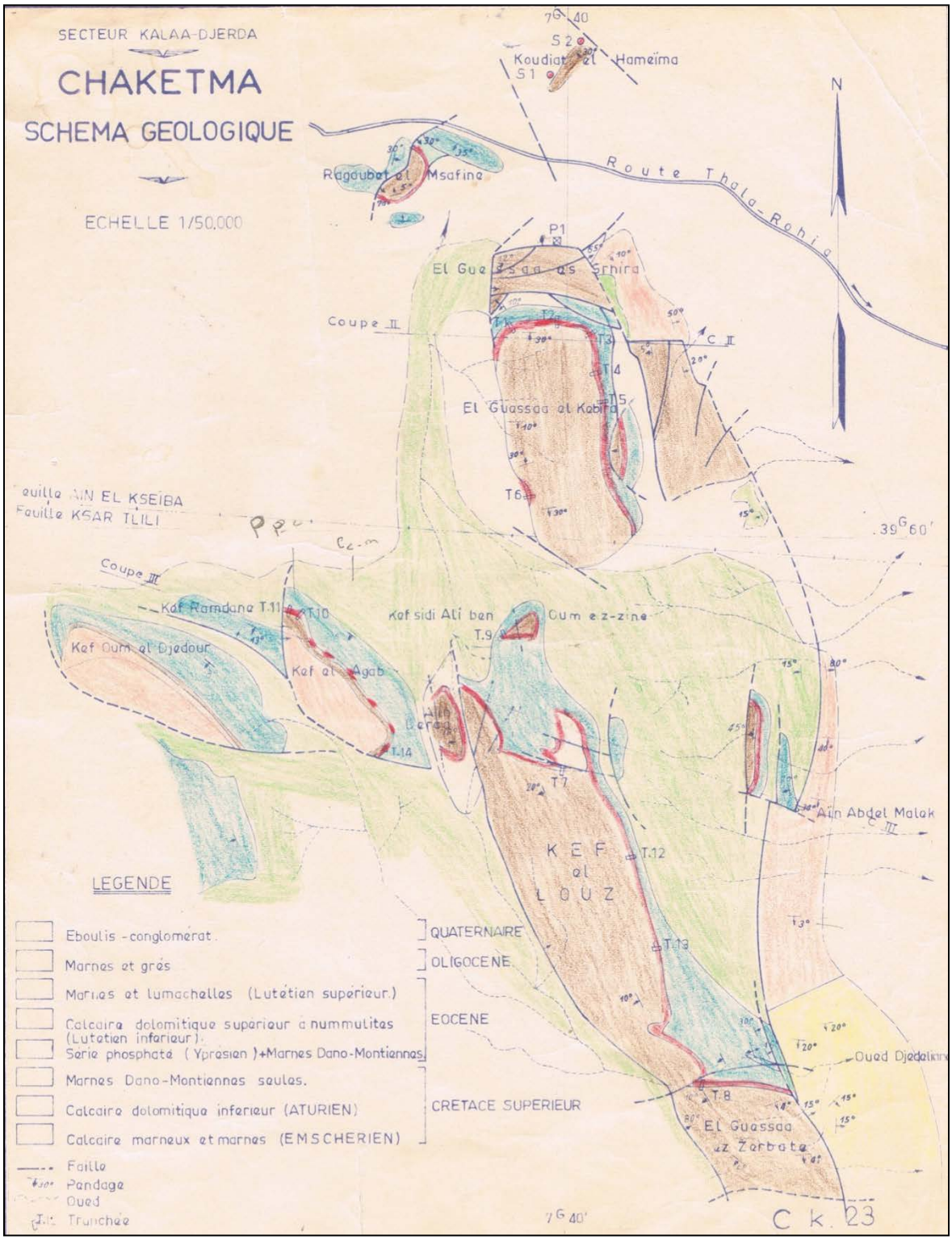

Figure 4. Historic Geological Map Chaketma Project

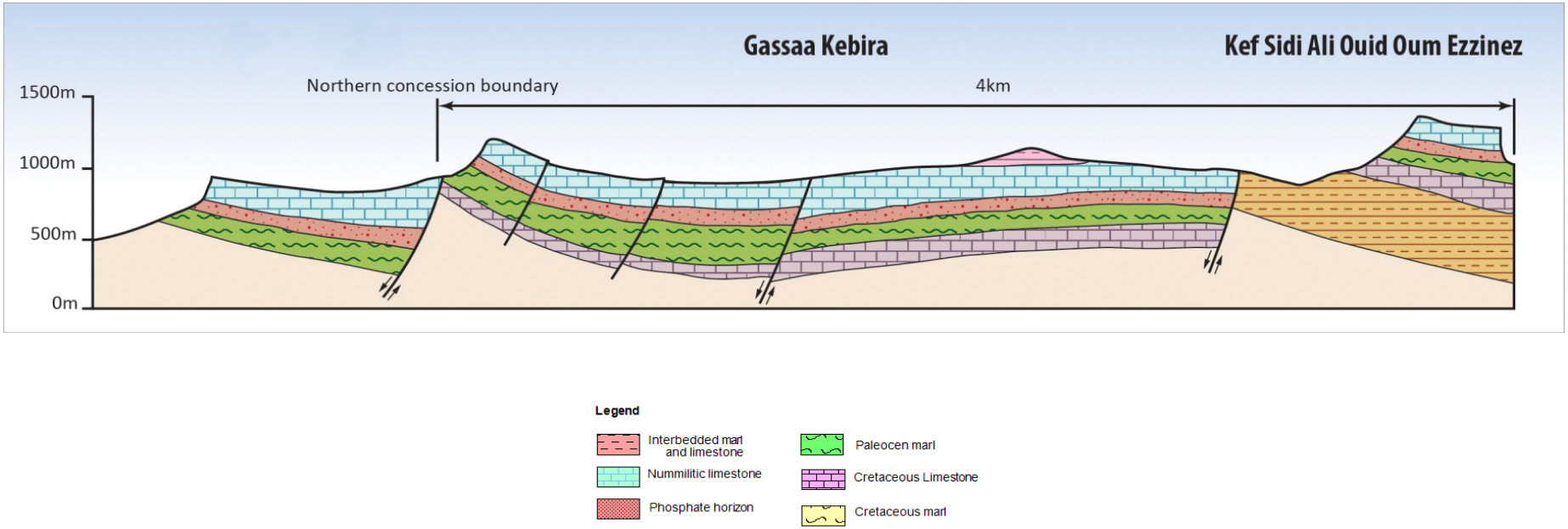

Figure 5 Generalised Longitudinal Section through Gassaa Kebira and Kef Sidi Ali Ben Oum Ezzine showing the Eocene phosphate under massive limestone

Table 3 Details
Of Holes

Hole ID	Prospect	Northing UTM WGS 84	Easting UTM WGS84	RL	Azimuth	Angle	Depth	Size	Type
CHDD-2011-001	Gassa kebira	499063	3945287	1012	-	Vertical	175.8	HQ	Core
CHDD-2011-002	Gassa kebira	499415	3945468	1038	-	Vertical	188.2	HQ	Core
CHDD-2011-003	Gassa kebira	499683	3945079	1071	-	Vertical	172.0	HQ	Core
CHDD-2011-004	Gassa kebira	499822	3944602	1141	-	Vertical	130.8	HQ	Core
CHDD-2011-005	Gassa kebira	499570	3944286	1152	-	Vertical	104.5	HQ	Core
CHDD-2011-006	Gassa kebira	499699	3943975	1138	-	Vertical	139.3	HQ	Core
CHDD-2011-007	Gassa kebira	500112	3943598	1152	-	Vertical	81.3	HQ	Core
CHDD-2011-008	SIdi Ali Ben Oum Zine	498819	3942072	1077	-	Vertical	35.5	HQ	Core
CHDD-2011-009	SIdi Ali Ben Oum Zine	499211	3942310	1130	-	Vertical	50.9	HQ	Core
CHDD-2011-010	SIdi Ali Ben Oum Zine	499438	3941910	1106	-	Vertical	43.0	HQ	Core
CHDD-2011-011	SIdi Ali Ben Oum Zine	499783	3941332	1141	-	Vertical	42.3	HQ	Core
CHDD-2011-012	SIdi Ali Ben Oum Zine	499504	3941644	1090	-	Vertical	36.1	HQ	Core
						Total	**1199.7**		

Table 4. Historic Trenching and Drilling Chaketma as *Bone Phosphate of Lime (2.19 x P_2O_5)

Note: Down hole depth of intercepts, dip and azimuth of holes not known

Prospect	Site	E_UTM WGS 84 32N	N_UTM WGS 84 32N	From (m)	To (m)	Length (m)	BPL %	P_2O_5 %	Comments
Gassa El Kabira	**T1**	**499013**	**3945775**	**0.0**	**18.0**	**18.0**	**45.42**	**20.78**	
	Including			5.5	7.5	2.0	56.56	25.88	
	and			10.0	13.0	3.0	55.59	25.44	
Gassa El Kabira	**T2**	**499447**	**3945837**						**In complete**
Gassa El Kabira	**T3**	**499769**	**3945773**	**0.0**	**17.0**	**17.0**	**43.06**	**19.70**	
	Including			6.0	8.5	2.0	52.62	24.08	
	and			11.0	14.0	3.0	52.18	23.88	
Gassa El Kabira	**T4**	**499908**	**3945347**	**0.0**	**18.0**	**18.0**	**41.34**	**18.92**	
	Included			6.0	8.5	2.5	52.96	24.23	
	and			14.0	16.5	2.5	52.12	23.85	
Gassa El Kabira	**T5**	**499980**	**3945178**	**0.0**	**9.0**	**9.0**	**44.54**	**20.38**	
	Including			3.5	5.0	1.5	50.60	23.15	
	and			8.5	10.0	1.5	54.36	24.88	
Gassa El Kabira	**T6**	**499411**	**3944053**	**0.0**	**39.0**	**39.0**	**48.91**	**22.38**	
	Including			8.5	10.5	2.0	60.39	27.63	
	and			15.0	19.0	4.0	58.43	26.74	
	and			20.0	22.0	2.0	58.92	26.96	
Kef Sidi Ali Ben Oum Ezzine	**T9**	**498956**	**3942842**	**0.0**	**27.5**	**27.5**	**47.71**	**21.83**	
	Including			2.5	4.0	1.5	58.42	26.73	
	and			8.0	9.5	1.5	59.68	27.31	
	and			14.0	16.0	2.0	56.33	25.78	

(Table 4. *Continued)*

Historic Trenching and Drilling Chaketma (as *Bone Phosphate of Lime (2.19 x P_2O_5)

Note: Down hole depth of intercepts, dip and azimuth of holes not known

Prospect	Site	E_UTM WGS 84 32N	N_UTM WGS 84 32N	From (m)	To (m)	Length (m)	BPL %	P_2O_5 %	Comments
Kef El Louz	**T7**	**499795**	**3941465**	**0.0**	**12.0**	**12.0**	**47.20**	**21.60**	
	Including			2.5	5.5	3.0	58.00	26.54	
Kef El Louz	**T12**	**500275**	**3940551**	**0.0**	**2.0**	**2.0**	**39.93**	**18.24**	
	Including			0.5	1.5	1.5	45.39	20.77	
Kef El Louz	**T13**	**500513**	**3939671**	**0.0**	**2.5**	**2.5**	**42.47**	**19.43**	
	Including			2.0	2.5	0.5	50.65	23.18	
Gassa Ez Zerbate	**T8**								**Not Available**

1.2 BIR EL AFOU

(Celamin Limited / Tunisian Mining Services 50:50 JV)

Highlights

- Prefeasibility Study shows no 'fatal-flaws' to development potential targeting 1.5Mtpa phosphate rock production for export sales (Stage 1);
- Positive Government and Community support at all levels;
- Access to existing well located infrastructure and services;
- Attractive investment terms (5-year tax holiday);
- High grade concentrate (phosphate rock) of 30% P_2O_5 at 150 micron grind achievable;
- Inferred Resource of 29Mt at 11.1% P_2O_5 at 7.5% P_2O_5 cutoff grade;
- <5% of the permit area drilled or explored;
- Good potential to increase grade, tonnage and improve mining factors during Interim Delineation Phase;
- Well educated local community with job creation a strong social imperative;
- Project enjoys significant advantages with large identified Target Potential situated in a favourable geographical location and geopolitical jurisdiction.

Key Findings

Celamin and TMS have had excellent co-operation from the Tunisian Government authorities with respect to all aspects of the Project but in particular that Infrastructure and Services as follows:

- Rail transportation. Societe Nationale Chemin de Fer Tunisie (SNCFT) the national rail operator has confirmed the availability of locomotives and rolling stock to enable the transportation of the product to Port over existing rail track;
- Port. The Office de la Marine Marchande et des Ports (OMMC) the Tunisian Port Authority has confirmed availability of a suitable site at Rades port, at Tunis covering approximately 24,000m^2. This site contains an existing rail spur and shed for unloading and storage as well as access to a shared berth and the space for construction of another dedicated berth as required. The berth is suitable for loading of vessels up to 30,000 dwt;
- Energy Supply. Societe Tunisienne de Electicite du Gaz (STEG) the national electricity and gas supplier has confirmed the availability of power and gas supplies to the site under existing gazetted pricing arrangements for Industrial usage. High voltage transmission lines are located close to the BEA Exploration Permit and gas is supplied to a nearby cement works;
- Water. Celamin and TMS have received permission from the responsible Government Authority for water supply from a site about 25 km from the proposed plant site. This site is capable of delivering as much as ten times the water supply estimated for the process plant consumption (~60 litres per second);
- Environmental Aspects. The initial study by Tunisian consultancy EAM has confirmed there are no 'fatal flaws' to the proposed development of a phosphate rock mining and processing operation in the Bir El Afou exploration permit;
- Drilling. Celamin and TMS completed 66 diamond core drillholes totalling 5,360.35m between December 2010 and August 2011. This slow rate of drilling was due to a number of factors the consequence was that the program had to be focussed in a limited area in order that resources

to JORC Code guidelines could be estimated. Only 3.2Km^2 –or less than five percent- of the 84 Km^2 Exploration Permit area has been drilled or explored to date. This will be expanded during the next phase;

- Process testwork. Core samples from Bir El Afou were sent to Ammtec in Australia for process testwork, surface samples were also tested in Tunisia. All of this work showed that the phosphate is soft with a Bond Work Index of about 4, and that a flotation concentrate grading 30% P_2O_5 can be made at an acceptable recovery. This concentrate is a clean product within acceptable product specifications. The process testwork was used to construct a 'Metsim' model which is used to create design outputs for plant and equipment and for estimation of consumables;
- Resource estimate. The resource estimate was delayed by the issues relating to the drilling, and was undertaken for Bir El Afou Blocks A, B and C, Boukechrid (Block G) and Zebouzi. This is summarised in the following table and on the attached plan:

Cut-off Grade P_2O_5%	Resource Tonnes	Grade P_2O_5 %
0.0	80,800,000	5.7
5.0	42,000,000	9.6
7.5	**29,000,000**	**11.1**
10.0	17,700,000	12.6
12.5	6,000,000	15.5

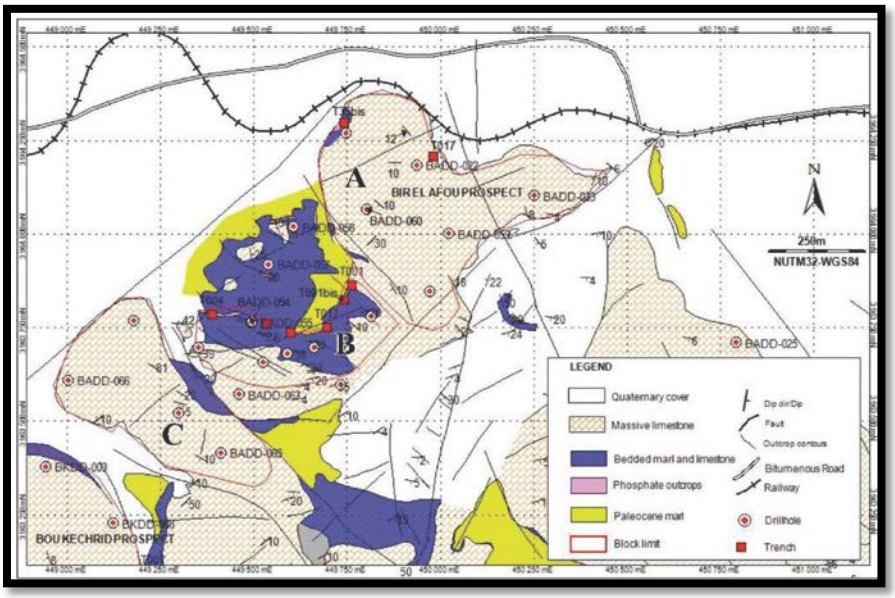

Figure 6. Location of Prospect Areas – Bir El Afou Exploration Permit

Specialist and independent consultants

Specialist and independent consultants performed various activities associated with the study. These were as follows:

- Deswik – Resource modelling, mine planning and mine engineering consultancy
- Geos – Resource database and resource modelling
- Sargon Engineering – Process design
- Golder Associates – Environmental (Equator Principles Standards)
- ALS Ammtec – Metallurgical test work, Milling testwork and Mineralogical Studies
- Professor Ammar Henchiri (Tunisia) – Metallurgical testwork
- RSV Australia – PFS
- Aurecon Engineering – PFS Report on Rail & Port Infrastructure.
- ALS Global (Spain) – Analyses
- Green Labs (Tunisia) – Water analyses
- Stewart Group Labs – Check Analyses
- ALS-Chemex (Australia) – Check Analyses
- EAM (Tunisia) – Environmental and Social
- Professor Elyes Gaubi (Tunisia) – Hydrology
- Tunisian Mining Services – Diamond Drilling, Geological, Mining and Rail Consultancy and Services

FORWARD PROGRAM

Planning for the next phase incorporates actions to address the main issues apparent in the drilling undertaken during the PFS. Exploration completed by Celamin to date has covered about 3.2 Km^2 of the 84 Km^2 permit. Exploration targets that meet the grade, thickness and also likely to meet the waste/ore ratios criteria have been identified at Bir El Afou Blocks D, E and F, Boukechrid Extended, Mahjouba, Rebiba, Kef Rebiba and parts of Kalaat Senan.

Table 5. Target of Unexplored BEA Prospects

Prospect	Area m^2	Thickness	Tonnage Potential (millions)
Bir El Afou (Blocks D, E, F)	1,124,900	10 -15 metres	25 - 37
Mahjouba	1,500,000	10 -15 metres	33 - 50
Boukechrid East	814,500	10 -15 metres	18 - 27
Kef Rebiba North	462,000	10 -15 metres	10 - 15
Kef Rebiba South	1,396,000	15 -18 metres	46 - 55
Total Unexplored Area	5,297,400	**Total Tonnage**	132 - 184

Assuming Average SG of 2.2 metres per cubic metre

In addition to the exploration programs designed to test the above targets Celamin and TMS are planning to routinely undertake flotation testwork in Tunisia using an in-house laboratory. This work will be undertaken under the direction of Professor Ammar Henchiri, a World authority on sedimentary phosphate flotation. Celamin and TMS will upgrade existing equipment at the local laboratory to undertake this work.

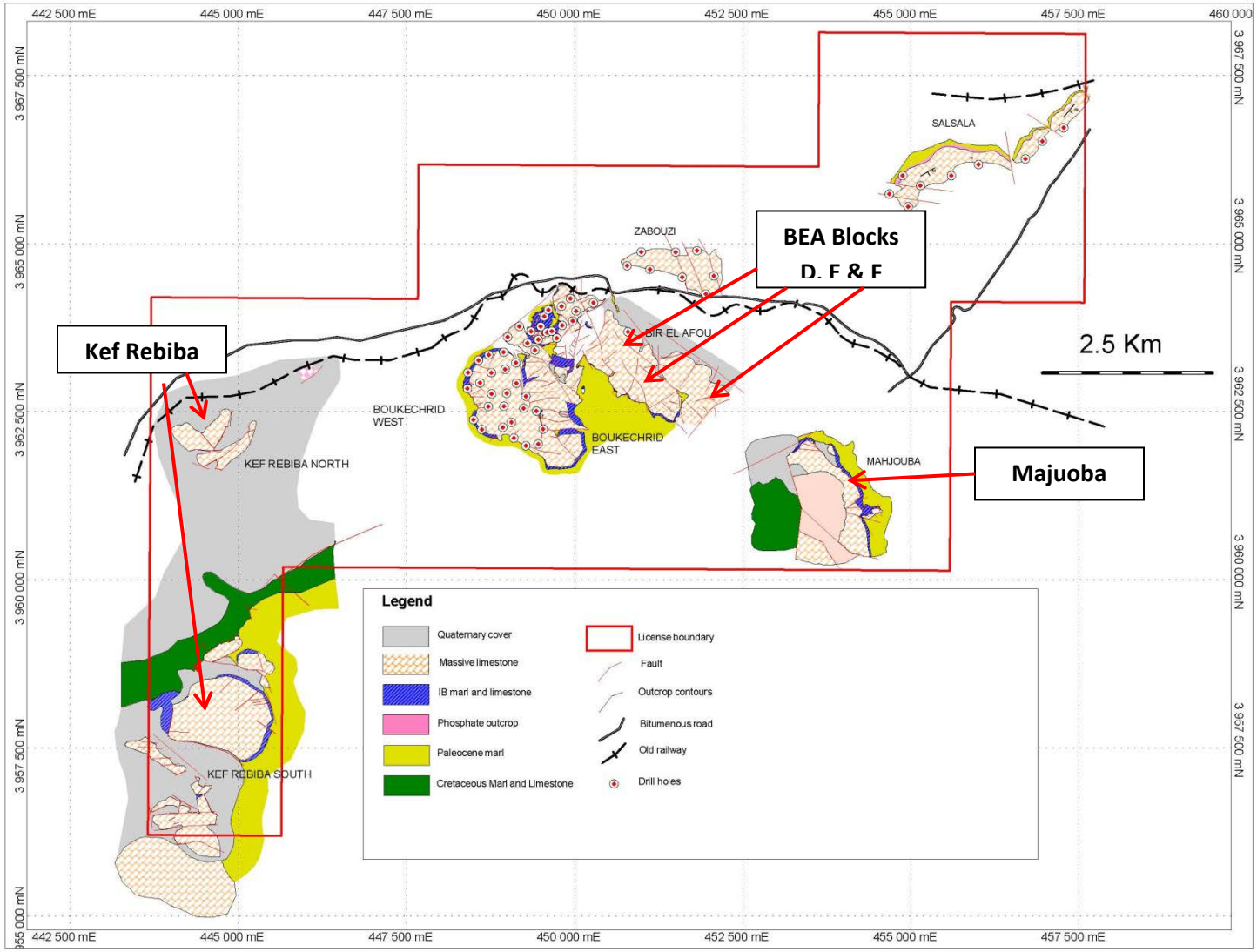

Figure 7. Bea El Afou Priority Area for 2012 Exploration Season

1.3 NORTH TUNISIAN BASE METAL AND TAILINGS PROJECT

(Celamin Limited / Tunisian Mining Services 50:50 JV)

Work on the north Tunisian Base Metals Project was restricted to reviewing and compiling historic data. Work planned for the forthcoming quarter includes demonstration selective floatation test work on tailings samples from Trozza and Garn Halfaya. C.

1.4 OUED El KEBIR - ALGERIA

(Celamin Earning 49%)

Work on the Oued El Kabir precious and base metals project continued with compilation of the historic exploration data and preparation for the due diligence drilling program. Commercial drilling contractors are not available in Algeria and Celamin is assessing the cost effectiveness merits of purchasing a man portable diamond rig.

1.5 MGHILA WITHDRAWAL

Celamin Limited has notified TMS that it wishes to withdrawal from the Farm-in into the Mghila Base Metals project and TMS has accepted Celamin's withdrawal.

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 has now been completed at Bir El Afou and, following the study's recommendation, further delineation work is ongoing.

Celamin also holds another Phosphate exploration permit in Tunisia with TMS (Chaketma). This project has larger target potential than Bir El Afou. The Chaketma project would use the same rail and port infrastructure as for the Bir El Afou project. The first results from channel sampling and drilling at Chaketma have been announced.

Celamin continues to step up work to carry out a due diligence drilling program for its farm-in to an Exploitation Permit at the Oued El Kebir precious and base metal project in Algeria.

Celamin has also acquired rights to several base metal tailings Projects in Tunisia with TMS and is the holder of three Exploration Permits with base metal (Pb/Zn) targets on a 50/50 basis with TMS.

DAVID REGAN
MANAGING DIRECTOR

COMPETENT PERSONS STATEMENT

Information in this report that relates to Exploration Results from Chaketma is based on information compiled by Mr Donald Thomson, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Donald Thomson is a consultant geologist engaged by Celamin Holdings NL and has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activities reported on to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves. Mr Thomson consents to the inclusion in this report of the matters based on information in the format and context in which it appears.

DISCLAIMER

This report contains certain forward-looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'potential' and other similar expressions are intended to identify forward-looking statements.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Celamin, and its officers, employees, agents and associates, that may cause actual results to differ materially from those expressed or implied in such statements.

Actual results, performance or outcomes may differ materially from any projections and forward-looking statements and the assumptions on which those assumptions are based. Exploration Targets are conceptual in nature and further exploration, by drilling and trenching might not convert these in to identified Mineral Resources.

You should not place undue reliance on forward-looking statements and neither Celamin nor any of its directors, employees, servants or agents assume any obligation to update such information.