Annual Report

2011

CELAMIN HOLDINGS NL

www.celaminnl.com.au

(Formerly known as Victorian Gold Mines NL)

ABN 82 139 255 771

Corporate directory

30 June 2011

Directors

Mr Kevin Nichol (Chairman)

Mr David Regan (Executive Director)

Mr Peter Avery (Non-executive Director)

Mr Michael Trifunovic (Non-executive Director)

Company secretary

Ms Melanie Leydin

Registered office

Suite 304

22 St Kilda Road

ST KILDA VIC 3182

Principal place of business

Suite 304

22 St Kilda Road

ST KILDA VIC 3182

Share register

Advanced Share Registry Ltd

150 Stirling Highway,

NEDLANDS WA 6009

Auditor

Andrew, Frewin & Stewart

61-65 Bull Street

BENDIGO VIC 3550

Solicitors

Hemming & Hart Lawyers

Level 2, 307 Queen Street

BRISBANE QLD 4000

Stock exchange listing

Celamin Holdings NL shares are listed on the

Australian Securities Exchange

(ASX code: CNL)

(ASX code : CNLO - listed options)

(ASX Code : CNLCA - partly paid shares)

Website address

www.celaminnl.com.au

Contents

Review of operations

Highlights

- The Company executed an agreement to purchase Celamin Limited which is the holder of Phosphate and Base Metal projects in Tunisia and Algeria.
- The company changed its name from Victorian Gold Mines NL to Celamin Holdings NL.
- The company placed 16,000,000 shares at $0.36 (36 cents) to institutional investors raising $5.76 million.
- Appointment of Mr David Regan as an Executive Director.
- Appointment of Ms Melanie Leydin as Company Secretary.

Corporate Activity: Purchase of Celamin Limited

Celamin Limited Overview:

In Tunisia, Celamin Limited (CEL) has an 80% interest in two phosphate exploration permits (EP's). These permits cover phosphate deposits with identified target potential that has been estimated from previous exploration and mining at **230-320 million tonnes at 17-22% P205**. The Bir El Afou EP covers an area of 84 Km2 and has 4 prospects (including two past mines) with **target potential of 80-120 Mt of 17-22% P205**. The Chaketma EP covers an area of 56 Km2 and has 4 prospects with target potential of 150-200Mt of 17-22% P205. The target potential was assessed for Celamin by an independent expert with more than 30 years experience in Tunisian sedimentary phosphate geology.

In Algeria, Celamin Limited (CEL) is earning forty-nine percent of a granted exploitation permit ('mining lease') at Oued El Kebir with an estimated resource of 11.5 million tonnes at 2.6% Pb, 2.1% Zn, 0.7% Cu and 95 g/t au by completing a feasibility study. The mineralisation also hosts Barite and Gold which has not been included in the resource at this stage.

The estimate of Resource at Oued El Kebir was made using a polygonal estimating methodology. This involved estimating tonnage based on area of influence of data collected from surface diamond core drillholes, underground diamond core drillholes and sampling of underground openings including assaying of samples, and measurements of thickness and estimations of density of the samples. This data was spaced variably and because of various modifying factors it was categorised as Inferred (based on the widest data spacing and other factors) until some check data can be gathered. This will be done during the planned 'due diligence' drilling and sampling program.

Base metal sulphide & oxide tailings as well as an exploration lease (Jebel Mghila) are also included in the suite of Celamin projects acquired.

Key Terms of the Agreement:

CNL has paid $3,250,000 to Celamin Limited to fund prefeasibility studies.

(a) On the satisfactory completion of mutual due diligence, CNL has issued to Celamin (CEL) shareholders 2.500,000 shares, 5,000,000 31 March 2014 options and 7,500,000 partly paid shares in consideration for Celamin shareholders transferring 10% of Celamin to CNL.

Due diligence was completed by both company's and CNL issued the shares and options on the 29th of October 2010.

(b) On completion of a satisfactory pre feasibility study on the Phosphate project by Celamin indicating the potential for the economic development of the Bir El Afou EP and the delineation of a JORC compliant resource of a minimum 25,000,000 tonnes at a minimum grading of 15% P2 05, CNL shall issue to Celamin shareholders a further 72,500,000 shares and Celamin shareholders shall transfer the remaining 90% of the Celamin shares to CNL. CNL has agreed to provide the necessary funding to Celamin to enable it to complete the prefeasibility studies and fund Celamin's mineral exploration and development programs.

(c) Following completion of a satisfactory prefeasibility study and a JORC compliant resource estimate, CNL will provide to Celamin the necessary funding required to complete a fully detailed definitive and bankable feasibility study on the Bir Al Afou project. Approximately $10,000,000 and 12 to 18 months will be required to complete this study and other Celamin planned activities.

(d) Upon Celamin meeting all performance hurdles set out above and after the exchange of shares, CNL will in exchange for the transfer to it of the remaining 90% shareholding in Celamin it does not already hold, make a final issue of CNL shares to Celamin shareholders. A General Meeting of shareholders will be held in the near future to ratify the transaction enabling the two companies to operate as Celamin Holdings NL.

(e) Included as Celamin projects are also any other actual or potential mineral projects becoming available to Celamin after the date of this agreement relating to phosphate, base metals, precious metals or tailings for any of the forgoing in Tunisia and Algeria.

Memorandum of Understanding signed for Phosphate Sales

Celamin Ltd advised Celamin Holdings NL ("the Company") that it and its co-venturer Tunisian Mining Services ("TMS") signed a memorandum of understanding in Tunis on 3 February 2011 with a International Fertiliser Company ("IFC") for sales of all the Stage 1 production for the Bir El Afou Phosphate Project in Tunisia. Celamin Ltd in joint venture with TMS plans to develop a project selling initially 1.5 M tonne per annum of phosphate rock from the Bir El Afou permit. The parties are currently undertaking a Pre-Feasibility Study ("PFS").

Board and Management Appointments

During the financial year David Regan was appointed to the board in October as an Executive Director. David is leading the development of the Celamin North African assets.

During the financial year Ms Melanie Leydin was appointed as the new Company Secretary following the resignation of Mr Michael Trifunovic who remained a Director of the Company. Melanie brings to the position many years as an experienced Public Company, Company Secretary. Melanie through her firm Leydin Freyer is also the company's accountant.

Victorian Assets

No work was undertaken on the Victorian gold assets and the company will now dispose of these leases.

Directors' report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Celamin Holdings NL (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the year ended 30 June 2011.

Directors

The following persons were directors of Celamin Holdings NL during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Kevin Nichol - Chairman
Mr David Regan - Executive Director (appointed 12 October 2010)
Mr Peter Avery - Non-executive Director
Mr Michael Trifunovic - Non-executive Director

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

- Base metal exploration
- Exploration and development of resource projects in North Africa initially in Tunisia and Algeria, through its investment in Celamin Limited

Dividends

There were no dividends paid or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $1,643,079 (30 June 2010: $621,375).

Refer to the detailed Review of Operations preceeding this report.

Financial Position

The net assets of the consolidated entity increased by $6,881,029 to $9,230,551 as at 30 June 2011 (2010: $2,349,522). The major movement was due to the issue of 19,155,505 shares raising $5,600,000 and the investment in Celamin Limited.

The consolidated entity's working capital, being current assets less current liabilities incresed by $1,035,475 to $2,400,144 (2010: $1,364,969).

As a result of the above the Directors believe the consolidated entity is in a strong and stable position to expand and grow its current operations.

Significant changes in the state of affairs

During the year the following significant change of affairs occurred:

- the Company issued 16,000,000 ordinary shares raising $5,760,000 net of costs at an issue price of $0.36 per share.
- in accordance with the Celamin Limited Acquisition Agreement the Company issued 2,500,000 fully paid ordinary shares at a deemed issue price of $0.55 (55 cents), 5,000,000 options exercisable at $0.20 (20 cents) on or before 31 March 2014 at a deemed issue price of $0.33 (33 cents) and 7,500,000 partly paid shares at a deemed issue price of $0.001 (one tenth of a cent) to the shareholders of Celamin Limited in consideration for 10% of the shares in the Company.
- the Company incorporated a wholly owned subsidiary, Vic Gold Mines Pty Ltd.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 30 August 2011 the Company announced that it had further advanced $1,000,000 to Celamin Limited pursuant to the terms of the Acquisition Agreement with Celamin Limited.

This further tranche of funding will be used to excellarate the Chaketma Phosphate exploration project as well as assisting Celamin Limited in completing its Pre Feasibility (PFS) and delineating a maiden JORC compliant resources on the Bir Al Afou project.

No other matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The Company holds participating interests in a number of mining and exploration tenements. The various authorities granting tenements require the tenement holder to comply with the terms of the grant of the tenement and all directors given to it under those terms of the tenement. There have been no known breaches of the tenement condition, and no such breaches have been notified by any government agency during the financial year ended 30 June 2011.

Information on directors

Name	Mr Kevin Nichol
Title	Chairman
Qualifications	B. Comm (Hons) CFA
Experience and Expertise	After finishing his honours thesis in the energy sector, Kevin worked as a financial analyst for the late Kerry Packer's private company. In the mid 80's he joined North's Stockbrokers, where he learnt his trade in the marketplace as an advisor. Kevin also spent several years on the trading floor of the Sydney Future Exchange. Recently, Kevin has been involved in raising funds for several small mining floats, as well as associated corporate advisory roles in other listed companies. In October 2008 he left his latest role as founding Managing Director of listed Bowen Energy Ltd and has concentrated on companies involved in the mining industry. Kevin has been involved in corporate, industrial and private client advisory roles as well as research for several broking and investment houses during the past 25 years. He is widely experienced in the equities market with substantial capital raising experience, in particular in the resource sector. He brings to the Board many years of market knowledge.
Other Current Directorships	Baru Resources Limited
Former Directorships (in the last 3 years)	Bowen Energy Limited (resigned October 2008)
Special Responsibilities	Nil
Interests in Shares	2,850,001 fully paid ordinary shares
Interests in Options	275,000 listed options with an exercise price of 20c expiring 31 March 2014.

Name	Mr David Regan (appointed 12 October 2010)
Title	Executive Director
Qualifications	LLB (University of Sydney)
Experience and Expertise	Mr. Regan is a lawyer by training and has been working in the resources industry in Papua New Guinea, Australia, North America and the North Africa Middle East region for over thirty years in various senior corporate roles. During this period he worked for Rio Tinto, BHP Billiton, Atlantic Richfield (Anaconda Minerals, Arco Coal and Arco International) in a variety of roles including legal, corporate planning, economic evaluation, marketing, joint venture management and business development. Mr. Regan has worked in the North Africa Middle East region for over ten years where he led teams that put together over $3 billion of resource investments. Mr. Regan was an independent director of ASX listed Citadel Resource Group (CGG) and a founding director of Celamin Limited.
Other Current Directorships	Nil
Former Directorships (in the last 3 years)	Citadel Resource Group Limited (resigned 22 December 2010)
Special Responsibilities	Nil
Interests in Shares	1,362,806 fully paid shares ordinary shares 4,088,421 partly paid ordinary shares
Interests in Options	2,725,613 listed options with an exercise price of 20c expiring on 31 March 2014.

Name	Mr Peter Avery
Title	Non-Executive Director
Qualifications	Dip. Financial Planning
Experience and Expertise	Peter Avery has more than 20 years professional experience within the stock broking industry. During the previous 10 years, Peter has held a senior role as a private client advisor at Perth broking firm, DJ Carmichael (DJC). Prior to joining DJC, Peter developed special skills as an equity advisor at Todd Partners managing client portfolios. Peter's industry experience includes extensive capital raisings within the resource and mining sectors and he holds a Diploma of Financial Planning from Deakin University.
Other Current Directorships	Baru Resources Limited
Former Directorships (in the last 3 years)	Nil
Special Responsibilities	Nil
Interests in Shares	3,010,001 fully paid ordinary shares 602,000 partly paid ordinary shares
Interests in Options	205,000 listed options with an exercise price of 20c expiring on 31 March 2014

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Name	Mr Michael Trifunovic
Title	Non Executive Director Company Secretary (resigned 25 August 2010)
Qualifications	B. Comm (Economics/Finance) (Hons) MBA
Experience and Expertise	Michael began his career in the financial markets as a stock/options operator working in the trading room of Bain & co. which subsequently became Deutsche Bank. Subsequently, he was recruited to work at Morgan Stanley where he was the Head Institutional Operator and played an instrumental role in establishing the Morgan Stanley equity trading business in Sydney. While at Morgan Stanley he moved to a number of key roles which included institutional sales trading, portfolio and transition management as well as arbitrage. He later completed a full time MBA at the AGSM and then began work at Russell Investment Group as Manager of Portfolio Implementation and most recently he held the role of Portfolio Manager. While at Russell Investment Group, he played a key role in building the business in Sydney, managed numerous investment assignments on behalf of clients as well as establishing a number of investment funds. Michael has been directly involved in financial markets for the last 15 years, and brings with him a broad range of knowledge and experience both from investment banking and funds management.
Other Current Directorships	Nil
Former Directorships (in the last 3 years)	Nil
Special Responsibilities	Nil
Interests in Shares	30,000 fully paid ordinary shares 6,000 partly paid ordinary shares
Interests in Options	245,416 options with an exercise price of 20c expiring on 31 March 2014.

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Company secretary

Ms Melanie Leydin is a Chartered Accountant and is a Registered Company Auditor.

She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of chartered accounting firm, Leydin Freyer.

In the course of her practice she audits listed and unlisted public companies involved in the resources industry. Her practice also involves outsourced company secretarial and accounting services to public companies in the resources sector. This involves preparation of statutory financial statements, annual reports, half year reports, stock exchange announcements and quarterly ASX reporting and other statutory requirements.

Ms Leydin has 19 years experience in the accounting profession and is a director and company secretary for a number of oil and gas, junior mining and exploration entities on the Australian Stock Exchange.

Meetings of directors

The number of meetings of the company's Board of Directors held during the year ended 30 June 2011, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Mr Kevin Nichol	8	8
Mr David Regan *	7	7
Mr Peter Avery	8	8
Mr Michael Trifunovic	8	8

Held: represents the number of meetings held during the time the director held office.

* appointed 12 October 2010.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:

A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Service agreements
D Share-based compensation
E Additional information

A Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity and company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

Alignment to shareholders' interests:

- focuses on sustained growth in shareholder wealth, growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors remuneration

Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. The limit of Non-Executive Director fees was increased to a maximum of $350,000 at the Company's Annual General Meeting on 20 October 2010. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act 2001 at the time of the Director's retirement or termination. Non-Executive Directors' remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

Currently the Company remunerates non-executive Directors at a rate of $60,000 per annum. There were no incentives, bonuses or options paid during the year to non-executive Directors.

Executive remuneration

The consolidated entity and company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and adds additional value to the executive.

The long-term incentives ('LTI') includes long service leave.

Consolidated entity performance and link to remuneration

Currently the Company remunerates non-executive Directors at a rate of $60,000 per annum. There were no incentives, bonuses or options paid during the year to non-executive Directors.

The consolidated entity and company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board ,based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Remuneration packages for executives include performance-based components whereby an incentive payment of 3.3% of profit in excess of $1,000,000 is payable. In light of the current acquisition being pursued, the directors who were to receive this profit share have agreed to relinquish this right in lieu of a payment of $120,000 after a minimum $10,000,000 capital raising has been completed. The capital raised will be directed to the Bankable Feasibility budget.

All Directors and Executives hold shares and options in the Company to facilitate goal congruence between Executives with that of the business and shaeholders. Further information has not been disclosed as it is comercially sensitive.This reflects competitive reward for contribution to growth in shareholder wealth Alignment to program participants' interests.

B Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) and specified executives of Celamin Holdings NL are set out in the following tables.

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate. This provides a clear structure for earning rewards.

2011	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
Name	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mr M Trifunovic	90,000	-	-	-	-	-	90,000
Mr P Avery	60,000	-	-	5,400	-	-	65,400
Executive Directors:							
Mr D Regan *	133,425	-	-	9,908	-	-	143,333
Mr K Nichol	180,000	-	-	-	-	-	180,000
Other Key Management Personnel:							
Ms M Leydin **	73,000	-	-	-	-	-	73,000
	536,425	**-**	**-**	**15,308**	**-**	**-**	**551,733**

* Appointed as a Director on 12 October 2010

** Fees paid to Leydin Freyer Corporate Pty Ltd, for company secretarial fees and accounting services provided (appointed as Company Secretary on 26 August 2010).

2010	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
Name	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mr M Trifunovic*	35,167	-	-	-	-	-	35,167
Mr P Avery	31,210	-	-	-	2,808	-	34,018
Executive Directors:							
Mr K Nichol	77,500	-	-	-	-	-	77,500
Mr D Cahill **	27,500	-	-	-	-	-	27,500
	171,377	**-**	**-**	**-**	**2,808**	**-**	**174,185**

* Appointed as a Director on 1 April 2010

** Resigned as a Director on 1 April 2010

C Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name	Mr Kevin Nichol
Title	Chairman
Agreement commenced	23 July 2010
Term of agreement	Initial term of 5 years
Details	Mr Nichol may resign from his position and thus terminate this contract by giving 1 months written notice. A resignation fee is payable by the Company of an amount equal to 6 months consultancy fee. After the expiry of the Consultancy Period (60 months) either party may terminate the Consultancy by giving the other 1 months notice in writing. An exit fee will be payable by the Company upon the company's termination equal to the remainder of the contract term. The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs Mr Nichol is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.

Name	Mr Peter Avery
Title	Non Executive Director
Agreement commenced	23 July 2010
Term of agreement	Initial term of 36 months
Details	Mr Avery may resign from his position and thus terminate this contract by giving 1 month's written notice. A fee is payable by the Company of an amount equal to 6 months consultancy fee. After the expiry of the Employment Period (36 months) either party may terminate the Employment by giving the other 1 months notice in writing. An exit will be payable by the Company upon the company's termination equal to the remainder of the contract term. The Company may terminate the contract at any time without notice if serious misconduct has occurred.

Name	Mr Michael Trifunovic
Title	Non Executive Director
Agreement commenced	23 July 2010
Term of agreement	Initial term of 36 months
Details	Mr Trifunovic may resign from his position and thus terminate this contract by giving 1 month's written notice. A fee is payable by the Company of an amount equal to 6 months consultancy fee. After the expiry of the Employment Period (36 months) either party may terminate the Employment by giving the other 1 months notice in writing. An exit will be payable by the Company upon the company's termination equal to the remainder of the contract term. The Company may terminate the contract at any time without notice if serious misconduct has occurred.

Name	Mr David Regan
Title	Executive Director
Agreement commenced	12 October 2010
Term of agreement	Initial term of 12 months
Details	Mr Regan may resign from his position and thus terminate this contract by giving 1 month's written notice. A fee is payable by the Company of an amount equal to 6 months consultancy fee. After the expiry of the Employment Period (12 months) either party may terminate the Employment by giving the other 1 months notice in writing. An exit will be payable by the Company upon the company's termination equal to the remainder of the contract term. The Company may terminate the contract at any time without notice if serious misconduct has occurred.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

D Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2011.

Options

There were no options issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2011.

There were no options granted to or exercised by directors and other key management personnel as part of compensation during the year ended 30 June 2011.

E Additional information

The earnings of the consolidated entity for the two years to 30 June 2011 are summarised below:

	2010 $	2011 $
Revenue	41,011	100,828
Net profit/(loss) before tax	(621,375)	(1,643,079)
Net profit/(loss)after tax	(621,375)	(1,643,079)

	2010 $	2011 $
Share price at start of year* AUD$	-	0.120
Share price at end of the year AUD$	0.120	0.460
Basic earnings per share (cents per share)	(3.660)	(1.920)
Diluted earnings per share (cents per share)	(3.660)	(1.920)

* The Company was listed on the Australian Stock Exchange on 17 December 2009.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Celamin Holdings NL under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number Under Option
5 February 2010	31 March 2014	$0.200	6,300,000
22 February 2010	31 March 2014	$0.200	14,067,001
29 October 2010	31 March 2014	$0.200	5,000,000
			25,367,001

Shares issued on the exercise of options

There were no shares of Celamin Holdings NL issued on the exercise of options during the year ended 30 June 2011.

Indemnity and insurance of officers

The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former audit partners of Andrew, Frewin & Stewart

There are no officers of the company who are former audit partners of Andrew, Frewin & Stewart.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor

Andrew, Frewin & Stewart continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Kevin Nichol

Chairman

29 September 2011

MELBOURNE

Auditor's independence declaration

Partners in success
Chartered Accountants

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2011 TO THE DIRECTORS OF CELAMIN HOLDINGS NL.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

<u>**GRAEME STEWART**</u>
ANDREW FREWIN & STEWART
61-65 Bull Street, Bendigo, 3550

Dated this 29th day of September 2011

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 51 061 795 337.

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Corporate governance statement

The Board of Directors ('the Board') of Celamin Holdings NL (the 'company') is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of the company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The table below summarises the company's compliance with the ASX Corporate Governance Council's Revised Principles and Recommendations.

Principles and Recommendations		Compliance	Comply
Principle 1 – Lay solid foundations for management and oversight			
1.1	Establish the functions reserved to the Board and those delegated to manage and disclose those functions.	The Board is responsible for the overall corporate governance of the company. The Board has adopted a Board charter that formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management. The Board has adopted a Delegations of Authority that sets limits of authority for senior executives. On appointment of a director, the company issues a letter of appointment setting out the terms and conditions of appointment to the Board.	Complies.
1.2	Disclose the process for evaluating the performance of senior executives.	The Board meets annually to review the performance of executives. The senior executives' performance is assessed against performance of the Company as a whole.	Complies.
1.3	Provide the information indicated in Guide to reporting on Principle 1.	A Board charter has been disclosed on the company's website and is summarised in this Corporate Governance Statement. A performance evaluation process is included in the Board Charter, which has been disclosed on the company's website and is summarised in this Corporate Governance Statement.	Complies. Complies. Complies.
Principle 2 – Structure the Board to add value			
2.1	A majority of the Board should be independent directors.	The majority of the Board's directors are not independent directors of the company. Mr Kevin Nichol is the Chairman. Mr David Regan is an Executive Director. Mr Peter Avery is an not an independent Non-Executive Director. Mr Michael Trifunovic is an independent Non-executive Director.	Whilst the Board recognises that it is desirable for the majority of the Board to be an Independent Directors, the Company's current size dictates that this is the most efficient mode of operation at the current time. The Board will review the appointment of further Independent Directors should the Company's size and growth warrant this.

Principles and Recommendations		Compliance	Comply
Principle 2 – Structure the Board to add value (continued)			
2.2	The chair should be an independent director.	Mr Kevin Nichol is the Chairman and is not an independent Director.	Whilst the Board recognises that it is desirable for the Chairman to be an Independent Director, the Company's current size dictates that this is the most efficient mode of operation at the current time. The Board will review the appointment of an Independent Chairperson should the Company's size and growth warrant this.
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	As noted, Mr Kevin Nichol is the Company Chairman. There is no Chief Executive Officer of the Company.	For similar reasons expressed in relation to recommendation 2.2, the existing arrangement is the most efficient mode of operation at the current time for the Company's size. The Board will review the appointment of a separate Chairperson should the Company's size and growth warrant this.
2.4	The Board should establish a nomination committee.	The company has not established a Nomination and Remuneration Committee.	The Board has not formed a separate nomination committee, given the size and scale of Celamin Holdings NL. The role of a nomination committee is carried out by the full Board. The full board considers the appointment of new directors, on an informal basis. The Board's policy for the appointment of new directors to the Board can be accessed at www.celaminnl.com.au.
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual directors.	The company conducts the process for evaluating the performance of the Board, its committees and individual directors as outlined in the Board Charter which is available on the company's website. The Board's induction program provides incoming directors with information that will enable them to carry out their duties in the best interests of the company. This includes supporting ongoing education of directors for the benefit of the company.	Complies.
2.6	Provide the information indicated in the *Guide to reporting on Principle 2*.	This information has been disclosed (where applicable) in the directors' report attached to this Corporate Governance Statement. Mr Michael Trifunovic is an independent director of the company. A director is considered independent when he substantially satisfies the test for independence as set out in the ASX Corporate Governance Recommendations. Members of the Board are able to take independent professional advice at the expense of the company. Mr Kevin Nichol, Executive Chairman, was appointed to the Board at incorporation of the Company in September 2009.	Complies.

Principles and Recommendations		Compliance	Comply
Principle 2 – Structure the Board to add value (continued)			
2.6 (cont'd)		Mr David Regan, Executive Director, was appointed to the Board in October 2010. Mr Peter Avery, Non-Executive Director, was appointed to the Board at incorporation of the Company in September 2009. Mr Michael Trifunovic, Non-Executive Director, was appointed to the Board in April 2010. The Board has undertaken a review of the mix of skills and experience on the Board in light of the company's principal activities and direction, and has considered diversity in succession planning. The Board considers the current mix of skills and experience of members of the Board and its senior management is sufficient to meet the requirements of the company. In accordance with the information suggested in Guide to Reporting on Principle 2, the company has disclosed full details of its directors in the director's report attached to this Corporate Governance Statement. Other disclosure material on the Structure of the Board has been made available on the company's website.	
Principle 3 – Promote ethical and responsible decision making			
3.1	Establish a code of conduct and disclose the code or a summary of the code.	The Board has adopted a code of conduct. The code establishes a clear set of values that emphasise a culture encompassing strong corporate governance, sound business practices and good ethical conduct. The code is available on the company's website.	Complies.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them.	The Board has undertaken a review of the mix of skills and experience on the Board in light of the company's principal activities and direction. The Board will prepare a Diversity Policy that considers the benefits of diversity, ways to promote a culture of diversity, factors to be taken into account in the selection process of candidates for Board and senior management positions in the company, education programs to develop skills and experience in preparation for Board and senior management positions, processes to include review and appointment of directors, and identify key measurable diversity performance objectives for the Board, CEO and senior management.	Does not comply however the Board has committed the company to review and prepare a Diversity Policy that considers all aspects of diversity in accordance with corporate governance guidelines.

Principles and Recommendations		Compliance	Comply
Principle 3 – Promote ethical and responsible decision making			
3.3	Provide the information indicated in *Guide to reporting on Principle 3*.	On completion and acceptance of a Diversity Policy, the company will report in each annual report the measurable objectives for achieving gender diversity set by the Board. The company will include in the directors' report the proportion of women employees and their positions held within the company.	Does not comply however the Board has committed the company to review and prepare a Diversity Policy that considers all aspects of diversity in accordance with corporate governance guidelines. Does not comply.
Principle 4 – Safeguard integrity in financial reporting			
4.1	The Board should establish an audit committee.	The Board has not established an audit and risk committee.	The Board has not formed a separate audit committee given the size and scale of the Company. The functions of an audit committee are performed by the whole Board. All items that are dealt with by an audit committee are dealt with at Board meeting.
4.2	The audit committee should be structured so that it consists of only non-executive directors, a majority of independent directors, is chaired by an independent chair who is not chair of the Board and have at least 3 members.	Refer to comments above under 4.1.	Refer to comments above under 4.1.
4.3	The audit committee should have a formal charter.	Refer to comments above under 4.1.	Refer to comments above under 4.1.
4.4	Provide the information indicated in *Guide to reporting on Principle 4*.	In accordance with the information suggested in *Guide to Reporting on Principle 2*, this has been disclosed in the directors' report attached to this Corporate Governance Statement and is summarised in this Corporate Governance Statement. Refer to comments above under 4.1.	Complies.
Principle 5 – Make timely and balanced disclosure			
5.1	Establish written policies designed to ensure compliance with ASX Listing Rules disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	The company has adopted a continuous disclosure policy, to ensure that it complies with the continuous disclosure regime under the ASX Listing Rules and the Corporations Act 2001. This policy is available on the company's website.	Complies.
5.2	Provide the information indicated in the *Guide to reporting on Principle 5*.	The company's continuous disclosure policy is available on the company's website.	Complies.

Principles and Recommendations		Compliance	Comply
Principle 6 – Respect the rights of shareholders			
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy.	The company has adopted a shareholder communications policy. The company uses its website (www.celaminnl.com.au), annual report, market announcements, media disclosures and webcasting to communicate with its shareholders, as well as encourages participation at general meetings. This policy is available on the company's website.	Complies.
6.2	Provide the information indicated in the *Guide to reporting on Principle 6*.	The company's shareholder communications policy is available on the company's website.	Complies.
Principle 7 – Recognise and manage risk			
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of these policies.	The company has adopted a risk management statement within the audit and risk committee charter. The audit and risk committee is responsible for managing risk; however, ultimate responsibility for risk oversight and risk management rests with the Board. The audit and risk charter is available on the company's website and is summarised in this Corporate Governance Statement.	Complies.
7.2	The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	The Board believes the risk management and internal control systems designed and implemented by the Directors and the Financial Officer are adequate given the size and nature of the Company's activities. The Board informally reviews and requests management internal control.	Management has not formally reported to the Board as to the effectiveness of the Company's management of its material business risks. Given the nature and size of the Company and the Board's ultimate responsibility to manage the risks of the Company this is not considered critical. The Company intends to develop the risk reporting framework into a detailed policy as its operations continue to grow.
7.3	The Board should disclose whether it has received assurance from the chief executive officer and chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to the financial reporting risks.	The Board has received a statement from Mr Kevin Nichol and Ms Melanie Leydin that the declaration provided in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control and that the system is operating efficiently and effectively in all material respects in relation to the financial reporting risks.	Complies.

Principles and Recommendations		Compliance	Comply
Principle 7 – Recognise and manage risk (continued)			
7.4	Provide the information indicated in *Guide to reporting on Principle 7.*	Refer to the comments above in 7.1, 7.2 and 7.3.	Complies.
Principle 8 – Remunerate fairly and responsibly			
8.1	The Board should establish a remuneration committee.	The Board has not established a Nomination and Remuneration Committee and has not adopted a remuneration charter.	It is not a Company policy to have a nomination committee, given the size and scale of Celamin Holdings NL. The role of a nomination committee is carried out by the full Board. The full board considers the appointment of new Directors, on an informal basis. The Board's policy for the appointment of new Directors to the Board can be accessed at www.celaminnl.com.au.
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	The company complies with the guidelines for executive remuneration packages and non-executive director remuneration. No senior executive is involved directly in deciding their own remuneration.	Complies.
8.3	Provide the information indicated in the *Guide to reporting on Principle 8*.	The information has been disclosed in the Annual Report.	Complies.

Celamin Holdings NL's corporate governance practices were in place for the financial year ended 30 June 2011 and to the date of signing the directors' report.

Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by Celamin Holdings NL, refer to our website: www.celaminnl.com.au

Financial report

For the year ended 30 June 2011

General information

The financial report covers Celamin Holdings NL as a consolidated entity consisting of Celamin Holdings NL and the entities it controlled. The financial report is presented in Australian dollars, which is Celamin Holdings NL's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Celamin Holdings NL is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 304
22 St Kilda Road
ST KILDA VIC 3182

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 29 September 2011. The directors have the power to amend and reissue the financial report.

Statement of comprehensive income

For the Year Ended 30 June 2011

		Consolidated	
	Note	2011 $	2010 $
Revenue	**4**	**100,828**	**41,011**
Expenses			
Corporate expenses		(341,212)	(103,401)
Administration expenses		(159,971)	(47,193)
Employment expenses		(458,370)	(256,666)
Depreciation and amortisation	5	(122,626)	(95,037)
Loss on sale of property plant and equipment		(21,431)	(39,215)
Exploration expenditure written off		(640,297)	(120,874)
Loss before income tax expense		**(1,643,079)**	**(621,375)**
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of Celamin Holdings NL		**(1,643,079)**	**(621,375)**
Other comprehensive income			
Foreign currency translation		789	236
Other comprehensive income for the year, net of tax		789	236
Total comprehensive income for the year attributable to the owners of Celamin Holdings NL		**(1,642,290)**	**(621,139)**
		Cents	**Cents**
Basic earnings per share	28	(3.051)	(3.659)
Diluted earnings per share	28	(3.051)	(3.659)

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position

As at 30 June 2011

		Consolidated	
	Note	2011 $	2010 $
Assets			
Current Assets			
Cash and cash equivalents	7	2,355,068	1,324,165
Trade and other receivables	8	14,398	34,264
Other	9	66,826	47,816
Total current assets		**2,436,292**	**1,406,245**
Non-current assets			
Other financial assets	10	3,627,454	-
Property, plant and equipment	11	202,633	404,329
Exploration and evaluation	12	3,000,320	580,224
Total non-current assets		**6,830,407**	**984,553**
Total assets		**9,266,699**	**2,390,798**
Liabilities			
Current liabilities			
Trade and other payables	13	36,148	41,276
Total current liabilities		**36,148**	**41,276**
Total liabilities		**36,148**	**41,276**
Net assets		**9,230,551**	**2,349,522**
Equity			
Contributed equity	14	11,493,980	2,970,661
Reserves	15	1,025	236
Accumulated losses		(2,264,454)	(621,375)
Total equity		**9,230,551**	**2,349,522**

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity

For the Year Ended 30 June 2011

	Contributed equity $	Foreign Currency Reserve $	Accumulated losses $	Total equity $
Consolidated				
Balance at 3 September 2009	**3**	**-**	**-**	**3**
Other comprehensive income for the year, net of tax	-	236	-	**236**
Loss after income tax expense for the year	-	-	(621,375)	**(621,375)**
Total comprehensive income for the year	**-**	**236**	**(621,375)**	**(621,139)**
Transactions with owners in their capacity as owners:				
Issue of shares	3,105,300	-	-	**3,105,300**
Issue of options	203,670	-	-	**203,670**
Costs of capital raising	(338,312)	-	-	**(338,312)**
Balance at 30 June 2010	**2,970,661**	**236**	**(621,375)**	**2,349,522**

	Contributed equity $	Foreign Currency Reserve $	Accumulated losses $	Total equity $
Consolidated				
Balance at 1 July 2010	**2,970,661**	**236**	**(621,375)**	**2,349,522**
Other comprehensive income for the year, net of tax	-	789	-	**789**
Loss after income tax expense for the year	-	-	(1,643,079)	**(1,643,079)**
Total comprehensive income for the year	**-**	**789**	**(1,643,079)**	**(1,642,290)**
Transactions with owners in their capacity as owners:				
Issue of shares	8,865,735	-	-	**8,865,735**
Costs of capital raising	(342,416)	-	-	**(342,416)**
Balance at 30 June 2011	**11,493,980**	**1,025**	**(2,264,454)**	**9,230,551**

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows

For the Year Ended 30 June 2011

		Consolidated	
	Note	2011 $	2010 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(960,924)	(398,059)
Interest received		95,303	41,011
Payments for bank guarantees		-	(42,505)
Net cash used in operating activities	**26**	**(865,621)**	**(399,553)**
Cash flows from investing activities			
Payment for investment in Celamin Limited		(344,954)	-
Advances to Celamin Limited		(250,000)	-
Proceeds from sale of property, plant and equipment		57,638	30,000
Proceeds from sale of tenement		5,000	-
Payments for property, plant and equipment		-	(525,741)
Payments for exploration and evaluation		(3,060,393)	(601,438)
Net cash used in investing activities		**(3,592,709)**	**(1,097,179)**
Cash flows from financing activities			
Proceeds from issue of shares		5,833,238	3,158,973
Share issue transaction costs		(342,416)	(338,312)
Net cash from financing activities		**5,490,822**	**2,820,661**
Net increase in cash and cash equivalents		1,032,492	1,323,929
Cash and cash equivalents at the beginning of the financial year		1,324,164	-
Effects of exchange rate changes on cash		(1,588)	236
Cash and cash equivalents at the end of the financial year	**7**	**2,355,068**	**1,324,165**

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements

30 June 2011

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any impact on the financial performance or position of the consolidated entity.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 23.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Celamin

Holdings NL ('company' or 'parent entity') as at 30 June 2011 and the results of all subsidiaries for the year then ended. Celamin Holdings NL and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The effects of potential exercisable voting rights are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial report is presented in Australian dollars, which is Celamin Holdings NL's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximates the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses and under and over provision in prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets

Investments and other financial assets are measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted. The fair values of quoted investments are based on current bid prices. For unlisted investments, the consolidated entity establishes fair value by using valuation techniques. These include the use of recent arms length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-8 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Celamin Holdings NL, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended

30 June 2011. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and definite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Tax losses

The Company has not recognised a deferred tax asset with regard to unused tax losses and other temporary differences, as it has not been determined whether the Company will generate sufficient taxable income against which the unused tax losses and other temporary differences can be utilised in the foreseeable future.

Exploration and evaluation assets

At each reporting date, the directors review the carrying value of each area of interest, with reference to the indicators of impairment outlined in AASB 6 - Exploration for and Evaluation of Mineral Resources.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into 1 operating segment: base metals exploration. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The information reported to the CODM is on at least a monthly basis.

Note 4. Revenue

	Consolidated	
	2011 $	2010 $
Other revenue		
Interest revenue - bank deposits	95,828	41,011
Gain on sale of tenement	5,000	-
Revenue	**100,828**	**41,011**

Note 5. Expenses

	Consolidated	
	2011 $	2010 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	122,626	95,037
Impairment		
Exploration and evaluation	33,318	120,874
Employee benefits expense		
Superannuation	10,469	11,352
Other employee benefits	-	15,224
Total employee benefit expenses	**10,469**	**26,576**
Other		
Loss on sale of plant and equipment	21,431	39,215

Note 6. Income tax expense

	Consolidated	
	2011 $	2010 $
Numerical reconciliation of income tax expense to prima facie tax payable		
Loss before income tax expense	(1,643,079)	(621,375)
Tax at the Australian tax rate of 30%	(492,924)	(186,413)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Accrued expenses	(565)	4,165
Other timing differences	445	569
	(493,044)	**(181,679)**
Deductible capitalised exploration expenditure	(726,029)	(129,067)
Deductible capital raising costs	(61,142)	(20,299)
Prepaid expenses	1,593	(1,593)
Incorporation fees	929	-
Tax losses not recognised Income tax expense	1,277,693	332,638
Income tax expense	**-**	**-**

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

i) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;

ii) the consolidated entity continues to comply with the conditions for deductibility imposed by law; and

iii) no change in tax legislation adversely affects the consolidated entity in realizing the benefits from deducting the losses.

	Consolidated	
	2011 $	2010 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	1,610,908	332,638
Temporary differences	(930,996)	(146,225)
Total deferred tax assets not recognised	**679,912**	**186,413**

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 7. Current assets - cash and cash equivalents

	Consolidated	
	2011 $	2010 $
Cash at bank	2,355,068	1,324,165

Note 8. Current assets - trade and other receivables

	Consolidated	
	2011 $	2010 $
Trade and other receivables	7,500	7,500
Interest receivable	399	-
GST receivable	6,499	26,764
	14,398	**34,264**

The average credit period on trade and other receivables is 30 days. Due to the short term nature of the receivables their carrying value is assumed to approximate their fair value. No collateral or security is held. No interest is charged on the receivables. The Company has financial risk management policies in place to ensure that all receivables are received within the credit timeframe.

Note 9. Current assets - other

	Consolidated	
	2011 $	2010 $
Prepayments	24,194	5,311
Bank guarantees	42,632	42,505
	66,826	**47,816**

Note 10. Non-current assets - other financial assets

	Consolidated	
	2011 $	2010 $
Loan to Celamin Limited	250,000	-
Investment in Celamin Limited	3,377,454	-
	3,627,454	**-**

Refer to Note 27 for further details on the investment in Celamin Limited.

Note 11. Non-current assets - property, plant and equipment

	Consolidated	
	2011 $	2010 $
Plant and equipment - at cost	377,390	483,017
Less: Accumulated depreciation	(174,757)	(78,688)
	202,633	**404,329**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
	Plant and Equipment $	Total $
Balance at 3 September 2009	**-**	**-**
Additions	610,977	**610,977**
Disposals	(111,611)	**(111,611)**
Depreciation expense	(95,037)	**(95,037)**
Balance at 30 June 2010	**404,329**	**404,329**
Disposals	(79,070)	**(79,070)**
Depreciation expense	(122,626)	**(122,626)**
Balance at 30 June 2011	**202,633**	**202,633**

Note 12. Non-current assets - exploration and evaluation

	Consolidated	
	2011 $	2010 $
Exploration and evaluation assets	3,000,320	580,224

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
	Exploration & Eval Assets $	Total $
Balance at 3 September 2009	-	-
Expenditure during the year	701,098	**701,098**
Write off of assets	(120,874)	**(120,874)**
Balance at 30 June 2010	**580,224**	**580,224**
Expenditure During the Year	3,060,393	**3,060,393**
Write off of assets	(640,297)	**(640,297)**
Balance at 30 June 2011	**3,000,320**	**3,000,320**

Note 13. Current liabilities - trade and other payables

	Consolidated	
	2011 $	2010 $
Trade payables	24,148	27,393
Other payables	12,000	13,883
	36,148	**41,276**

Refer to note 17 for detailed information on financial instruments.

The average credit period on purchases is 30 days. No interest is charged on the trade payables. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Note 14. Equity - contributed

	Consolidated		Consolidated	
	2011 Shares	2010 Shares	2011 $	2010 $
Ordinary shares - fully paid	47,289,508	28,134,003	9,623,025	2,764,891
Partly paid shares	17,471,296	-	17,285	2,100
Options over shares	25,367,001	20,367,001	1,853,670	203,670
	90,127,805	**48,501,004**	**11,493,980**	**2,970,661**

Movements in ordinary share capital

Details	Date	No of Shares	Issue Price	$
Balance	3 September 2009	3	-	3
Issue of shares to founding shareholders	16 December 2009	9,000,000	$0.000	900
Issue of shares to capital holders	16 December 2009	4,830,000	$0.050	241,500
Issue of shares through initial public offering	16 December 2009	13,554,000	$0.200	2,710,800
Issue of vendor shares	16 December 2009	750,000	$0.200	150,000
Less: capital raising costs	-	**-**	-	**(338,312)**
Balance	**30 June 2010**	**28,134,003**		**2,764,891**
Placement	22 November 2010	16,000,000	$0.360	5,760,000
Issue of shares to Celamin Ltd	22 November 2010	2,500,000	$0.550	1,375,000
Conversion of partly paid shares	2 May 2011	316,900	$0.100	31,690
Conversion of partly paid shares	23 May 2011	92,500	$0.100	9,250
Conversion of partly paid shares	16 June 2011	246,105	$0.100	24,610
Less: capital raising costs	-	-	-	(342,416)
Balance	**30 June 2011**	**47,289,508**		**9,623,025**

Movements in Partly Paid Shares

Details	Date	No of Shares	Issue Price	$
Balance	**3 September 2009**	**-**	**-**	**-**
Monies received in advance for the issue of partly paid shares		-	-	2,100
Balance	**30 June 2010**	**-**	**-**	**2,100**
Issue of Partly paid shares	29 July 2011	5,626,801	$0.001	3,485
Issue of Partly paid shares	20 August 2011	4,200,000	$0.001	4,200
Issue of Partly paid shares to Celamin Ltd	30 November 2010	7,500,000	$0.001	7,500
Issue of Partly paid shares	30 November 2010	800,000	$0.001	-
Conversion of partly paid shares	2 May 2011	(316,900)	-	-
Conversion of partly paid shares	23 May 2011	(92,500)	-	-
Conversion of partly paid shares	16 June 2011	(246,105)	-	-
Balance	**30 June 2011**	**17,471,296**	**-**	**$17,285**

Movements in options issued

Details	Date	No of Shares	Issue Price	$
Balance	**3 September 2009**			
Issue of options	19 April 2010	20,367,001	$0.01	203,670
Balance	**30 June 2010**	**20,367,001**		**203,670**
Issue of options to Celamin Limited	30 November 2010	5,000,000	$0.33	1,650,000
Balance	**30 June 2011**	**25,367,001**		**1,853,670**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 14. Equity - contributed (continued)

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these are given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2010 Annual Report.

Note 15. Equity - reserves

	Consolidated	
	2011 $	2010 $
Foreign currency reserve	1,025	236
	Foreign Currency $	**Total $**
Balance at 3 September 2009	-	-
Foreign currency translation	236	236
Balance at 30 June 2010	**236**	**236**
Foreign currency translation	789	789
Balance at 30 June 2011	**1,025**	**1,025**

Note 16. Equity - dividends

There were no dividends paid or declared during the current or previous financial year.

Note 17. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and are exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

The consolidated entity's only exposure to interest rate risk is primarily in relation to short-term deposits held which are held with reputable financial institutions.

As at the reporting date, the consolidated entity had the following variable rate cash and deposits:

	2011		2010	
Consolidated	Weighted average interest rate %	Balance $	Weighted average interest rate %	Balance $
Cash at bank	4.75	2,355,068	3.66	1,324,165
Net exposure to cash flow interest rate risk		**2,355,068**		**1,324,165**

An increase/decrease in interest rates of 30% or 1.43 percentage points would have a favourable/adverse affect on profit before tax of $33,678 per annum. The percentage change is based on expected volatility of interest rates using market data and analysis forecasts.

Credit risk

Credit risk is managed on a consolidated entity basis. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has a credit risk exposure with Celamin Limited which at 30 June 2011 owed the consolidated entity $250,000. This balance is currently within its terms of trade and no impairment was made at 30 June 2011. There are no guarantees against this receivable but management already monitors the balance and is in regular contact the Company to mitigate risk.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2011	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	36,148	-	-	-	36,148
Total non-derivatives	**-**	**36,148**	**-**	**-**	**-**	**36,148**

Consolidated - 2010	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	41,276	-	-	-	41,276
Total non-derivatives	**-**	**41,276**	**-**	**-**	**-**	**41,276**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than disclosed.

Fair value of financial instruments

The following tables detail the consolidated entity's fair values of financial instruments categorised by the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Consolidated - 2011	Level 1 $	Level 2 $	Level 3 $	Level 4 $
Assets				
Investment in Celamin Limited	-	-	3,627,454	3,627,454
Total assets	**-**	**-**	**3,627,454**	**3,627,454**

There were no transfers between levels during the financial year.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 18. Key management personnel disclosures

Directors

The following persons were directors of Celamin Holdings NL during the financial year:

K Nichol (Chairman)

D Regan (Executive Director) appointed 12 October 2010

M Trifunovic (Non-Executive Director)

P Avery (Non-Executive Director)

Other key management personnel

The following person also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Ms M Leydin (Company Secretary)

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2011 $	2010 $
Short-term employee benefits	536,425	171,377
Post-employment benefits	15,308	2,808
	551,733	**174,185**

Shareholding

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2011	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr K Nichol ***	1,800,001	-	1,050,000	-	**2,850,001**
Mr M Trifunovic	30,000	-	-	-	**30,000**
Mr P Avery	3,010,001	-	-	-	**3,010,001**
Mr D Regan *	-	-	1,362,806	-	**1,362,806**
Mr M Trifunovic **	-	-	6,000	-	**6,000**
Mr P Avery **	-	-	602,000	-	**602,000**
Mr D Regan **	-	-	4,088,421	-	**4,088,421**
	4,840,002	**-**	**7,109,227**	**-**	**11,949,229**

* appointed as Director on 12 October 2010. Shares received through the Celamin agreement as noted in Note 27.

** partly paid ordinary shares.

*** shares acquired via on-market acquisition

2010	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr K Nichol	1,760,001	-	40,000	-	**1,800,001**
Mr M Trifunovic **	-	-	30,000	-	**30,000**
Mr P Avery	3,010,001	-	-	-	**3,010,001**
Mr D Cahill *	3,000,001	-	25,000	(3,025,001)	**-**
	7,770,003	**-**	**95,000**	**(3,025,001)**	**4,840,002**

* resigned as Director on 1 April 2010

** appointed as Director on 1 April 2010

Option holding

The number of options over ordinary shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2011	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr K Nichol **	100,000	-	-	175,000	**275,000**
Mr M Trifunovic **	215,000	-	-	30,416	**245,416**
Mr P Avery **	200,000	-	-	5,000	**205,000**
Mr D Regan ***	-	-	-	2,725,613	**2,725,613**
	515,000	**-**	**-**	**2,936,029**	**3,451,029**

* Mr David Regan was appointed 12 October 2010

** Purchased during the financial year

*** Acquired as part of the Celamin acquisition agreement

2010	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr K Nichol	-	100,000	-	-	**100,000**
Mr M Trifunovic	-	215,000	-	-	**215,000**
Mr P Avery	-	200,000	-	-	**200,000**
	-	**515,000**	**-**	**-**	**515,000**

Related party transactions

Related party transactions are set out in note 22.

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Andrew, Frewin & Stewart, the auditor of the company, and its related practices:

	Consolidated	
	2011 $	2010 $
Audit services - Andrew, Frewin & Stewart		
Audit or review of the financial report	17,000	17,500

Note 20. Contingent liabilities

The consolidated entity did not have contingent liabilities at 30 June 2011 or 30 June 2010.

Note 21. Commitments for expenditure

	Consolidated	
	2011 $	2010 $
Exploration Tenements		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	71,310	92,276
One to five years	56,920	105,015
	128,230	**197,291**

In order to maintain current rights of tenure to exploration tenements, the Company and consolidated entity are required to outlay rentals and to meet the minimum expenditure requirements of the Mineral Resources Authority. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts and are payable

Note 22. Related party transactions

Parent entity

Celamin Holdings NL is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 24.

Key management personnel

Disclosures relating to key management personnel are set out in note 18 and the remuneration report in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2011 $	2010 $
Payment for goods and services:		
Payment to Kevin Nichol for services in relation to the initial public offering	-	23,370
Payment to DJ Carmichael Pty Ltd (an entity related to Mr Peter Avery) for services in relation to the initial public offering	-	31,100

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the reporting date.

Loans to/from related parties

There were no loans to or from related parties at the reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 23. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of comprehensive income

	Parent	
	2011 $	2010 $
Loss after income tax	(1,639,210)	(621,378)
Total comprehensive income	**(1,639,210)**	**(621,378)**

Statement of financial position

	Parent	
	2011 $	2010 $
Total current assets	2,436,289	1,403,160
Total assets	**9,269,543**	**2,390,558**
Total current liabilities	36,148	41,276
Total liabilities	**36,148**	**41,276**
Equity		
Contributed equity	11,493,981	2,970,660
Accumulated losses	(2,260,586)	(621,378)
Total equity	**9,233,395**	**2,349,282**

Contingent liabilities

The parent entity had no contingent liabilities at 30 June 2011 and 30 June 2010.

Capital commitments - Property, plant and equipment

Refer to Note 21 for details of commitments. All commitments in that note relate to the parent entity.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment.
- Investments in associates are accounted for at cost, less any impairment.

Note 24. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name of entity	Country of incorporation	Equity holding	
		2011 %	2010 %
Victorian Gold Mines Pte Ltd	Singapore	100.00	100.00
Victorian Gold Mines Pty Ltd *	Australia	100.00	-

* Incorporated on 16 November 2010.

Note 25. Events occurring after the reporting date

On 30 August 2011 the Company announced that it had further advanced $1,000,000 to Celamin Limited pursuant to the terms of the Acquisition Agreement with Celamin Limited.

This further tranche of funding will be used to excellarate the Chaketma Phosphate exploration project as well as assisting Celamin Limited in completing its Pre Feasibility (PFS) and delineating a maiden JORC compliant resources on the Bir Al Afou project.

No other matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 26. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2011 $	2010 $
Loss after income tax expense for the year	(1,643,079)	(621,375)
Adjustments for:		
Depreciation and amortisation	122,626	95,037
Net loss on disposal of property, plant and equipment	21,430	39,215
Exploration costs written off	640,297	120,874
Gain on sale of tenement	(5,000)	-
Foreign exchange differences	2,377	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	19,738	(74,580)
Increase in prepayments	(18,883)	-
Increase/(decrease) in trade and other payables	(5,127)	41,276
Net cash used in operating activities	**(865,621)**	**(399,553)**

Note 27. Non-cash investing and financing activities

During the financial year, the company issued 2,500,000 fully paid ordinary shares at a deemed price of $0.55, 5,000,000 options exercisable at $0.20 on or before 31 March 2014 at a deemed price of $0.33 and 7,500,000 partly paid shares at a deemed price of $0.0001 to shareholders of Celamin Limited, in accordance with the acquisition agreement.

During the 2010 financial year the company issued 750,000 shares at a deemed issue price of $0.20 as a consideration for exploration assets.

Note 28. Earnings per share

	Consolidated	
	2011 $	2010 $
Loss after income tax attributable to the owners of Celamin Holdings NL	(1,643,079)	(621,375)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	53,860,750	16,982,603
Weighted average number of ordinary shares used in calculating diluted earnings per share	53,860,750	16,982,603
	Cents	Cents
Basic earnings per share	(3.051)	(3.659)
Diluted earnings per share	(3.051)	(3.659)

Diluted earnings per share

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 "Earnings per Share". The rights to options are non-dilutive as the consolidated entity generated a loss during the financial year.

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the directors

Mr Kevin Nichol
Chairman

29 September 2011
MELBOURNE

Independent auditor's report

Partners in success
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the members of Celamin Holdings NL.

We have audited the accompanying financial report of Celamin Holdings NL (the company) and Celamin Holdings NL and Controlled Entities (the consolidated entity), which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

As permitted by the Corporations Regulations 2001, the company has disclosed information about the remuneration of directors and executives (remuneration disclosures), required by Accounting Standard AASB 124: Related Party Disclosures, under the heading 'Remuneration Report' in the directors report and not in the financial report.

Directors' Responsibility for the Financial Report

The directors of Celamin Holdings NL are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

The directors also are responsible for preparation and presentation of the remuneration disclosures contained in the directors' report in accordance with Corporations Regulations 2001.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with the relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and the remuneration disclosures in the directors' report comply with Accounting Standard AASB 124.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report and the remuneration disclosures in the directors' report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

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Auditor's Opinion

In our opinion:

a. the financial report of Celamin Holdings NL (the company) and Celamin Holdings NL and Controlled Entities (the consolidated entity) is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1; and

c. the remuneration disclosures that are contained in the directors' report comply with Accounting Standard AASB 124 and s300a of the *Corporations Act 2001*.

GRAEME STEWART
ANDREW FREWIN & STEWART
61-65 Bull Street, Bendigo, 3550

Dated this 29th day of September 2011

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Shareholder information

The shareholder information set out below was applicable as at 22 August 2011.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of options over ordinary shares (CNCO)	Number of partly paid shares (CNLCA)
1 to 1,000	8	0	2
1,001 to 5,000	44	34	43
5,001 to 10,000	81	21	30
10,001 to 100,000	185	117	38
100,001 and over	50	26	17
	368	**198**	**130**
Holding less than a marketable parcel	12		

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
African Lion 3 Limited	6,885,922	14.56
J P Morgan Nominees Australia Limited	4,401,985	9.31
Mr Douglas W Cahill	3,325,001	7.03
Dawesville Nominees Pty Ltd <Peter Avery Super Fund A/C>	3,000,001	6.34
HSBC Custody Nominees (Australia) Limited	2,525,305	5.34
J & TW Dekker Pty Ltd <J & TW Dekker Family A/C>	2,372,013	5.02
Kevin Nichol	1,800,001	3.81
Beny Manuru	1,450,000	3.07
David G M Regan & Marie M Regan <Regan Superannuation Fund>	1,362,806	2.88
Yilgarn Infrastructure Limited	1,080,000	2.28

Twenty largest quoted equity security holders (continued)

	Ordinary shares	
	Number held	% of total shares issued
Citicorp Nominees Pty Limited	928,624	1.96
Frengky Manuru	815,000	1.72
RNAJ Pty Ltd <RNAJ Stagg Super Fund>	723,844	1.53
Huang Jin Mining Pty Ltd	700,000	1.48
ABN AMRO Clearing Sydney Nominees Pty Ltd <Custodian A/C>	682,016	1.44
White Knight Technology Pty Ltd <The Kell Family A/C>	619,338	1.31
Megatop Nominees Pty Ltd <Morris Super Fund A/C>	400,000	0.85
Hawera Pty Ltd <The Bailey Family A/C>	400,000	0.85
Ringsford Pty Ltd <DG & GL Walker S/F A/C>	400,000	0.85
Covelane Gold Coast Pty Ltd < Covelane Super Fund A/C>	330,000	0.70
	34,201,856	**72.32**

	Options over ordinary shares (CNLO)	
	Number held	% of total options issued
Hawera Pty Ltd <The Bailey Family A/C>	5,274,205	20.79
Beny Manuru	3,565,205	14.05
David G M Regan & Marie M Regan <Regan Superannuation Fund>	2,725,613	10.74
Frengky Manuru	2,000,000	7.88
RNAJ Pty Ltd <RNAJ Stagg Super Fund>	1,447,688	5.71
Treluc Investments Pty Ltd	1,234,000	4.86
Mr Brett G Walker	600,000	2.37
IBDC Sarl	492,953	1.94
Statton Nominees Pty Limited <PT Krisna Jaya Indra A/C>	433,400	1.71
HK Securities Pty Ltd	410,000	1.62
Mr Charles W Thomas	300,000	1.18
Ramsa Pty Ltd <Bailey Super Fund A/C>	260,000	1.02
JCV Nominees Pty Ltd	250,000	0.99
Amarilo Investments Pty Ltd <P J Hunt Fmily A/C>	250,000	0.99
Mr Michael M Trifunovic	245,416	0.97
Amarilo Investments Pty Ltd <P J Hunt Fmily A/C>	212,500	0.84

(continued from previous page)

	Options over ordinary shares (CNLO)	
	Number held	% of total options issued
Dr Hans-Ulrich Muller	210,500	0.83
Strefrewen Pty Ltd	210,000	0.83
Hawera Pty Ltd <The Bailey Family A/C>	200,000	0.79
Dawesville Nominees Pty Ltd <Peter Avery Super Fund A/C>	200,000	0.79
	20,521,480	**80.90**

	Partly Paid Shares (CNLCA)	
	Number held	% of total partly paid shares issued
David G M Regan & Marie M Regan <Regan Superannuation Fund>	4,088,421	23.40
RNAJ Pty Ltd <RNAJ Stagg Super Fund>	2,171,532	12.43
Hawera Pty Ltd <The Bailey Family A/C>	2,100,000	12.02
Beny Manuru	2,100,000	12.02
Frengky Manuru	1,527,754	8.74
Hawera Pty Ltd <The Bailey Family A/C>	742,718	4.25
IBDC Sarl	739,430	4.23
Dawesville Nominees Pty Ltd <Peter Avery Super Fund A/C>	600,000	3.43
Mr Douglass W Cahill	335,000	1.92
Strefrewen Pty Ltd	290,000	1.66
Treluc Investments Pty Ltd	252,500	1.45
J & TW Dekker Pty Ltd <J & TW Dekker Super Family A/C>	200,000	1.14
Africon Lion 3 Limited	200,000	1.14
Mr Ian Lovett	200,000	1.14
Abbawood Nominees Pty Ltd <Abbott Famil S/F A/C>	156,500	0.90
Mr Charles W Thomas	150,000	0.86
Sharon Rae Sievert	145,511	0.83
Mr Leon A Kmita <Leon Kmita Super Fund A/C>	90,000	0.52
Douglass Cahill	70,000	0.40
Mr Lawerence A Stevenson	70,000	0.40
	16,229,366	**92.88**

Unquoted equity securities

	Number on issue	Number of holders
Ordinary fully paid shares escrowed until 20 October 2011	2,500,000	-
Ordinary fully paid shares escrowed until 17 December 2011	10,173,498	-

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
African Lion 3 Limited	6,885,922	14.56
J P Morgan Nominees Australia Limited	4,401,985	9.31
Mr Douglas W Cahill	3,325,001	7.03
Dawesville Nominees Pty Ltd <Peter Avery Super Fund A/C>	3,000,001	6.34
HSBC Custody Nominees (Australia) Limited	2,525,305	5.34

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary fully paid shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Tenements

Description	Tenement number	Interest owned
Bright	EL 5188	100.00%
Wedderburn	EL 5116	90.00%
Wedderburn	EL 5471	90.00%
Wedderburn	MIN 5068	100.00%
Wedderburn	MIN 5371	100.00%

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