

Celamin Holdings NL (ASX:CNL) updated on companies projects and activities.

Bir El Afou Phosphate Project

1. Field Activities

Celamin's work in the Bir El Afou (BEA) permit area has been significantly expedited by the co-operation and local knowledge of Tunisian Mining Services (TMS) which is a co-venturer in the Project. TMS has a drilling base close to the BEA permit and this base has been offered for use for core and sample processing and storage. Celamin and TMS have also set-up accommodation and offices in the local town of Tagerouine. This has enabled a rapid commencement of field activities.

2. Project Manager Appointment

Celamin is pleased to advise the appointment of a very experienced engineering Project Manager, Mr Malcolm Paterson to its team for the Pre-Feasibility Study (PFS) and subsequently the Bankable Feasibility Study (BFS). Mr Paterson is a mechanical engineer with major project and company Project Management experience in Australia and Overseas locations. Mr Paterson has led multi-cultural teams working on resource project PFS, BFS and Engineering Procurement & Construction Management (EPCM) for major engineering companies in the Vietnam, Philippines, Islamic Republic of Iran, Indonesia, India, Chile, Papua New Guinea and Australia. Mr Paterson has held senior management positions with BHP Engineering, Aker Solutions, Rio Tinto, Pacific Coal and Clyde Industries.

3. Project Engineering

Transportation of phosphate rock to an export port is a key component of the engineering aspect for the PFS. Celamin and TMS have held a preliminary meeting with Tunisian Rail for the transport of phosphate by rail from site to an export port. This meeting concluded that Tunisian Rail would provide rail access and rolling stock sufficient for the Stage 1 Project requirements of 1.5 Mtpa of phosphate rock. Tunisia Rail confirmed an indicative price on a tonnage basis from mine gate to port via the existing railway network. The port of Gabes in southern Tunisia was nominated by Tunisia Rail. Further work will be undertaken on both these aspects in early 2011 during the PFS.

4. Offtake and Marketing

Further meetings were held with a major International fertiliser Group in Europe in December. An MOU has just been announced.

Other Projects Highlights

- Mineralogical studies were completed on 6 composite Garn Halfaya Tailings samples. These were selected based on Pb/Zn ratios and separated into 4 size ranges, preparatory to planned flotation testwork;
- A report is in preparation for the Tunisian Government on the Tunisian Tailings Project to support an application for renewal of permission for work on selected Tailings storages;

- Further sampling was undertaken on part of the MGila exploration permit, completing the regional sampling program planned for the permit. Sample results are still pending;
- Work on the site access road at Oued El Kebir (Algeria) was completed by the joint venture partner at their cost during the quarter;
- The agreement for Oued El Kebir is close to being finalised. Negotiations regarding the minority interest required by the Algerian Government (Foreign corporations are only allowed to hold 49% of Algerian assets) are still being finalised;

Corporate Activities:

During the quarter CNL achieved many important milestones in its development as a listed entity.

The acquisition of the Celamin suite of project assets was completed early in the quarter and the finalisation of the agreement was later accelerated enabling a simpler and complete purchase within a much shorter period. It is anticipated that the final tranche will coincide with the completion of the pre feasibility study and maiden JORC compliant resource statement.

David Regan was appointed to the board in October as an executive director while Ralph Stagg has been invited to also join the board as the Company's Technical Director. David and Ralph are leading the development of the Celamin North African assets.

The company changed its name in this latest quarter to Celamin Holdings NL. The company also placed 16 million shares at 36 cents to institutional investors raising A\$5.76 million.