



CELAMIN UPDATE ON RETURN OF CHAKETMA INTEREST

Celamin Holdings Ltd

ASX Code: CNL

ACN 139 255 771

ABN 82 139 255 771

Board and Management:

Robin Widdup	Chairman
Simon Eley	Managing Director
Taz Aldaoud	Non-Exec Director
Tim Markwell	Alternate Director to Robin Widdup

Company Secretary

Melanie Leydin

Securities on Issue

194,009,961	ordinary shares
135,027	unlisted options
2,000,000	unlisted options
12,000,000	unlisted options
500,000	unlisted options

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Summary:

- **50.99% of Chaketma Phosphate Project expected to be returned in August**
- **Investigations underway into TMS actions to avoid arbitration decision may lead to further claims by Celamin**
- **Rock phosphate price improving**
- **A\$6.6m damages still owed to Celamin and accruing daily**

Celamin Holdings Limited (**Celamin** or the **Company** (ASX: CNL, CNLO)) has been advised by its Tunisian legal team that the final decision on the urgent application to restore its 50.99% stake in the Chaketma Phosphate Project is now likely to occur in August.

Chaketma is a significant phosphate asset in Tunisia and the Company's primary focus. Celamin is in the final stages of recovering its interest in Chaketma following the illegal transfer by its former JV partner, Tunisian Mining Services (TMS).

As noted in the announcement issued on 23 June 2020, the impact of the Coronavirus has resulted in a delay to all legal matters, including Celamin's urgent application to restore its interest in Chaketma Phosphate SA (**CPSA**). This delay has also caused the urgent application to be heard during the judicial holiday in Tunis and while this holiday does not preclude hearing urgent applications, it is likely to impact the timing of the final decision on restoring Celamin's interest in CPSA.

The Company will keep the market informed as and when the outcome of this application is known.

Despite these delays, Celamin has made advancements on various actions to uncover the measures taken by TMS, and others, to avoid an adverse outcome since the commencement of the dispute in 2015. Celamin will provide updates to the market as these developments progress.

Celamin also remains entitled to payment of approximately US\$4.6m by TMS in damages and costs. This amount accrues interest daily until paid in full by TMS. Celamin is continuing various actions to seize and sell assets belonging to TMS to offset the amount owed to Celamin.

With increasing encouragement for the imminent recovery of its interest in Chaketma, Celamin notes the recent modest improvement in the rock phosphate concentrate price which has increased circa 6% from cyclical lows over the last two months¹. This is in part believed to be due to the impact of the Coronavirus in China and, specifically the region of Hubei, restricting logistics and supply of rock phosphate concentrate. China is also introducing tougher environmental regulations that may affect the export market for rock phosphate concentrate. Further, it is anticipated that an additional 31Mt of rock phosphate concentrate will be required to meet expected phosphate acid production during the next decade.²

“This most recent delay, although frustrating, does not alter our view of the process we have embarked on to recover our interest in CPSA. We are further encouraged by the progress made to hold TMS to account for the illegal transfer of Celamin’s interest in CPSA,” said Celamin Managing Director Simon Eley.

This announcement is authorised for release to the market by the Board of Directors of Celamin Holdings Limited.

For further information, please contact:

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¹ Phosphate rock (Morocco), 70% BPL, contract, f.a.s. Casablanca, indexmundi.com

² Argus - Phosphate Rock Analytics, January 2020