Media Release | ASX: OMH | 21 October 2010

OMH RECORDS STRONG SEPTEMBER QUARTERLY PRODUCTION RESULT

OM HOLDINGS LIMITED
(ARBN 081 028 337)

ASX code: OMH

Share price: A$1.655
(at close of trade on 20 October 2010)

Market capitalisation: ~A$833M

Ordinary shares on issue: 503.1M

Unlisted options on issue: 38.4M

Board

Executive Chairman
Mr Low Ngee Tong

Executive Director, CEO
Mr Peter Toth

Non Executive Director
Ms Julie Anne Wolseley

Non Executive Director
Mr Tan Peng Chin

Non Executive Director
Mr Wong Fong Fui

Non Executive Director
Mr Thomas Teo Liang Huat

Top Shareholders

Board/Management	22%
HSBC Custody Nominees Ltd	15%
Stratford Sun Limited	11%
Strategic Partners	10%
Top 20 Shareholders	86%

HIGHLIGHTS

- **Strong production performance from all OMH operations**, including:
  - **Record quarterly manganese production** from flagship Bootu Creek mine (a 16% increase from June 2010 to 227,968 tonnes).
  - **Record monthly manganese production** in September 2010 (86,867 tonnes for September 2010, surpassed the previous monthly record set in June 2009 by 12%).
  - **Forecast full year production target revised to 850,000 tonnes**.
  - **Record alloy production from Qinzhou smelter** in China (17,271 tonnes of high carbon ferro manganese alloy) and strong sinter ore production (45,643 tonnes of sinter ore following consistent improvements in sinter ore production).
- **Unit costs showing consistent improvement** from first half 2010 with Q3 costs of A$4.29/dmtu, including September month of A$3.91/dmtu.
- **Qinzhou smelter achieves record quarterly sales** (14,915 tonnes of high carbon ferro manganese alloy, a 40% increase on the previous quarter, up 42% the same period last year).
- **Robust market outlook** - steel production volume from China increased 15.5% year-on-year for the period from January to August 2010, and global steel demand forecast to increase 13% to 1.27 billion tonnes in 2010 and a further 5.3% to 1.34 billion tonnes in 2011.
- **Key strategic growth projects continue advancement**, including submission of an application for a sintering and smelting plant in Malaysia with a view to establishing an integrated low-cost alloy production centre in South East Asia, and progressing the Tshipi Kalahari Manganese Project.
- **Strong sales expectations for the December 2010 quarter**, augmented with the anticipated conclusion of the long-term NFE marketing agency agreement.

International diversified minerals group, **OM Holdings Limited (ASX Code: OMH) ("OMH" or "the Company)** has posted a strong performance for the quarter ended 30 September 2010, including record manganese ore production and record alloy production and sales.

OMH confirmed today that its Flagship Bootu Creek manganese mine achieved record production of 227,968 tonnes grading 36% Mn, a 16% increase on the June 2010 quarter and 11% increase over the same period last year. The Company's wholly-owned Qinzhou smelter and sinter ore plant in south-West China posted record alloy production and sales of 17,271 tonnes and 14,915 tonnes respectively.

The Company's full Q3 2010 quarterly update report has been lodged separately on the ASX and can be down-loaded from the Company's website.

For further information please contact:

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ABOUT OM HOLDINGS LIMITED

OMH listed on the ASX in March 1998 and has its foundations in metals trading – incorporating the sourcing and distribution of manganese ore products and subsequently in processing ores into ferro-manganese intermediate products. The OMH Group now operates commercial mining operations – leading to a fully integrated operation covering Australia, China and Singapore.

Through its wholly owned subsidiary, OM (Manganese) Ltd, OMH controls 100% of the Bootu Creek Manganese Mine ("Bootu Creek") located 110 km north of Tennant Creek in the Northern Territory.

Bootu Creek has the capacity to produce 1,000,000 tonnes of manganese product annually. Bootu Creek has further exploration potential given that its tenement holdings extend over 3,325km^2.

Bootu Creek's manganese product is exclusively marketed by the OMH Group's own trading division with a proportion of the product consumed by the OMH Group's wholly-owned Qinzhou smelter and sinter ore plant located in south west China.

Through its Singapore based commodity trading activities, OMH has established itself as a significant manganese supplier to the Chinese market, a positioned that is strengthened by products from Bootu Creek and Qinzhou.

OMH is a constituent of the S&P/ASX 200 a leading securities index.

OMH also holds the following strategic shareholding interests in ASX listed entities:

- 16% shareholding in **Northern Iron Limited** (ASX Code: NFE), a company presently producing iron ore from its Sydvaranger iron ore mine located in northern Norway;
- 12% shareholding in **Shaw River Resources Limited** (ASX Code: SRR), a company presently exploring for manganese in Western Australia and Ghana;
- 19% shareholding in **Scandinavian Resources Limited** (ASX Code: SCR), a company presently exploring for iron ore, manganese, gold and copper in Sweden and Norway; and
- 6% shareholding in **Territory Resources Limited** (ASX Code: TTY), a company operating the Frances Creek iron ore mine in the Northern Territory.