



ASX / Media Release

ASX: OMH

31 January 2011

## OMH CONTINUES RECORD PRODUCTION RUN AT BOOTU CREEK TARGET ORE PRODUCTION OF ONE MILLION TONNES IN 2011

**ASX code:** OMH  
**Share price:** A\$1.50  
(at close of trade on 28 January 2011)  
**Market capitalisation:** ~A\$755M  
**Ordinary shares on issue:** 503.1M  
**Unlisted options on issue:** 32.0M

### 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% |
| Newtimes/Huang Gang       | 12% |
| Stratford Sun Limited     | 11% |
| HSBC Custody Nominees Ltd | 10% |
| Top 20 Shareholders       | 87% |

### HIGHLIGHTS

- Production records continue to be achieved at Bootu Creek.
- Second half production at Bootu Creek reached a record annual production rate of 920,000 tonnes.
- Targeting full year annual production rate of one million tonnes for 2011.
- Record smelter production - Sinter plant set to reach full capacity in 2011.
- Positive outlook on the manganese market for 2011.
- Growth strategy focusing on the Tshipi mine and Malaysian smelting projects.

International diversified minerals group, OM Holdings Limited (**ASX Code: OMH**) ("**OMH**" or "**the Company**") has continued its record breaking production run at its "flagship" Bootu Creek manganese mine in Australia's Northern Territory. The Company broke the previous production records at Bootu Creek both for the quarter ended December 31, 2010 and its annual production level for 2010.

During the second half of the year, the Bootu Creek mine ran at an annual production capacity above 920,000 tonnes. This record production rate, record fourth quarter yields and recoveries and further optimisation and improvement initiatives in the pipeline have put the Company on target to achieve a production level of one million tonnes in 2011.

Speaking on the record breaking performances, OMH's Chief Executive Officer, Peter Toth, said: "It is very encouraging to see that production records continue to tumble at Bootu Creek. I am extremely pleased to announce a record annual production performance representing a 28% improvement from last year. We are very close to achieving the mine's fully optimised production level of 1mtpa. "

Mr Toth said the Company's 100% owned Qinzhou smelter achieved a 12% increase in alloy production during the quarter despite power supply restrictions. All furnaces are back in production following the resumption of the power supply and the Company expects both the alloy and sinter plants to run at full production capacity during 2011, taking advantage of forecast strong market conditions.

### MARKET FORECAST.

"There is every reason to be optimistic about the manganese market for 2011. The demand side remains strong driven by increasing steel production and increasing manganese unit consumption. On the supply side all major high grade producers are now running at full capacity with back-to-normal stock levels while Chinese domestic low grade ore supply remains under pressure from increasing costs, reducing resources and environmental pressures." Mr Toth commented.

Mr Toth said that OMH will continue to focus its manganese growth strategy around two key projects - the timely development of the Tshipi mine in South Africa and the execution of its smelting strategy in Malaysia.

"A comprehensive and focused organic growth strategy, a continued keen eye for acquisition opportunities, supported by our forthcoming listing in Hong Kong, will underpin our ambition of becoming the leading global manganese producer," Mr Toth said.

**END**

For further information please contact:

**Peter Toth**  
**Chief Executive Officer**  
**OM Holdings Limited**  
**Tel: +65 6346 5515**

**David Brook**  
**Professional Public Relations**  
**Tel: +61 8 9388 0944**  
**Mobile: 0415 096 804**

## **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<sup>2</sup>.*

*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;*
- *11% shareholding in **Shaw River Resources Limited** (ASX Code: SRR), a company presently exploring for manganese in Western Australia and Ghana; and*
- *19% shareholding in **Scandinavian Resources Limited** (ASX Code: SCR), a company presently exploring for iron ore, manganese, gold and copper in Sweden and Norway.*