OM HOLDINGS LIMITED

(ARBN 081 028 337)

NO. OF PAGES LODGED: 5

9 February 2011

Company Announcements Office
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

TSHIPI BORWA MANGANESE MINE UPDATE

The Board of OM Holdings Limited ("OMH" or "the Company") is pleased to provide the following update on the development of the Tshipi Borwa Manganese Mine ("Tshipi Borwa Mine").

Tshipi Borwa Mine highlights and developments:

- The Tshipi e Ntle Manganese Mining (Proprietary) Limited ("Tshipi e Ntle") board has approved the commencement of the development of the Tshipi Borwa Mine in the Kalahari Manganese Field of the Northern Cape, South Africa
- Peter Toth, the CEO of OMH, is a member of the Tshipi e Ntle board of directors since October 2010
- Mine development, plant, load-out and rail siding construction to commence immediately with completion targeted within 18 months.
- The mine will ramp up to its annualised production rate of 2.4 million tonnes by 2013
- The timing of first product ore is expected 12 months after site establishment from an open pit mine with a minimum life of 60 years
- The processing plant will consist of crushing, screening, conveying and stockpiling operations handling a carbonaceous direct shippable ore product
- The load-out and rail siding is designed to be a modern, flexible, highly efficient and rapid loading terminal to give the mine maximum loading capacity and optionality
- Total mine development costs (including associated mine infrastructure) are estimated to be US$200 million, in line with the feasibility study capital expenditure estimates reported to the market previously
- Project Manager and project execution team in place
- Project partners (including OMH) are fully funded, aligned and focused on the project delivering on-time and on-budget
- Engagement with rail and port capacity providers ongoing

Tshipi Borwa Mine Mineral Resource estimate upgrade:

- Additional 145 million tonnes of 31.75% Mn low grade top-cut manganese ore ("Top-Cut") added to Tshipi Borwa Mine's previously announced Mineral Resource estimate of 163 million tonnes at 37.1% Mn. The mining and stockpiling of this Top-Cut ore will occur as part of the pre-stripping mine plan. Technical and commercial issues associated with the blending, processing, logistics and marketing of this Top-Cut ore can be complex and its use will continue to be reviewed in the context of the mine's mainstream high grade ore production as well as prevailing market and logistics conditions. Refer Annexure A.

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OMH and Ntsimbintle relationship highlights and developments:

- Tshipi e Ntle is 50.1% majority owned by Ntsimbintle Mining (Proprietary) Limited ("Ntsimbintle"), a Black Economic Empowerment Company led by its founder, Mr Saki Macozoma, a pre-eminent South African businessman. Mr Macozoma is also the Chairman of Tshipi e Ntle
- OMH and Ntsimbintle have jointly established "Ntsimbintle Newco" which directly holds its investment in Tshipi e Ntle. OMH is a 26% strategic shareholder in Ntsimbintle Newco with the remaining 74% owned by Ntsimbintle
- OMH (through its marketing and trading subsidiary, OMS) and Ntsimbintle have announced the formation of a Singapore based marketing joint venture (OMT) for its share of production from the Tshipi Borwa Mine. OMH owns 70% and Ntsimbintle holds 30% in the OMT joint venture
- Since OMH secured its 26% interest in Ntsimbintle Newco in March 2010 the partners have developed a strong, complementary and highly productive relationship based on shared values, clear objectives and a common vision

CEO of OMH, Mr Peter Toth, commented:

"The process of developing this high grade ore resource into a world class operating mine has reached a major milestone with the commencement of mine development. The project is fully funded by its partners who are totally aligned and focused on its on-time and on-budget delivery. By 2013 the mine will assume its place in the industry as a major supplier of a high grade carbonaceous manganese ore."

"The OMH Ntsimbintle relationship has developed into a strong and complementary partnership during the past year focusing on the timely development of Tshipi."

"In addition to OMH board and project level involvement in the development of Tshipi, OMT will now turn its attention to market and customer development, technical marketing and value-in-use analysis of the Tshipi ore's sintering and blending characteristics." – Peter Toth added.

Mr Saki Macozoma commented: *"The development of this new mine is very positive for South Africa. OMH brings demonstrated operating and marketing expertise and access to reliable customers for our ore, and by investing with us they have placed their faith in South Africa as a stable and reliable country with which to do business. OMH will manage marketing activities for Ntsimbintle's share of production from the new mine. OMH is a world class independent manganese producer with a successful manganese mine in Australia and a sinter and alloy processing facility in China. This transaction will considerably strengthen trade ties between South Africa, Singapore and China and will be beneficial for all partners."*

Ms Cynthia Mogodi, chairperson of the John Taolo Gaetsewe Developmental Trust which owns 15% of Ntsimbintle, welcomed the news that construction of the mine is to begin. *"It should be made widely known and celebrated in South Africa that this is a black-owned mine that will help provide a better future for the people of the Northern Cape. The deal is a very good one for South Africa. OMH brings enormous expertise in the mining, processing and marketing of manganese and the proceeds of its acquisition of 26% of Ntsimbintle put it into a position where it is now able to fully fund its portion of the total R1.5 billion needed to get the mine into production."*

Yours faithfully
OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Company Secretary

Annexure A

Tshipi Borwa Mine Top-Cut Mineral Resource Statement

SRK Consulting ("SRK") has undertaken an assessment of Tshipi Borwa's "Top-Cut" - an approximate 17m thick manganese sequence occurring directly above the existing geological sequence, which hosts Tshipi Borwa's announced Mineral Resource estimate of 163 million tonnes at 37.1% Mn.

The Top-Cut consists of three separate manganese layers (the X, Y and Z zones – refer Figure 1 below) and when compared to the higher grade deeper layers (the M, C and N zones) the Top-Cut is low grade.

Albeit that the Top-Cut consists of three layers, only reporting of Mineral Resources contained within the X and Z zones has occurred as the intermediate Y zone is of an even lower grade when compared to the X and Z zones.

The X and Z layers of the Top-Cut contain 145 million tonnes of manganese ore at grade of 31.75% Mn (refer Table 1 below) and this Mineral Resource estimate is in addition to the announced Mineral Resource estimate of 163 million tonnes at 37.1% Mn (refer Table 2 below).

The Top-Cut Mineral Resource estimate is both SAMREC (2007) and JORC compliant.

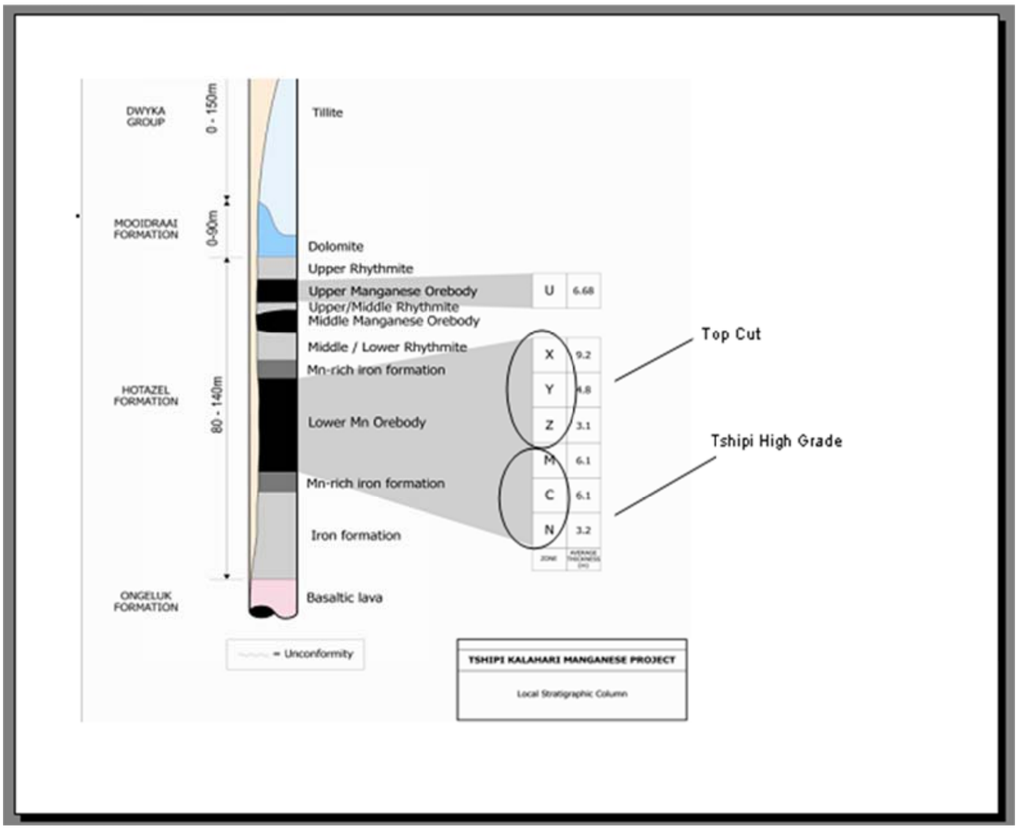

Figure 1 – Tshipi Borwa Mine Project

Table 1: Tshipi Borwa "Top-Cut" only Mineral Resource Summary

Classification	Zone	Tonnes (million)	Manganese %	Iron %	Loss on Ignition %	Relative Density
Indicated	X	25	33.03	4.62	20.19	3.56
Indicated	Z	14	33.41	6.01	19.50	3.57
Total		**39**	**33.17**	**5.13**	**19.94**	**3.56**
Inferred	X	78	30.90	4.82	20.78	3.53
Inferred	Z	28	31.29	6.09	19.01	3.62
Total		**106**	**31.00**	**5.15**	**20.32**	**3.55**
Indicated & Inferred	X	103	31.41	4.77	20.64	3.54
Indicated & Inferred	Z	42	32.01	6.06	19.17	3.60
Grand Total		**145**	**31.58**	**5.14**	**20.22**	**3.56**

Table 2 - Tshipi Borwa Mineral Resource Summary (Excluding the "Top Cut")

Deposit	Indicated		Inferred		Total (Indicated and Inferred)	
	Tonnes (million)	% Mn	Tonnes (million)	% Mn	Tonnes (million)	% Mn
Zone M	22.69	37.95	39.64	37.87	**62.33**	**37.90**
Zone C	22.95	36.68	40.61	37.01	**63.56**	**36.89**
Zone N	12.83	36.67	20.73	35.98	**33.56**	**36.25**
Altered	3.35	35.35	0.43	31.41	**3.78**	**34.90**
Total	**61.82**	**37.07**	**101.41**	**37.11**	**163.23**	**37.10**

The above Mineral Resource estimates are JORC and SAMREC (2007) compliant

Competent Person

VM Simposya*, BSc (Geology), MSc (Mining Engineering), is a Partner and Principal Geologist with SRK and is registered Professional Natural Scientists (Geological Science) Pri. Sci. Nat., and also member of South African Institute of Mining and Metallurgy (SAIMM). He is responsible for signing off Mineral Resources as a Competent Person for the SAMREC Code, the JORC Code and the NI-101 and has consulted extensively for various financial institutions. He has over 30 years' experience in the mining industry with expertise in geological modelling and resource estimation. VM Simposya has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

The SAIMM is included in a list of Recognised Overseas Professional Organisations promulgated by the ASX from time to time.

VM Simposya consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

BACKGROUND INFORMATION OF 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 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. Product from Bootu Creek has strengthened OMH's position in this market.

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.*