

OM HOLDINGS LIMITED

(ARBN 081 028 337)



NO. OF PAGES LODGED: 2 – Covering pages
54 – Notice of Annual General Meeting and Explanatory Statement
and Proxy Form

28 March 2011

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

Dear Sir/Madam

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Please be advised the Company has dispatched the attached Notice of Annual General Meeting and Explanatory Statement to all Shareholders. A personalised Proxy Form was also included.

The Annual General Meeting has been convened to be held on Wednesday 20 April 2011 at the Company's Singapore Head Office at #08-08, Parkway Parade, 80 Marine Parade Road, Singapore commencing at 10.30am.

Yours faithfully

OM HOLDINGS LIMITED



Heng Siow Kwee/Julie Wolseley
Company Secretary



BACKGROUND PROFILE OF OM HOLDINGS LIMITED

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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 2,600km².

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 holds a 26% investment in Ntsimbintle Mining (Proprietary) Ltd, which holds a 50.1% interest in the world class Tshipi Borwa manganese project in South Africa.

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 Ltd** (ASX Code: SCR), a company presently exploring for iron ore, manganese, gold and copper in Sweden and Norway.*

OMH has also announced plans for a listing on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEx”) to further broaden the Company’s shareholder base internationally and give the Company access to future capital raising opportunities in the growing Asian market to support its longer term growth strategy.



OM HOLDINGS LIMITED
ARBN 081 028 337

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT
AND
PROXY FORM

Date of Meeting
Wednesday 20 April 2011

Time of Meeting
10.30am (Singapore Time)

Place of Meeting

OM Holdings Limited
#08-08, Parkway Parade,
80 Marine Parade Road, Singapore

THIS NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT SHOULD BE READ IN ITS ENTIRETY. IF SHAREHOLDERS ARE IN ANY DOUBT AS TO HOW THEY SHOULD VOTE, THEY SHOULD SEEK ADVICE FROM THEIR PROFESSIONAL ADVISER PRIOR TO VOTING.

OM HOLDINGS LIMITED

ARBN 081 028 337

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of OM Holdings Limited ("**Company**") will be held at the Company's Singapore Head Office at #08-08, Parkway Parade, 80 Marine Parade Road, Singapore on Wednesday 20 April 2011 commencing at 10.30am, for the purpose of transacting the following business.

BUSINESS

An Explanatory Statement containing information in relation to each of the following resolutions accompanies this Notice of Annual General Meeting.

RESOLUTION 1 – FINANCIAL STATEMENTS AND REPORTS

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That the Company receive and consider the following documents:

- (a) the statement of financial position of the Company as at 31 December 2010;
- (b) the statement of comprehensive income of the Company for the year ended 31 December 2010;
- (c) the consolidated financial statements of the Company and its controlled entities as at and for the year ended 31 December 2010; and
- (d) the reports of the Directors' and Auditors' on the financial statements of the Company and on the consolidated financial statements of the Company and its controlled entities."

RESOLUTION 2 – APPROVAL OF FINAL DIVIDEND

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That in accordance with Bye-law 138, the Shareholders of the Company formally approve the payment of a final dividend of A\$0.02 per Share to all Shareholders of the Company for the year ended 31 December 2010."

RESOLUTION 3 – RE-ELECTION OF MR WONG FONG FUI AS A DIRECTOR

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That in accordance with Bye-law 88, Mr Wong Fong Fui retires and, being eligible, offers himself for re-election."

RESOLUTION 4 – RE-ELECTION OF MR THOMAS TEO LIANG HUAT AS A DIRECTOR

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That in accordance with Bye-law 88, Mr Thomas Teo Liang Huat retires and, being eligible, offers himself for re-election.”

RESOLUTION 5 – APPROVAL OF RE-APPOINTMENT OF AUDITOR

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That in accordance with Bye-laws 155 and 157, Shareholders of the Company re-appoint Foo Kon Tan Grant Thornton as auditor at remuneration to be determined by the Directors of the Company.”

RESOLUTION 6 - APPROVAL FOR THE ISSUE OF SECURITIES – HKSE LISTING

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, and in conjunction with the proposed dual listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (“**HKSE**”), the Directors be authorised to issue up to a total of 345,000,000 Shares at an issue price yet to be determined but that will not be less than 80% of the volume weighted average market price of Shares trading on the ASX over the last 5 days on which sales in the Shares were recorded before the date on which the offer price is fixed for the purpose of the Global Offering and in accordance with the terms and conditions as set out in the Explanatory Statement.”

The Company will disregard any votes cast on Resolution 6 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if Resolution 6 is passed, or any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 7 – APPROVAL OF NEW EMPLOYEE SHARE OPTION PLAN

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to Resolutions 6 and 8 being passed, pursuant to and in accordance with clause 14 of the rules of the Company's employee incentive option scheme for employees and directors known as "OM Holdings Limited Employee Share Option Plan Rules" ("**Existing Plan**") and for all other purposes, the Company approves the amendments to the Existing Plan as set out in the Explanatory Statement (including Annexure B to the Explanatory Statement) ("**New Plan**"), becoming effective upon the commencement of trading of the shares of the Company on the HKSE, at which time no further Options shall be offered or granted under the Existing Plan.”

RESOLUTION 8 – APPROVAL OF NEW EMPLOYEE SHARE OPTION PLAN PURSUANT TO LISTING RULE 7.2, EXCEPTION 9

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, subject to Resolution 7 being passed and New Plan becoming effective in accordance with its terms, pursuant to and in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, the Company approves the issue of securities under the New Plan, the rules of which are the amended rules included in Annexure B to the Explanatory Statement, as an exception to Listing Rule 7.1."

The Company will disregard any votes cast on Resolution 8 by a Director of the Company and any person associated with those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 9 - APPROVAL OF EXISTING EMPLOYEE SHARE OPTION PLAN PURSUANT TO LISTING RULE 7.2, EXCEPTION 9

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, subject to Resolutions 6 and 7 not being passed, pursuant to and in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, the Company approves the issue of securities under the Existing Plan, the rules of which are the unamended rules included in Annexure A to the Explanatory Statement, as an exception to Listing Rule 7.1."

The Company will disregard any votes cast on Resolution 9 by a Director of the Company and any person associated with those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 10 – AMENDMENTS TO THE BYE-LAWS

To consider and if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

"That, pursuant to and in accordance with Bye-law 168 of the Company's Bye-laws, the Bye-laws be amended as follows:

1. Bye-law 1

In Bye-law 1:

(i) By deleting the following definition:

""ASTC" the ASX Settlement and Transfer Corporation Pty Ltd."

and replacing it with the following definition:

""ASX Settlement" the ASX Settlement Pty Ltd."

and in Bye-laws 1, 48A and 124B, by deleting all references to "ASTC" and replacing those references with a reference to "ASX Settlement".

(ii) By deleting the following definition:

""ASTC Settlement Rules" the operating rules of ASTC for the purposes of the Corporations Act."

and replacing it with the following definition:

""ASX Settlement Rules" the operating rules of ASX Settlement for the purposes of the Corporations Act."

and in Bye-laws 1, 23A, 24, 48A, 50B, 52 and 52AA, by deleting all references to "ASTC Settlement Rules" and replacing those references with a reference to "ASX Settlement Rules".

- (iii) By deleting the current definition of "Designated Stock Exchange" and replacing it with the following definition:

""Designated Stock Exchange" The ASX Limited and/or the Hong Kong Stock Exchange for so long as the Company is admitted to the official list of either exchange or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the securities of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the securities of the Company."

- (iv) By deleting the following definition:

""Secondary Stock Exchange" The Stock Exchange of Hong Kong Limited."

and replacing it with the following definition between the definition of "head office" and "Instantaneous Communication Device":

""Hong Kong Stock Exchange" The Stock Exchange of Hong Kong Limited."

and in Bye-laws 3, 14, 21, 22, 23, 46, 48, 48A, 50A, 50B, 52, 52A, 55A, 56, 59, 60, 69, 77, 100, 138, 147, 154A, 154B, 161, 162, by deleting all references to "and/or Secondary Stock Exchange", "and the Secondary Stock Exchange", "and where applicable Secondary Stock Exchange", "or where applicable Secondary Stock Exchange", and "and where applicable the Secondary Stock Exchange".

2. Bye-law 2

- (i) By deleting the existing Bye-law 2(h) in its entirety and replacing therewith the following new Bye-law 2(h):

"(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at an annual general meeting or a special general meeting of which Notice has been duly given in accordance with Bye-law 60;"

- (ii) By deleting the existing Bye-law 2(i) in its entirety and replacing therewith the following new Bye-law 2(i):

"(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at an annual general meeting or a special general meeting of which Notice has been duly given in accordance with Bye-law 60;"

3. Bye-law 52AA.1A

By adding the following new Bye-law 52AA.1A:

"Subject to the listing of the Company on the Stock Exchange of Hong Kong Limited, all proportional takeover bids shall be conditional upon the requirements of The Securities and Futures Commission of Hong Kong as required under The Codes on Takeovers and Mergers and Share Repurchases in Hong Kong."

4. Bye-law 52AAA.32A

By adding the following new Bye-law 52AAA.32A:

"Subject to the listing of the Company on the Stock Exchange of Hong Kong Limited, all takeover bids shall be conditional upon the requirements of The Securities and Futures Commission of Hong Kong as required under The Codes on Takeovers and Mergers and Share Repurchases in Hong Kong."

5. Bye-law 60

By deleting the existing Bye-law 60(1) in its entirety and replacing therewith the following new Bye-law 60(1):

"(1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a special general meeting may be called by shorter notice if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other general meeting, by a majority in number of the Members having the right to attend and vote at the general meeting, being a majority together holding not less than ninety five per cent. (95%) in nominal value of the issued shares giving that right."

6. Bye-law 64

In Bye-law 64, by deleting the words "president of the Company or".

7. Bye-law 83A

By inserting the following new Bye-law 83A:

"Subject to the rules of any Designated Stock Exchange, in the event any matter is properly brought before a general meeting but for which specific voting instructions have not been given in the proxy form in accordance with these Bye-laws, the chairman of the meeting will be entitled to vote the shares represented by the proxy at his/her discretion."

8. Bye-laws 116 and 130

In Bye-laws 116 and 130, be deleting the words "president or chairman, as the case may be," and replacing them with the word "chairman".

9. Bye-law 128

(i) By deleting the words "a president and vice-president or chairman and deputy chairman," after the words "The officers of the Company shall consist of" in the existing Bye-law 128(1).

(ii) By deleting the existing Bye-law 128(2) in its entirety and re-numbering the existing Bye-laws 128(3) and (4) as Bye-laws 128 (2) and (3) respectively."

RESOLUTION 11 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

To consider and if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Bye-law 52AA.9, the proportional takeover provisions contained in Bye-law 52AA of the OM Holdings Limited Bye-laws be renewed for a period of three years from the date of this Annual General Meeting (but as amended by the inclusion of Bye-law 52AA.1A set out in Resolution 10 if Resolution 10 is passed or without amendment if Resolution 10 is not passed)."

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Company's Bye-laws or the Companies Act 1981 of Bermuda.

Definitions

Certain abbreviations and other defined terms are used throughout this Notice and the Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Statement.

By order of the Board



Heng Siow Kwee/Julie Wolseley

COMPANY SECRETARY

Dated: 24 March 2011

NOTES

- In accordance with Bye-law 47, it has been determined by the Board that the Members entitled to attend and vote at the Annual General Meeting shall be those persons recorded on the register of Members at **10.30am on Monday 18 April 2011**. Only those persons will be entitled to vote at the Annual General Meeting on Wednesday 20 April 2011.
- A Member entitled to attend and vote at the Meeting may appoint not more than two proxies to attend and vote at this Annual General Meeting.
- Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Member's voting rights.
- A proxy may but need not be a Member of the Company.
- The proxy form must be signed by the Member or their attorney duly authorised. Proxies given by a corporation must be signed either under seal or under the hand of an officer or their attorney duly authorised.
- To be valid, the form appointing the proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged with OM Holdings Limited at its Head Office at #08-08, Parkway Parade, 80 Marine Parade Road, Singapore 449269 or to the Company's Share Registry, Computershare Registry Services Pty Ltd at Level 2, Reserve Bank Building, 45 St George's Terrace, Perth, Western Australia 6000 not later than 48 hours before the time for holding the Annual General Meeting.
- For the convenience of Shareholders, a Proxy Form accompanies the Notice of Annual General Meeting.

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the proposals to which the resolutions contained in the accompanying Notice of Annual General Meeting ("**Notice**") of OM Holdings Limited ARBN 081 028 337 ("**Company**" or "**OMH**") relate.

The Directors of the Company recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

1. Resolution 1 – Approval of 2010 Financial Statements and Reports

Resolution 1 addresses an item of regular business and is self explanatory. A copy of the 2010 financial statements are available on the Company's website at www.omholdingsltd.com

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 1.

2. Resolution 2 – Approval of Payment of Final Dividend

Pursuant to Bye-law 138 of the Company's Bye-laws, the Shareholders of the Company must approve the recommended payment made by the Directors of the Company to pay a final dividend of A\$0.02 per Share to all Shareholders of the Company for the year ended 31 December 2010. The Record Date for this dividend was set at 15 April 2011 and the Directors propose for this dividend to be paid on 13 May 2011.

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 2.

3. Resolution 3 – Re-election of Mr Wong Fong Fui as a Director

Pursuant to Bye-law 88 of the Company's Bye-laws, Mr Wong Fong Fui, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company. Mr Wong is an Independent Non-Executive Director.

Mr Wong, aged 67, was appointed a Non-Executive Director on 5 June 2008. Mr Wong is an eminent and highly respected Singapore based businessman with proven success in a number of diverse fields including engineering services, commercial aviation, education, food manufacturing and retail, information technology and telecommunications.

Mr Wong has a Bachelor of Engineering degree specialising in Chemical Engineering from the University of New South Wales, Australia. Mr Wong is presently the Chairman, executive director and Group Chief Executive Officer of Boustead Singapore Limited ("Boustead"), a position he has held since 1996. Boustead is a successful and progressive specialised global engineering services and geo-spatial technology group listed on Singapore Exchange Limited. To date Boustead has undertaken numerous infrastructure related projects throughout Asia, Australia and the Middle East. Boustead's unique suite of engineering services extends to engineering fields such as energy-related engineering (for oil and gas/petrochemicals and solid waste energy recovery), water and waste water engineering and industrial real estate solutions. Boustead also provides consulting services and geo-spatial technology to major international markets.

Prior to joining Boustead, Mr Wong was the Group Managing Director of QAF Limited, a food manufacturing and retail company. He was also instrumental in the start-up and privatisation of Myanmar International Airways and presently jointly holds a minority interest in Jetstar Asia Airways.

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 3.

4. Resolution 4 – Re-election of Mr Thomas Teo Liang Huat as a Director

Pursuant to Bye-law 88 of the Company's Bye-laws, Mr Thomas Teo Liang Huat, being a Non-Executive Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company. Mr Teo is an Independent Non-Executive Director. Mr Tan is the Chairman of the Audit Committee and is also a member of the Remuneration Committee. Mr Tan receives no additional fees other than his Non-Executive Director's fees for his services to the Audit and Remuneration Committees.

Mr Teo, aged 47, was appointed a Non-Executive Director on 17 July 2008. Mr Teo is the Chief Financial Officer of GK Goh Holdings Limited, a Singapore-listed company, which together with its subsidiaries are involved primarily with investment holdings and the provision of financial-related services. His executive responsibilities extend to financial and investment management as well as being a representative on various subsidiaries and associates. Prior to joining GK Goh Holdings, Mr Teo was a senior investment executive with a regional private equity group responsible for direct investment in the Asean region. Mr Teo started his career with Ernst & Young, Singapore and had extensive experience in audit and corporate finance.

Mr Teo holds a Master of Business in Information Technology from the Royal Melbourne Institute of Technology, Victoria, Australia and a Degree of Bachelor of Accountancy from the National University of Singapore. He is also a Fellow of the Institute of Certified Public Accountants of Singapore.

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 4.

5. Resolution 5 – Approval to Re-appointment of Auditor

The Company's current auditors, Foo Kon Tan Grant Thornton, Certified Public Accountants, offer themselves for re-appointment. Bye-law 155 requires the auditor to be approved by Shareholders. Bye law 157 requires the remuneration of the auditor to be fixed by the Company in general meeting or such other manner as the Shareholders determine. It is recommended that the Directors of the Company in their absolute discretion determine the remuneration of the auditor.

The Board is satisfied that Foo Kon Tan Grant Thornton is independent and Foo Kon Tan Grant Thornton has not brought to the Board's attention any matters which would indicate that Foo Kon Tan Grant Thornton has contravened its auditor independence requirements in accordance with its statutory requirements and in contravention of any applicable code of professional conduct.

The audit fees paid/payable to Foo Kon Tan Grant Thornton for the year ended 31 December 2010 totalled A\$200,000.

Foo Kon Tan Grant Thornton has provided no other services to the Company other than audit services and also being the Joint Reporting Accountant associated with the Company's proposed listing on the Main Board of The Hong Kong Stock Exchange Limited for which it has been specifically mandated and will earn fees of A\$60,000..

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 5.

6. **Resolution 6 – Approval for the Issue of Securities – HKSE Listing**

Purpose

Resolution 6 has been included so that Shareholders may consider and approve pursuant to Listing Rule 7.1 of the ASX Listing Rules ("**Listing Rules**") the proposed issue of up to a maximum of 345,000,000 Shares ("**Offer Shares**") in connection with the Company's proposed listing on Main Board of The Stock Exchange of Hong Kong Limited ("**HKSE**").

The Company presently has on issue 503,085,150 Shares. The maximum issue of the Offer Shares pursuant to this Resolution will represent approximately 40.7% of the expanded issued capital of the Company (on an undiluted basis) and assuming the maximum number of Shares will be issued (including Shares issued pursuant to the exercise of an over-allotment option referred to below). The Company is required to seek Shareholder approval for any issue of securities greater than 15% of its issued capital pursuant to Listing Rule 7.1 of the ASX Listing Rules.

Background

On 23 November 2010 the Company announced that it would be pursuing a proposed secondary listing on the HKSE. Since that time, the Company has decided to apply for a dual listing of its Shares on the HKSE. The Company has appointed CITIC Securities Corporate Finance (HK) Limited (being a subsidiary of CITIC Securities International Company Limited, "**CSI**") as its sponsor for the proposed global offering and proposed dual listing which is anticipated to occur no later than early in the 30 September 2011 quarter ("**Global Offering**").

The Global Offering will comprise an international placing of Offer Shares by the Company outside the United States of America (including to institutional and professional investors and excluding retail investors in Hong Kong) and a public offering of Offer Shares to the public in Hong Kong. The Company may also extend the international placing to the Company's existing institutional and professional investors based in Australia who qualify as professional and/or sophisticated investors under the Australian Corporations Act 2011. The Global Offering is expected to be fully underwritten.

Offer Shares may also be issued pursuant to the exercise of an over-allotment option that is expected to be granted by the Company to the Joint Global Coordinators (CSI and Morgan Stanley Asia Limited), exercisable by them, on behalf of the international underwriters, which will if granted require the Company to allot and issue up to approximately 15% of the number of Offer Shares initially available under the international placing and Hong Kong public offering pursuant to the Global Offering at the same offer price solely to cover over-allocations in the international placing, (if any)).

The Company is in the process of preparing a Global Offering prospectus to be published solely in connection with the Hong Kong public offering, which forms part of the Global Offering. The listing application and other relevant documentation for the Global Offering was lodged with the HKSE on 28 February 2011. Subject to, amongst other things, the approval by the HKSE and registration of the Global Offering prospectus with the Hong Kong regulatory authorities, the Company is expecting to complete the listing no later than early in the 30 September 2011 quarter.

HKSE Listing

Hong Kong is one of the leading global stock exchanges in the world with an impressive diversified and stable investor base from overseas and local investment communities. The key benefits attributable to OMH pursuing such capital raising initiatives with a dual listing on the HKSE include:

- enhanced access to capital markets which have an understanding of the OMH Group's businesses and growth strategies;
- gateway exposure to Mainland China;
- ability to leverage on Mainland China's continued growth; and
- free flow of capital and information.

The HKSE is a global exchange and as at February 2011 was the 7th largest exchange in the world by domestic market capitalisation and the 3rd largest exchange in Asia. In 2010 initial public offerings on the HKSE exceeded US\$57 billion.

The Company considers that the dual listing on HKSE will further broaden the Company's Shareholder base internationally and give the Company access to future capital raising opportunities in the growing Asian market to support its longer term growth strategy. In addition, being strategically positioned in this well established and highly liquid market will be of significant benefit to the Company should it contemplate future international acquisitions and/or growth opportunities.

OMH Group's established manganese operation in Australia, combined with its ferro alloy production capability in China and trading operations based in Singapore are considered to be an attractive investment opportunity for the Hong Kong investor market. In addition, the OMH Group's growth strategy remains focussed on developing the Tshipi Project in South Africa and executing its smelting and sintering development and operational plans in Johor Bahru and Sarawak, Malaysia.

The Company expects to maintain its listing on ASX and if the dual listing proceeds on the HKSE, the Company's shares may be shunted between ASX and HKSE and tradeable on either exchange.

Use of Net Proceeds

As at the date of this Notice of Meeting, and subject to finalisation of the Global Offering prospectus to be issued by the Company, the Company expects to use the net proceeds from the Global Offering which may range from A\$406 million to A\$498 million dependent upon the issue price (yet to be determined) and assuming the 300 million Shares will be issued) as follows:

- (a) for planned capital expansion works including the OMH Group's share of the capital expenditure requirements associated with the Tshipi Project in South Africa and construction of manganese ore sintering and alloy smelting plants in Johor Bahru, Malaysia and potential project opportunity in Sarawak, Malaysia;
- (b) fund the identification, evaluation and capture of strategically suitable projects – including suitable mining rights, operating assets or companies holding such rights and/or operating assets;
- (c) repayment and/or restructuring of the Groups' existing short and long term bank borrowings to reduce business and financial risk and provide improved financial flexibility; and
- (d) execution of planned exploration programs and the identification, evaluation and capture of strategically suitable exploration opportunities.

As outlined above, the Company also intends to offer an over-allotment option to the Joint Global Coordinator (comprising an additional 45 million Shares), the additional proceeds of which, if exercised, will be used towards enhancing the funding for the evaluation and assessment of other international projects and as general working capital for the Company.

Information Requirements

The information required to be given to Shareholders pursuant to Listing Rule 7.3 of the Listing Rules is set out below:

- (a) The Company proposes to issue up to 345,000,000 Shares (including the over-allotment option) to persons selected by the Joint Global Coordinators in consultation with the Directors in their absolute discretion and in accordance with the proposed Global Offering prospectus.
- (b) Any Offer Shares issued pursuant to Resolution 6 will be issued on or before 31 August 2011, pursuant to a waiver given by the ASX in relation to the requirements of Listing Rule 7.3.2 of the Listing Rules.

- (c) Any Offer Shares issued pursuant to Resolution 6 must be issued at a price that will not be less than 80% of the volume weighted average market price for the Shares over the last 5 days on which sales were recorded before the date the price is fixed and is announced to the market. The actual offer price is expected to be determined by the Company in consultation with the Joint Global Coordinators, on behalf of the underwriters, on the price determination date following a "book-building" process. In determining the offer price, the Directors and the Joint Global Coordinators will take into consideration, among other factors, the demand for the Global Offering, the prevailing market price of the Shares on the ASX on the last trading day before the price determination date and the interest of existing Shareholders.
- (d) The proposed allottees of the Shares are not known at this stage. The basis of allotment will be determined by the Joint Global Coordinators in consultation with the Directors in their absolute discretion. The proposed allottees will be determined after receiving applications to subscribe for Shares from public and professional investors in Hong Kong and other international investors arising from the Company's offering of Shares in connection with the proposed dual listing of the Company's Shares on the HKSE.
- (e) Any Offer Shares issued pursuant to Resolution 6 will rank pari passu with the existing Shares on the issue.
- (f) Subject to the final size of the Global Offering being determined, the intended use of the net proceeds are outlined in the above section titled "Use of Net Proceeds".
- (g) The Company will seek permission from the ASX Limited for official quotation of the Shares to be issued pursuant to Resolution 6.

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 6.

7. Resolution 7 – Approval of New Employee Share Option Plan

Clause 14(c) of the Existing Plan provides that any alterations to the terms and conditions of the rules of the Existing Plan which are of a material nature must be approved by Shareholders at a general meeting.

The Existing Plan currently complies with the Listing Rules and contemplates the Company maintaining its stock exchange listing on ASX. The Company's proposed dual listing on the HKSE will require the Existing Plan to be compliant with the HKSE Listing Rules in addition to the Listing Rules. In order to achieve this, changes to the Existing Plan will be required which the Board considers to be of a material nature requiring approval by Shareholders at a general meeting in accordance with clause 14(c) of the Existing Plan.

The full terms of the Existing Plan and the New Plan are included in Annexures A and B to this Explanatory Statement.

Shareholder approval is sought to amend the terms of the Existing Plan by making the changes as marked-up on the version of the New Plan included in Annexure B to this Explanatory Statement. The main effect of these amendments is to ensure that the New Plan complies with both the Listing Rules and the HKSE Listing Rules. Resolution 7 will only become effective upon the listing of the Company on the HKSE.

The amendments to the New Plan will not affect Options previously issued under the Existing Plan which are outstanding.

The proposed New Plan is consistent with requirements under the HKSE Listing Rules and some other amendments to re-order certain provisions of the Existing Plan have been made. The key amendments reflecting the requirements of the HKSE Listing Rules are summarised as follows:

- (a) an absolute cap on the number of options granted has been inserted into the New Plan, such that at any time the Shares to be issued upon exercise of all Options granted under the New Plan and any other scheme does not exceed 30% of the issued share capital of the Company from time to time;
- (b) a new clause has been inserted which provides that the total number of securities which may be issued upon exercise of all Options to be granted under the New Plan and any other scheme must not in aggregate exceed 10% of the relevant class of securities of OMH on issue as at the date the Company is listed on the HKSE, but such 10% limit may be renewed subject to approval by the Shareholders in general meeting;
- (c) the maximum number of Shares issued and to be issued upon exercise of the Options granted to each participant under the New Plan (including both exercised and outstanding Options) in any 12 month period must not, when aggregated with any Shares to be issued upon exercise of all Options granted to a participant under any other employee incentive scheme of the Company during such period or following specific prior Shareholder approval, exceed 1% of the issued Shares for the time being. Where any further grant of Options to a participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12 month period up to and including the date of such further grant representing in aggregate over 1% of the Shares on issue, such further grant must be separately approved by Shareholders in a general meeting with such a participant and his/her associates abstaining from voting;
- (d) the Board may from time to time specify performance targets (if any) that must be reached before any Options can be exercised in whole or in part;
- (e) if consideration is payable for the grant of Options, that consideration must be paid within 7 days after the date of grant;
- (f) the calculation of the exercise price for an Option will take into account the methods set out in the HKSE Listing Rules, such that the issue price for a Share pursuant to the exercise of an Option must not be less than the higher of (i) weighted average sale price of Shares sold on ASX during the five business days prior to the issue date or such other period as determined by the Board in its discretion (reflecting the requirements under the ASX Listing Rules); and (ii) the closing price of the Shares as stated in the HKSE's daily quotation sheets on the date of grant, which must be a Hong Kong business day; and (iii) the average closing price of the Shares as stated in the HKSE's daily quotation sheets for the five Hong Kong business days immediately preceding the date of grant (reflecting the requirements of the HKSE Listing Rules);
- (g) the New Plan includes provisions that:
 - (i) the grant of any Options to a substantial shareholder of the Company (which under the HKSE Listing Rules is defined as being a person who is entitled to exercise or control the exercise of 10% or more of the voting power at a general meeting of the Company), or their respective associates, must be approved by the independent non-executive directors of the Company (excluding an independent non-executive director who is the grantee of the Options); and
 - (ii) where any grant of Options to a substantial shareholder, or their respective associates, would result in the securities issued and to be issued upon exercise of all Options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - (A) representing in aggregate over 0.1% of the relevant Shares on issue on the issue date; and
 - (B) (where the securities are listed on the HKSE), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million,

such further grant of Options must be approved by Shareholders of the Company and the Company must send a notice of general meeting and/or a circular to Shareholders in compliance with both the ASX Listing Rules and the HKSE Listing Rules.

Connected persons of the Company who have an interest must abstain from voting on such resolutions at such a general meeting.

- (h) a grant of Options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until an announcement of such price sensitive information has been published. In particular, during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the board meeting (as such date is first notified to the HKSE in accordance with the HKSE Listing Rules) for the approval of the listed issuer's results for any year, half-year or any other interim period (whether or not required under the HKSE Listing Rules); and
 - (ii) the deadline for the issuer to publish an announcement of its results for any year or half-year under the HKSE Listing Rules or any other interim period (whether or not required under the HKSE Listing Rules),

and ending on the date of the results announcement, no Options may be granted;

- (i) the New Plan has a term of 10 years commencing on the date of commencement of trading of Shares on the HKSE, after the expiry of which another employee share option plan will need to be re-approved by Shareholders;
- (j) any amendment to the New Plan to the advantage of participants must be subject to the approval by Shareholders in a general meeting; and
- (k) a new clause in the terms of the Options which provides that any adjustment to the exercise price and/or number of Shares to be issued upon the exercise of an Option in the event of a pro rata issue, bonus issue, reorganisation of capital (including consolidation of capital, subdivision of capital or return of capital) shall be in compliance with the Listing Rules and the HKSE Listing Rules (to the extent applicable).

The Directors decline to make a recommendation in relation to Resolution 7 as they are eligible to be granted Options under the New Plan.

8. Resolutions 8 and 9 – Approval of the New Plan and Existing Plan pursuant to Listing Rule 7.2, Exception 9

The Directors had previously considered that it was desirable to establish an option plan under which employees and Directors of OMH and its associated bodies corporate ("**Participants**") may be offered the opportunity to subscribe for Options to acquire Shares in the Company in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees. Accordingly, Shareholders approved the plan known as the "OM Holdings Limited Employee Share Option Plan" on 25 May 2007, which was amended by the Board on 20 April 2008 pursuant to the rules of the Existing Plan. It is proposed that the Existing Plan will be further amended to create the New Plan as outlined above so as to comply with the HKSE Listing Rules as described in the explanatory notes to Resolution 7.

The New Plan is designed to provide incentives to the Participants of the Company and to recognise their contributions to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The New Plan is designed to achieve this objective, by encouraging continued

improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

Prior Shareholder approval will be required before any Director or related party of the Company can participate in the New Plan.

Under the New Plan, the Board may offer to Participants the opportunity to subscribe for such number of Options in the Company as the Board may decide and on the terms set out in the rules of the New Plan. Options granted under the New Plan will be offered to Participants on the basis of the Board's view of the contribution of the Participant to the Company.

Shareholder approval is required if any issue of options pursuant to an employee incentive option scheme is to fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without Shareholder approval. Accordingly, Shareholder approval is sought for the purposes of Listing Rule 7.2 Exception 9(b) which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue.

Shareholder approval is sought under Resolution 8 for the issue of Options under the terms of the New Plan for the purposes of Listing Rule 7.2, Exception 9, provided that such approval will be of no force or effect unless Resolution 7 is passed and the New Plan becomes effective in accordance with its terms. Upon such time that the New Plan becomes effective, no further grant of Options under the Existing Plan shall be made. However, any Options granted under the Existing Plan shall continue to be exercisable in accordance with their terms of grant and the Board shall continue to administer the Existing Plan in accordance with the rules of the Existing Plan until all Options granted thereunder have been exercised, or have expired.

Shareholder approval is also hereby sought under Resolution 9 for the issue of Options under the Existing Plan for the purposes of Listing Rule 7.2, Exception 9 in the event that Resolutions 6 and 7 are not passed.

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided:

- (a) a copy of the Existing Plan, which will continue to have full force and effect if Resolutions 6 and 7 are not passed, is included in Annexure A to this Explanatory Statement. A copy of the New Plan, which will have full force and effect if Resolutions 6, 7 and 8 are passed, is included in Annexure B to this Explanatory Statement;
- (b) this is the second approval sought under Listing Rule 7.2 Exception 9 with respect to the Existing Plan and the first approval sought under Listing Rule 7.2 Exception 9 with respect to the New Plan. Since the date of the last approval of the Existing Plan by Shareholders on 25 May 2007, the following Options have been issued under the Existing Plan:
 - 4,620,000 unlisted Options exercisable at A\$0.60 each by 31 May 2010*;
 - 1,620,000 unlisted Options exercisable at A\$0.60 each by 31 May 2011*;
 - 1,000,000 unlisted Options exercisable at A\$0.73 each by 30 June 2010*;

* Issued prior to the two for one Share split approved by Shareholders on 30 May 2008

 - 4,325,000 unlisted options exercisable at A\$2.49 each by 1 January 2012; and
 - 4,325,000 unlisted options exercisable at A\$2.49 each by 1 January 2013.

As at the date of this Notice no Options have been issued under the Existing Plan to any Directors.

- (c) a voting exclusion statement has been included in the Notice for the purposes of Resolutions 8 and 9.

The Directors decline to make a recommendation in relation to Resolutions 8 and 9 as they are eligible to be granted Options under the Existing Plan (if Resolutions 6 and 7 are not passed) and the New Plan (if Resolutions 6, 7 and 8 are passed).

9. Resolution 10 – Amendments to the Bye-laws

Resolution 10 seeks Shareholders to approve a special resolution amending the Bye-laws as follows:

That the Bye-laws of the Company be amended in the following manner:

1. Bye-law 1

In Bye-law 1:

- (i) By deleting the following definition:

""ASTC" the ASX Settlement and Transfer Corporation Pty Ltd."

and replacing it with the following definition:

""ASX Settlement" the ASX Settlement Pty Ltd."

and in Bye-laws 1, 48A and 124B, by deleting all references to "ASTC" and replacing those references with a reference to "ASX Settlement".

- (ii) By deleting the following definition:

""ASTC Settlement Rules" the operating rules of ASTC for the purposes of the Corporations Act."

and replacing it with the following definition:

""ASX Settlement Rules" the operating rules of ASX Settlement for the purposes of the Corporations Act."

and in Bye-laws 1, 23A, 24, 48A, 50B, 52 and 52AA, by deleting all references to "ASTC Settlement Rules" and replacing those references with a reference to "ASX Settlement Rules".

- (iii) By deleting the current definition of "Designated Stock Exchange" and replacing it with the following definition:

""Designated Stock Exchange" The ASX Limited and / or the Hong Kong Stock Exchange for so long as the Company is admitted to the official list of either exchange or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the securities of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the securities of the Company."

- (iv) By deleting the following definition:

""Secondary Stock Exchange" The Stock Exchange of Hong Kong Limited."

and replacing it with the following definition between the definition of "head office" and "Instantaneous Communication Device":

""Hong Kong Stock Exchange" The Stock Exchange of Hong Kong Limited."

and in Bye-laws 3, 14, 21, 22, 23, 46, 48, 48A, 50A, 50B, 52, 52A, 55A, 56, 59, 60, 69, 77, 100, 138, 147, 154A, 154B, 161, 162, by deleting all references to "and/or Secondary Stock Exchange", "and the Secondary Stock Exchange", "and where applicable Secondary Stock Exchange", "or where applicable Secondary Stock Exchange", and "and where applicable the Secondary Stock Exchange".

2. Bye-law 2

- (i) By deleting the existing Bye-law 2(h) in its entirety and replacing therewith the following new Bye-law 2(h):

"(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at an annual general meeting or a special general meeting of which Notice has been duly given in accordance with Bye-law 60;"

- (ii) By deleting the existing Bye-law 2(i) in its entirety and replacing therewith the following new Bye-law 2(i):

"(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at an annual general meeting or a special general meeting of which Notice has been duly given in accordance with Bye-law 60;"

3. Bye-law 52AA.1A

By adding the following new Bye-law 52AA.1A:

"Subject to the listing of the Company on the Stock Exchange of Hong Kong Limited, all proportional takeover bids shall be conditional upon the requirements of The Securities and Futures Commission of Hong Kong as required under The Codes on Takeovers and Mergers and Share Repurchases in Hong Kong."

The inclusion of Bye-law 52AA.1A amends the Company's Bye Laws to be compliant with the proportional takeover provisions under The Codes on Takeovers and Mergers and Share Repurchases in Hong Kong.

4. Bye-law 52AAA.32A

By adding the following new Bye-law 52AAA.32A:

"Subject to the listing of the Company on the Stock Exchange of Hong Kong Limited, all takeover bids shall be conditional upon the requirements of The Securities and Futures Commission of Hong Kong as required under The Codes on Takeovers and Mergers and Share Repurchases in Hong Kong."

The inclusion of Bye-law 52AAA.1A amends the Company's Bye Laws to be compliant with the takeover provisions under The Codes on Takeovers and Mergers and Share Repurchases in Hong Kong.

5. Bye-law 60

By deleting the existing Bye-law 60(1) in its entirety and replacing therewith the following new Bye-law 60(1):

"(1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a special general meeting may be called by shorter notice if it is so agreed:

- (a) *in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and*
- (b) *in the case of any other general meeting, by a majority in number of the Members having the right to attend and vote at the general meeting, being a majority together holding not less than ninety five per cent. (95%) in nominal value of the issued shares giving that right."*

6. Bye-law 64

In Bye-law 64, by deleting the words "*president of the Company or*".

7. Bye-law 83A

By inserting the following new Bye-law 83A:

"Subject to the rules of any Designated Stock Exchange, in the event any matter is properly brought before a general meeting but for which specific voting instructions have not been given in the proxy form in accordance with these Bye-laws, the chairman of the meeting will be entitled to vote the shares represented by the proxy at his/her discretion."

8. Bye-laws 116 and 130

In Bye-laws 116 and 130, be deleting the words "*president or chairman, as the case may be,*" and replacing them with the word "*chairman*".

9. Bye-law 128

- (i) By deleting the words "*a president and vice-president or chairman and deputy chairman,*" after the words "*The officers of the Company shall consist of*" in the existing Bye-law 128(1).
- (ii) By deleting the existing Bye-law 128(2) in its entirety and re-numbering the existing Bye-laws 128(3) and (4) as Bye-laws 128 (2) and (3) respectively.

The Company's Bye-laws were adopted on 30 May 2008 and they were last amended by Shareholders on 15 January 2009.

The purpose of this resolution is for Shareholders to approve amendments to the Bye-laws that are consistent with requirements under Hong Kong regulatory requirements as well as revisions to Bermudan regulatory requirements, to update certain definitions, to remove references to the president of the Company, and to provide that the chairman of a general meeting of the Company will be entitled to vote undirected proxies at his/her discretion subject to the Listing Rules and the HKSE Listing Rules.

Copies of the current and amended Bye-laws are available for perusal by Members at the Company's head office in Singapore from 9.30am to 4.30pm (Singapore time) on business days, or via the internet at www.omholdingsltd.com, until the Meeting and will be available for perusal at the Annual General Meeting.

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 10.

10. Resolution 11 – Renewal of Proportional Takeover Provisions

On 23 September 2008, Shareholders approved an amendment to the Company's Bye-laws to incorporate new Bye-law 52AA to protect Shareholders' interests in the event of a "proportional takeover bid" being made for the Company. A proportional takeover bid is an off-market bid for a specified proportion of the securities in the class of securities the subject of the bid, rather than all the securities in that class.

Bye-law 52AA requires the Directors, if a proportional bid is made for the Company's securities, to convene a general meeting of Shareholders to vote on a resolution to approve the bid. The effect of Bye-law 52AA is that if a proportional takeover bid is made, the Directors are obliged to convene a meeting of Shareholders to vote on a resolution to approve the bid. Neither the bidder nor any Shareholder associated with the bidder would be eligible to vote on that resolution. The resolution would be proposed as an ordinary resolution (that is to say, one requiring a simple majority of votes cast on the resolution) and if the resolution is not passed, any transfer of securities the subject of the bid would be prohibited.

The Directors consider that Shareholders should have the opportunity to decide whether a proportional takeover bid for the Company should proceed. If the necessary resolution is passed and the bid proceeds, individual Shareholders can then make their own decisions as to whether to accept the bid. A proportional takeover bid may enable control of the Company to be acquired by a party without Shareholders being given the opportunity to dispose of all of their Shares – thereby exposing them to the risk of being left as minority Shareholders in the Company.

At the Company's general meeting on 23 September 2008, Shareholders voted in favour of inserting Bye-law 52AA into the Company's Bye-laws. Bye-law 52AA.9 provides that Bye-law 52AA ceases to have effect on the third anniversary date of its adoption or of its most recent renewal. The Directors consider that it is an appropriate time to seek the renewal of Bye-law 52AA this year for a further term of three years before it would otherwise expire in September 2011.

As at the date of this Explanatory Statement, no Director of the Company is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company's issued capital.

The potential advantages and disadvantages of Bye-law 52AA can be summarised as follows:

Advantages

- (a) Enables the Directors to ascertain the views of Shareholders in respect of a proportional takeover bid and ensures that Shareholders will have an opportunity to consider the bid and vote on it;
- (b) Enables Shareholders to prevent a proportional takeover bid from proceeding if they believe that control of the Company should not pass to the bidder; and
- (c) May encourage a proportional takeover bid to be structured so as to be attractive to the independent Shareholders (i.e. those not associated with the bidder).

Disadvantages

- (a) May discourage takeover bids for the Company. As a result, it may reduce any "takeover speculation" element in the Company's share price and deny Shareholders the opportunity of selling a portion of their shareholdings at a premium to the market price; and
- (b) May restrict the ability of individual Shareholders to deal freely with their Shares in certain circumstances.

On balance, the Directors believe that the advantages enumerated above outweigh the disadvantages and recommend that Shareholders vote in favour of the renewal of Bye-law 52AA, as amended by the inclusion of Bye-law 52AA.1A set out in Resolution 10 if Resolution 10 is passed, or without amendment if Resolution 10 is not passed.

The Board of Directors unanimously recommend that Shareholders vote to approve Resolution 11.

GLOSSARY

"Annual General Meeting" or **"Meeting"** means the general meeting to be held pursuant to the Notice;

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Board" means the board of directors of the Company from time to time;

"Bye-laws" means the Company's Bye-laws, as amended from time to time;

"Company" or **"OMH"** means OM Holdings Limited ARBN 081 028 337;

"Directors" means the directors of the Company;

"Existing Plan" means the plan for the Company's employee incentive scheme known as the "OM Holdings Limited Employee Share Option Plan", approved by Shareholders on 25 May 2007, and amended by the Board on 20 April 2008, the terms of which are included in Annexure A;

"Explanatory Statement" means this explanatory statement, accompanying the Notice;

"Global Offering" means the offer by the Company of Shares in Hong Kong for subscription by the public in Hong Kong and the offer of Shares outside the United States of America (including to professional investors and excluding retail investors in Hong Kong). The international placing may also be extended to the Company's existing institutional and professional investors based in Australia who qualify as professional and/or sophisticated investors under the Australian Corporations Act 2011;

"HKSE" means The Stock Exchange of Hong Kong Limited;

"HKSE Listing Rules" means the Rules Governing the Listing of Securities on HKSE;

"Joint Global Co-ordinators" means the joint global co-ordinators appointed or to be appointed by the Company in relation to the Global Offering, being CITIC Securities Corporate Finance (HK) Limited and Morgan Stanley Asia Limited;

"OMH" means the Company;

"OMH Group" means OMH and its subsidiaries;

"Option" means an unlisted option to acquire a Share;

"Listing Rules" means the Listing Rules of the ASX;

"New Plan" means the plan for the Company's employee incentive scheme known as the "OM Holdings Limited Employee Share Option Plan", the subject of Resolution 7, the proposed terms of which are included in mark-up in Annexure B;

"Notice" means the Notice of Annual General Meeting accompanying the Explanatory Statement;

"Resolution" means a resolution contained in the Notice;

"Share" or **"Shares"** means a fully paid ordinary share/s in the capital of the Company;

"Shareholder" or **"Member"** means a holder of Shares in the Company;

"Tshipi" means Tshipi é Ntle Manganese Mining (Pty) Ltd, a company incorporated in the Republic of South Africa (with limited liability) and in which the Company has an attributable interest of approximately 13%; and

"Tshipi Project" means the manganese project owned by Tshipi located in the Kalahari Basin of South Africa consisting of two high grade carbonaceous manganese ore assets known as Tshipi Borwa (previously known as Tshipi) and Tshipi Bokone (previously known as Wessels).

OM Holdings Limited

ARBN 081 028 337

(Annexure A)

EMPLOYEE SHARE OPTION PLAN RULES



OM HOLDINGS LIMITED

ARBN 081 028 337

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1 DEFINITION AND INTERPRETATION

1.1 Definition

In these Rules, unless the contrary intention appears:

“Associated Body Corporate” means any:

- (a) related body corporate of the Company under section 50 of the Corporations Act; or
- (b) a body corporate that has voting power in the Company of not less than 20%; and
- (c) a body corporate in which the Company has voting power of not less than 20%.

“ASX” means ASX Limited (formerly known as Australian Stock Exchange Limited).

“ASX Listing Rules” means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any waiver by ASX.

“Bid Period” has the meaning given to that expression in the Corporations Act, provided that where a takeover bid is publicly announced prior to the service of a bidder’s statement on the Company in relation to that takeover bid, the ‘Bid Period’ shall be deemed to have commenced at the time of that announcement.

“Board” means all or some of the Directors of the Company acting as a board.

“Business Day” means any day that is not Saturday, Sunday or public holiday in Western Australia or Hong Kong.

“Change of Control Event” means:

- (a) the Company entering into a scheme of arrangement with its creditors or members or any class thereof;
- (b) the commencement of a Bid Period; or
- (c) a person or a group of associated persons having a relevant interest in, subsequent to the adoption of these Rules, sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

“Company” means OM Holdings Limited ARBN 081 028 337.

“Corporations Act” means the *Corporations Act 2001* of the Commonwealth of Australia.

“Essential Terms” means the terms of issue of Options set out in the Schedule.

“Exercise Price” means in relation to a Share to be issued upon exercise of an Option the issue price of that Share as determined in accordance with **clause 1.2** of the Essential Terms.

“Expiry Date” means in relation to an Option the date which is up to five years after the Issue Date as determined by the Board.

“HKSE” means The Stock Exchange of Hong Kong Limited.

“HKSE Listing Rules” means the Rules Governing the Listing of Securities on HKSE which are applicable while the Company's Shares are secondarily listed on the Main Board of HKSE, each as amended or replaced from time to time, except to the extent of any waiver granted to the Company by HKSE.

“Issue Date” means the date determined by the Board as the date on which an Option was granted.

“Official List” means the official list of entities that ASX has admitted and not removed.

“Option” means an option issued under this Plan to subscribe for Shares.

“Participant” means a full-time or part-time employee or director of the Company or an Associated Body Corporate, who is invited by the Board to participate in the Plan and is issued Options under the Plan and includes a nominee of the employee or director.

“Plan” means this Employee Share Option Plan as in force and amended from time to time.

“Rules” means these Rules as altered or added to from time to time and a reference to a provision of these Rules is a reference to that provision as altered or added to from time to time, and for the avoidance of doubt, includes the Essential Terms.

“Schedule” means schedule to, and forming part of, these Rules.

“Share” means a fully paid ordinary share in the capital of the Company.

1.2 Interpretation

For the purposes of these Rules, unless the contrary intention appears:

- (a) the singular includes the plural and vice-versa;
- (b) words denoting a gender include all genders;
- (c) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (d) a reference to a related body corporate of the Company is a reference to a body corporate which is so related within the meaning of the Corporations Act;
- (e) a reference to a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements or any of them;
- (f) any power, authority or discretion vested in the Company or the Board may be exercised at any time and from time to time and unless expressed otherwise, in their absolute discretion; and

a word expression defined in the Corporations Act has the meaning given to it in the Corporations Act.

2 GRANT OF OPTIONS

2.1 General Eligibility

At any time and from time to time, the Board may issue Options to Participants (or to a nominee as the Participant directs) having regard, in each case, to:

- (a) the contribution to the Company which has been made by the Participant;
- (b) the period of employment of the Participant with the Company, including (but not limited to) the years of service by that Participant;
- (c) the potential contribution of the Participant to the Company; and
- (d) any other matters which the Board considers in its absolute discretion, to be relevant.

2.2 Price of Options

Options are to be issued to Participants at a price the Board considers to be appropriate, but in any case must be for no more than nominal consideration.

2.3 Issue of Options

Each Option must be issued on the terms of these Rules and each Participant will be taken to have agreed to be bound by these Rules on acceptance by that Participant of an Option.

3 MAXIMUM NUMBER OF OPTIONS

3.1 5% Limit

Subject to **clause 3.2** of these Rules, an Option may not be issued if, immediately following its issue, the shares to be received on exercise of the Option when aggregated with:

- (a) the number of shares in the same share class which would be issued if each outstanding offer of shares and options under the Plan or any other employee incentive scheme of the Company were accepted or exercised; and
- (b) the number of shares in the same class issued during the previous 5 years under the Plan or any other employee incentive scheme of the Company extended to full-time or part-time employees or directors of the Company or an Associated Body Corporate,

exceeds 5% of the total number of issued shares in that share class of the Company at the time the Option is offered, provided that the Board may, in its absolute discretion, increase this percentage, subject to any applicable Corporations Act, Listing Rule (including the conditions and restrictions on issuing securities in Listing Rule 7.1) or Class Order requirements.

3.2 Exceptions

When aggregating the number of shares for the purposes of **clause 3.1** of these Rules, the Company may disregard any offer made, option acquired or share issued by way of or as a result of:

- (a) an offer to a person situated at the time of receipt of the offer outside of Australia;
- (b) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (c) an offer made under a disclosure document in accordance with Chapter 6D of the Corporations Act.

4 OPTIONS TERMS

4.1 Essential Terms

An Option must be granted on the Essential Terms and may be granted on such other additional terms, conditions or restrictions, not being inconsistent with these Rules or the Essential Terms, as the Board determines either generally or in relation to particular Options.

4.2 Variation of Terms

Despite anything to the contrary in these Rules, to the full extent permissible by the ASX Listing Rules and law, the Board may from time to time vary the Exercise Price, the period in which an Option may be exercised and the conditions to which an Option is subject or any of them.

5 OVERRIDING RESTRICTIONS ON ISSUE AND EXERCISE

Notwithstanding anything else in these Rules or in the terms of any Option, an Option may not be offered, issued, or exercised if to do so:

- (a) would contravene the Corporations Act, the *Companies Act 1981* of Bermuda, the *Companies Ordinance (Chapter 32 of the Laws of Hong Kong)*, the ASX Listing Rules or the HKSE Listing Rules; or
- (b) would contravene the local laws of, or the rules or requirements of any regulatory or statutory body in, a Participant's country of residence or in the opinion of the Board compliance with those local laws, rules or requirements would be impractical or result in any unnecessary or unreasonable expense in the circumstances.

6 ADMINISTRATION OF THE PLAN

6.1 Delegation

The Plan shall be in all respects administered under the directions of the Board or a committee of the Board. The Board or committee may appoint, for the proper administration and management of the Plan, such secretarial or executives or staff or

other persons as it considers desirable and may delegate to those persons such powers and authorities as may be necessary or desirable for the administration and management of the Plan.

6.2 Procedures

Subject to these Rules, the Board may make such regulations and establish such procedures for the administration and management of the Plan as it considers appropriate. If any disagreement or dispute with respect to the interpretation of these Rules or the terms of grant of any Option arises, such disagreement or dispute shall be referred to the Board and the decision of the Board shall, in the absence of manifest error, be final and binding upon all parties.

6.3 Covenant or exercise of discretion

The Company or an Associated Body Corporate or the Board may, subject to any express provision in these Rules, the ASX Listing Rules or the Corporations Act to the contrary:

- (a) do any act, matter or thing or make any decision, determination or resolution; or
- (b) conditionally or unconditionally give or withhold any consent or approval,

as contemplated by these Rules in its absolute uncontrolled and unexaminable discretion and is not obliged to give reasons for so doing.

7 ADVICE

7.1 Adjustment to Number of Shares

The Company shall give notice to each Participant of any adjustment to the number of Shares which the Participant is entitled to subscribe for or be issued on exercise of an Option or the exercise price per Share in accordance with the ASX Listing Rules.

7.2 Market and Exercise Price

The Company will provide to a Participant upon request, within a reasonable time, either verbally or in writing, details of the current market price (in Australian dollars) of the Shares and details of the Exercise Price in relation to Options held by that Participant.

SCHEDULE

TERMS OF ISSUE OF OPTIONS

1 ENTITLEMENT

- 1.1** Each Option entitles the holder to subscribe for and be issued, credited as fully paid, the number of Shares specified in the Option.
- 1.2** The Exercise Price of a Share to be issued on exercise of an Option shall be Exercise Price as determined by the Board (in its discretion) on or before the Issue Date provided that in no event shall the Exercise Price be less than the weighted average sale price of Shares sold on ASX during the five Business Days prior to the Issue Date or such other period as determined by the Board (in its discretion).
- 1.3** Subject to these Rules, the Company shall issue Shares on exercise of an Option in accordance with the ASX Listing Rules and shall either issue a certificate, or cause a holding statement to be issued, for Shares so issued within 10 Business Days after the date of exercise of the relevant Option.
- 1.4** Shares issued on the exercise of Options will rank pari passu with all existing Shares in the capital of the Company from the date of issue of those Shares.

2 EXERCISE OF OPTIONS

- 2.1** Subject to **clause 2.2** of this Schedule, an Option is exercisable by the holder lodging with the Company Secretary:
- (a) a notice of exercise of that Option in the form attached to this Schedule;
 - (b) a cheque for the Exercise Price for each Share to be issued on the exercise of that Option; and
 - (c) the certificate for that Option.

In the event of the death of a holder of Options, those Options are exercisable by the executor of the estate of the holder in the same manner as set out above.

- 2.2** An Option must be exercised (if at all) not later than its Expiry Date and, subject to this **clause 2**, may only be exercised at any time after the option has been vested and before its Expiry Date. The Board may determine (in its absolute discretion) any further conditions of exercise consistent with these Rules that apply to an Option. The exercise of some Options only does not affect the Participant's right to exercise other Options at a later time. If the Participant exercises less than all Options represented by the certificate then the Company will cancel the certificate and issue a new certificate for the balance.
- 2.3** The Board will from time to time determine the time periods after which the Options issued will vest in the Optionholder and the percentage of Options issued which will vest at each particular time.
- 2.4** An Option held by a Participant will immediately lapse upon the first to occur of:

- (a) its Expiry Date;
- (b) the making by the Board of a determination that:
 - (i) the Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to the Company or an Associated Body Corporate; and
 - (ii) the Option is on that account to be forfeited;
- (c) subject to **clause 2.6** of this Schedule, the Participant ceasing to be employed by the Company or an Associated Body Corporate for any reason (or, in the case of an Option held by a nominee, the employment of the nominating Participant is terminated) except where the Participant ceases to be employed as a direct result of the disposal or sale of the Company or Associated Body Corporate (in which case, for the avoidance of doubt, such Options shall not lapse by virtue of that event alone);
- (d) the day which is 30 days following any person or corporation having a relevant interest in not less than 90% of the Shares; or
- (e) the day which is 10 days following the Company issuing a notice of meeting convening a meeting of shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation having a relevant interest in not less than 90% of the Shares.

2.5 Subject to the Participant agreeing, any Options granted but not exercised may be cancelled.

2.6 For the purposes of **clause 2.4(c)** of this Schedule, a Participant shall be deemed to have ceased to be employed by the Company or an Associated Body Corporate:

- (a) on the day which is six months after the day the Participant ceases to be employed by the Company or an Associated Body Corporate by virtue of:
 - (i) the Participant's death; or
 - (i) the Participant being retrenched or made redundant by the Company or an Associated Body Corporate (other than as a direct result of the disposal or sale of the Company or Associated Body Corporate); and
- (b) on the later of 21 days following the Participant ceasing to be employed by the Company or an Associated Body Corporate or such later date that the Board determines in its absolute discretion where the Participant ceases to be employed by virtue of:
 - (i) the Participant retiring; or
 - (ii) the Participant's permanent illness or permanent physical or mental incapacity (as certified by a medical practitioner who is approved in writing by the Board).

2.7 If, in the opinion of the Board, a Change of Control Event has occurred, or is likely to occur, the Board may declare an Option to be free of any conditions of exercise and Options which are so declared may, subject to **clause 2.4** of this Schedule, be exercised at any time on or before the Expiry Date and in any number.

- 2.8** If any person or corporation having a relevant interest in not less than 90% of the Shares or the Company issues a notice of meeting convening a meeting of shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation having a relevant interest in not less than 90% of the Shares, all Options shall be free of any conditions of exercise and may be exercised at any time prior to their lapsing pursuant to **clause 2.4** of this Schedule.

3 TRANSFER

An Option is personal to the Participant to whom it was granted, and the Participant may not sell, transfer or otherwise dispose of, or make a declaration of trust in respect of, it except to a nominee of that Participant.

4 QUOTATION OF OPTIONS AND SHARES

Options will not be listed for quotation on ASX, however, the Company will make application for official quotation of Shares issued on the exercise of options to ASX and to each other stock exchange on which Shares are listed at the time.

5 FUTURE ISSUES OF SHARES

5.1 New Issues

There are no participating rights or entitlements inherent in the Options and Participants will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 9 Business Days after the issue is announced. Participants shall be afforded the opportunity to exercise all Options which they are entitled to exercise pursuant to these Rules prior to the date for determining entitlements to participate in any such issue.

5.2 Bonus Issues

If the Company makes an issue of Shares to the holders of Shares in the Company by way of capitalisation of profits or reserves ("**Bonus Issue**"), each Participant holding any Options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him upon exercise of any of those Options the number of Shares which would have been issued under the Bonus Issue ("**Bonus Shares**") to a person registered as holding the same number of Shares as that number of Shares to which the Participant may subscribe pursuant to the exercise of those Options immediately before the record date determining entitlements under the Bonus Issue (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise). The Bonus Shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank *pari passu* in all respects with the other Shares issued upon exercise of the Options.

6 RECONSTRUCTION OF CAPITAL

In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any Options, the number of Options to which each Participant is entitled or the exercise price of his or her Options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the ASX Listing Rules.

7 ADVICE

- 7.1** The Company shall give notice to each Participant of any adjustment to the number of Shares which the Participant is entitled to subscribe for or be issued on exercise of an Option or the exercise price per Share in accordance with the ASX Listing Rules.
- 7.2** The Company will provide to a Participant upon request, within a reasonable time, either verbally or in writing, details of the current market price (in Australian dollars) of the Shares in the Company and details of the Exercise Price in relation to Options held by that Participant.

8 NOTICES

Notices may be given by the Company to the Participant in the manner prescribed by the constitution of the Company for the giving of notices to members of the Company and the relevant provisions of the constitution of the Company apply with all necessary modification to notices to Participants.

9 RIGHT TO ACCOUNTS

Participants will be sent all reports and accounts required to be laid before members of the Company in general meeting and all notices of general meetings of members but will not have any right to attend or vote at those meetings.

10 ASSIGNMENT OF OPTIONS

Subject to **clause 3** of this Schedule, a Participant may not assign or transfer an Option except during a Bid Period, in which case the Options may only be transferred by the Participant to the bidder or its nominees in accordance with the Corporations Act.

11 COMPANY'S RIGHTS NOT WAIVED

- 11.1** The Company's right to terminate or vary the terms of employment of any Participant shall not be prejudiced in any way by the Company or any Participant participating in the Plan or anything contained in these Rules or both. Further, participation in the Plan, the rights or benefits of a Participant under these Rules or the inability or restricted ability of a Participant to exercise an Option or any of them, shall not be used as grounds for granting or increasing damages in any action brought by any Participant against the Company whether in respect of any alleged wrongful dismissal or otherwise.

- 11.2** None of the Company, its directors, officers or employees represents that the Company's share price will attain, maintain or exceed the Exercise Price. A Participant who chooses to exercise any Option does so at his own risk in that he may suffer financial detriment if the Company's share price falls.

12 GOVERNING LAW

This Plan and these Rules shall in all respects be governed by and shall be construed in accordance with the laws of Western Australia.

13 SEVERANCE

If any provision in these Rules is void, voidable by any party or illegal, it shall be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible, the offending words) shall be severed from these Rules without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Rules which shall continue in full force and effect.

14 AMENDMENT OF RULES

Subject to and in accordance with the ASX Listing Rules (including any waiver granted under the ASX Listing Rules):

- (a) subject to **clause 14(b) and clause 14(c)** of this Schedule, the Board may from time to time amend (including the power to revoke, add to or vary) all or any of the provisions of these Rules in any respect whatsoever, by an instrument in writing without the necessity of obtaining the prior or subsequent consent of shareholders of the Company or any Associated Body Corporate in a general meeting;
- (b) the Board may make any amendment to these Rules with retrospective effect as the Board may determine in good faith, providing that the Board obtains the prior approval of at least 50% of Participants who shall be adversely affected by the retrospective amendment in relation to Options previously granted to them; and
- (c) any alterations to:
 - (i) the terms and conditions of these Rules which are of a material nature;
 - (ii) the terms of Options granted in accordance with these Rules; or
 - (iii) the authority of the Board to alter the terms of these Rules,must be approved by the shareholders of the Company in general meeting.

15 SUSPENSION OR TERMINATION OF THE PLAN

The Board may suspend or terminate the Plan at any time, in which case the Company shall not make any further grants of Options under the Plan during the suspended or terminated period. However, during that period the Board shall otherwise continue to administer the Plan in accordance with these Rules until all Options have been exercised or expired.

FORM OF NOTICE OF EXERCISE

The Company Secretary
OM Holdings Limited
[address]

Dear Sir/Madam

[Name of Optionholder] hereby gives notice of the exercise of [number of Options] issued pursuant to the Company's Employee Share Option Plan and exercisable at [\$*].

The certificate for these Options, along with a cheque made payable to "[*]" for [\$* (being the total of the exercise price payable on the exercise of these Options), is enclosed.

[Optionholder to sign]

Individual:

SIGNED by[*])
in the presence of:)
)

.....
Witness

.....
Name of Witness (print)

OR

Company:

EXECUTED by [*])
in accordance with section 127 of the)
Corporations Act by:)

.....
Secretary/Director

.....
Director

.....
Name of Secretary/Director (print)

.....
Name of Director (print)

OM Holdings Limited

ARBN 081 028 337

~~(Annexure A)~~ Annexure B – New Plan

EMPLOYEE SHARE OPTION PLAN RULES



OM HOLDINGS LIMITED

ARBN 081 028 337

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1 Definition and Interpretation

1.1 Definition

In these Rules, unless the contrary intention appears:

"ASIC" means the Australian Securities and Investments Commission;

"Associated Body Corporate" means any:

- (a) related body corporate of the Company under section 50 of the Corporations Act; or
- (b) a body corporate that has voting power in the Company of not less than 20%; and
- (c) a body corporate in which the Company has voting power of not less than 20%.

"ASX" means ASX Limited ~~(formerly known as ACN 008 624 691 and, where the context permits, the Australian Stock Securities Exchange Limited)~~ operated by ASX Limited.

"ASX Listing Rules" means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List ~~of ASX~~, each as amended or replaced from time to time, except to the extent of any waiver ~~by granted to the Company by the~~ ASX.

"Bid Period" has the meaning given to that expression in the Corporations Act, provided that where a takeover bid is publicly announced prior to the service of a bidder's statement on the Company in relation to that takeover bid, the 'Bid Period' shall be deemed to have commenced at the time of that announcement.

"Board" means all or some of the Directors of the Company acting as a board.

"Business Day" means any day that is not Saturday, Sunday or public holiday in Western Australia or Hong Kong.

"Change of Control Event" means:

- (a) the Company entering into a scheme of arrangement with its creditors or ~~members~~ Shareholders or any class thereof;
- (b) the commencement of a Bid Period; or
- (c) a person or a group of associated persons having a relevant interest in, subsequent to the adoption of these Rules, sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

"Commencement Date" means the date of commencement of these Rules set out in clause 11(a).

"Company" means OM Holdings Limited ARBN 081 028 337.

"Connected person" shall have the meaning given to that expression in the HKSE Listing Rules.

"Corporations Act" means the *Corporations Act 2001* of the Commonwealth of Australia.

"Essential Terms" means the terms of issue of Options set out in ~~the~~ Schedule 1.

"Exercise Price" means in relation to a Share to be issued upon exercise of an Option the issue price of that Share as determined in accordance with **clause 1.2** of ~~the Essential Terms~~ Schedule 1.

"Expiry Date" means in relation to an Option the date which is up to five years after the Issue Date as determined by the Board.

"Group" means the Company and its subsidiaries from time to time.

"HKSE" means The Stock Exchange of Hong Kong Limited.

"HKSE Listing Rules" means the Rules Governing the Listing of Securities on HKSE which are applicable while the Company's Shares are ~~secondarily~~ listed on the Main Board of HKSE, each as amended or replaced from time to time, except to the extent of any waiver granted to the Company by HKSE.

"Hong Kong Business Day" means any day on which the HKSE is open for the business of dealing in securities.

"Issue Date" means the date determined by the Board as the date on which an Option was granted.

"Listing Date" means the date on which the Company's Shares commence trading on the Main Board of HKSE

"Official List" means the official list of entities that ASX has admitted and not removed.

"Option" means an option issued under this Plan to subscribe for Shares.

"Participant" means a full-time or part-time employee or director of the Company or an Associated Body Corporate, who is invited by the Board to participate in the Plan and is issued Options under the Plan and includes a nominee of the employee or director.

"Plan" means this Employee Share Option Plan as in force and amended from time to time.

"Price Sensitive" means information relating to the Company, a shareholder or officer of the Company, or the shares of the Company, which if the information were generally available a reasonable person would expect it to:

(a). have a material effect on the price or value of the Shares; or

(b) influence or would be likely to influence persons who commonly acquire shares in deciding whether or not to trade in the Shares.

Information is generally available if:

(i) it consists of readily observable matter;

(ii) it has been made known in a manner likely to bring the information to the attention of the people who commonly invest in shares of a kind whose price or value might be affected by the information (eg by way of an ASX Release and announcement on the HKSE), and since it was made known, a reasonable period for it to be disseminated among such person has elapsed;

(iii) it is fully derived from information which has been made public; or

(iv) it consists of deductions, conclusions or inferences made or drawn from the information referred to above.

"Related Party" shall have the meaning given to that expression in the ASX Listing Rules.

"Rules" means these Rules as altered or added to from time to time and a reference to a provision of these Rules is a reference to that provision as altered or added to from time to time, and for the avoidance of doubt, includes the Essential Terms.

"Schedule" means schedule 1 to, and forming part of, these Rules.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means the holder of a Share.

"Substantial Shareholder" means in accordance with the HKSE Listing Rules, a person who is entitled to exercise or control the exercise of 10% or more of the voting power at any general meeting of the Company.

1.2 **Interpretation**

For the purposes of these Rules, unless the contrary intention appears:

- (a) the singular includes the plural and vice-versa;
- (b) words denoting a gender include all genders;
- (c) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (d) a reference to a related body corporate of the Company is a reference to a body corporate which is so related within the meaning of the Corporations Act;
- (e) a reference to a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements or any of them;
- (f) any power, authority or discretion vested in the Company or the Board may be exercised at any time and from time to time and unless expressed otherwise, in their absolute discretion; ~~and~~
- (g) a word expression defined in the Corporations Act has the meaning given to it in the Corporations Act; ~~and~~
- (h) if these Rules are subject to a requirement of the ASX Listing Rules and the HKSE Listing Rules, and if there is an inconsistency between the ASX Listing Rules and the HKSE Listing Rules, these Rules will be interpreted so that they are subject to the more onerous requirement of the ASX Listing Rules and the HKSE Listing Rules.

2 **Grant of Options**

2.1 **General Eligibility**

At any time and from time to time, the Board may issue Options to Participants (or to a nominee as the Participant directs) having regard, in each case, to:

- (a) the contribution to the Company which has been made by the Participant;
- (b) the period of employment of the Participant with the Company, including (but not limited to) the years of service by that Participant;
- (c) the potential contribution of the Participant to the Company; and
- (d) any other matters which the Board considers in its absolute discretion, to be relevant.

2.2 **Price of Options**

- (a) Options are to be issued to Participants at a price the Board considers to be appropriate, but in any case must be for no more than nominal consideration.

(b) If consideration is payable for the grant of the Options, that consideration must be paid within 7 days after the date of grant.

2.3 **Issue of Options**

Each Option must be issued on the terms of these Rules and each Participant will be taken to have agreed to be bound by these Rules on acceptance by that Participant of an Option.

3 Maximum Number of Options

~~5% Limit~~

3.1 Limits on Grant of Options

Subject to **clause 3.2** of these Rules, an Option may not be issued under this Plan if, immediately following its issue, the ~~shares-Shares~~ to be received on exercise of the Option when aggregated with:

- (a) the number of ~~shares-Shares~~ in the same share class which would be issued if each outstanding offer of ~~shares-Shares~~ and ~~options-Options~~ under the Plan or any other employee incentive scheme of the Company were accepted or exercised; and
- (b) the number of ~~shares-Shares~~ in the same class issued during the previous 5 years under the Plan or any other employee incentive scheme of the Company extended to full-time or part-time employees or directors of the Company or an Associated Body Corporate,

exceeds the lower of (i) 5% of the total number of issued ~~shares-Shares~~ in that share class of the Company at the time the Option is offered (the "5% Limit"); and (ii) 10% of the total number of issued Shares in that share class of the Company at the Listing Date (the "10% Limit"), provided that the Board may, ~~in its absolute discretion, increase this percentage, subject to any applicable Corporations Act, Listing Rule (including the conditions and restrictions on issuing securities in Listing Rule 7.1) or Class Order requirements.~~

(c) increase this percentage (in the case of the 5% Limit); or

- (d) (subject to prior approval of the Shareholders), refresh the limit (in the case of the 10% Limit), provided that the total number of Shares which may be issued upon exercise of all Options to be granted under this Plan and any other employee incentive scheme of the Company under the 10% Limit as refreshed (the "Refreshed 10% Limit") must not exceed 10% of the Shares in issue as at the date of approval of the Refreshed 10% Limit,

subject to clause 3.3 and any applicable Corporations Act, the ASX Listing Rules (including the conditions and restrictions on issuing securities in ASX Listing Rule 7.1), the HKSE Listing Rules (including the requirement for any increase or refreshment to be approved by Shareholders in general meeting) or ASIC class order requirements.

3.2 Exceptions for calculating the 5% Limit and 10% Limit

When aggregating the number of ~~shares for the purposes of~~ Shares which are subject to the Options for calculation of the 5% Limit under clause 3.1 of these Rules, the Company may disregard any offer made, option acquired or share issued by way of or as a result of:

- (a) an offer to a person situated at the time of receipt of the offer outside of Australia;
- (b) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (c) an offer made under a disclosure document in accordance with Chapter 6D of the Corporations Act.

When aggregating the number of Shares which are subject to the Options for calculation of the Refreshed 10% Limit under clause 3.1 of these Rules, the Company may disregard any Options previously granted under any share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised).

3.3 **30% Limit**

At any one time, the total number of Shares which may be issued upon exercise of all the Options granted under this Plan or any other employee incentive scheme of the Company and which have yet to be exercised, must not, in the absence of the approval of Shareholders at general meeting, exceed 30% of the total number of issued Shares in that share class of the Company from time to time ("30% limit"). No Options may be granted under this Plan or any other employee incentive scheme of the Company if the grant will result in the 30% limit being exceeded.

4 Options Terms

4.1 Essential Terms

An Option must be granted on the Essential Terms and may be granted on such other additional terms, conditions or restrictions, not being inconsistent with these Rules or the Essential Terms, as the Board determines either generally or in relation to particular Options, including in relation to any performance targets that must be reached before an Option may be exercised in whole or in part, or if none, then that must be stated.

4.2 Variation of Terms

Despite anything to the contrary in these Rules, to the full extent permissible by the ASX Listing Rules, HKSE Listing Rules and applicable law, the Board may from time to time vary the Exercise Price, the period in which an Option may be exercised and the conditions to which an Option is subject or any of them.

5 Overriding Restrictions on Issue and Exercise

5.1 **No Contravention of Applicable Law**

Notwithstanding anything else in these Rules or in the terms of any Option, an Option may not be offered, issued, or exercised if to do so:

- (a) would contravene the Corporations Act, the *Companies Act 1981* of Bermuda, the *Companies Ordinance (Chapter 32 of the Laws of Hong Kong)*, the ASX Listing Rules or the HKSE Listing Rules; or
- (b) would contravene the local laws of, or the rules or requirements of any regulatory or statutory body in, a Participant's country of residence or in the opinion of the Board compliance with those local laws, rules or requirements would be impractical or result in any unnecessary or unreasonable expense in the circumstances.

5.2 **Maximum Number of Shares to be Issued upon Exercise**

- (a)** The maximum number of Shares issued and to be issued upon exercise of the Options granted to each Participant under the Plan (including both exercised and outstanding Options) in any 12 month period must not, when aggregated with any Shares to be issued upon exercise of all options granted to the Participant under any other employee incentive scheme of the Company during such period, exceed 1% of the issued Shares for the time being.
- (b)** If the grant of any Options to a Participant under the Plan would result in number of Shares issued and to be issued upon exercise of all options granted and to be granted to the Participant (including Options under the Plan or options under any other employee incentive scheme of the Company , and including exercised,

cancelled and outstanding options) in the 12 month period up to and including the proposed date of further grant exceeding in aggregate over 1% of the issued Shares, the further grant of Options must be approved by Shareholders with such a Participant and his/her associates abstaining from voting. The Company must send a notice of general meeting and/or a circular to Shareholders in compliance with both the ASX Listing Rules and the HKSE Listing Rules disclosing the identity of the Participant in question, the number and terms of the Options to be granted (and Options previously granted to such a Participant) and such other information required under the HKSE Listing Rules in accordance with HKSE Listing Rule 17.03(4).

- (c) When calculating the number of Shares for the purposes of **clause 5.2(a)** of these Rules, the Company may disregard those Options granted pursuant to Shareholder approval obtained in accordance with the HKSE Listing Rules.

5.3 No Grant of Options after a Price Sensitive Event

Options may not be granted after a Price Sensitive event has occurred or a Price Sensitive matter has been the subject of a decision until an announcement of such Price Sensitive information has been published. In particular, during the period commencing one month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the HKSE in accordance with the HKSE Listing Rules) for the approval of the Company's results for any year, half-year, or any other interim period (whether or not required under the HKSE Listing Rules); and
- (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the HKSE Listing Rules or any other interim period (whether or not required under the HKSE Listing Rules),

and ending on the date of the results announcement, no Option may be granted.

5.4 Grant of Options to any Related Party

Without prejudice to the need to comply with the HKSE Listing Rules (if any) any grant of Options to a Related Party of the Company, or persons whose relationship with the Company or the Related Party is, in the opinion of the ASX, such that approval should be obtained, shall be subject to prior approval by Shareholders at general meeting in accordance with the ASX Listing Rules, at which such a Participant and his/her associates must abstain from voting.

5.5 Grant of Options to Substantial Shareholders

Subject to Clause 5.4, any grant of Options to a Substantial Shareholder or their associates, under this Plan and any other employee incentive scheme of the Company or any of its subsidiaries shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding independent non-executive Directors who are the proposed Participants in question). Where any grant of Options to a Substantial Shareholder, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including those exercised, cancelled or outstanding) to such persons in the 12 month period up to and including the date of such grant:-

- (a) representing in aggregate over 0.1% of the Shares on issue on the Issue Date; and
- (b) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the HKSE on the Issue Date, in excess of HK\$5 million,

such further grant of Options shall be subject to prior approval by Shareholders at a general meeting. The Company shall send a notice of meeting to the Shareholders in accordance with the HKSE Listing Rules and all relevant Connected Persons of the

Company shall abstain from voting on the resolution at such a general meeting of Shareholders.

6 Administration of the Plan

6.1 *Delegation*

The Plan shall be in all respects administered under the directions of the Board or a committee of the Board. The Board or committee may appoint, for the proper administration and management of the Plan, such secretarial or executives or staff or other persons as it considers desirable and may delegate to those persons such powers and authorities as may be necessary or desirable for the administration and management of the Plan.

6.2 *Procedures*

Subject to these Rules, the Board may make such regulations and establish such procedures for the administration and management of the Plan as it considers appropriate. If any disagreement or dispute with respect to the interpretation of these Rules or the terms of grant of any Option arises, such disagreement or dispute shall be referred to the Board and the decision of the Board shall, in the absence of manifest error, be final and binding upon all parties.

6.3 *Covenant or exercise of discretion*

The Company or an Associated Body Corporate or the Board may, subject to any express provision in these Rules, the ASX Listing Rules, the HKSE Listing Rules or the Corporations Act to the contrary:

- (a) do any act, matter or thing or make any decision, determination or resolution; or
- (b) conditionally or unconditionally give or withhold any consent or approval,

as contemplated by these Rules in its absolute uncontrolled and unexaminable discretion and is not obliged to give reasons for so doing.

7 Advice

7.1 *Adjustment to Number of Shares or Exercise Price*

The Company shall give notice to each Participant of any adjustment to the number of Shares which the Participant is entitled to subscribe for or be issued on exercise of an Option or the exercise price per Share in accordance with the ASX Listing Rules and the HKSE Listing Rules.

7.2 *Market and Exercise Price*

The Company will provide to a Participant upon request, within a reasonable time, either verbally or in writing, details of the current market price (in Australian dollars) of the Shares and details of the Exercise Price in relation to Options held by that Participant.

SCHEDULE

8 Governing Law

This Plan and these Rules shall in all respects be governed by and shall be construed in accordance with the laws of Western Australia.

Severance

If any provision in these Rules is void, voidable by any party or illegal, it shall be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible, the offending words) shall be severed from these Rules without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Rules which shall continue in full force and effect.

Amendment of Rules

Subject to and in accordance with the ASX Listing Rules and the HKSE Listing Rules (including any waiver granted under the ASX Listing Rules or the HKSE Listing Rules):

- (a) subject to **clause 10(b), clause 10(c) and clause 10(d)** of these Rules, the Board may from time to time amend (including the power to revoke, add to or vary) all or any of the provisions of these Rules in any respect whatsoever, by an instrument in writing without the necessity of obtaining the prior or subsequent consent of the Shareholders or any Associated Body Corporate in a general meeting;
- (b) the Board may make any amendment to these Rules with retrospective effect as the Board may determine in good faith, providing that the Board obtains the prior approval of at least 50% of the Participants who shall be adversely affected by the retrospective amendment in relation to Options previously granted to them;
- (c) any alterations to:

 - (i) the terms and conditions of these Rules which are of a material nature;
 - or
 - (ii) the terms of Options granted in accordance with these Rules; or
 - (iii) the authority of the Board to alter the terms of these Rules; or
 - (iv) any other provision of these Rules that is to the advantage of the Participants.

must be approved by Shareholders in a general meeting; and
- (d) if the Board determines that it is necessary to amend these Rules to ensure that they are not inconsistent with the ASX Listing Rules or the HKSE Listing Rules, these Rules will be amended so that they comply with the more onerous provisions as between the ASX Listing Rules or the HKSE Listing Rules.

Term, Suspension or Termination of the Plan

- (a) This Plan shall commence on the Listing Date, being the date it was approved by Shareholders and, subject to **clause 11(b)**, shall expire on the tenth anniversary of that date, after which period no further Options shall be offered or granted but the provisions of this Plan shall remain in full force and effect in all other respects. Options granted during the life of this Plan shall continue to be exercisable in accordance with their terms of grant after the end of the ten-year period.
- (b) The Board may suspend or terminate the Plan at any time, in which case the Company shall not make any further grants of Options under the Plan during the suspended or terminated period. However, during that period the Board shall otherwise continue to administer the Plan in accordance with these Rules until all Options have been exercised or expired.

SCHEDULE 1

TERMS OF ISSUE OF OPTIONS

1 ENTITLEMENT

- 1.1 Each Option entitles the holder to subscribe for and be issued, credited as fully paid, the number of Shares specified in the Option and, subject to Board approval, the holder may elect to have the Shares which fall to be issued upon the exercise of an option to be issued on the Hong Kong register or the Australian register. To the extent that Shares are quoted on the HKSE, the Company shall issue definitive certificates in respect of those Shares within 10 Hong Kong Business Days of the exercise of the Options in accordance with the provisions of clause 1.2 below.
- 1.2 The Exercise Price of a Share to be issued on exercise of an Option shall be the Exercise Price as determined by the Board (in its discretion) on or before the Issue Date provided that in no event shall the Exercise Price be less than the higher of (i) weighted average sale price of Shares sold on ASX during the five Business Days prior to the Issue Date or such other period as determined by the Board (in its discretion); and (ii) the closing price of the Shares as stated in the HKSE's daily quotation sheets on the date of grant, which must be a Hong Kong Business Day; and (iii) the average closing price of the Shares as stated in the HKSE's daily quotation sheets for the five Hong Kong Business Days immediately preceding the date of grant.
- 1.3 Subject to these Rules, the Company shall issue Shares on exercise of an Option in accordance with the ASX Listing Rules and/or the HKSE Listing Rules (as applicable) and shall either issue a certificate, or cause a holding statement to be issued, for Shares so issued within 10 Business Days after the date of exercise of the relevant Option.
- 1.4 Shares issued on the exercise of Options will rank pari passu with all existing Shares in the capital of the Company from the date of issue of those Shares.

2 EXERCISE OF OPTIONS

- 2.1 Subject to **clause 2.2** of ~~this~~ Schedule 1, an Option is exercisable by the holder lodging with the Company Secretary:
- (a) a notice of exercise of that Option in the form attached to ~~this~~ Schedule;
 - (b) a cheque for the Exercise Price for each Share to be issued on the exercise of that Option; and
 - (c) the certificate for that Option.
- In the event of the death of a holder of Options, those Options are exercisable by the executor of the estate of the holder in the same manner as set out above.
- 2.2 An Option must be exercised (if at all) not later than its Expiry Date and, subject to this **clause 2**, may only be exercised at any time after the ~~option~~ Option has been vested and before its Expiry Date. The Board may determine (in its absolute discretion) any further conditions of exercise consistent with these Rules that apply to an Option. The exercise of some Options only does not affect the Participant's right to exercise other Options at a later time. If the Participant exercises less than all Options represented

by the certificate then the Company will cancel the certificate and issue a new certificate for the balance.

- 2.3** The Board will from time to time determine the time periods after which the Options issued will vest in the Optionholder and the percentage of Options issued which will vest at each particular time.

2.4 The Board may from time to time determine the performance targets, if any, that must be achieved before the Options can be exercised in whole or in part, or if none, then that must be stated. The performance target, if any, shall be stated in the certificate for that Option.

- 2.5** An Option held by a Participant will immediately lapse upon the first to occur of:

- (a) its Expiry Date;
- (b) the making by the Board of a determination that:
 - (i) the Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to the Company or an Associated Body Corporate; and
 - (ii) the Option is on that account to be forfeited;
- (c) subject to ~~clause 2.6 of this~~ **2.7 of** Schedule 1, the Participant ceasing to be employed by the Company or an Associated Body Corporate for any reason (or, in the case of an Option held by a nominee, the employment of the nominating Participant is terminated) except where the Participant ceases to be employed as a direct result of the disposal or sale of the Company or Associated Body Corporate (in which case, for the avoidance of doubt, such Options shall not lapse by virtue of that event alone);
- (d) the day which is 30 days following any person or corporation having a relevant interest in not less than 90% of the Shares; or
- (e) the day which is 10 days following the Company issuing a notice of meeting convening a meeting of ~~shareholders~~ Shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation having a relevant interest in not less than 90% of the Shares.

- 2.6** Subject to the Participant agreeing and compliance with the ASX Listing Rules and HKSE Listing Rules, any Options granted but not exercised may be cancelled.

- 2.7** For the purposes of ~~clause 2.4(c)~~ **2.5(c)** of ~~this~~ Schedule 1, a Participant shall be deemed to have ceased to be employed by the Company or an Associated Body Corporate:

- (a) on the day which is six months after the day the Participant ceases to be employed by the Company or an Associated Body Corporate by virtue of:
 - (i) the Participant's death; or
 - (i) the Participant being retrenched or made redundant by the Company or an Associated Body Corporate (other than as a direct result of the disposal or sale of the Company or Associated Body Corporate); and
- (b) on the later of 21 days following the Participant ceasing to be employed by the Company or an Associated Body Corporate or such later date that the Board determines in its absolute discretion where the Participant ceases to be employed by virtue of:
 - (i) the Participant retiring; or

- (ii) the Participant's permanent illness or permanent physical or mental incapacity (as certified by a medical practitioner who is approved in writing by the Board).

2.8 If, in the opinion of the Board, a Change of Control Event has occurred, or is likely to occur, the Board may declare an Option to be free of any conditions of exercise and Options which are so declared may, subject to ~~clause 2.4 of this~~ 2.5 of Schedule 1, be exercised at any time on or before the Expiry Date and in any number.

2.9 If any person or corporation having a relevant interest in not less than 90% of the Shares or the Company issues a notice of meeting convening a meeting of ~~shareholders~~ Shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation having a relevant interest in not less than 90% of the Shares, all Options shall be free of any conditions of exercise and may be exercised at any time prior to their lapsing pursuant to ~~clause 2.4 of this~~ 2.5 of Schedule 1.

TRANSFER

~~An Option is personal to the Participant to whom it was granted, and the Participant may not sell, transfer or otherwise dispose of, or make a declaration of trust in respect of, it except to a nominee of that Participant.~~

3 QUOTATION OF OPTIONS AND SHARES

Options will not be listed for quotation on ASX, however, the Company will make application for official quotation of Shares issued on the exercise of ~~options~~ Options to ASX and to each other stock exchange on which Shares are listed at the time.

4 FUTURE ISSUES OF SHARES

4.1 New Issues

There are no participating rights or entitlements inherent in the Options and Participants will not be entitled to participate in new issues of capital offered to ~~shareholders~~ Shareholders during the currency of the Options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 9 Business Days after the issue is announced. Participants shall be afforded the opportunity to exercise all Options which they are entitled to exercise pursuant to these Rules prior to the date for determining entitlements to participate in any such issue.

4.2 Bonus Issues

~~If Subject to clause 11 of Schedule 1, if~~ the Company makes an issue of Shares to the holders of Shares in the Company by way of a capitalisation of profits or reserves ("Bonus Issue"), each Participant holding any Options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him upon exercise of any of those Options the number of Shares which would have been issued under the Bonus Issue ("**Bonus Shares**") to a person registered as holding the same number of Shares as that number of Shares to which the Participant may subscribe pursuant to the exercise of those Options immediately before the record date determining entitlements under the Bonus Issue (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon

such exercise). The Bonus Shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank pari passu in all respects with the other Shares issued upon exercise of the Options.

5 RECONSTRUCTION OF CAPITAL

In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any Options, the number of Options to which each Participant is entitled or the exercise price of his-/her or her Options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the ASX Listing Rules.

6 ADVICE

- 6.1 The Company shall give notice to each Participant of any adjustment to the number of Shares which the Participant is entitled to subscribe for or be issued on exercise of an Option or the ~~exercise price~~ Exercise Price per Share in accordance with the ASX Listing Rules and the HKSE Listing Rules.
- 6.2 The Company will provide to a Participant upon request, within a reasonable time, either verbally or in writing, details of the current market price (in Australian dollars) of the Shares in the Company and details of the Exercise Price in relation to Options held by that Participant.

7 NOTICES

Notices may be given by the Company to the Participant in the manner prescribed by the constitution of the Company for the giving of notices to ~~members~~ Shareholders of the Company and the relevant provisions of the constitution of the Company apply with all necessary modification to notices to Participants.

8 RIGHT TO ACCOUNTS

Participants will be sent all reports and accounts required to be laid before ~~members~~ Shareholders of the Company in general meeting and all notices of general meetings of ~~members~~ Shareholders but will not have any right to attend or vote at those meetings.

9 ASSIGNMENT OF OPTIONS

An Option is personal to the Participant to whom it was granted, and the Participant may not sell, transfer, assign or otherwise dispose of, or make a declaration of trust in respect of, it except to:

- (a) a nominee of that Participant; or
- (b) Subject to ~~clause 3~~ of this Schedule, a Participant may not assign or transfer an Option except during a Bid Period, in which case the Options may only be transferred by the Participant to the bidder or its nominees in accordance with the Corporations Act.

10 COMPANY'S RIGHTS NOT WAIVED

- 10.1** The Company's right to terminate or vary the terms of employment of any Participant shall not be prejudiced in any way by the Company or any Participant participating in the Plan or anything contained in these Rules or both. Further, participation in the Plan, the rights or benefits of a Participant under these Rules or the inability or restricted ability of a Participant to exercise an Option or any of them, shall not be used as grounds for granting or increasing damages in any action brought by any Participant against the Company whether in respect of any alleged wrongful dismissal or otherwise.
- 10.2** None of the Company, its directors, officers or employees represents that the Company's share price will attain, maintain or exceed the Exercise Price. A Participant who chooses to exercise any Option does so at his-/her own risk in that he may suffer financial detriment if the Company's share price falls.

~~GOVERNING LAW~~

~~This Plan and these Rules shall in all respects be governed by and shall be construed in accordance with the laws of Western Australia.~~

~~SEVERANCE~~

~~If any provision in these Rules is void, voidable by any party or illegal, it shall be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible, the offending words) shall be severed from these Rules without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Rules which shall continue in full force and effect.~~

~~AMENDMENT OF RULES~~

~~Subject to and in accordance with the ASX Listing Rules (including any waiver granted under the ASX Listing Rules):~~

~~subject to **clause 14(b) and clause 14(c)** of this Schedule, the Board may from time to time amend (including the power to revoke, add to or vary) all or any of the provisions of these Rules in any respect whatsoever, by an instrument in writing without the necessity of obtaining the prior or subsequent consent of shareholders of the Company or any Associated Body Corporate in a general meeting;~~

~~the Board may make any amendment to these Rules with retrospective effect as the Board may determine in good faith, providing that the Board obtains the prior approval of at least 50% of Participants who shall be adversely affected by the retrospective amendment in relation to Options previously granted to them; and~~

~~any alterations to:~~

~~the terms and conditions of these Rules which are of a material nature;
the terms of Options granted in accordance with these Rules; or~~

~~the authority of the Board to alter the terms of these Rules,
must be approved by the shareholders of the Company in general meeting.~~

~~SUSPENSION OR TERMINATION OF THE PLAN~~

~~The Board may suspend or terminate the Plan at any time, in which case the Company shall not make any further grants of Options under the Plan during the suspended or terminated period. However, during that period the Board shall otherwise continue to administer the Plan in accordance with these Rules until all Options have been exercised or expired.~~

11 ADJUSTMENT TO EXERCISE PRICE AND NUMBER OF SHARES

Notwithstanding any other provision of this Schedule 1, any adjustment to the exercise price and/or number of Shares to be issued upon the exercise of an Option in the event of a pro-rata issue, bonus issue, reorganisation of capital (including consolidation of capital, sub-division of capital or return of capital) shall be in compliance with the Listing Rules and the HKSE Listing Rules (to the extent applicable).

FORM OF NOTICE OF EXERCISE

The Company Secretary
OM Holdings Limited
[address]

Dear Sir/Madam

[Name of Optionholder] hereby gives notice of the exercise of [number of Options] issued pursuant to the Company's Employee Share Option Plan and exercisable at [A\$*].

The certificate for these Options, along with a cheque made payable to "[*]" for [A\$*] (being the total of the exercise price payable on the exercise of these Options), is enclosed.

[Optionholder to sign]

Individual:

SIGNED by[*]

in the presence of:

)

)

)

.....

.....
Witness

.....
Name of Witness (print)

OR

Company:

EXECUTED by [*]

in accordance with section 127 of the
Corporations Act by:

)

)

)

.....
Secretary/Director

.....
Director

.....
Name of Secretary/Director (print)

.....
Name of Director (print)

OM HOLDINGS LIMITED
(ARBN 081 028 337)



#08 -08 Parkway Parade
80 Marine Parade Road, 449269 Singapore
Tel: 65-6346 5515 Fax: 65-6342 2242
Email address: om@ommaterials.com
Website: www.omholdingsltd.com
ASX Code: OMH



OM Holdings Limited
ARBN 081 028 337

000001 000 OMH
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

 **For your vote to be effective it must be received by 10.30am (WST) Monday 18 April 2011**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report, 24 hours a day, 7 days a week:

www.omholdingsltd.com

To view and update your securityholding:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of OM Holdings Limited hereby appoint

☐ the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of OM Holdings Limited to be held at #08-08, Parkway Parade, 80 Marine Parade Road, Singapore on Wednesday, 20 April 2011 at 10.30am and at any adjournment of that meeting.

Important for Resolutions 8 and 9: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Resolutions 8 and 9 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Resolutions 8 and 9 and your votes will not be counted in computing the required majority if a poll is called on these Resolutions. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 8 and 9.

☐ I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Approval of the 2010 Financial Statements	☐	☐	☐	Resolution 8	Approval of New Employee Share Option Plan Pursuant to Listing Rule 7.2 Exception 9	☐	☐	☐
Resolution 2	Approval of Payment of Final Dividend	☐	☐	☐	Resolution 9	Approval of Existing Employee Share Option Plan Pursuant to Listing Rule 7.2 Exception 9	☐	☐	☐
Resolution 3	Re-election of Mr Wong Fong Fui	☐	☐	☐	Resolution 10	Amendments to the Bye-laws	☐	☐	☐
Resolution 4	Re-election of Mr Thomas Teo Liang Huat	☐	☐	☐	Resolution 11	Renewal of Proportional Takeover Provisions	☐	☐	☐
Resolution 5	Approval to Re-appointment of Auditor	☐	☐	☐					
Resolution 6	Approval for the Issue of Securities - HKSE Listing	☐	☐	☐					
Resolution 7	Approval of New Employee Share Option Plan	☐	☐	☐					

In the event that any matter is properly brought before the Annual General Meeting but for which specific voting instructions have not been given in this proxy, in accordance with the OM Holdings Limited Bye-laws, the Chairman of the Meeting will be entitled to vote the shares represented by this proxy at his discretion.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date ____/____/____

OMH

9 9 9 9 9 A

Computershare