

OM HOLDINGS LIMITED

(ARBN 081 028 337)



NO. OF PAGES LODGED: 2

28 March 2011

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

Dear Sir/Madam

FINANCING SECURED FOR LAND ACQUISITION FOR PROPOSED JOHOR BAHRU LOGISTICS AND DISTRIBUTION CENTRE, SMELTING AND SINTERING PLANT

The Board of OM Holdings Limited ("OMH" or "the Company") is pleased to announce that its wholly-owned subsidiary OM Materials (Johor) Sdn Bhd ("OM Johor") has executed a Facility Agreement with CIMB Bank Berhad ("CIMB") to provide a Term Loan Facility of US\$16.896 million to finance 80% of the acquisition cost of land acquired under a Sale and Purchase Agreement previously announced on 31 December 2010. The leasehold land comprises approximately 40 hectares located at the Tanjung Langsat Industrial Complex, in the Johor Bahru District of West Malaysia.

The land has been acquired to facilitate the execution of OMH's Phase 1 Malaysian logistics and smelting strategy consisting of a 66,000 tonnes per annum manganese alloy smelter, a 300,000 tonnes per annum sinter ore plant supported by a logistics and distribution centre anticipated to qualify for tax and duty free status. As previously announced OMH is contemporaneously pursuing a Phase 2 large scale manganese and ferro silicon alloy smelting complex in Sarawak, East Malaysia.

The tenure of the Term Loan Facility is 10 years and has been secured via a first deed of assignment over the respective land, to be followed by a first ranking legal charge upon the issuance of title over the respective land. The facility will be available for drawdown once specific conditions precedent have been fulfilled including the execution, registration and lodgement of required security documents.

The Company considers this financing is an important milestone and endorsement to its strategy of establishing an integrated low-cost alloy production centre in Malaysia to support the growing Asian steel industry.

Yours faithfully

OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Company Secretary

BACKGROUND PROFILE OF OM HOLDINGS LIMITED

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

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

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