



ASX / Media Release

ASX: OMH

29 April 2011

OM HOLDINGS REPORTS RECORD BOOTU CREEK FIRST QUARTER PRODUCTION DESPITE SEVERE RAINFALL CONDITIONS

HIGHLIGHTS

- **Bootu Creek First Quarter Production of 181,862 tonnes an increase of 4% from the corresponding previous quarter, despite the impact of record rainfall events**
- **Bootu Creek has since fully recovered from the rain impact and April 2011 monthly production is on target to achieve a record 100,000 tonnes**
- **Major Tshipi milestone achieved with Tshipi board decision to commence development and construction of the Tshipi Borwa mine**
- **Manganese demand fundamentals remain robust while supply side pressures continue from high producer, trader and port stocks**

International diversified minerals group, OM Holdings Limited (**ASX Code: OMH**) ("**OMH**" or "**the Company**") today announced a strong first quarter operating result despite being impacted by unprecedented rainfall events.

OMH Chief Executive Officer, Peter Toth, said the solid operating performance at Bootu Creek in the March 2011 Quarter was a strong reflection of the effectiveness of the Company's wet weather planning strategies.

"Despite receiving the highest ever first quarter wet-season rainfall of 808mm we were able to increase production at Bootu Creek by 4% compared to our corresponding quarter last year," Mr Toth said.

"The Company remains laser focused on the full year production target of one million tonnes for 2011 and our April 2011 production expectation of 100,000 tonnes is a good indication of the mine's ultimate operating capability under 'normal' circumstances," he added.

"We are pleased with the progress being achieved at Qinzhou, and with the fully optimised 2011 production schedule of both HC FeMn and sinter ore well underway, OMQ expects to produce 60,000 tonnes and 240,000 tonnes of HC FeMn and manganese sinter ore, respectively, for the 2011 calendar year," Mr Toth said.

The OMH CEO said development activities at the Tshipi Borwa manganese project in South Africa were advancing in accordance with the project's execution plan.

"Activities surrounding the development of the Borwa deposit into a world-class operating mine have accelerated substantially since the milestone decision in February to commence development and construction," Mr Toth said.

OMH has an effective 13% interest in Tshipi through its 26% strategic partnership with Ntsimbintle Mining (Proprietary) Limited, the majority 50.1% owner of Tshipi. The remaining 49.9% share is owned by Jupiter Mines Limited.

"With the market outlook forecasting ongoing strong demand for manganese, particularly from China, OMH is looking forward to continuing to achieving strong operating results for the remainder of 2011," Mr Toth said.

For further information please contact:

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

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

ABOUT OM HOLDINGS LIMITED

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

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

Bootu Creek has the capacity to produce 1,000,000 tonnes of manganese product annually. Bootu Creek has further exploration potential given that its tenement holdings extend over 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 and sinter ore plant located in south west China.

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

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

The Company 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;
- 19% shareholding in **Scandinavian Resources Limited** (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 dual 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.