OM HOLDINGS LIMITED

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Company Announcements Office
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Dear Sir/Madam

BOOTU CREEK MANGANESE PROJECT
MINERAL RESOURCE AND ORE RESERVE UPDATE

The Board of OM Holdings Limited ("OMH") is pleased to provide the following update to the Mineral Resource and Ore Reserve estimates for its 100% owned Bootu Creek Manganese Mine, located in the Northern Territory of Australia.

HIGHLIGHTS

- **Three new manganese deposits were identified and delineated for the 2011 Mineral Resource estimate including Foldnose, Zulu South and Renner West deposits - the first deposits to be modelled for the Mineral Resource estimate on the adjacent Renner Springs project area.**

- **The 31 December 2011 Bootu Creek Mineral Resource of 32.3 million tonnes at 22.3% Mn replaced around 90% of the 2.3 million tonnes of ore processed through the Bootu Creek treatment plant in 2011.**

- **The Bootu Creek Mineral Resource continues to underpin the current processing rate of 2.3 million tonnes of ore per annum, producing up to 1 million tonnes of manganese product for export per annum.**

- **The 31 December 2011 Bootu Creek Ore Reserve reduced by 4.1 million tonnes to 17.4 million tonnes at 20.7% Mn due largely to mine depletion in 2011 and the effect of a strong Australian dollar on pit optimisation. Newly delineated Mineral Resources require core drilling and metallurgical test work prior to inclusion in Ore Reserves.**

- **The 2012 exploration programs will focus on the identification and delineation of new deposits on Exploration Licences located adjacent to the Bootu Creek mine site.**

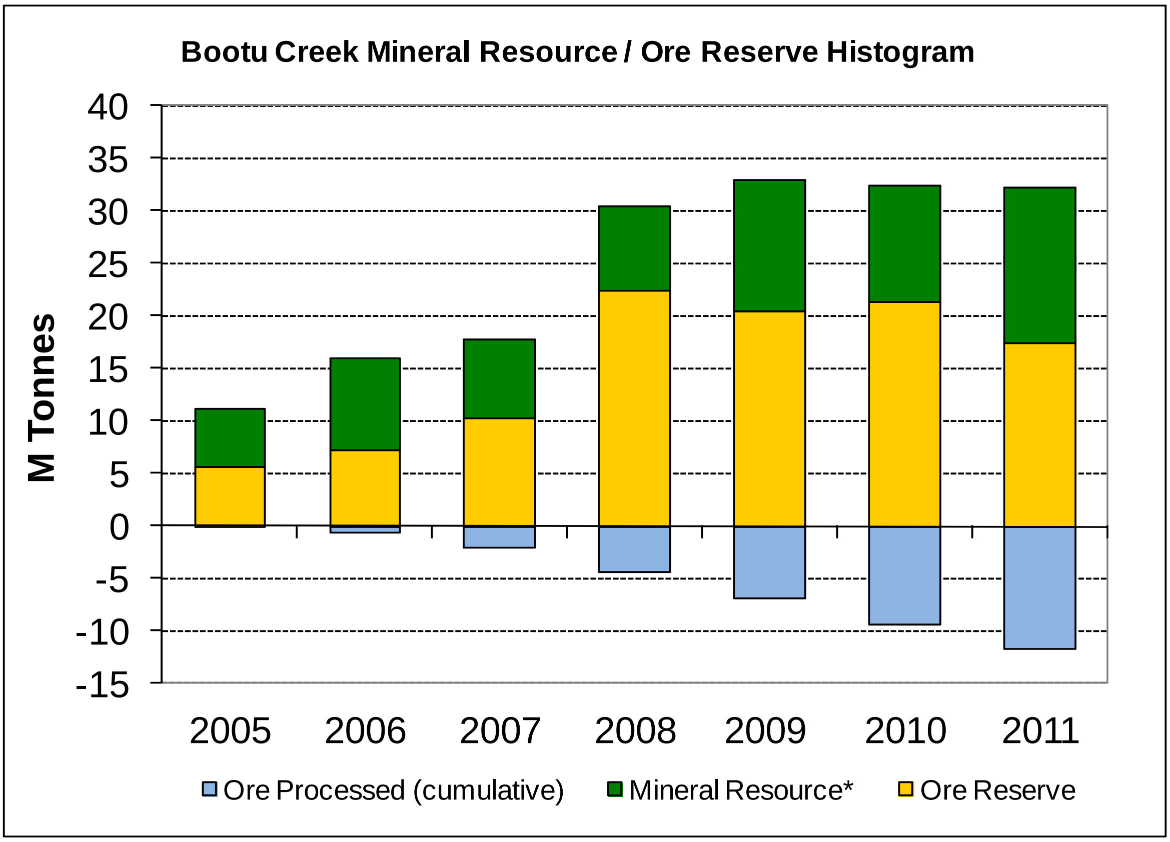
Table 1. Bootu Creek Manganese Project - Comparison of Mineral Resource and Ore Reserve positions with respect to 31 December 2011

	31 December 2011		31 December 2010		Change
	M tonnes	% Mn	M tonnes	% Mn	M tonnes
Mineral Resource	32.3	22.3	32.5	22.6	-0.2
Ore Reserve	17.4	20.7	21.5	21.0	-4.1

The Bootu Creek exploration objectives for 2011 were to replace Mineral Resources depleted by mining during 2011. The emphasis during the year was also extended to the identification and delineation of new deposits and the incremental extension of existing deposits.

Three new deposits (Foldnose, Zulu South and Renner West) were outlined in 2011 by Gradient Array IP surveys and subsequent Reverse Circulation ("RC") drilling delineated results for the Mineral Resource estimate. The new deposits will require follow up drill coring and metallurgical test work prior to being estimated for inclusion as Ore Reserves. Infill and extension RC drilling was also undertaken at Chugga North and Zulu deposits.

Table 2. Histogram of Mineral Resource and Ore Reserve growth and consumption since commencement of mine production in 2005



* Mineral Resource is inclusive of Ore Reserve

31 December 2011 – Mineral Resource Update

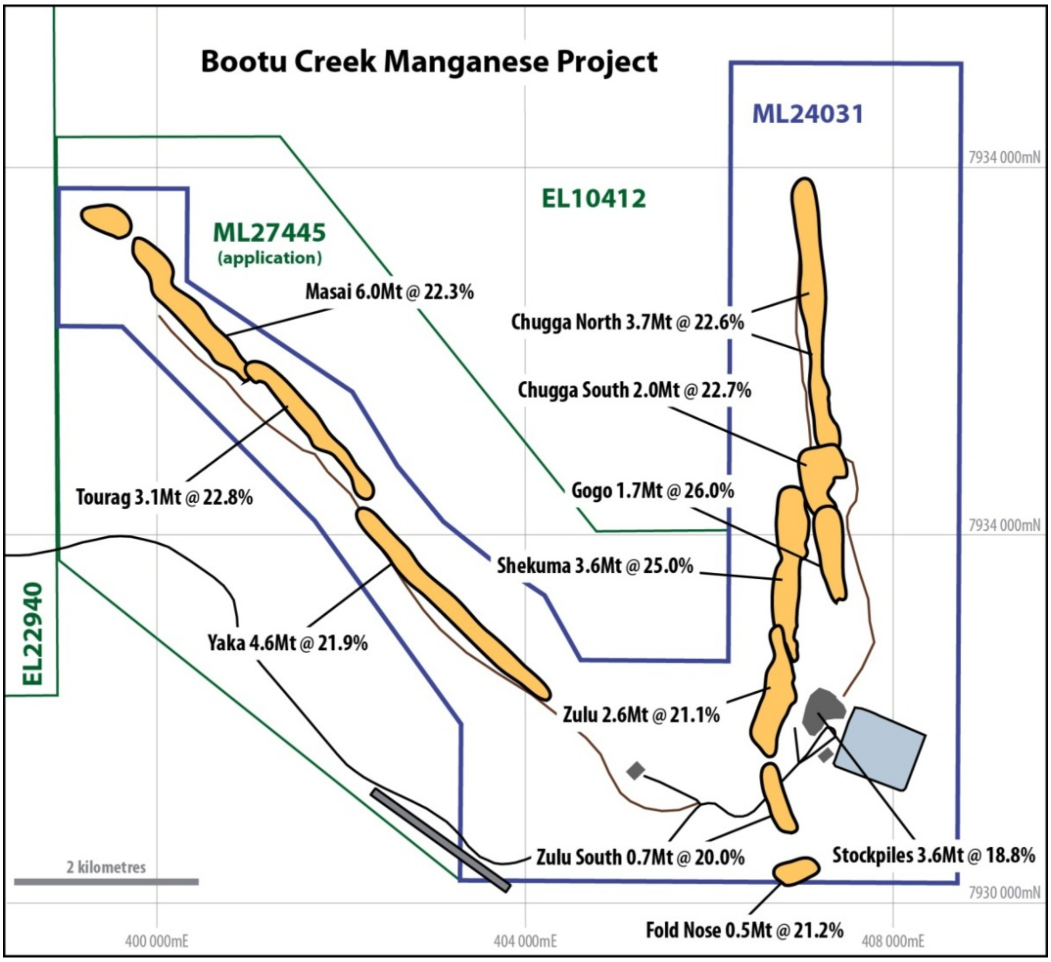
The 31 December 2011 Mineral Resource estimate replaced approximately 90% of the ore processed through the Bootu Creek treatment plant during 2011. Significant changes compared to the 31 December 2010 Mineral Resource estimate included mine depletion of 2.3 million tonnes in 2011 (net of a 0.3 million tonne increase in ROM stocks) and the addition of the three new Mineral Resource estimate models.

Table 3. Bootu Creek: Mineral Resource Estimate as at 31 December 2011

At 15% Mn cutoff	Measured		Indicated		Inferred		Combined*	
Deposit:	Mt	%Mn	Mt	%Mn	Mt	%Mn	Mt	%Mn
Chugga North	0.5	23.1	3.1	22.5			**3.7**	**22.6**
Chugga South	0.4	23.8	1.6	22.4			**2.0**	**22.7**
Foldnose			0.4	21.1	0.1	21.3	**0.5**	**21.2**
Gogo	0.3	25.4	1.3	26.0	0.2	27.0	**1.7**	**26.0**
Masai	1.0	23.7	5.0	22.0			**6.0**	**22.3**
Shekuma	0.8	25.3	2.8	24.9			**3.6**	**25.0**
Tourag	0.7	24.4	2.4	22.3			**3.1**	**22.8**
Yaka			4.6	21.9			**4.6**	**21.9**
Zulu			2.2	21.4	0.4	19.6	**2.6**	**21.1**
Zulu South			0.7	20.0			**0.7**	**20.0**
Renner West					0.3	21.9	**0.3**	**21.9**
Insitu Resource*	**3.7**	**24.2**	**24.1**	**22.5**	**1.0**	**21.9**	**28.8**	**22.7**
ROM Stocks	1.3	16.5					**1.3**	**16.5**
SPP Stocks	2.2	20.1					**2.2**	**20.1**
Total Resource*	**7.2**	**21.6**	**24.1**	**22.5**	**1.0**	**21.9**	**32.3**	**22.3**

* Rounding gives rise to unit discrepancies in this table

Figure 1. Location of Bootu Creek Mineral Resources



The Mineral Resource estimate was calculated using a nominal cut-off grade of 15% Mn. Tonnes were rounded to the nearest 100,000 and Mn % grade rounded to one decimal place.

Measured Resources were restricted to a maximum 15 metres vertical extent beneath the current pit floors and Indicated Mineral Resource were based on a maximum 50 metre spaced drill sections.

The Bootu Creek manganese deposits typically dip around 30^{o} west on the eastern limb and 30^{o} to the northeast on the western limb of the Bootu Creek anticline, with Foldnose dipping 20^{o} to 30^{o} north and northeast. The Renner West deposit consists of 3 outcropping north-south striking en-echelon domains dipping around 25^{o} to the east and extending a maximum of 30 meters beneath the surface.

Foldnose and Zulu South deposits are typical Bootu Creek style deposits. Renner West is the first deposit in the Renner Springs project area to be drill delineated for the Mineral Resource estimate and is located 70 kilometres northwest of the Bootu Creek mine site (see Figure 4). The deposit style consists of multiple thin lenses merging into wider near surface breccia nodes and is classified as an Inferred Mineral Resource. Further manganese occurrences remain to be drill delineated in the Renner Springs Project area.

31 December 2011 – Ore Reserve Update

The 31 December 2011 Ore Reserve reduced 4.1 million tonnes as compared to the 31 December 2010 estimate due partly to mine depletion of 2.3 million tonnes in 2011 (net of a 0.3 million tonne increase in ROM stocks) and the combined effects of higher unit mining costs and the strong Australian dollar utilised in optimising Whittle - Ore Reserve pit shells for each deposit.

Table 4. Bootu Creek: Ore Reserve Summary as at 31 December 2011

At 15% Mn cutoff	**Proved**		**Probable**		**Combined***	
Deposit:	Mt	%Mn	Mt	%Mn	Mt	%Mn
Chugga North	0.4	21.3	1.1	21.1	**1.5**	**21.1**
Chugga South	0.3	21.8	0.6	20.8	**0.9**	**21.1**
Gogo	0.2	22.6	0.7	23.0	**0.9**	**22.9**
Masai	1.0	21.3	2.5	20.2	**3.5**	**20.5**
Shekuma	0.8	22.8	1.4	23.1	**2.2**	**23.0**
Tourag	0.7	22.0	1.0	21.2	**1.7**	**21.5**
Yaka			1.9	20.7	**1.9**	**20.7**
Zulu			1.2	19.7	**1.2**	**19.7**
Insitu Reserve*	**3.4**	**21.9**	**10.5**	**21.0**	**13.9**	**21.2**
ROM Stocks	1.3	16.5			**1.3**	**16.5**
SPP Stocks	2.2	20.1			**2.2**	**20.1**
Total Reserve*	**6.9**	**20.3**	**10.5**	**21.0**	**17.4**	**20.7**

* Rounding gives rise to unit discrepancies in this table

Whittle - Ore Reserve pit shells optimised current Measured and Indicated Resources based on revised mining, processing and logistic costs, and updated processing parameters at a discounted base case FOB Darwin sales price (less royalty) of AUD$5.17/dtmu.

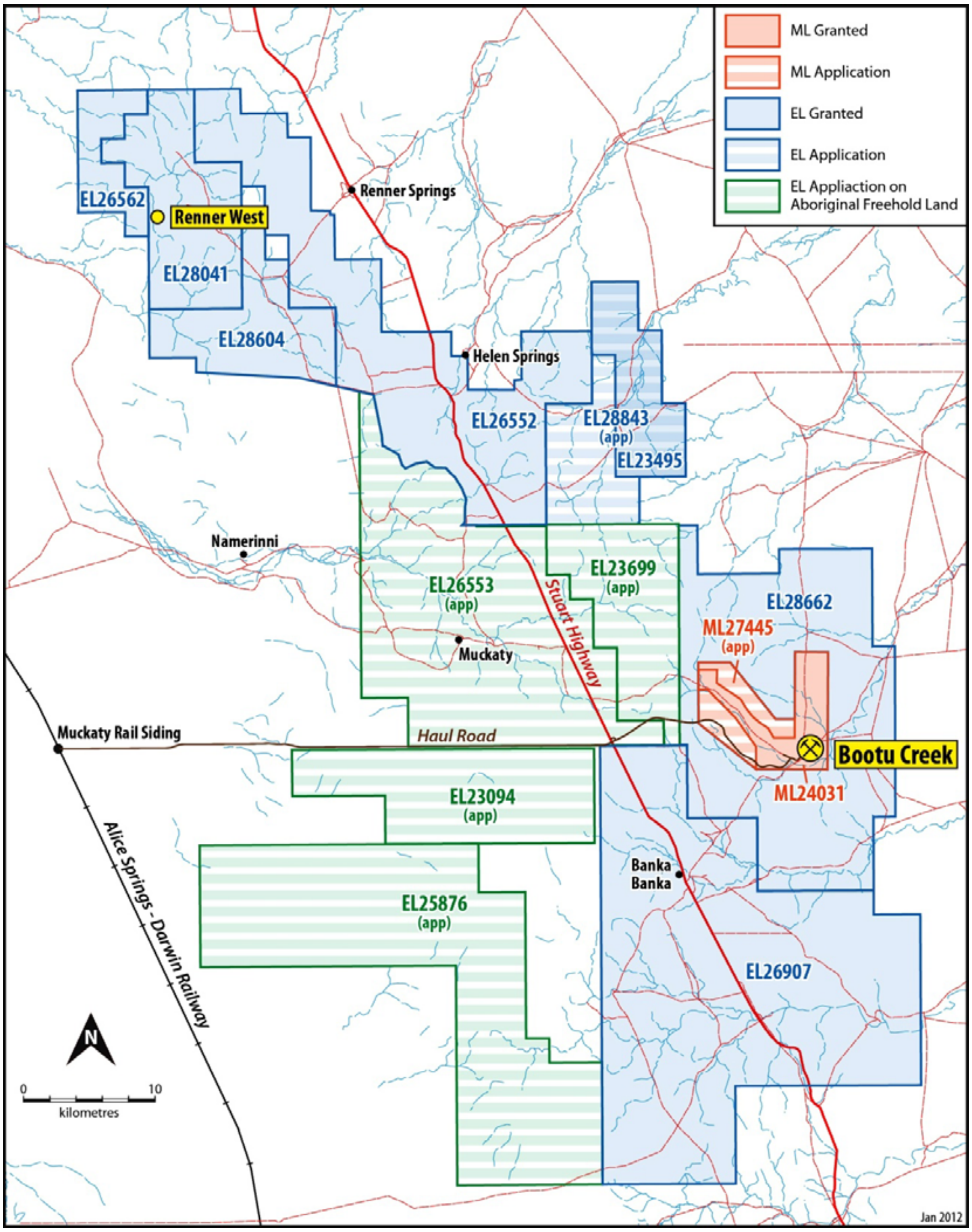
Individual Whittle - Mineral Resource and Ore Reserve pit shell optimisation and parameters were checked and processed by mining consultant Paul O'Callaghan of DumpSolver Pty Ltd.

2011 Exploration Programs

Approximately A$2.4 million was expended on exploration activities in the Bootu Creek and Renner Springs project areas during 2011. Gradient Array IP surveys were conducted at Renner West, Renner Central and Carruthers prospects in the Renner Springs project area (EL28041, EL28604), Helen Springs (EL23495) and at Chugga North, Zulu South, Foldnose, Yaka SE and Masai NW prospects in the Bootu Creek project area (ML24031).

RC drilling in 2011 included 282 holes (15,699m) drilled at Bootu Creek and 168 holes (5,670m) drilled at Renner Springs. RC drilling at Bootu Creek and Renner Springs Project areas included infill and mineral resource extension drilling at Chugga North and Zulu deposits and the delineation of the three new deposits Foldnose, Zulu South and Renner West.

Figure 2. Location of Bootu Creek mine site and Renner West



2012 Exploration Programs

Exploration programs planned for 2012 are intended to focus on identifying new manganese prospects on Exploration Licences located adjacent to the Bootu Creek mine site, including the Renner Springs and Helen Springs Project areas. The programs will include follow up drill testing of IP anomalies identified in 2011 and on additional IP surveys planned in 2012 at Renner Springs and Looa Bore (north of Bootu Creek mine).

RC drill delineation will proceed where significant manganese mineralisation is identified, and/or on incremental extensions of Bootu Creek deposits that remain open down dip or along strike.

Mineral Resource Estimation Details

31 December 2011 mineral resource models for Foldnose, Zulu South, Renner West and updated models for Chugga North and Zulu were based on new/additional RC drilling and were interpreted by OM Manganese Ltd ("OMM") and estimated by resource consultants Optiro Pty Ltd ("Optiro").

Chugga South, Masai, Shekuma and Tourag deposits had no new drilling and the 31 December 2010 mineral resource models previously estimated by Optiro were depleted for ore mined in 2011. Gogo and Yaka had no new drilling or mining activity during 2011 and mineral resource models remained unchanged.

OMM further constrained the mineral resource models listed above by intersecting them with optimised Mineral Resource - Whittle pit shells based on revised mining, processing and logistic costs, processing parameters and revenue assumptions to produce the 31 December 2011 Bootu Creek Mineral Resource disclosed in Table 3.

Grades were estimated using Ordinary Kriging (by Optiro) with searches aligned parallel to the strike and dip of the manganese mineralisation. Bulk density was calculated by OMM on an individual deposit regression based on diamond drill core measurements.
Location, quality and distribution of the current data were sufficient to allow the classification of Measured, Indicated and Inferred Mineral Resources. Search distances were consistent with current and previous work by resource consultants to OMM.

The information in this report which relates to Reporting of Exploration Results, Mineral Resources and Ore Reserves estimation is based on information compiled and checked by Mr Craig Reddell a full time employee of OM (Manganese) Ltd and a Member of the Australasian Institute of Mining and Metallurgy, and modelled by Mr Mark Drabble of Optiro Pty Ltd and Mr Paul O'Callaghan of DumpSolver Pty Ltd, both Members of the Australasian Institute of Mining and Metallurgy. Mr Reddell, Mr Drabble and Mr O'Callaghan have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Reddell, Mr Drabble and Mr O'Callaghan consent to the reporting of this information in the form and context in which it appears.

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 2,400km^2.

Bootu Creek's manganese product is exclusively marketed by the OMH Group's own trading division with a proportion of the product consumed by the OMH Group's wholly-owned Qinzhou smelter located in south west China.

Through its Singapore based commodity trading activities, OMH has established itself as a significant manganese supplier to the Chinese market. Product from Bootu Creek has strengthened OMH's position in this market.

OMH 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:

- *14% shareholding in* ***Northern Iron Limited*** *(ASX Code: NFE), a company presently producing iron ore from its Sydvaranger iron ore mine located in northern Norway; and*

- *8% shareholding in* ***Shaw River Manganese Limited*** *(ASX Code: SRR), a company presently exploring for manganese in Namibia, Western Australia and Ghana.*