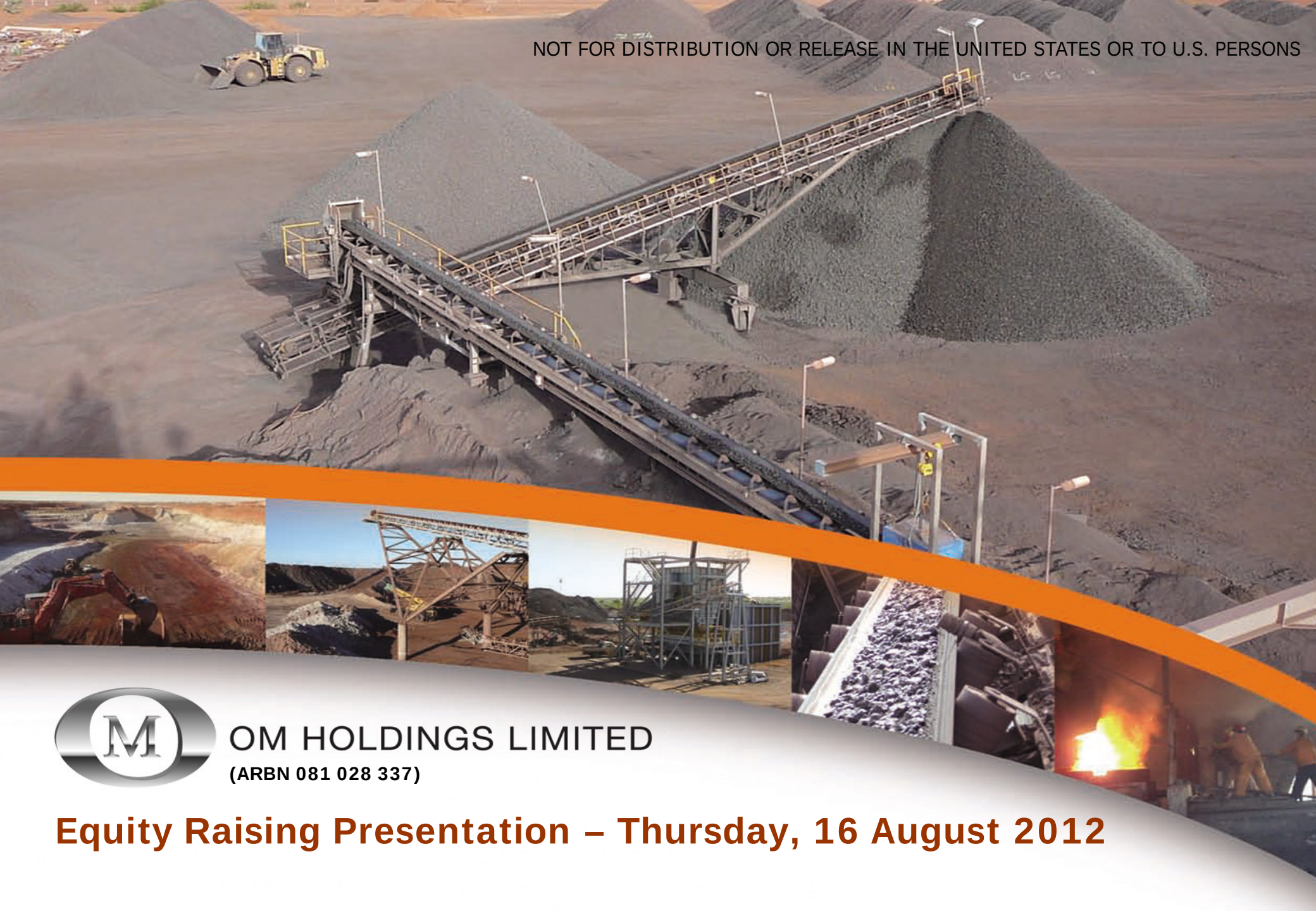


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OM HOLDINGS LIMITED
(ARBN 081 028 337)

Equity Raising Presentation – Thursday, 16 August 2012

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This presentation contains summary information about OMH and its subsidiaries (**OMH Group**) and their activities current as at Thursday, 16 August 2012. The information in this presentation is a general background and does not purport to be complete or to provide all information that an investor should consider when making an investment decision. It should be read in conjunction with OMH Group's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au.

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Future performance (cont.)

Forward-looking statements, which may also include projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This presentation contains such statements that are subject to risk factors associated with mineral exploration and production, ferroalloy smelting and marketing and metal trading industries. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the following risks: dependence on commodity prices, external and internal funding (including for the Sarawak Project) and indebtedness, development project and capital expenditure estimates risks, construction and other operational risks, as well as earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this presentation will under any circumstances create an implication that there has been no change in the affairs of the OMH Group since the date of this presentation.

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Not an offer

This presentation is not and should not be considered as an offer or an invitation to acquire OMH shares or any other financial product and does not and will not form any part of any contract for the acquisition of OMH shares. Eligible shareholders will be entitled to participate in the Entitlement Offer referred to herein under the Entitlement Offer booklet expected to be lodged with ASX on Thursday, 16 August 2012, and despatched on or about Monday, 27 August 2012. Eligible shareholders who wish to acquire shares the subject of the Entitlement Offer should consider the Entitlement Offer booklet in deciding whether to apply under the Entitlement Offer and complete the personalised Entitlement and Acceptance Form which will be in, or will accompany, the Entitlement Offer booklet.

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OMH's advisers (including the lead manager of the Entitlement Offer) have not authorised, permitted or caused the issue, lodgement, submission, despatch or provision of this presentation and do not make or purport to make any statement in this presentation and there is no statement in this presentation which is based on any statement by the advisers. The advisers and their respective affiliates, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this document and make no representation or warranty as to the currency, accuracy, reliability or completeness of information.



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Summary

Sarawak Project Funding

- Equity financing of OMH's 80% share of the 30% equity project funding
 - 3 for 10 non-renounceable entitlement offer of new shares in OMH at A\$0.40 per share to raise ~A\$72.5m (**Entitlement Offer**)
 - Positively supported by a number of OMH's major shareholders, who have committed to take up their full entitlements¹
- Project debt financing – 100% of the 70% debt project funding
 - ~US\$428m (~A\$408m)² facility syndication process commenced and expected to complete in H2, CY2012

Sarawak Project

- Smelter expected to produce ~575,000 tonnes per annum (**tpa**) of ferroalloys
- Development capex expected to be ~US\$592m (OMH share ~US\$474m)³
- Competitive advantages include long term, low cost power and strategic location
- First production expected H1, CY2014, with full capacity production by H1, CY2015
- Power Purchase Agreement signed in Feb 2012 and Detailed Environmental Impact Assessment approved in late May 2012

Mn Market Update

- Manganese ore spot prices have increased from US\$4.75 per dry metric tonne unit (dmtu) CIF China in April 2012 to US\$5.35 per dmtu CIF China in July 2012⁴
- Manganese ore spot price for September 2012 delivery currently US\$5.35 per dmtu CIF China⁵
- Chinese crude steel production continues to drive high grade manganese demand⁶

Note 1: Shareholders holding an aggregate of ~40% of the OMH shares currently on issue have given irrevocable commitments to take up their full entitlements under the Entitlement Offer, representing approximately A\$29m (**Major Shareholder Pre-Committed Amount**) of the gross amount of ~A\$72.5m sought (prior to issue costs, in each case, of ~A\$2m) under the Entitlement Offer. Refer to Appendix slide 35 for the impact if the Entitlement Offer raises only the Major Shareholder Pre-Committed Amount

Note 2: Assumes exchange rate of A\$1/US\$1.05

Note 3: Total estimated capex number of ~US\$592m includes a US\$25m cost contingency component. OMH's 80% share expected to be funded with a combination of project finance debt, at the project level, and equity, at the corporate level (including the net proceeds of the Entitlement Offer). Refer to slide 18 for further details

Note 4: The Tex Report: Friday, 13 April 2012 Vol. 44, No. 10431, The Tex Report: Tuesday, 8 May 2012 Vol. 44 No. 10445, The Tex Report: Wednesday, 6 June 2012 Vol.44 No. 10466

Note 5: The Tex Report: Monday, 30 July 2012 Vol. 44, No. 10503

Note 6: OMH Management

Equity Offer Details

Equity Offer Structure

- 3 for 10 Entitlement Offer at A\$0.40 per share to raise ~A\$72.5m¹
- Up to ~181m new ordinary shares in OMH to be issued (**New Shares**) to rank equally with existing shares in OMH
- Positive significant shareholder support with shareholders holding ~40% of OMH's issued capital committing to take up their full entitlements under the Entitlement Offer
- The Entitlement Offer is **not** conditional on OM Sarawak successfully obtaining project debt financing for the Sarawak Project
- M. H. Carnegie & Co. Pty Limited is the lead manager of the Entitlement Offer and financial adviser to OMH (**Lead Manager**). The Entitlement Offer is not underwritten

Offer Price

- The Entitlement Offer price of A\$0.40 per New Share represents:
 - 9.1% discount to the last closing price of OMH shares on ASX of A\$0.44 on Wednesday, 15 August 2012
 - 7.8% discount to the five day VWAP² ended Wednesday, 15 August 2012

Timetable

- Ex-entitlement date Monday, 20 August 2012
- The Entitlement Offer to eligible shareholders³ open from Tuesday, 28 August 2012 to Monday, 17 September 2012

Record Date

- Friday, 24 August 2012

Use of Funds

- Net proceeds to be applied to the development of the Sarawak Project

Note 1: Shareholders holding an aggregate of ~40% of the OMH shares currently on issue have given irrevocable commitments to take up their full entitlements under the Entitlement Offer, representing approximately A\$29m (**Major Shareholder Pre-Committed Amount**) of the gross amount of ~A\$72.5m sought (prior to issue costs, in each case, of ~A\$2m) under the Entitlement Offer. Refer to Appendix slide 35 for the impact if the Entitlement Offer raises only the Major Shareholder Pre-Committed Amount

Note 2: Volume weighted average prices in this presentation were calculated as the total 5 day volume divided by the 5 day total value of OMH shares sold on ASX up to and including Wednesday, 15 August 2012, excluding any transactions defined as 'special' crossings prior to the commencement of normal trading, crossings during the after-hours adjust phase and any overseas trades or exchange traded option exercises

Note 3: See the Entitlement Offer booklet to be distributed to eligible shareholders, dated on or about the date of this announcement, for eligibility criteria for participation in the Entitlement Offer. Generally, the Entitlement Offer is open to all OMH shareholders on the Record Date other than those with a registered address outside Australia, New Zealand or Singapore in respect of whom OMH determines that it is unreasonable for it to extend the Entitlement Offer to (i.e. those who do not comply with the requirements in Appendix - refer to slides 36 to 38)



Pro Forma Statement of Financial Position¹

Consolidated statement of financial position (all figures A\$ '000)	As at 30 June 2012 ²	Pro Forma adjustments	Full Offer Pro Forma as at 30 June 2012
Current assets			
• Cash	67,705	70,516 ³ (10,868) ⁴	127,353
• Other current assets	269,756		269,756
Total current assets	337,461	59,648	397,109
Non-current assets	251,820		251,820
Total assets	589,281	59,648	648,929
Current liabilities			
• Interest-bearing liabilities	104,373	(10,868) ⁴	93,505
• Other current liabilities	84,011		84,011
Total current liabilities	188,384	(10,868)	177,516
Non-current liabilities			
• Interest-bearing liabilities	81,018		81,018
• Other non-current liabilities	4,974		4,974
Total non-current liabilities	85,992		85,992
Total liabilities	274,376	(10,868)	263,508
Net assets	314,905	70,516	385,421
Equity			
• Capital / contributed equity	30,205	9,062 ³	39,267
• Treasury shares	(2,330)		(2,330)
• Reserves	147,624	61,454 ⁴	209,078
• Retained profits	128,475		128,475
• Outside equity interests in controlled entities	10,931		10,931
Total equity	314,905	70,516	385,421

Note 1: Above and on slide 34 are the Company's consolidated historical and pro forma statements of financial position as at 30 June 2012 (**Financial Information**). The above pro forma statement of financial position (**Full Offer Pro Forma**) gives effect to the Entitlement Offer as though it had occurred as at 30 June 2012 and raised gross proceeds of A\$72.5m (i.e. full take up of entitlements), prior to issue costs of A\$2m. OMH repaid A\$10,868,000 of debt in July 2012 and the pro forma statement of financial position assumes that this had occurred as at 30 June 2012. Refer to Appendix slide 34 for a pro forma statement of financial position giving effect to such debt repayment and to the Entitlement Offer as though it raised only the Major Shareholder Pre-Committed Amount (**Pre-Committed Pro Forma** and, together with the Full Offer Pro Forma, **the Pro Forms**). The Pro Forms are not intended to be statements of the Company's current financial position. The Financial Information has been prepared in accordance with the accounting policies set out in OMH's 2011 Annual Report (**Annual Report**), unless otherwise disclosed due to a change to accounting policies since that date. The Financial Information is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an Annual Report prepared in accordance with the applicable accounting standards and therefore cannot be expected to provide as full an understanding of the financial position of the Company as a statement of financial position in an Annual Report.

Note 2: As per OMH's Interim Financial Report which was subject to audit review and lodged with ASX on Wednesday, 15 August 2012

Note 3: Impact arising from the Entitlement Offer net of costs ~A\$2m assuming all shareholders take up their full entitlements. Refer to Appendix slide 34 to view corresponding figures assuming only the Major Shareholders Pre-Committed Amount is raised

Note 4: Impact arising from actual debt repayment which occurred in July 2012



Indicative Entitlement Offer Timetable

Event	Date
Announcement of Entitlement Offer	Thursday, 16 August 2012
Ex-date: existing shares quoted on an 'ex-entitlement' basis	Monday, 20 August 2012
Record date: identify eligible shareholders and their entitlements (5pm Perth/Singapore Time)	Friday, 24 August 2012
Dispatch of Entitlement Offer booklet and Entitlement and Acceptance Forms to eligible shareholders	Monday, 27 August 2012
Entitlement Offer opens	Tuesday, 28 August 2012
Applications closing date: the last day for receipt of applications (5pm Perth/Singapore Time)	Monday, 17 September 2012
Announcement of shortfall (if any) under the Entitlement Offer	Thursday, 20 September 2012
Settlement of Entitlement Offer	Monday, 24 September 2012
Issue of New Shares under the Entitlement Offer	Tuesday, 25 September 2012
Dispatch of holding statements for New Shares issued under the Entitlement Offer completed	Wednesday, 26 September 2012
Normal trading of New Shares issued under the Entitlement Offer	Wednesday, 26 September 2012

IMPORTANT NOTE: The Company reserves the right, subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws, to vary the above dates of the Entitlement Offer without prior notice, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, or to withdraw the Entitlement Offer without prior notice. No cooling-off rights apply to applications submitted under the Entitlement Offer. The commencement of quotation of New Shares is subject to confirmation from ASX.



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OMH – Corporate Overview

Market and Financial Data¹

Metric		Pre-Entitlement Offer ²	Impact of Entitlement Offer ³	Post-Entitlement Offer
Last price	A\$	0.44	-	-
Ordinary shares on issue	m	604.1	181.2 ³	785.3
Unlisted options	m	19.0	-	19.0
Convertible notes	m	25.0 ⁴	-	25.0
Market capitalisation (undiluted)	A\$m	265.8	70.5 ⁵	336.3

Board of Directors

Name	Position
Low Ngee Tong	Executive Chairman
Peter Toth	CEO, Executive Director
Zainul Abidin Rasheed	Independent Deputy Chairman, NED
Julie Wolseley	Joint Co. Secretary, NED
Wong Yu Loon	NED
Tan Peng Chin	Independent NED
Peter Church (OAM)	Independent NED
Thomas Teo Liang Huat	Independent NED

Major Shareholders (Pre-Entitlement Offer)¹

Shareholder	Shares (m)	~ %
Newtimes Marine Co. Limited and Mr Huang Gang ⁶	60.70	10.0%
Stratford Sun Limited ⁷	58.73	9.7%
Ramley International Limited and Mr Low Ngee Tong ⁸	51.65	8.5%
Dino Company Limited and Ms Heng Siow Kwee ⁹	50.73	8.4%
Boustead Singapore Limited	50.00	8.3%
Hanwa Co., Ltd ¹⁰	25.00	4.1%

Note 1: Sourced from IRESS Market Technology and Company reports

Note 2: As at market close on Wednesday, 15 August 2012

Note 3: Assumes 181,231,545 New Shares are issued under the Entitlement Offer, being all of the shares offered under the Entitlement Offer (i.e. assumes all shareholders take up their full entitlement so that the Entitlement Offer raises gross proceeds of ~A\$72.5m, with issue costs of ~A\$2m). See Appendix slide 35 for the impact if the Entitlement Offer raises only the Major Shareholder Pre-Committed Amount

Note 4: The initial conversion price is A\$0.80 per share, however this is expected to be adjusted after the record date in accordance with the terms of the convertible note due to the impact of the Entitlement Offer

Note 5: Increase in market capitalisation based on an increase in cash as a result of the Entitlement Offer (based on the assumption in Note 3). See also Appendix slide 35

Note 6: Per the substantial holder notices filed by Newtimes Marine Co. Limited and Mr Huang Gang, both have a relevant interest in 60,699,387 shares

Note 7: Per the substantial holder notices filed by Stratford Sun Limited, Consolidated Minerals Limited has a relevant interest in the shares held by Stratford Sun Limited pursuant to OMH's Bye-law 52AAA.1(15)

Note 8: Ramley International Limited is wholly owned by Mr Low Ngee Tong. Per the substantial holder notices filed by Ramley International Limited and Mr Low Ngee Tong both have a relevant interest in 51,645,000 shares

Note 9: Dino Company Limited is wholly owned by Ms Heng Siow Kwee. Per the substantial holder notices filed by Dino Company Limited and Ms Heng Siow Kwee both are associated. Ms Heng holds 3.6m shares personally in the total 50,732,130 shares held

Note 10: Shareholding does not include the shares that may be issued to Hanwa Co., Ltd under the terms of the convertible note described in the OMH ASX announcement of 29 February 2012

Strategic Focus

Vertically integrated business leveraged to the manganese value chain

Manganese Mining & Exploration

Australia

- Bootu Creek – 1.0m tonnes per annum production capacity

South Africa

- Tshipi Borwa (OMH indirect interest of 13%)

Additional exploration

- Bootu, Helen & Renner Springs
- Regional exploration

Ferroalloy Smelting

Operational

- China – 60,000 tonnes of HCFeMn and 300,000 tonnes of manganese sinter capacity for the domestic market

Development

- Sarawak Project (Malaysia) – Ferro Silicon and Manganese alloys, manganese sinter and logistics hub for the Asian and global steel industry (OMH interest of 80%)

Marketing & Trading

OM Sarawak marketing

- Binding offtake term sheets with Hanwa and JFE
- Region-specific marketing agency relationships

Marketing and trading

- Equity product sales
- Marketing agencies
- Third party trading



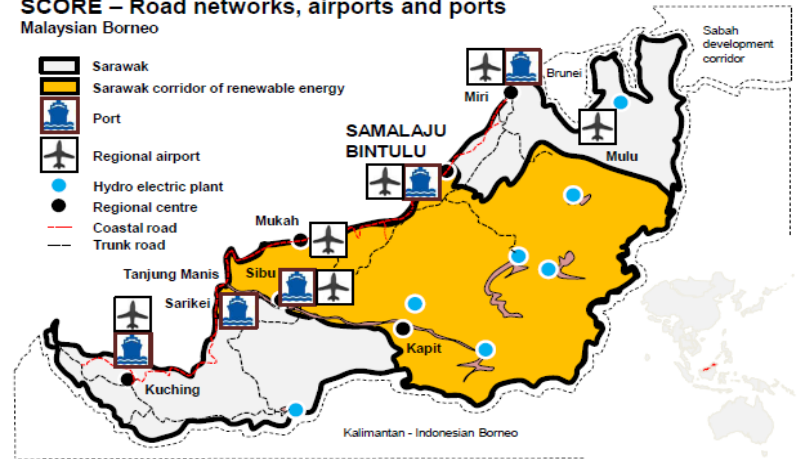
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Sarawak Project Overview

Project and Location

- Sarawak Project owned and being developed by OM Materials (Sarawak) Sdn Bhd (**OM Sarawak**), a joint venture company owned by:
 - OMH (80%)
 - Cahaya Mata Sarawak Bhd (**CMS**) (20%)
- Expected capex ~US\$592m (~A\$564m)¹
- Strategically located within Sarawak Corridor of Renewable Energy (**SCORE**)
- Smelter utilising proven technology and expected to produce ~575,000 tpa ferroalloys for the Asian and global steel markets
- Project modelling includes independent CRU forecasts for product sales prices and key material input costs
- Expected lowest cost quartile producer of ferrosilicon alloy
- Ferrosilicon production planned to be commissioned as a priority in Q1, CY2014 to leverage market conditions, offtake arrangements, higher expected margins and to expedite cash flows
- Planned 22 x 25.5 million volt amperes (MVA) submerged arc furnaces and one 36 square metre manganese ore sintering line

SCORE – Road networks, airports and ports
Malaysian Borneo



Sarawak Project Key Drivers

Power

- 20 year Power Purchase Agreement for 500 MW per annum: take-or-pay basis for initial term of 20 years, with a competitive fixed tariff subject to agreed rate adjustment for inflation
- 2,400 MW capacity Bakun Hydro Dam with 4 turbines (300 MW capacity each) fully commissioned and operating. The other 4 turbines expected to be commissioned in 2013
- All conditions precedent to Power Purchase Agreement were satisfied in May 2012
- Power ~50% of FeSi smelter operating costs¹

Raw Materials

- Reliable high grade, long life, low cost manganese supply (Bootu Creek and Tshipi Borwa²)
- Geographical proximity to other key raw material inputs – quartzite, coke and reductants

Location and Infrastructure

- Industrial land is less than 5km from the Samalaju Port facility (currently under development)
- Purpose-built industrial infrastructure under development
- Proximity to key Asian markets

Incentives

- Tax incentives include a 5 year tax free holiday (statutory corporate tax rate of 25%)
- No current import or export duties

Capability and Partners

- OMH has established mining, smelting and marketing capabilities
- CMS is a leading Malaysian conglomerate and the largest private sector company in Sarawak
- Key strategic relationships including binding offtake term sheets with strategic partners

Note 1: Source: CRU Report "FeSi market, cost and price outlook to 2025", October 2011

Note 2: OMH holds an indirect interest of 13% of Tshipi Borwa, which is expected to commence production during the later part of 2012

Key Relationships, Project Debt Financing and Offtake

Investors and Strategic Relationships

- OMH equity partners
 - Boustead Singapore Limited – SGX¹-listed engineering services business
 - Hanwa Co., Ltd. – TSE¹-listed specialist marketer of steel making ferroalloys (**Hanwa**)
- Project equity partner
 - CMS – listed on the Main Market of the Bursa Malaysia Securities Berhad formerly known as the KLSE
- Project offtake partners
 - JFE Shoji Trade Corporation – a member of the JFE Group, which includes JFE Steel Corporation (**JFE**)
 - Hanwa

Project Debt Financing Update

- Sarawak Project is expected to be 70% project debt finance funded (US\$428m) by a consortium of banks
- Leading Malaysian and international banks have submitted indicative funding participation terms
- See slides 18 and 19 for further details

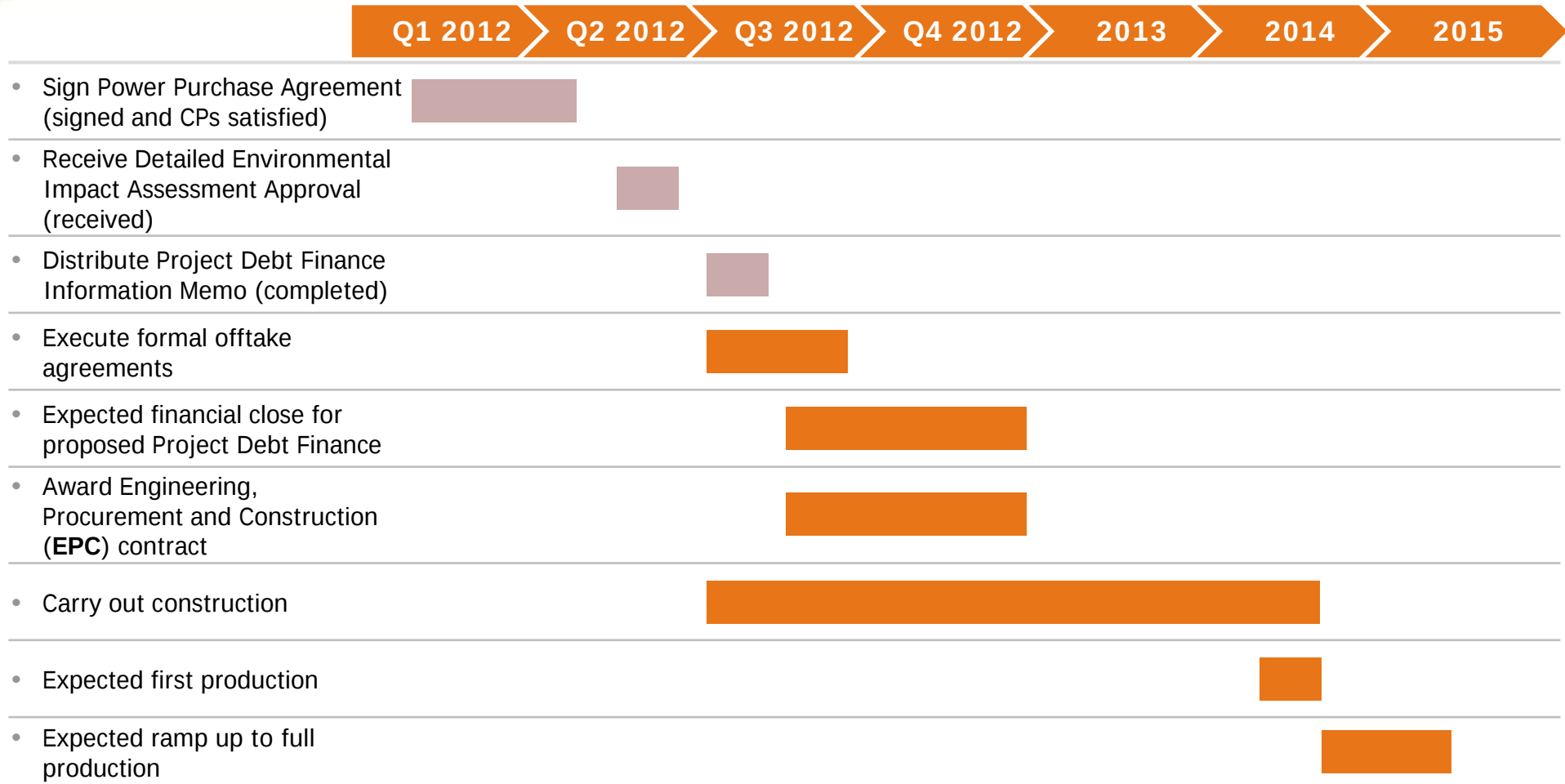
Offtake Arrangements

- OM Sarawak is targeting to secure up to 60% of production under offtake agreements focused on end-user integrated steel mills²; approximately 42% of FeSi production and 26% of Mn alloy production offtake has been secured to date
- Balance to be sold under market-driven arrangements to leverage on OMH's market reach and sales expertise
- Initial focus is to secure offtake for FeSi production, in line with construction and production optimisation targets
- Binding offtake term sheets in place
 - JFE signed in June 2012 and Hanwa signed in July 2012

Note 1: Listed on the Singapore Exchange; TSE is the Tokyo Stock Exchange

Note 2: This is expected to be a requirement under the Project Debt Finance Facility

Sarawak Project Indicative Timetable¹

 Completed


Note 1: These dates are indicative only and are subject to change without notice. OMH gives no guarantee that this timetable will be met. OMH's ability to meet the timetable is affected by a variety of matters, including matters outside of OMH's control. The proposed Project Debt Finance is subject to negotiation, agreement and execution of formal documentation with Standard Chartered Bank (OMH's financial adviser in relation to the Project Debt Finance) and all other relevant parties that is on terms acceptable to OM Sarawak and OMH. Please also refer to the "Key Risks" on slides 21 to 32 for more detail.



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Indicative Sarawak Project Funding Overview (100 %)

Proposed Uses	A\$m ⁸	Sources	A\$m
Estimated capital expenditure ¹	564	Total Debt (70 %) ⁸	408
Working capital	28	• Project finance ^{3,8}	408
Other ²	(9)	Total Equity (30 %)	175
		• OMH (80 % equity contribution)	140
		– Equity contribution to date	35
		– Entitlement Offer ⁴	70.5
		– Balance of equity contribution required	34.5
		– Cash on hand ⁵	~44
		– ASX listed investments ⁶ (NFE and SRR)	~30
		• CMS (20 % equity contribution)⁷	35
		– Equity contribution to date ⁸	9
		– Balance of equity contribution required ⁸	26
Total	583	Total	583

Note 1: Includes a contingency for US\$25m. There is also additional cost overrun provisioning included in the modelling for the Sarawak Project (but not in this estimated capex amount) of US\$60m to be funded 50/50 by debt and equity by OM Sarawak, if required

Note 2: Includes net pre-operating expenses and an estimate of funding costs

Note 3: Assumes the project debt financing (excluding a US\$30m cost overrun facility) for the Sarawak Project can be obtained on terms acceptable to OM Sarawak and within the expected timeframe. See slide 22 for further information on "Key Risks – Funding (including for the Sarawak Project) and indebtedness". Debt amount does not include OMH's contingent liabilities arising from (1) the sponsor guarantee given in connection with its 80% share of OM Sarawak's obligations (including but not limited to termination payments, late payment interest and guaranteed obligations) under the Power Purchase Agreement entered into with Syarikat SESCO Berhad (SSB) on 2 February 2012 (OMH's maximum exposure under the sponsor guarantee is MYR496 million (approximately A\$153 million) plus enforcement costs pursuant to any dispute plus any late interest payments) (2) the corporate guarantee for its 80% share of the issuance of a banker's guarantee in favour of SSB to cover but not limited to unpaid claims on the interconnection facilities constructed by SSB. OMH's maximum exposure until the completion of testing and commissioning (assuming no events of default) is approximately MYR25 million (approximately A\$8 million) or (3) the completion guarantee expected to be given by OMH in connection with the Sarawak Project debt financing.

Note 4: Estimated net proceeds of the Entitlement Offer assuming all shareholders take up their full entitlement so that the Entitlement Offer raises A\$72.5m (prior to issue costs of ~A\$2m). The Entitlement Offer, which is not underwritten, is expected to raise at least the Major Shareholder Pre-Committed Amount of ~A\$29m (prior to issue costs of ~A\$2m). In the event that the Entitlement Offer raises no more than the Major Shareholder Pre-Committed Amount, the net proceeds of the Entitlement Offer, together with the OMH Group cash on hand and the proceeds of the sale of its ASX-listed investments may not be fully sufficient to fund OMH's required equity contribution to the Sarawak Project. See slide 19 for details of OMH's contingency plans for this possibility

Note 5: Cash and bank balances as at 30 June 2012 after debt repayment of A\$10,868,000 in July 2012 and excluding cash and bank balances in OM Sarawak of A\$12,651,000

Note 6: Principally comprised of the expected proceeds of sale of the 52,482,500 shares in Northern Iron Limited (NFE) held by OMH (based on the closing price of NFE shares on ASX on Wednesday, 15 August 2012 of A\$1.14) and less a mandatory debt repayment of ~A\$30 million under OMH's corporate level debt financing facility that would be triggered by the sale

Note 7: Assumes CMS contributes its share of the required equity funding of the Sarawak Project pursuant to the joint venture arrangement governing OM Sarawak. See "Key Risks – Joint Venture Risks" on slide 24

Note 8: Converted at a rate of A\$1/US\$1.05

Project Funding

Project Debt Facility

- Standard Chartered Bank (**SCB**) appointed as financial adviser for Sarawak Project Debt Finance
- SCB and OMH prepared a detailed Information Memorandum (**IM**) which was dispatched to prospective lenders in early July 2012
 - IM and associated due diligence process subject to independent technical review by Evans & Peck (member of the WorleyParsons Group) and independent market analysis by CRU Strategies (division of CRU International Limited)
- Sarawak Project is expected to be 70% project debt financed by a consortium of international and regional banks
 - There has been a positive response to the IM with initial indicative funding participation amounts received from 6 major banks to date, including Malaysian, Chinese and international banks, including SCB
 - The funding participation amounts collectively well exceeded the project's debt funding requirements
- Expected execution of Project Debt Finance Facility documents in H2, CY2012
- OMH and CMS to provide a completion guarantee on a several, pro-rata basis

Entitlement Offer

- The Entitlement Offer is **not** conditional on OM Sarawak successfully obtaining project debt financing for the Sarawak Project
- OMH will use the net amount raised under the Entitlement Offer to fund the development of the Sarawak Project
- The Entitlement Offer is not underwritten and there is no guarantee that OM Sarawak will obtain the project debt financing sought or that it will be offered on terms acceptable to OM Sarawak
- Should project financing not be fully obtained or a lower amount than necessary be raised under the Entitlement Offer, then OMH and OM Sarawak will evaluate the design and execution of staged development alternatives in a technically and commercially viable manner



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Key Risks

GENERAL RISKS

There are various risks associated with investing in OMH, as with any stock market investment and, specifically, because of the nature of OMH Group's investments, mineral exploration, production and processing assets and the present stage of development of certain of these assets. This includes projects in which the OMH Group has an interest, including, the Sarawak Project (80% interest) and Tshipi Borwa manganese project (indirect 13% interest) both of which are currently under development. A reference to OMH or the OMH Group in this "Key Risks" section should therefore be taken to include, where relevant, a reference to those project interests.

Potential investors should consider whether the New Shares offered in the Entitlement Offer are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. Many of those risk factors are outside the control of OMH's directors.

It is important to recognise that share prices might fall or rise and shareholders may or may not receive dividends. Factors affecting the operating and financial performance of the OMH Group and the market price of OMH shares include domestic and international economic conditions and outlook, changes in government fiscal, monetary, taxation, regulatory policies, changes in interest rates and inflation rates, changes to commodity prices, the announcement of new technologies and variations in general market conditions and/or market conditions which are specific to a particular industry. In addition, share prices of many companies are affected by factors which might be unrelated to the operating performance of the relevant company. Such factors might adversely affect the market price of OMH shares.

The forward-looking information provided in this presentation with respect to, but not limited to, production forecasts, growth forecasts of OMH's resources and reserves, sales, earnings and capital expenditure estimates is based on certain assumptions which are inherently subject to significant uncertainties. The actual results of the OMH Group's operations in future years may therefore differ from its current estimates.

SPECIFIC RISKS

Dependence on commodity prices, particularly manganese and ferroalloy prices

The demand for, and price of, minerals is highly dependent on a variety of factors, including international supply and demand, the price and availability of alternative products, actions taken by governments, and global economic and political developments. Given the OMH Group's vertically integrated business model, which primarily focuses on exploration, mining, sintering, smelting and marketing/trading (including via direct investments or joint ventures in manganese and iron ore assets of varying degrees of maturity) of manganese and manganese products, the OMH Group's operating and financial performance is heavily reliant on the prevailing global price of manganese and ferromanganese intermediate products. Volatility in global manganese and ferroalloy markets may therefore materially affect OMH's profitability and financial performance and the price of its shares. In addition, any sustained low manganese price will adversely affect OMH's businesses, financial results, and its ability to finance its development projects (such as its interest in the Sarawak Project, the development of which is dependent on OMH's ability to secure significant project financing commitments), its investment projects (such as its investment in the Tshipi Borwa manganese project in South Africa, with OMH's remaining investment commitment expected to be financed via OMH Group operating cash flows) or its planned capital expenditure commitments (in the ordinary course of the OMH Group's operations).

Key Risks

SPECIFIC RISKS (cont.)

Dependence on commodity prices, particularly manganese and ferroalloy prices (cont.)

The factors which affect the price of manganese ore and ferromanganese intermediate products are largely outside of the control of OMH and its directors and include, but are not limited to: global manganese supply and stockpiles; global demand for manganese and ferromanganese intermediate products; the velocity and intensity of global steel manufacturing (and particularly, Chinese steel manufacturing); political developments in manganese producing countries; the weather in manganese producing regions; the price and availability of manganese substitutes; and the sentiment or economic conditions in the countries and sectors in which the OMH Group sells its products. Given this complex array of factors which contributes to the price of manganese and ferromanganese intermediate products, it is particularly difficult for OMH to predict with any certainty the prevailing price for manganese products.

Funding (including for the Sarawak Project) and indebtedness

OMH's continued ability to operate its business and effectively implement its business plan over time will depend in part on its ability to generate or raise additional funds for future operations and to repay or refinance debts as they fall due. Existing funds may not be sufficient for expenditure that might be required for acquisitions, new or existing projects, further exploration and feasibility studies. For example, while the OMH Group intends to finance OMH's investment commitment to the Tshipi Borwa manganese project from its OMH Group operating cash flows, there can be no guarantee that the cash flows will be sufficient for this purpose. Additional equity or debt funding may not be available to the OMH Group on favourable terms, if at all. If adequate funds are not available in the future on acceptable terms, the OMH Group may not be able to continue its business or particular developments, take advantage of opportunities, develop new ideas or respond to competitive pressures.

In particular, the Sarawak Project requires significant future external funding to complete the development and commissioning phase. The OMH Group and its Sarawak Project joint venture partner, CMS, are currently seeking, through OM Sarawak, project debt financing for the Sarawak Project of approximately US\$428m (~A\$408m) for the project from a range of regional and international banks. The project debt financing continues to be the subject of evaluation and assessment of the Sarawak Project by prospective lenders and is dependent on the ability of the project company, OM Sarawak, to secure a suitable EPC contract, as well as sufficient offtake and feedstock agreements, relating to the project (together, the **Project Contracts**) in a form satisfactory to the lenders. Accordingly, there can be no assurance that the project debt financing for the Sarawak Project will be secured or, if it is, that it will be on favourable terms. Even if binding agreements in relation to the project debt financing are entered into, there is a risk that the conditions precedent to draw down the funding (which are expected to include customary matters such as legal and technical opinions satisfactory to the lenders, as well as expenditure of the equity financing) will not be satisfied. Further, while the project debt financing is expected to be non-recourse to the OMH Group and CMS, it is expected that OMH and CMS will be required provide completion guarantees. If the development of the Sarawak Project does not proceed as expected (as to which see below under "Development project and capital expenditure estimates risks"), OMH's completion guarantees may be called upon. This could impact on the OMH Group's financial performance or position. Also, it is expected that the project financing will be secured by all of the assets of the Sarawak Project. Accordingly, if the borrower under the project debt financing fails to repay the monies borrowed, the secured project financiers could proceed against the Sarawak Project assets.

Aspects of the project debt financing, such as interest rates and exchange rates, are likely to be hedged or required to be hedged by the lenders. There can be no assurance that OM Sarawak or the OMH Group will be able to hedge such exposures on acceptable terms in the future or that any hedging conducted by OM Sarawak or the OMH Group will be effective or will not result in an adverse financial impact arising from the inability to benefit from a favourable movement in interest or exchange rates.

Key Risks

SPECIFIC RISKS (cont.)

Funding (including for the Sarawak Project) and indebtedness (cont.)

As the OMH Group has other existing external borrowings, there is a risk that it may not be able to service its debt obligations. The OMH Group is also exposed to risks relating to the covenants in, and the refinancing of, those existing external borrowings (see for example, OMH's quarterly update given to ASX on Tuesday, 17 April 2012, which detailed the terms of a successful refinancing of its term loan facilities, following a technical breach by an OMH Group member of certain covenants embedded within those loan facilities). Factors such as a deterioration in the OMH Group's financial performance, falls in manganese prices and adverse changes in the Australian dollar (some of which are beyond OMH's control) could lead to the OMH Group not being able to service its debts or again breaching its covenants. In such circumstances, lenders may require that loans be repaid immediately. If this occurs, the OMH Group may need to refinance at a higher cost of borrowing or on more restrictive terms (if refinancing is available at all). If the OMH Group's existing external borrowings are not able to be refinanced and are required to be repaid, it is possible that the OMH Group will need to realise assets for less than their fair value, which could impact the OMH Group's future cash flows and financial condition. If the amounts cannot be repaid, secured financiers could proceed against the security granted to them to secure the debt owed. Changes in the availability and cost of debt will impact the OMH Group's earnings and may impact on financial performance and the ability to conduct its operations.

In addition, if the terms of the EPC contract for the Sarawak Project are materially less favourable to OM Sarawak than expected, the capital costs associated with the Sarawak Project may be greater than expected.

Development project and capital expenditure estimates risks

The OMH Group is presently investing a significant amount of capital in the Sarawak Project and the Tshipi Borwa manganese project. These investments expose the OMH Group to a number of project-specific risk factors which are not present in its more mature operations or other circumstances (including, in the case of Tshipi Borwa, unfavourable geology, poor weather, inability to obtain work permits or port and rail allocations and insufficient availability of water and, in the case of the Sarawak Project, delays in development of the Samalaju Port, delays in the delivery of the materials required to construct the project, greater than expected needs for spare parts, any lack of co-ordination between the EPC contractor and sub-contractors and, if relevant, potential additional environmental applications in respect of slag storage) which may result in the project's delay, suspension or termination. Accordingly, and as with any pre-revenue development project, the Sarawak Project or the Tshipi Borwa manganese project may be delayed or may even be unsuccessful for many reasons, including unanticipated financial, operational or political events, cost overruns, a decline in prices or demand for processed manganese products, equipment and labour shortages, technical and engineering concerns, environmental issues, increased operating cost structures, community or industrial actions or other circumstances which may result in the projects' delay, suspension or termination. Any of these risks could result in the capital costs associated with the Sarawak Project or the Tshipi Borwa manganese project being greater than expected and may also necessitate increased funding requirements which could lead to additional equity or debt issuances being conducted by OMH.

Key Risks

SPECIFIC RISKS (cont.)

Construction and other operational risks

While the current capital expenditure and cost estimates of the development activities at the Sarawak Project are the best estimates currently available, there is no guarantee that actual costs will equal OMH's currently anticipated development costs. In addition, industrial and labour disputes, work stoppages and accidents, logistical and engineering difficulties with the Sarawak Project may also have an adverse effect on OMH's profitability and share price. The Sarawak Project is also reliant upon the construction of the Samalaju Port and related infrastructure in close proximity to the Sarawak Project both of which are not under the control of OMH and are currently being developed (the funding for which OMH understands is not yet in place). If such funding is not able to be obtained (or is not obtained by those undertaking the construction) the construction of the barge landing area at the Samalaju Port (phase 1 of construction) may be delayed beyond Q1 2014 and there may be a risk to the Sarawak Project production timeline.

Raw materials and offtake agreements

The success of the Sarawak Project depends in part on obtaining secure sources for raw material supply at reasonable prices and having certainty of offtake for final products once the smelting plant is constructed and operational. As at the date of this presentation, while OM Sarawak has obtained a number of binding term sheets in respect of certain of these items, no final formal contracts of this nature are in place and there can be no guarantee that such contracts will be able to be entered into on terms consistent with the OMH Group's expectations. That is, there is a risk that such contracts will be on terms less favourable to OM Sarawak than expected or not available at all.

Impact of inflation on costs

Higher than expected inflation rates generally, or specific to the mining industry in particular, could be expected to increase operating and development costs and potentially reduce the value of future project developments. While, in some cases, such cost increases might be offset by increased selling prices, there is no assurance that this would be possible.

Joint venture risk

The BorwaGroup is in a number of partnerships in relation to the ownership of certain of its assets and developments (including the Sarawak Project and the Tshipi Borwa manganese project). Structures of this type impose a number of constraints that do not exist where the asset is fully owned. In most cases, the OMH Group cannot make business decisions without consultation with (and, in many cases, unanimous agreement of) the other co-owners, including in relation to capital expenditure on and cash distributions from these assets. The OMH Group's ability to sell its interest in these assets may require the prior approval of the co-owners, or (in some cases) is subject to pre-emptive rights. Disagreements between joint venture partners or failure of other joint venture partners to perform their obligations under the joint venture arrangements (including the provision of funding) and delays in the approval process may adversely impact the value of the assets and developments.

For example, if CMS were to default on its obligation to fund its 20% portion of the equity funding for the Sarawak Project, there can be no assurance that the OMH Group will be able to fund the shortfall or attract strategic or other investors to make up the funding deficit.

Key Risks

SPECIFIC RISKS (cont.)

Production risk

Current production levels and stated production targets from, and exploration and exploration potential of, the Bootu Creek Manganese Mine may not be maintained or perform as expected. There is also the potential for delay in the achievement of targeted production levels and/or a failure to achieve the level of exploration success that is required to maintain current output or achieve future expected production levels. The operation of the Qinzhou smelter involves, and the operation of the Sarawak Project will involve, a number of inherent risks. Specifically, the plants are or will be reliant on critical equipment, such as furnaces and mills, and such equipment may incur downtime as a result of unanticipated failures or other events, such as fires, furnace breakdowns or loss of external power supply. This may materially and adversely impact the Company's business and profits in terms of production and penalties arising from the agreements (such as the Power Purchase Agreement and offtake agreements) to which it is a party.

In each of the OMH Group's operating activities, there is a risk that capital requirements and/or operating costs will be higher than expected or there will be other unexpected changes in the variables upon which production decisions are made. OMH's operating cost expectations for the Sarawak Project are based on its experience from its smelter in Qinzhou, China. There can be no guarantee, however, that the costs incurred to operate the Sarawak Project smelter will not be higher (including because of distance from suppliers and distributing regulations). The OMH Group's activities at its operational Bootu Creek Manganese Mine, its interest in the Sarawak Project and the Tshipi Borwa manganese project (each under development) and its activities at the Qinzhou smelter may also be affected by numerous other factors entirely beyond OMH's control. Mechanical failure of the OMH Group's operating plant or equipment, and other unanticipated technical or operational difficulties (including failure or damage caused by adverse weather conditions such as flooding, earthquakes, fire and other poor weather), may adversely affect OMH's operational and financial performance. In extreme circumstances, these potential risks or difficulties may necessitate additional funding requirements which could lead to additional debt or equity raisings being conducted by OMH.

Nature of manganese exploration and production

Manganese exploration and production involves risks, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. The OMH Group's mining operations are subject to hazards normally encountered with exploration and production enterprises and include, but are not limited to: unexpected or disappointing geological conditions or exploration results, hazards to employees and other incidents which could result in damage to plant or equipment or personal injuries, in each case which may cause a material adverse impact on the OMH Group's operations and financial results.

Mineral resources and ore reserves

No assurance can be given that the anticipated tonnages and grade of manganese ore will be achieved during production or that the indicated level of recovery rates will be realised. Material price fluctuations, as well as increased production costs or reduced recovery rates, may render ore reserves containing relatively lower grades uneconomic and may ultimately result in a restatement of such ore reserves. Moreover, short-term operating factors relating to ore reserves, such as the need for sequential development of ore bodies and the processing of new or different ore types or grades may cause a mining operation to be unprofitable in any particular accounting period.

Key Risks

SPECIFIC RISKS (cont.)

Transportation of manganese ore

The manganese product produced at the Bootu Creek Manganese Mine is required to be bulk transported by truck, rail and sea to both end users and the OMH Group's sintering and smelting operations in the Qinzhou, China (and in the future to its Sarawak Project smelting facility in Malaysia). There are risks associated with each stage of this bulk transportation process including the condition and maintenance of roads, trucks, rail lines, trains, and port facilities. Given the remoteness of the Bootu Creek Manganese Mine site and of the Sarawak Project, and the vast distances that OMH's product travels in order to be delivered to either OMH's intermediate processing facilities or end users as the case may be, there is a risk of accidents (such as the accident which was announced by OMH on 3 January 2012, where a freight train bound for Darwin derailed on Edith River Bridge, which caused delays to a number of OMH's scheduled export shipments), unexpected transportation and fuel costs and unexpected delays that could each singly or collectively negatively impact upon OMH's financial performance and condition.

The Sarawak Project is located in a remote location which will make it susceptible to limitations in transport services and costs associated with transportation due to, amongst other things, rises in the price of fuel and also makes it susceptible to the availability of personnel, specialist services, parts, equipment and supplies on a timely basis.

Availability and cost of key equipment

The OMH Group has significant equipment and construction material requirements for both its current operations and its development activities and any delay on the part of such equipment and material suppliers to deliver to schedule, or any cost increases could have an adverse impact on the OMH Group's financial performance and/or financial position.

Sintering and smelting operations

OMH's Qinzhou manganese sinter plant and alloy smelter operations are particularly vulnerable to power and energy disruptions which may impair the plant's productive capacity and output performance and ultimately OMH's profitability and financial condition. Other factors, including the price of manganese, the demand for steel, the availability and price of manganese substitutes, cost overruns, a decline in prices and demand for processed manganese products, equipment and labour shortages, technical and engineering concerns, environmental issues, increased operating cost structures, community or industrial actions or other circumstances could impair the plant's productivity or economic performance. Any of these risks may necessitate additional funding requirements which could lead to additional equity or debt issuances.

Key Risks

SPECIFIC RISKS (cont.)

Environmental regulation

Environmental regulations both in Australia and overseas imposes significant obligations on companies that conduct the exploration for and mining of manganese ores. The regulations also cover the subsequent transportation of those minerals and its sintering and smelting, as well as the possible effects of such activities upon the environment and local communities. The OMH Group must comply with all known standards, existing laws, and regulations which may entail greater costs and delays depending on the nature of the activity to be permitted and how vigorously the regulations are administered by the local permitting authorities. In addition, changes in these laws and regulations may adversely affect the OMH Group's operations, including the profitability of the operations. Environmental legislation is evolving in a manner which may require stricter standards and enforcement and expose relevant operators to the risk of increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environment regulation, if any, will not adversely affect OMH's operations.

Climate change

The OMH Group's activities, including mining and smelting, are energy intensive and depends on fossil fuels. Changing Government regulation and policy responding to climate change may adversely affect the OMH Group's cost of operations and reduce its profitability.

Recently, the Australian government enacted the Clean Energy Act 2011 (Cth) (**CEA**) and a series of related legislation introducing a national greenhouse gas emission trading scheme through a carbon pricing mechanism (**CPM**). Under the CEA, the CPM will initially operate for a period of 3 years (1 July 2012 – 30 June 2015) as a fixed price mechanism and, from 1 July 2015, will convert into an emissions trading mechanism. During both the fixed price period and later when the flexible price emissions trading scheme commences, emitters of greenhouse gases who emit in excess of specified thresholds will be liable to purchase and relinquish carbon units for each equivalent tonne of carbon dioxide released into the atmosphere.

Even if the OMH Group is not directly liable under the CEA, the commencement of the CPM and associated regulatory changes is likely to raise the OMH Group's production costs, particularly in relation to fuel and energy costs.

The CPM will begin with a three-year escalating price phase, before converting to a flexible price, cap-and-trade emissions trading scheme. During the fixed price phase, prices will be set by the Australian Government, initially at a price of A\$23 (representing A\$23 per tonne of carbon equivalent) and rising at 2.5% per annum until 30 June 2015. For the first three years of the flexible price phase, the price of emissions units will be determined by the market but will be subject to regulated floor and ceiling prices. From 1 July 2018, the price cap and floor will be removed and the emission unit price will be determined wholly by the market.

Key Risks

SPECIFIC RISKS (cont.)

Climate change (cont.)

The Australian Productivity Commission has been commissioned by the Australian Government to review arrangements for emissions-intensive trade exposed industries in 2014/2015 with a minimum three years' notice of any changes. The potential impact of the CPM beyond the first four years will depend on a range of factors, including the outcome of the proposed review and the government of the day's response to the review.

There is a risk that costs associated with carbon emissions may impact profitability to the extent that the Company is unable to pass these onto customers and may impact the commercial viability and value of the existing facilities.

There is also a risk that a change in the Australian Government could result in the CEA being amended or repealed. The consequences of a repeal of the amendment of this legislation could be negative or positive for the OMH Group. The Leader of the Opposition has indicated that if elected, any Coalition Government would repeal the CEA and dismantle the carbon pricing mechanism. However, the Leader of the Opposition has also indicated support for the Government's unconditional position of achieving a 5% reduction of greenhouse gases (measured against 2000 levels) by 2020. Details of the method by which the Opposition proposes to achieve any such reduction have not been announced, but it is intended to reduce emissions by tree planting, better soil management and changes in technology.

Carbon/emission schemes in other jurisdictions

In addition to Australia, it is possible that other countries in which the OMH Group operates, such as Singapore, Malaysia, South Africa or China, may introduce regulations which impose a cost on greenhouse gas emissions and energy intensive assets with application to OMH Group operations. Subject to the terms of these regulations, these regulations could materially impact the OMH Group's operations, directly or indirectly.

Key personnel and labour market risk

The OMH Group has a number of key management personnel on whom it depends to run its business. In addition, OMH Group may, from time to time, require additional key personnel or operational staff. The loss of any key personnel, coupled with any inability to attract suitably qualified replacement personnel, or in the ability to attract suitably qualified additional personnel could have a material adverse effect on the OMH Group's financial performance.

OMH Group may face difficulty attracting such personnel given in certain cases the remote location of the projects, (in the case of the Sarawak Project) the inexperience of persons local to the project with work of the nature required at the smelter, the lack of infrastructure in the nearby surrounding areas, and the shortage of a readily available labour force. A limited supply of skilled workers could lead to an increase in labour costs and the OMH Group being unable to attract and retain the employees it needs. When new workers are hired, it may take a considerable period of training and time before they are equipped with the requisite skills to work effectively and safely.

Industrial action

The OMH Group is conscious of its reliance on skilled and productive employees and contractors to maintain its production levels. It has taken deliberate steps to be thorough in selecting individuals with such characteristics to be its employees. Any industrial action by the OMH Group's employees or its contractors' employees has the potential to disrupt mining exploration and consequently, may adversely affect the OMH Group's financial performance and/or financial position.

Key Risks

SPECIFIC RISKS (cont.)

Health and safety

Health and safety regulation affects the OMH Group's activities. Exploration and mining are potentially hazardous activities. If any injuries or accidents occur in a mine, this could have financial implications for OMH including potential delays or stoppages. In Australia, the occupational health and safety laws to which OMH Group is subject are undergoing changes as a part of the OH&S law harmonisation program being implemented by the Federal and State Governments of Australia. Any failure by the OMH Group to comply with the new codes (for example, a failure to update its policies) could expose the OMH Group to liability.

Currency and exchange rate risk

As the OMH Group's activities produce revenues and incur expenses in a variety of different currencies its profitability, financial performance and position are impacted by fluctuations in exchange rates. Accordingly, the OMH Group is exposed to exchange rate risk which may materially affect its financial performance.

Counterparty risk and reliance on third parties

As part of the OMH Group's ongoing commercial activities, OMH entities enter into sales, supply and other contracts with various third parties for the delivery of manganese ores and ferromanganese intermediate products and for the provision of raw materials (including electricity and energy) into the sintering and smelting of manganese ore products. Members of the OMH Group also use contractors and other third parties for exploration, mining and other services generally. In addition, OM Sarawak expects to enter into the Project Contracts (as well as other contracts, such as in relation to maintenance) in connection with the Sarawak Project.

The ability of counterparties to meet their commitments under such commercial arrangements or problems caused by third parties, may impact on the OMH Group's financial and operational performance. For example, if the EPC contractor fails to properly manage the Sarawak Project (including dealing with stakeholder issues or interface with sub-contractors, which are significant for a project of this size) or otherwise fails to perform the EPC contract (whether because of capacity constraint, lack of familiarity with the location or otherwise), the success of or costs to complete the Sarawak Project may be adversely impacted. There can be no assurance that the OMH Group would be successful in attempting to enforce any of its contractual rights through legal action in those circumstances.

The OMH Group has entered into a number of "take or pay" contracts with other parties that oblige it to pay for an agreed amount of goods or services whether the relevant entity uses them or not. This includes an executed Power Purchase Agreement for the Sarawak Project which was announced on 2 February 2012. Any disruption in the ability of the smelter to consume the power that is not classified under the Power Purchase Agreement's force majeure clause, will expose the OMH Group to penalties for the shortfall.

Key Risks

SPECIFIC RISKS (cont.)

Competition

Competition from Australian and international mineral producers may affect the cash flow and earnings which the OMH Group will realise from its operations. For example, the introduction of new mining and development facilities and any increase in competition and supply in the global manganese market could lower the price of manganese and ferromanganese intermediate products. The OMH Group may also encounter competition from other mining companies for the acquisition of new projects to sustain or increase its mineral production, affecting its ability to acquire new interests on acceptable terms. Also, if the OMH Group's competitors in the ferro alloy smelting market are able to secure power on terms similar to OM Sarawak's Power Purchase Agreement or lower cost ore more proximate to their smelters, the competitive advantage enjoyed by the Sarawak Project may diminish over time.

Government actions

The OMH Group's operations could be adversely affected by government actions in Australia, Malaysia, the People's Republic of China, Singapore or South Africa or other countries or jurisdictions in which it has operational exposures or investment interests. These actions include, but are not limited to, the introduction of or amendment to or changes in the interpretation of, legislation, guidelines and regulations in relation to mining and resources exploration and production, taxation, the environment, carbon emissions, power supply, port capacity allocation, competition policy, native title, cultural heritage and so on. Such actions could impact upon land access, the granting of licenses and permits, the approval of project developments and ancillary infrastructure requirements and the cost of compliance. The possible extent of the introduction of additional legislation, regulations, guidelines or amendments to existing legislation that might affect the OMH Group is difficult to predict. Any such government action may require increased expenditure commitments or even additional capital in order to ensure compliance or could delay or even prevent certain operations/activities of the OMH Group. Such action could therefore have a material adverse effect on the OMH Group's financial condition.

Tax risk

The OMH Group is subject to taxation and other imposts in Australia, Malaysia, the People's Republic of China, Singapore and South Africa and other jurisdictions in which the Company has activities and investment interests. Future changes in taxation laws or changes to or cessation of the availability of tax incentives currently available in those countries, including changes in the interpretation or application of existing laws by the courts or applicable revenue authorities in those jurisdictions may affect the taxation treatment of the OMH Group's business activities thereby impacting on the OMH Group's financial performance and profitability. In addition to the normal level of income tax imposed on companies in all industries, companies in the resources sector are required to pay government royalties and indirect taxes and other levies. The profitability of companies in this industry can be adversely affected by changes in government taxation and royalty policies or in the interpretation or application of such policies.

Key Risks

SPECIFIC RISKS (cont.)

Regulatory risk

The OMH Group's businesses are subject, in each of the countries in which it operates, to various national and local laws and regulations relating to the exploration/development, production, marketing, pricing, transportation and storage of the OMH Group's manganese products. Permits from a variety of regulatory authorities are required for many aspects of mine operation, product transportation and ore processing. A change in the laws which apply to the OMH Group's businesses or the way in which it is regulated could have a material adverse effect on the OMH Group's business and financial position and performance. Other changes in the regulatory landscape may have a material adverse effect on the carrying value of material assets or otherwise have a material adverse effect on the OMH Group's business and financial condition.

Security of tenure

The maintaining of tenements, obtaining renewals, or getting tenements or permits granted, often depends on the OMH Group being successful in obtaining statutory approvals for the proposed activity. While OMH anticipates that all regulatory approvals will be given as and when sought, there can be no assurance that such renewals or approvals will be given as a matter of course and there is no assurance that new conditions or unexpected conditions as the case may be will not be imposed.

Native title

The Native Title Act 1993 (Cth) (**Native Title Act**) recognizes and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. It is possible that, in relation to tenements in which the OMH Group has an interest or in the future may acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist on tenements on which exploration is being conducted, the ability of the OMH Group to obtain the consent of any relevant landowner or to progress from the exploration phase to the development and mining phases may be adversely affected.

Areas containing sacred sites or sites of significance to Aboriginal people and subject to the Native Title Act exist at the Bootu Creek manganese mine and it is possible that there are other such sites on some or all of the OMH Group's other tenements.

As previously disclosed, following extensive consultation and liaison with the Northern Land Council, the Aboriginal Areas Protection Authority (**AAPA**), Native Title Parties and the Northern Territory Department of Resources, the OMH Group agreed to carry out remediation works at the Masai Sacred Site at the Bootu Creek manganese mine. These works commenced during the December 2011 quarter and were completed early in the March 2012 quarter. The AAPA lodged a complaint and served a summons on a subsidiary of the OMH Group in relation to the Masai Sacred Site, alleging desecration of a sacred site and seeking damages of approximately A\$2m. On 3 August 2012, the matter was adjourned by the Darwin Magistrate's Court until 11 September 2012. The OMH Group believes it has meritorious defences to AAPA's claims and intends to defend the action vigorously. Should the AAPA obtain a judgment adverse to OMH Group awarding damages, such judgment will not be materially adverse to OMH Group, but OMH Group may suffer from adverse publicity.

If any other land within the OMH Group's mining tenements contains sacred sites or sites of significance to Aboriginal people and subject to the Native Title Act, they may be subject to exploration, mining or other restrictions emanating from claims of Aboriginal heritage sites or native title.

Key Risks

SPECIFIC RISKS (cont.)

Political risk, war, terrorism and natural disasters

The OMH Group's operations could be affected by political instability in Australia, Malaysia, the People's Republic of China, Singapore or South Africa or other countries or jurisdictions in which it has operations or investment interests. The OMH Group is therefore subject to risk that it may not be able to carry out its operations as it intends or to ensure the security of its assets (particularly those located outside of Australia). Given its geographic footprint, the OMH Group is subject to the risk of, among other things, loss of revenue, property and equipment as a result of expropriation, war, insurrection, civil disturbance, acts of terrorism and geopolitical uncertainty. The effect of these risks is difficult to predict and any combination of one or other of the above may have a material adverse effect on the OMH Group. OMH has a limited ability to insure against some of these risks and other 'force majeure' risks (such as natural disasters).

Legal risk

Members of the OMH Group are involved in litigation and disputes (such as the litigation initiated by AAPA referred to above) and may become involved in further unforeseen litigation and disputes which could have a material adverse effect on the OMH Group, its operations and its financial performance.

Approvals

OMH's financial performance could be adversely affected as a result of delays in obtaining necessary government approvals or if applications lodged for exploration licenses are not granted, or exploration licenses that have been granted for a fixed term are not renewed upon expiry.

Economic conditions

Economic conditions, both domestic and global, may affect the performance of the OMH Group. Adverse changes in macroeconomic conditions, including global and country-specific economic growth rates, the cost and availability of credit, the rate of inflation, interest rates, exchange rates, government policy and regulations, general consumption and consumer spending, input costs, employment rates and industrial disruptions, among others, are variables which while generally outside of the control of the OMH Group and its directors, may result in material adverse impacts on the OMH Group's businesses, financial position and operating results.

Market volatility and investments

The price at which OMH's share trade on ASX may vary from time to time and may or may not exceed the Entitlement Offer price. The sale of a large parcel of OMH shares may cause fluctuation in the price at which OMH shares trade on ASX from time to time. In addition, the OMH Group has strategic investments in the ASX-listed Northern Iron Limited and Shaw River Manganese Limited. The price at which their shares trade on ASX may vary from time to time and are affected by a range of factors, many of which are beyond OMH's control. A decline in the value of both or either of the share of those companies may affect OMH's financial position.



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Pro forma Statements of Financial Position¹

Consolidated statement of financial position (all figures A\$ '000)	As at 30 June 2012 ²	Pro Forma adjustments assuming full takeup	Full Entitlement Offer Pro Forma as at 30 June 2012	Pro Forma adjustments assuming 40 % takeup	Pre-Committed Pro Forma as at 30 June 2012
Current assets					
• Cash	67,705	70,516 ³ (10,868) ⁴	127,353	27,020 ³ (10,868) ⁴	83,857
• Other current assets	269,756		269,756		269,756
Total current assets	337,461	59,648	397,109	16,152	353,613
Non-current assets	251,820		251,820		251,820
Total assets	589,281	59,648	648,929	16,152	605,433
Current liabilities					
• Interest-bearing liabilities	104,373	(10,868) ⁴	93,505	(10,868) ⁴	93,505
• Other current liabilities	84,011		84,011		84,011
Total current liabilities	188,384	(10,868)	177,516	(10,868)	177,516
Non-current liabilities					
• Interest-bearing liabilities	81,018		81,018		81,018
• Other non-current liabilities	4,974		4,974		4,974
Total non-current liabilities	85,992		85,992		85,992
Total liabilities	274,376	(10,868)	263,508	(10,868)	263,508
Net assets	314,905	70,516	385,421	27,020	341,925
Equity					
• Capital / contributed equity	30,205	9,062 ³	39,267	3,625 ³	33,830
• Treasury shares	(2,330)		(2,330)		(2,330)
• Reserves	147,624	61,454 ³	209,078	23,395 ³	171,019
• Retained profits	128,475		128,475		128,475
• Outside equity interests in controlled entities	10,931		10,931		10,931
Total equity	314,905	70,516	385,421	27,020	341,925

Note 1: Above are the Pro Formas. See slide 7 for further details of the basis of preparation of this Financial Information

Note 2: As per OMH's Interim Financial Report which was subject to audit review and lodged with ASX on Wednesday, 15 August 2012

Note 3: Impact arising from the Entitlement Offer net of issue costs ~A\$2m assuming, in the Full Pro Forma, all shareholders take up their full entitlement and, in the Pre-Committed Pro Forma, that only the Major Shareholder Pre-Committed Amount is raised

Note 4: Impact arising from actual debt repayment which occurred in July 2012

OMH – Corporate Overview

Market and Financial Data¹

Impact of Entitlement Offer assuming full takeup		Pre-Entitlement Offer ²	Impact of Entitlement Offer	Post-Entitlement Offer
Last price	A\$	0.44	-	-
Ordinary shares on issue	m	604.1	181.2 ³	785.3
Unlisted options	m	19.0	-	19.0
Convertible notes	m	25.0 ⁴	-	25.0
Market capitalisation (undiluted)	A\$m	265.8	70.5 ⁵	336.3

Impact of Entitlement Offer assuming only the Major Shareholders Pre-Committed Amount is raised		Pre-Entitlement Offer ²	Impact of Entitlement Offer	Post-Entitlement Offer
Last price	A\$	0.44	-	-
Ordinary shares on issue	m	604.1	72.5 ⁶	676.6
Unlisted options	m	19.0	-	19.0
Convertible notes	m	25.0 ⁴	-	25.0
Market capitalisation (undiluted)	A\$m	265.8	27.0 ⁷	292.8

Note 1: Sourced from IRESS Market Technology and Company reports

Note 2: As at market close on Wednesday, 15 August 2012

Note 3: Assumes 181,231,545 New Shares are issued under the Entitlement Offer, being all of the shares offered under the Entitlement Offer (i.e. assumes all shareholders take up their full entitlement so that the Entitlement Offer raises gross proceeds of ~A\$72.5m, with issue costs of ~A\$2m. See the table below for the impact if the Entitlement Offer raises only the Major Shareholder Pre-Committed Amount

Note 4: The initial conversion price is A\$0.80 per share, however this is expected to be adjusted after the record date in accordance with the terms of the convertible note due to the impact of the Entitlement Offer

Note 5: Increase in market capitalisation based on an increase in cash as a result of the Entitlement Offer (based on the assumption in Note 3)

Note 6: Assumes 72,492,618 New Shares are issued under the Entitlement Offer, being all of the shares issued to those major shareholders who have already committed to take up their full entitlements

Note 7: Increase in market capitalisation based on an increase in cash as a result of the Entitlement Offer (based on the assumption in Note 6)

Foreign Selling Restrictions

China

The information in this document does not constitute a public offer of the New Shares, whether by way of sale or subscription, in the People's Republic of China (**PRC**) (excluding, for the purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The New Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to “qualified domestic institutional investors”.

Hong Kong

Important information for “professional” and other legally permitted Hong Kong investors:

WARNING

The contents of this document have not been reviewed or approved by any regulatory authority in Hong Kong. Recipients are advised to exercise caution in relation to any offer of the New Shares by the Company. If recipients are in any doubt about any of the contents of this document, they should obtain independent professional advice.

The New Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than:

- i. to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that ordinance; or
- ii. in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance.

Further, no person shall issue or have in its possession for the purpose of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the New Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) and any rules made under that ordinance.

The information relating to the offering contained herein may not be used other than by the person to whom it is addressed and may not be reproduced in any form or transferred to any person in Hong Kong.

This offering is not an offer for sale to the public in Hong Kong and it is not the intention of the Company that the New Shares be offered for sale to the public in Hong Kong. A person acquiring the New Shares under this offering as a professional investor must not offer those New Shares or any of them to the public within 6 months after their allotment.

Foreign Selling Restrictions (cont.)

Japan

The New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (**FIEL**) pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Shares is conditional upon the execution of an agreement to that effect.

Jersey

No offer or invitation to subscribe for New Shares may be made to the public in Jersey.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Singapore

This document has not been registered as an offer document with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Shares may not be circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than: (i) to an existing holder of Shares pursuant to Section 273(1)(cd) of the Securities and Futures Act (Chapter 289) of Singapore (**SFA**); or (ii) otherwise pursuant to, and in accordance with, the conditions of an exemption under any provision of Subdivision (4) of Division 1 of Part XIII of the SFA.

Foreign Selling Restrictions (cont.)

United Kingdom

Neither the information in this document nor any other document relating to the Entitlement Offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares. This document is delivered on a confidential basis to 'qualified investors' (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together, 'relevant persons'). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

If you (or any person for whom you are acquiring the New Shares) are in the United Kingdom, you (and any such person) are:

- i. a "qualified investor" within the meaning of Section 86(7) of the FSMA; and
- ii. within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO, as amended.