OM HOLDINGS LIMITED

(ARBN 081 028 337)

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

Dear Sir/Madam

OM SARAWAK FERRO ALLOY SMELTING PROJECT UPDATE

KEY PROJECT FINANCE DOCUMENTS EXECUTED

The Board of OM Holdings Limited ("OMH" or the "Company") is pleased to announce that OM Materials (Sarawak) Sdn Bhd ("OM Sarawak"), the owner of the Ferro Alloy Smelting Project in Sarawak, Malaysia (the "Project") has successfully executed the project financing Facility Agreement ("FA") and corresponding Project Support Agreement ("PSA") documents, completing the next major step in the Project's funding process.

The execution of these two key documents follows the signing of the project financing Commitment Letter announced on 21 December 2012.

The FA sets out the terms and conditions between the borrower, OM Sarawak, and its four lenders, and includes the relevant terms and conditions typical for a facility of this nature and quantum.

As is customary for a project finance facility, the Project is backed by OM Sarawak's shareholders, OM Materials (S) Pte. Ltd. and Samalaju Industries Sdn. Bhd, and its sponsors, OMH and Cahya Mata Sarawak Berhad ("CMSB"), as set out in the PSA.

The PSA governs the rights and obligations of the Project's shareholders and sponsors. The obligations and liabilities of the OMH Group and the CMSB Group under the PSA are several and pro-rata to their respective 80% and 20% shareholding in OM Sarawak.

Importantly, the PSA will lapse and the Project will become non-recourse 18 months after the satisfaction of pre-agreed project completion tests typical for a Project and project financing facility of this nature.

As previously announced, the FA is comprised of limited recourse senior project finance debt facilities totalling USD215 million and MYR310 million for the total capital cost of the Project's Phase 1 ferrosilicon production facility, and another MYR126 million credit line for the issuance of performance and payment guarantees to the power provider, Syarikat Sesco Berhad, as part of OM Sarawak's obligations under the Power Purchase Agreement.

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The Mandated Lead Arrangers of the project financing include leading local and international lenders, namely the Export-Import Bank of Malaysia Berhad, Maybank Investment Bank Berhad, RHB Bank Berhad and Standard Chartered Bank Malaysia Berhad.

Standard Chartered Bank acts as OM Sarawak's Financial Advisor.

The execution of these two key project finance documents represents a very significant milestone in the development of the Project. Together with the committed equity from OM Sarawak's shareholders, Phase 1 of the Project is now fully funded.

Yours faithfully
OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Company Secretary

BACKGROUND INFORMATION ON 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 is a constituent of the S&P/ASX 300 a leading securities index.

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

OMH also holds the following strategic shareholding interests in ASX listed entities:

- *11% 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*

- *4% shareholding in **Shaw River Resources Limited** (ASX Code: SRR), a company presently exploring for manganese in Namibia, Western Australia and Ghana*