

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 PROJECT FINANCE FINANCIAL CLOSE ACHIEVED

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 achieved financial close on its USD315 million (comprising of USD215 million and MYR310 million) project finance debt and MYR126 million credit line (associated with the issuance of performance and payment guarantees to the power provider) facilities (together, the "Facility").

The funding obtained under the Facility will be used for the construction and commissioning of the Project located in the Samalaju Industrial Park of Sarawak, Malaysia. This financial close completes the final milestone in the funding process of the Project, which remains on-schedule for commissioning in Q2 2014 and full completion in Q2 2015.

As previously announced, the Facility is being provided by a syndicate of lenders, comprising both international and Malaysia based banks.

The process for the first drawdown of funds under the Facility has now commenced, following satisfaction of all material conditions precedent and the completion of the equity funded expenditure contribution towards the Project by its shareholders, as required by the lenders.

OM Sarawak is a joint venture between OMH (80%) and Cahya Mata Sarawak Berhad (20%). It is anticipated that Phase 1 of the Project will produce approximately 308,000 tonnes of ferrosilicon alloys per year, establishing the Project as one of the lowest cost silicon based ferro alloy producers with a sustainable long term competitive positioning.

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 2,400km².

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*