



MEDIA RELEASE

OM HOLDINGS LIMITED'S SARAWAK PLANT RECORDS HIGHER PRODUCTION VOLUME FOR Q3 2021

The Sarawak Plant's ferrosilicon, manganese alloys and manganese sinter ore volumes rose by 45%, 57% and 143% respectively

26 October 2021 - OM Holdings Limited ("OMH" or the "Company"), a vertically integrated manganese ore and ferroalloy producer, is pleased to announce that the Company's ferroalloy smelter complex in Samalaju Industrial Park, Bintulu, Sarawak ("**OM Sarawak**" or the "**Sarawak Plant**") has registered higher production volumes for ferrosilicon, manganese alloys and manganese sinter ore in the third quarter ended 30 September 2021 ("**3Q2021**") compared to the second quarter ended 30 June 2021 ("**2Q2021**").

For the quarter under review, the Sarawak Plant produced 33,453 tonnes of ferrosilicon, 59,307 tonnes of manganese alloys and 34,542 tonnes of manganese sinter ore. This is respectively 45%, 57% and 143% higher in production volumes compared to the prior quarter after the Sarawak Plant resumed operations in early July following a temporary suspension. The Sarawak Plant has an annual production capacity of approximately 200,000 to 210,000 tonnes for ferrosilicon, 250,000 to 300,000 tonnes for manganese alloys and 250,000 tonnes for sinter ore.

Ferrosilicon sales volume decreased 21% and manganese alloys sales volume decreased 14% in 3Q2021 compared with the prior quarter to 23,894 tonnes and 43,856 tonnes respectively due to the lower inventory of finished goods available for shipment following the temporary suspension of the Sarawak Plant from end May to June 2021 due to the COVID-19 pandemic.

OMH's wholly-owned Bootu Creek Manganese mine in Australia processed 230,566 tonnes for 3Q2021 at an average grade of 27.98% manganese while the Ultra Fines Plant ("**UFP**") produced 4,736 tonnes with an average grade of 27.91% manganese for 3Q2021. For the quarter under review, a total of 143,847 tonnes of manganese product with an average grade of 27.96% manganese was shipped from the Port of Darwin.



Based on current estimates, all mining operations at the Bootu Creek Manganese mine is anticipated to be concluded in the fourth quarter ending 31 December 2021 (“**4Q2021**”). After the main processing plant ceases operations, the Company will only enter into the standalone UFP operations after a complete commercial reassessment has been undertaken to justify the project’s financial sustainability.

The Company continues to see supported prices for ferrosilicon and silicomanganese as the global economy recovers while global supply and demand balance remains affected by the on-going power shortages in China, resulting in cuts in ferroalloy production. Power shortages in regions such as Europe and South Asia have had curtailed global ferroalloy production even as prices rise to record levels.

According to price reporting agency S&P Global Platts, ferrosilicon prices increased by 116.2% to US\$4,150 per tonne CIF Japan at the end of September 2021 compared with US\$1,920 in the prior quarter while silicomanganese prices increased 4.5% quarter-on-quarter to US\$1,615 per tonne CIF Japan at the end of September 2021.

A total of 492,954 tonnes of ores and alloys were transacted in the quarter under review which was 34% lower compared to 2Q2021 largely due to the decrease in manganese ores traded from the Tshipi Borwa Manganese Mine and Bootu Creek Mine.

Ongoing challenges remain for the Company’s Sarawak operations, with entry applications for new foreign employees being gradually approved by authorities on a case-by-case basis. Given the pace of approvals and long lead time to mobilize the new workforce due to additional COVID-19 protocols, it is expected that the impeded inflow of new workers will unlikely alleviate the temporary workforce shortage due to employee home leave rotations commencing in 4Q2021. Production at OM Sarawak during and after 4Q2021 will potentially decrease before gradually ramping back up to full production in 2022.

The Company continues to prioritise the safety and wellbeing of the employees while maintaining operational resilience in key business areas. Ongoing improvements have been made to business continuity plans to enable flexibility in responding to the constantly changing environment as a result to the COVID-19 pandemic.



ABOUT OM HOLDINGS LIMITED

OM Holdings Limited ("OMH" or the "Group") is a vertically integrated manganese ore and ferroalloy company. The Group's business involves exploration, mining and trading of raw ores, smelting, as well as the marketing of processed ferroalloys. With over 25 years in the industry, OMH is listed on the ASX in 1998 and has operations across Australia, China, Malaysia, Singapore, and South Africa. Today, the Group is one of the world's leading suppliers of manganese ores and ferroalloys and seeks to be the main ferroalloy supply partner to major steel mills and other industries.

For more information, visit <http://www.omholdingsltd.com/>

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