

OM HOLDINGS LIMITED

(ARBN 081 028 337)



No. of Pages Lodged: 9

28 December 2005

Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

ISSUE OF UNLISTED OPTIONS

OM Holdings Limited ("OMH") wishes to advise that it has issued a total of 4,630,500 unlisted options to 17 employees of the OMH Group and one Director of OMH.

The terms and conditions of the unlisted options were approved by shareholders at the General Meeting held on 28 November 2005.

All options are exercisable at \$1.05 each and are exercisable on or before 30 November 2008.

Accordingly please also find attached a copy of Appendix 3B.

Yours faithfully

OM HOLDINGS LIMITED



Heng Siow Kwee/Julie Wolseley
Company Secretary

For further information:

Paul Chapman
Managing Director
Bootu Creek Resources Pty Ltd
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BACKGROUND PROFILE OF OM HOLDINGS LIMITED

OMH was listed on the ASX in March 1998 and has grown into a fully integrated miner, processor and trader of manganese product with operations in Australia, China and Singapore.

Through its wholly owned subsidiary, Bootu Creek Resources Pty Ltd ("BCR"), OMH controls 100% of the Bootu Creek Manganese Project located 110 km north of Tennant Creek in the Northern Territory.

The Bootu Creek Manganese Project is presently under development and is expected to produce at an annual rate of 550,000 to 600,000 tonnes of manganese ore. The Project also has excellent exploration potential.

Product from the Project will be exclusively marketed by OMH's successful trading division with a proportion of production from the Project shipped to OMH'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. The development of the Bootu Creek Manganese Project will facilitate and further strengthen OMH's position in this market.

OMH has a strong, lowly geared financial position and has paid regular dividends since 1998.

OMH holds a 25% shareholding in Territory Iron Ltd, a company presently advancing a number of haematite iron ore projects in the Northern Territory.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

OM HOLDINGS LIMITED

ARBN

081 028 337

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 4,630,500 unlisted options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Terms of the unlisted options were approved at the General Meeting of shareholders held on 28 November 2005. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	<p>Not applicable</p>
<p>5 Issue price or consideration</p>	<p>Options issued for no consideration</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Unlisted options were approved at the General Meeting of shareholders held on 28 November 2005 to 17 employees of the OMH Group and one Director</p>
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>20 December 2005</p>

+ See chapter 19 for defined terms.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	136,332,717	Ordinary Shares (“OMH”)

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	1,000,000	Unlisted options exercisable at 72 cents each expiring on 30 June 2009.
	4,630,500	Unlisted options exercisable at \$1.05 each expiring on 30 November 2008.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Ordinary shares will participate on an equal basis to dividends declared and paid.
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Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	Not applicable.
12 Is the issue renounceable or non-renounceable?	Not applicable.
13 Ratio in which the +securities will be offered	Not applicable.
14 +Class of +securities to which the offer relates	Not applicable.
15 +Record date to determine entitlements	Not applicable.
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17 Policy for deciding entitlements in relation to fractions	Not applicable.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable.
19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do +security holders sell their entitlements <i>in full</i> through a	Not applicable.

+ See chapter 19 for defined terms.

- broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought **Not applicable.**

39 Class of +securities for which quotation is sought **Not applicable.**

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

Not applicable.

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now **Not applicable.**

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

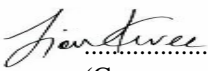
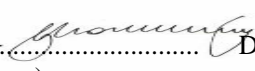
Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   Date: **28 DECEMBER 2005**
(Company secretary)

Print name: **HENG SIOW KWEE/JULIE ANNE WOLSELEY**

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+ See chapter 19 for defined terms.