OM HOLDINGS LIMITED

(ARBN 081 028 337)

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

Dear Sir/Madam

31 MARCH 2008 QUARTERLY MARKET UPDATE

The Board of OM Holdings Limited ("OMH") is pleased to provide the following market update.

HIGHLIGHTS

RECORD UNPRECEDENTED FINANCIAL RESULT FOR OMH GROUP

- **March 2008 Quarter demonstrated a period of unprecedented financial performance from all business units.**
- **On target to generate a consolidated half yearly net profit of no less than A$80 million.**
- Outstanding operational milestones were achieved from the Bootu Creek Manganese Mine, the Qinzhou smelter and the metal trading operations.
- Record financial results currently being audit reviewed and due to be released by 30 May 2008.
- Thriving in an environment of record demand and prices for manganese ore and alloys underpinned by China's economic expansion.
- Expects continued sustainable results from all business units throughout 2008.

BOOTU CREEK MANGANESE MINE (100%, Northern Territory, Australia)

- **48% increase** in quarterly manganese production to record **183,046 tonnes grading 42.3% Mn** (equating to an annualised rate exceeding 730,000 tonnes per annum).
- Record monthly production of **65,330 tonnes grading 42.3% Mn achieved for March**.
- Bootu Creek processing plant continues to **perform above design capacity** following completion of rectifications to materials handling.
- **Production above targeted 175,000 tonnes per quarter** level required to underpin sustainable production of 700,000 tonnes per annum.
- Record **60,261 tonnes of ore railed to Darwin in March** and **record manganese ore exports** also achieved with **89,169 tonnes** loaded.
- **Five manganese shipments completed for a total of 149,191 wet metric tonnes** through the Port of Darwin.
- **43% increase in manganese Ore Reserves to 10.3 million tonnes at 24.5% Mn.**
- **12% increase in Mineral Resources to 17.75 million tonnes at 25.7% Mn** (net of 2007 production).
- Life-of-mine plan supports a **mine life of 8.5 years at the increased 700,000 tonnes per annum production rate.**
- **Extensive 2008 exploration program commenced with initial A$10 million budget** to further extend the mine life and reinforce the operation's potential as a world-class, long-life asset.
- **Project debt fully repaid** from surplus operating cash flows.

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HIGHLIGHTS (Continued)

QINZHOU SMELTER (100%, Guangxi, China)

- **Record quarterly production of 10,291 tonnes of High Carbon Ferro Manganese ("HC FeMn")** underpinned by strong China market demand and prices.
- **Forecast annual record production of 41,200 tonnes of HC FeMn for 2008**.
- **Feasibility study has commenced in relation to construction of a dedicated sinter ore plant.**

MARKET OUTLOOK

- **Robust, strong market for manganese ore and alloys.**
- **Forecast underpinned** by an ongoing global shortage of high grade manganese.
- **Supply issues coupled with continued strong demand driving further price increases.**
- Record price levels secured for June 2008 Quarter.

CORPORATE

- **Final dividend of A$0.04 declared and is payable on 30 May 2008.**
- **Active progression of proposed secondary listing on the Main Board of the Stock Exchange of Hong Kong Limited – expected to be completed early July 2008.**
- **Proposed share split on the basis that every one ordinary share shall be subdivided into two ordinary shares.** To be considered by Shareholders at the forthcoming Annual General Meeting in late May 2008.

OM MANGANESE LTD ("OMM") – 100% OWNED

Bootu Creek Manganese Mine – Northern Territory, Australia

The Bootu Creek Manganese Mine posted its strongest production performance to date during the March 2008 Quarter, with total production increasing by 48% compared with the December 2007 Quarter to a record 183,046 tonnes. A new monthly production record was also achieved in March 2008 with 65,330 tonnes produced.

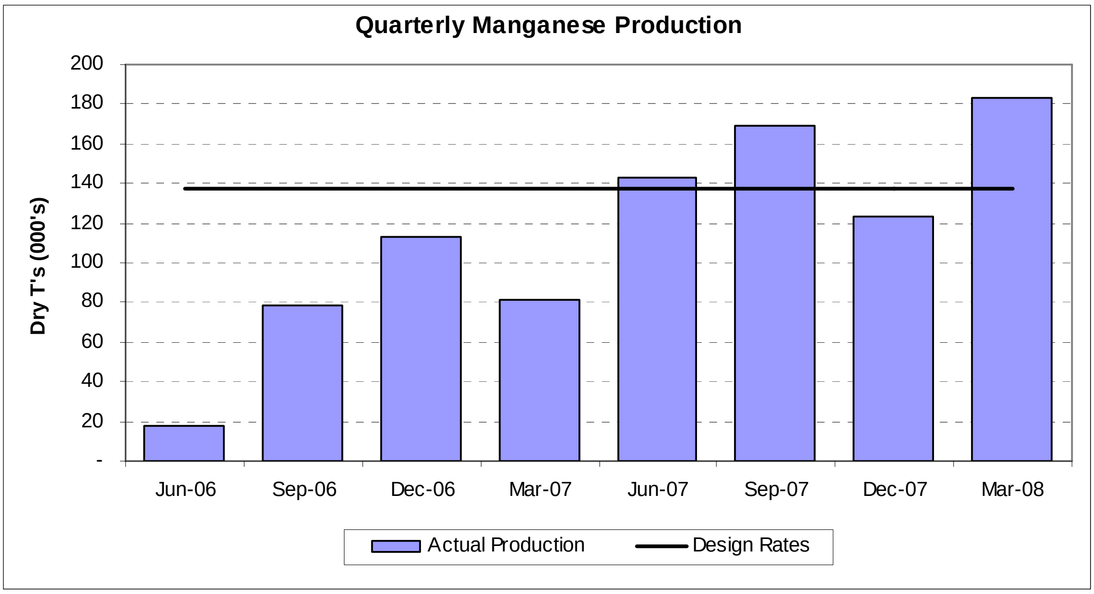
March 2008 Quarter production was 34% above design capacity (based upon 550,000 tonnes per annum) and on an annualised total production basis exceeds 730,000 tonnes.

Record production at the Bootu Creek Manganese Mine for the March 2008 Quarter is summarised below:

	Unit	Mar 2008 Quarter	Dec 2007 Quarter	FYTD 2008	Mar 2007 Quarter
Mining					
Total Material Mined	BCMs	2,299,867	1,760,139	2,299,867	678,579
Ore Mined – tonnes	dt	365,166	363,771	365,166	189,337
Ore Mined – Mn grade	%	25.91	23.21	25.91	25.44
Closing ROM Stocks – tonnes	dt	14,789	86,315	14,789	147,809
Closing ROM Stocks – Mn grade	%	28.33	21.50	28.33	20.70
Production					
Lumps – tonnes	dt	138,189	89,013	138,189	58,070
Lumps – Mn grade	%	42.41	41.26	42.41	42.47
Fines – tonnes	dt	44,857	34,379	44,857	22,889
Fines – Mn grade	%	42.12	41.57	42.12	43.39
Total Production – tonnes	**dt**	**183,046**	**123,392**	**183,046**	**80,959**
Total Production – Mn grade	**%**	**42.34**	**41.34**	**42.34**	**42.73**
Sales					
Lumps – tonnes	dt	103,617	101,377	103,617	45,982
Lumps – Mn grade	%	42.88	42.71	42.88	42.88
Fines – tonnes	dt	34,268	51,945	34,268	20,005
Fines – Mn grade	%	42.24	43.25	42.24	43.63
Total Sales – tonnes	dt	137,886	153,322	137,886	65,987
Total Sales – Mn grade	**%**	**42.72**	**42.89**	**42.72**	**43.11**

Production rates during the March 2008 Quarter further improved as a result of:

- higher product yields in the process plant from ore mined from stage 4 of the Shekuma pit, which was completed during the March 2008 Quarter;
- an improvement in overall plant throughput rates as a result of plant modifications completed and commissioned in the previous December 2007 Quarter; and
- lower than expected seasonal rainfall, enabling higher mining volumes and reducing the reliance on lower grade stockpiles.



Note: Design rates based on 550,000 dts / year

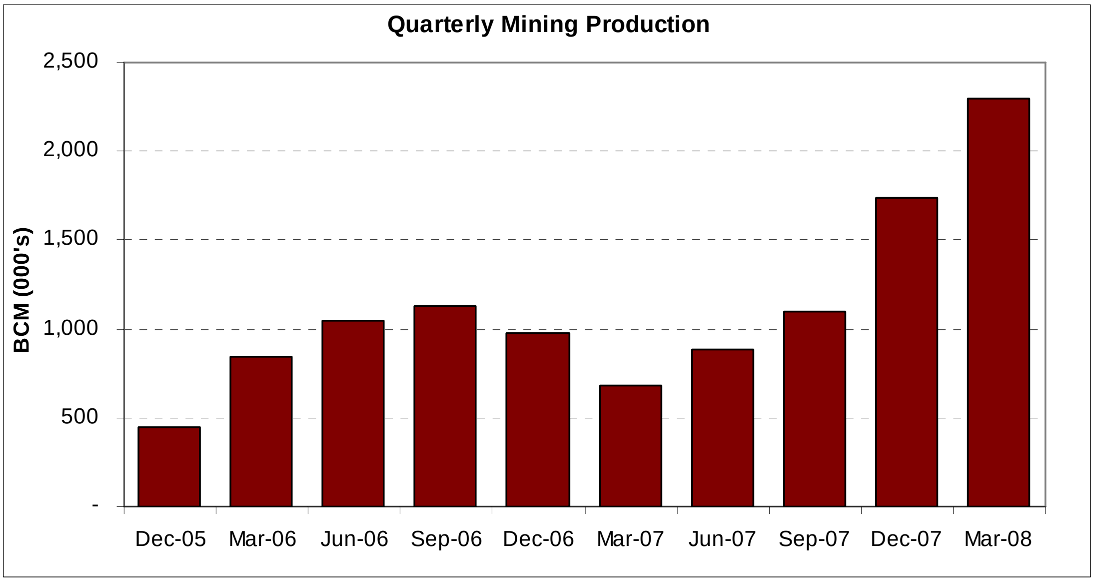
Mining activities were focused on completing stage 4 of the Shekuma pit while simultaneously continuing to advance stages 3 and 4 of the Gogo pit. Clearing of the first stage in the Chugga pit was completed and pre-strip mining commenced during the March 2008 Quarter.

Mining in the Gogo pit

Pre-strip mining at Chugga

Mining capacity continued to be ramped up during the March 2008 Quarter by utilising a second excavator and third party contractor scraper fleet to complete pre-stripping. Additional earthmoving equipment was mobilised during the March 2008 Quarter including four haulage trucks, an excavator and a dozer. A total of 2.3 million bank cubic metres (bcm) of material was mined for the March 2008 Quarter, with mining on target to achieve the scheduled 8 million bcm for 2008.

ROM ore stocks remained lower than budget despite the increased material movement, primarily as a result of higher processing rates.



A record 60,261 tonnes of ore was railed from the Bootu Creek Manganese Mine to Darwin in March, with a total of 161,939 tonnes railed for the March 2008 Quarter. During the March 2008 Quarter, 149,191 wet metric tonnes of manganese product was exported in five shipments through the Port of Darwin. March was a monthly record with manganese ore exports of 89,169 tonnes loaded onto three vessels.

Cash Operating Costs/Revenue

The OMM operations achieved a positive financial performance throughout the March 2008 Quarter, with the quarterly operating profit again significantly higher than the previous quarter. The stronger profitability was underpinned by a combination of record production and higher realised manganese prices.

Unit cash operating costs for the March 2008 Quarter were lower reflecting the higher production levels. Cash operating costs for the March 2008 Quarter were A$3.83/dmtu produced, compared to A$4.16/dmtu produced for the December 2007 Quarter. This included the effect of additional operating costs incurred for the March 2008 Quarter arising from accelerated mining activity at the higher strip ratio cut-backs at the Gogo pit as well as establishment activities required to commence mining of the Chugga pit. In accordance with past practice all pre-strip mining activity during the March 2008 Quarter was fully expensed against earnings, rather than capitalising and deferring such costs over the life of the pit.

Unit cash operating costs for the rest of 2008 are expected to be similar to those in the March 2008 Quarter.

The US Dollar manganese price received per tonne for ore sold for the March 2008 Quarter was 31% higher than the price received per tonne sold for the December 2007 Quarter. After taking into consideration the effect of the strengthening AUD: USD exchange rate – which averaged 0.89 for the December 2007 Quarter and 0.92 for the March 2008 Quarter – this increase was 27%.

Exploration

As previously reported during the March 2008 Quarter, all defined Bootu Creek manganese Mineral Resources were revised as at 31 December 2007 following the completion of a 22,965 metre reverse circulation ("RC") resource delineation program in 2007.

Table 1: Bootu Creek Project – Mineral Resource Summary as at 31 December 2007

Deposit	Measured		Indicated		Inferred		Combined	
	M tonnes	% Mn	M tonnes	% Mn	M tonnes	% Mn	**M tonnes**	**% Mn**
Chugga North	0.7	27.0	1.5	24.5	0.7	24.4	**2.9**	**25.1**
Chugga South	1.0	24.8	1.7	24.5	0.4	24.1	**3.1**	**24.5**
Gogo	0.5	28.5	2.1	28.0	0.3	28.9	**2.9**	**28.2**
Shekuma	0.2	30.4	1.7	27.6	1.0	27.1	**2.9**	**27.6**
Tourag	0.2	25.4	2.2	25.8	0.6	25.1	**3.0**	**25.7**
Xhosa	0.3	24.5	0.3	24.2	0.1	25.0	**0.7**	**24.4**
Zulu	0.4	24.3	1.1	23.9	0.5	24.2	**2.0**	**24.0**
Mine Stocks	0.25	16.6	-	-	-	-	**0.25**	**16.6**
Total	**3.55**	**25.5**	**10.6**	**25.9**	**3.6**	**25.6**	**17.75**	**25.7**

This table of Mineral Resources is inclusive of Ore Reserves.

Comparison	31 December 2006		31 December 2007		Change
	M tonnes	% Mn	M tonnes	% Mn	M tonnes
Total	**15.9**	**25.3**	**17.75**	**25.7**	**1.85**

The above Mineral Resource summary replaces resources depleted by mining activities at the Bootu Creek Manganese Mine throughout 2007 and adds a further 1.85 million tonnes as a result of exploration success. Both the previous and current Mineral Resources were estimated using a cut off grade of 18% Mn.

Table 2: Bootu Creek Project - Ore Reserve Summary as at 31 December 2007

Deposit	Proved		Probable		Combined	
	M tonnes	% Mn	M Tonnes	% Mn	M tonnes	% Mn
Chugga North	0.6	25.6	0.8	23.7	**1.4**	**24.5**
Chugga South	0.9	23.0	1.4	22.7	**2.3**	**22.8**
Gogo	0.4	26.3	2.0	25.9	**2.4**	**26.0**
Shekuma	0.2	28.3	1.4	25.7	**1.6**	**26.0**
Tourag	0.2	23.5	2.0	24.0	**2.2**	**24.0**
Xhosa	0.2	22.4	0.2	22.4	**0.4**	**22.4**
Total	**2.5**	**24.6**	**7.8**	**24.5**	**10.3**	**24.5**

Comparison	31 December 2006		31 December 2007		Change
	M tonnes	% Mn	M tonnes	% Mn	M tonnes
Total	**7.2**	**25.0**	**10.3**	**24.5**	**3.1**

A long term base case price assumption of US$4.50/dmtu (FOB) and a USD/AUD exchange rate of 0.80 were used to determine the optimum pit depth of all the Ore Reserve blocks.

The optimised Ore Reserve tonnes are reported with a 95% mine recovery factor and 92.5% grade dilution assumptions that reflect experience from mining and treatment of ore from the Shekuma and Gogo pits.

OMM plans to significantly expand its manganese exploration program in 2008 to replace and further expand the Mineral Resources and Ore Reserves inventory and support long term production planning as well as to evaluate opportunities for future expansion beyond 700,000 tonnes per annum.

The key objectives for the 2008 exploration program are as follows:

- To identify new manganese deposits on adjacent exploration licences;
- To significantly expand the current Mineral Resource base by delineating new manganese deposits identified by 2007 exploration drilling;
- To extend and further increase confidence in the existing Mineral Resources;
- To replace Ore Reserves depleted by mining activities and further expand the Ore Reserve inventory to support increased production scenarios; and
- To evaluate the potential of footwall copper intersections encountered in 2007 exploration drilling.

A 2,300 line kilometre SkyTEM helicopter borne electro-magnetic ("EM") survey of the outlying Renner Springs and Helen Springs tenement blocks, located 60 kilometres north west and 30 kilometres north of Bootu Creek respectively, was completed in December 2007.

The results have been modelled and have assisted in defining several drill targets for the 2008 exploration program.

A 1,000 metre diamond drilling program commenced in February 2008 to extend the metallurgical test program beyond the deposits currently being mined. It is expected that this drilling will be completed in April 2008, with testwork commencing shortly afterwards.

At the time of this report, a McKay Drilling rig had been mobilised to site and had commenced drilling for a planned 50,000 metre RC program during 2008.

A second RC drill rig has also been secured through Swick Mining Services to increase the planned exploration activity in 2008. This new rig is scheduled to be on site during May and, at this stage, is scheduled to complete an additional 25,000 metres of RC drilling during 2008.

Outlook for June 2008 Quarter

Manganese production during the June 2008 Quarter is forecast to be approximately 175,000 tonnes (127% of rated capacity) or 58,333 tonnes per month.

There are 6 planned shipments in the June 2008 Quarter to export approximately 180,000 tonnes of manganese product.

Other operational activities planned for the June 2008 Quarter include:

- Issue tender documents for new mining contract due for renewal in December 2008;
- Complete prefeasibility assessment for an additional crushing and cyclone plant to re-process lump rejects from the Heavy Media drum plant;
- Commence metallurgical test work on 1,000 metre diamond core;
- Continue 2008 exploration drilling program; and
- Civil works to complete the extension of OMM's stockpiling facility at the Port of Darwin which will be completed during the June 2008 Quarter as the fill area dries out from the wet season.

Project Facilities

During January 2008, the Working Capital Facility was fully repaid with a final A$5 million payment made from surplus operating cash flows. Except for some minor finance leases, OMM is now essentially debt-free.

OMM and the Commonwealth Bank of Australia are reviewing the level of project facilities with the view to establishing an ongoing A$8 million working capital facility and an increased A$1 million performance bond for rehabilitation commitments. This is expected to be finalised during the early part of the June 2008 Quarter.

Hedging

As at 31 March 2008, outstanding forward exchange contracts totalled USD35.83 million at an average exchange rate of 0.8566. This combined with existing AUD: USD cover maintained by OMH provides hedging cover for approximately 50% of the total budgeted AUD operating and capital expenditure for the project in 2008. In effect, the hedging arrangements will safeguard OMM's AUD operating and capital expenditure requirements throughout 2008.

Expanded Production Options

OMM is seeking to ensure its annual sustainable production rate is maintained in the short term at 700,000 tonnes per annum. The ability to achieve this increased production rate has been demonstrated during the March 2008 Quarter with production running at an annualised plant capacity in excess of 700,000 tonnes per annum. Logistics and shipping quantities for March were also above these annualised rates

Negotiations are continuing with road and rail contractors to ensure that logistics capacity remains in line with increased production rates.

Test work is well underway on the value adding benefit of crushing and re-processing lump rejects from the Heavy Media drum plant. Site trials to date indicate that a marketable product can be produced by crushing and re-processing the rejects through a cyclone plant.

Further opportunities to significantly expand production beyond 700,000 tonnes per annum are being examined in 2008 but will ultimately be driven by further exploration success during the year.

The information in this report which relates to resources and reserves is based on information compiled by Mr Craig Reddell and Mr Mark Laing both full time employees of OM (Manganese) Ltd and Members of the Australasian Institute of Mining and Metallurgy, and modelled by Mr Robert Spiers a full time employee of Hellman and Schofield Pty Ltd and who is a Member of the Australian Institute of Geoscientists. Mr Reddell, Mr Laing and Mr Spiers have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Reddell, Mr Laing and Mr Spiers consent to the reporting of this information in the form and context in which it appear.

OM MATERIALS (QINZHOU) Co Ltd (“OMQ”) – Guangxi, China - 100% OWNED

Production

During the March 2008 Quarter, OMQ produced record production of 10,291 tonnes of High Carbon Ferro Manganese (“HC FeMn”), which exceeded the budget by 17% despite having only one furnace operating throughout the entire period. In particular for the month of March 2008, OMQ produced 3,731 tonnes of HC FeMn, which is the highest monthly production recorded from one furnace since the smelter commenced operation in 2004. The significant improvement in production for the March 2008 Quarter as compared to the same quarter last year was due to the continual stable operation of the electrodes within the furnace.

Record production at the Qinzhou smelter for the March 2008 Quarter is summarised below:

	Mar 2008 Quarter (Tonnes)	Dec 2007 Quarter (Tonnes)	FYTD 2008 (Tonnes)	Mar 2007 Quarter (Tonnes)
Product High Carbon Ferro Manganese (“HC FeMn”)	**10,291**	8,898	**10,291**	3,041

With the continuing strong demand of HC FeMn in both the domestic and export markets, coupled with strong production cost control resulted in the OMQ operation achieving a record operating profit for the March 2008 Quarter. This record operating result included the effect of increased ore material costs however this impact was more than offset by the strengthened alloy prices achieved.

China regulatory authorities recently released an energy saving policy which focuses primarily upon energy development, promotion of energy conservation, improving energy supply capacity and accelerating the progress of energy technologies.

OMQ is presently in the process of installing power factor correction equipment in the existing transformer station. In January 2008, OMQ was granted a subsidy from the Qinzhou city government to be applied towards the purchase and installation of such energy saving equipment. The commissioning phase is estimated to be completed and to commence operation in late May 2008. The energy saving equipment is designed to promote efficient use of power and ultimately reduce OMQ’s power consumption costs.

OMQ Outlook

OMQ is expecting the HC FeMn market to continue to remain strong throughout the June 2008 Quarter. The OMQ operation is presently experiencing the seasonal dry period which commenced at the end of October 2007, whereby the electricity costs are higher due to the limited availability of hydropower supply. The OMQ facility will therefore continue to maintain one furnace operating until the commencement of the wet season in May 2008. However, due to the strong HC FeMn market conditions the operation is presently assessing whether to commence the operation of the second furnace ahead of the commencement of the wet season. This will also depend upon sinter ore availability which continues to be an inhibiting factor to greater production.

Opportunities to further expand the OMQ production capabilities in 2008 are continuing to be evaluated especially in the area of dedicated sinter ore production. OMQ has commenced a feasibility study in relation to constructing and operating its own sinter ore plant, which if all relevant approvals are obtained could be commissioned in the latter half of 2009.

The OMQ operation is expected to produce a minimum annual production output of approximately 41,200 tonnes of HC FeMn for the year ending 31 December 2008.

The international manganese alloys market has been impacted by the national power crisis in South Africa and a disruption to production at the Assmang smelting plant in South Africa creating a shortage for manganese alloys. As a result, the prices of manganese alloys have continued to increase and are now trading at all time highs. OMQ and OMS will benefit from this as its HC FeMn is also exported internationally to East Asia, Europe and the US.

OM MATERIALS (S) Pte Ltd ("OMS") – Singapore - 100% OWNED

Trading Operations and Market Outlook

The trading operations once again delivered an outstanding trading and financial result for the March 2008 Quarter.

The trading operations had a strong result for the March 2008 Quarter with ore and alloy tonnages traded increasing by 27% compared to the previous December 2007 Quarter.

Supply of high grade manganese ore has continued to tighten which has further significantly contributed to enhanced pricing fundamentals.

China produced approximately 490 million tonnes of crude steel in 2007 and is scheduled to increase its output in 2008 to approximately 520 million tonnes. Therefore China is estimated to require 7.5 to 8 million tonnes of imported manganese ore and will not find it easy to procure such a quantity of high grade ore within the current global market. At present strong demand from India and Korea is also competing with China for the same high grade ore.

The manganese price continued to rise in the March 2008 Quarter as demand remained firm due to worldwide production shortages, consumer worries over insufficient supply and a substantial amount of speculative buying. Spot business in China has seen prices reaching US$16/dmtu in the March 2008 Quarter and it has been reported that a major supplier has announced second quarter ore prices of US$13/dmtu (CIF) for 44% Mn.

The current price rally is unique and has the possibility of continuing for a number of years due to a number of specific industry developments which have restricted global ore supply and may continue to do so, to the point where the industry cannot correspondingly respond to growing demand including:

- Recent and ongoing consolidation within key market suppliers including Ukrainian ferroalloy producer Privat acquiring Ghana Manganese Company in March 2007 and Consolidated Minerals Limited in December 2007;
- South African rail and port logistical facilities are already at full capacity which is impeding expansion from existing producers or entry of new producers; and
- Brazilian production has been reduced due to Vale suspending production at its Azul mine for the latter half of 2007 to provide priority to transport its iron ore product.

TERRITORY RESOURCES LIMITED ("TTY") – 11% INTEREST

OMH continues to hold its strategic holding of 29,161,413 ordinary shares in TTY, with a market value at 31 March 2008 of approximately A$27 million.

OM HOLDINGS LIMITED ("OMH")

Capital Structure

During the March 2008 Quarter 4,298,000 ordinary shares were issued arising from the exercise of unlisted options.

As at 31 March 2008 the Company had 231,770,575 ordinary shares and 15,037,000 unlisted options on issue. Since 31 March 2008 a further 2,252,500 ordinary shares have been issued arsing from the exercise of unlisted options.

The Company declared a final dividend of A$0.04 per share which will be paid on 30 May 2008.

OMH announced on 12 November 2007 that it was assessing a proposed secondary listing on the Main Board of the Stock Exchange of Hong Kong Limited ("HKSE"). The Company has now actively commenced the detailed process to seek the secondary listing on the HKSE. During the 31 March 2008 Quarter various due diligence and compliance processes commenced in addition to site visits by key due diligence team members and various experts.

CITIC Securities Corporate Finance (HK) Limited (being a subsidiary of CITIC Securities International Company Limited, "CSI") has been appointed to be the Company's financial advisor, sole sponsor, sole global coordinator, sole bookrunner and lead manager. CSI's parent, CITIC Securities Co., Ltd. ("CITIC Securities"), is the largest investment bank in China and is listed on the Shanghai Stock Exchange. CSI is an offshore investment banking arm of CITIC Securities, specialising in the provision of corporate finance, securities brokerage and equity research services. Other key professional advisers have been appointed who are assisting with the process of advising and preparing the requisite global offer documentation.

The Company is actively progressing the application process and is expecting to complete all relevant documentation and seek approvals for the secondary listing on the HKSE by early July 2008.

It is anticipated that this secondary listing will considerably broaden the Company's shareholder base, facilitate further access to international capital markets and bring significant rewards to all Shareholders in the form of increased buying interest in the Company's shares.

As announced on 18 April 2008 the Company will be seeking shareholder approval at its Annual General Meeting in late May 2008 to a proposal to subdivide the Company's issued capital on the basis that every one ordinary share be subdivided into two ordinary shares ("the Share Split"), and that options on issue be adjusted in accordance with the ASX Listing Rules.

The Share Split is intended to benefit Shareholders by increasing the liquidity and affordability to retail investors of the shares. The Share Split is also expected to encourage extended interest from potential investors in connection with the proposed secondary listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited.

31 MARCH 2008 FINANCIAL RESULT

The 31 March 2008 Quarter demonstrated a period of unprecedented financial performance from all business units. Outstanding operational performances by the Bootu Creek Manganese Mine, the Qinzhou smelter and the metal trading operations, in an environment of record demand and prices for manganese ore and alloys underpinned by China's economic expansion, has enabled the OMH Group to achieve a record outstanding financial performance. The unaudited March 2008 Quarterly financial result is presently subject to independent audit review and the interim financial report related to this result will be announced to the market by late May 2008.

The OMH Group is on target to generate a consolidated net profit of at least A$80 million for the half year ending 30 June 2008.

OUTLOOK

Despite the volatility within financial markets the long term fundamentals underpinning the market for manganese remains very positive and continues to be driven by the strong growth of the Chinese economy. The outstanding contributions from all business units in the March 2008 Quarter is expected to be consistent and sustainable throughout 2008.

The OMH Group strategy for 2008 will be on assessment of expansion opportunities at both the Australian and China based operations and the development of further growth opportunities internationally. The OMH Group will also continue to selectively assess quality acquisition or corporate opportunities with the potential to add value for all Shareholders.

Yours faithfully
OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Company Secretary

BACKGROUND PROFILE OF 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 600,000 to 650,000 tonnes of manganese product annually. Bootu Creek has further exploration potential given that its tenement holdings extend over 2,872 km^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 also holds a 11% shareholding in Territory Resources Ltd, a company presently operating the Frances Creek iron ore project in the Northern Territory.