

OM HOLDINGS LIMITED

(ARBN 081 028 337)



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8 May 2008

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

Dear Sir/Madam

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Please be advised the Company has despatched the attached Notice of Annual General Meeting and Explanatory Statement to all shareholders.

The Annual General Meeting has been convened to be held on Friday 30 May 2008 at the Grand Mecure Roxy Hotel, 50 East Coast Road, Roxy Square, Singapore, commencing at 10am.

Yours faithfully
OM HOLDINGS LIMITED



Heng Siow Kwee/Julie Wolseley
Company Secretary

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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 km².

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.

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OM HOLDINGS LIMITED
ARBN 081 028 337

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT
AND
PROXY FORM

Date of Meeting
Friday 30 May 2008

Time of Meeting
10.00 am

Place of Meeting
Grand Mecure Roxy Hotel
50 East Coast Road
Roxy Square
Singapore

Shareholders are advised they will only have received a copy of the Company's Annual Report if they responded positively to a letter previously circulated by the Company. A copy of the Annual Report is available on the Company's website at www.omholdingsltd.com or will be sent to Shareholders without charge upon request.

OM HOLDINGS LIMITED

ARBN 081 028 337

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of the Shareholders of OM Holdings Limited ("**Company**") will be held at Grand Mecure Roxy Hotel, 50 East Coast Road, Roxy Square, Singapore on Friday 30 May 2008 commencing at 10.00 am, for the purpose of transacting the following business.

BUSINESS

An Explanatory Statement containing information in relation to each of the following resolutions accompanies this Notice of Annual General Meeting.

ORDINARY BUSINESS

To consider and if thought fit, to pass, with or without amendment, the following Resolutions as **ordinary resolutions**:

RESOLUTION 1 – FINANCIAL STATEMENTS AND REPORTS

"That the Company receive and consider the following documents:

- (a) the balance sheet of the Company as at 31 December 2007;
- (b) the income statement of the Company for the year ended 31 December 2007;
- (c) the consolidated financial statements of the Company and its controlled entities as at and for the year ended 31 December 2007; and
- (d) the reports of the Directors' and Auditors' on the financial statements of the Company and on the consolidated financial statements of the Company and its controlled entities."

RESOLUTION 2 – APPROVAL OF FINAL DIVIDEND

"That in accordance with Bye-law 138, the Shareholders of the Company formally approve the payment of a final dividend of A\$0.04 per ordinary share to all Shareholders of the Company for the year ended 31 December 2007."

RESOLUTION 3 – RE-ELECTION OF JULIE ANNE WOLSELEY AS A DIRECTOR

"That in accordance with Bye-law 88, Ms Julie Anne Wolseley retires and, being eligible, offers herself for re-election."

RESOLUTION 4 – RE-ELECTION OF TAN PENG CHIN AS A DIRECTOR

"That in accordance with Bye-law 87, Mr Tan Peng Chin, who having been appointed as a Director to fill a casual vacancy, retires and being eligible, offers himself for re-election."

RESOLUTION 5 - APPROVAL OF THE GRANT OF OPTIONS TO MR TAN PENG CHIN OR HIS NOMINEE

"That subject to Resolution 4 being passed, and in accordance with Listing Rule 10.11 of the ASX Listing Rules and for all other purposes, Shareholders approve and authorise the grant and issue of 500,000 unlisted options to subscribe for 500,000 ordinary shares in the Company to Mr Tan Peng Chin or his nominee, for no consideration in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."

The Company will disregard any votes cast on this resolution by or on behalf of Mr Tan Peng Chin or any associate of Mr Tan Peng Chin. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 6 - APPROVAL TO THE ISSUE OF SECURITIES

"Pursuant to Listing Rule 7.1 of the ASX Listing Rules and in conjunction with the proposed secondary listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited ("HKSE"), the Directors be authorised to issue to such persons as the Directors in their absolute discretion may determine (with full power to delegate), up to a total of 45,000,000 ordinary shares in the capital of the Company (or if such issue occurs after the sub-division of ordinary shares contemplated in Resolution 9 has come into effect, up to 90,000,000 ordinary shares) at an issue price yet to be determined but that will not be less than 80% of the volume weighted average market price of ordinary shares in the capital of the Company trading on the ASX over the last 5 days on which sales in the ordinary shares were recorded before the date on which the offer price is fixed for the purpose of the Global Offering and in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if the resolution is passed, or any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 7 – APPROVAL TO INCREASE NON-EXECUTIVE DIRECTORS' FEES

"Pursuant to Listing Rule 10.17 of the ASX Listing Rules and in accordance with Bye-law 97, the aggregate fees for Non-Executive Directors of the Company, acting in the capacity as Directors be set at an amount not exceeding A\$750,000 per annum."

The Company will disregard any votes cast on this resolution by or on behalf of a Director or any person associated with a Director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 8 – APPROVAL OF RE-APPOINTMENT OF AUDITOR

"That in accordance with Bye-laws 155 and 157, Shareholders of the Company re-appoint Foo Kon Tan Grant Thornton as auditor at remuneration to be determined by the Directors of the Company."

RESOLUTION 9 – APPROVAL OF SUB-DIVISION OF SECURITIES

"That pursuant to and in accordance with Bye-law 4(b) and section 45 of the Companies Act 1981 of Bermuda, with effect from the business day immediately following the date of this meeting the ordinary shares comprised in the capital of the Company be divided on a 2-for-1 basis into approximately 468,046,150 ordinary shares and that every unlisted option on issue be adjusted in accordance with the ASX Listing Rules, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."

To consider, and if thought fit, to pass, the following **special resolution**:

RESOLUTION 10 - APPROVAL OF THE OM HOLDINGS LIMITED BYE-LAWS

"That in accordance with Bye-law 168, the Bye-laws contained in the document submitted to this meeting and signed by the Chairman for identification purposes be approved and adopted with immediate effect as the Bye-laws of the Company in substitution for the existing Bye-laws of the Company."

By order of the Board



Heng Siow Kwee/Julie Wolseley

COMPANY SECRETARY

Dated: 6 May 2008

NOTES

- All securities of the Company that are quoted securities at the **close of business on 28 May 2008** are taken for the purposes of the above meeting, to be held by the persons who held them at that time. Only those persons will be entitled to vote at the Annual General Meeting on 30 May 2008.
- A member entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at this meeting.
- Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Member's voting rights.
- A proxy may but need not be a member of the Company.
- The proxy form must be signed by the Member or his attorney duly authorised. Proxies given by a corporation must be signed either under seal or under the hand of an officer or his attorney duly authorised.
- To be valid, the form appointing the proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged with OM Holdings Limited at its Head Office at #08-08, Parkway Parade, 80 Marine Parade Road, Singapore 449269 or to the Company's Share Registry, Computershare Registry Services Pty Ltd at Level 2, Reserve Bank Building, 45 St George's Terrace, Perth, Western Australia 6000 not later than 48 hours before the time for holding the meeting.
- For the convenience of Shareholders a Proxy Form accompanies the Notice of Annual General Meeting.

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EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the proposals to which the resolutions contained in the accompanying Notice of Annual General Meeting ("**Notice**") of OM Holdings Limited ARBN 081 028 337 ("**Company**" or "**OMH**") relate.

The Directors of the Company ("**Directors**") recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

1. **Resolution 1 – Approval of Financial Statements**

Resolution 1 addresses an item of regular business and is self explanatory.

2. **Resolution 2 – Approval of Payment of Dividend**

Pursuant to Bye-law 138 of the Company's Bye-laws, the Shareholders of the Company must approve the recommended payment made by the Directors of the Company to pay a final dividend of A\$0.04 per ordinary share to all Shareholders of the Company for the year ended 31 December 2007. The Record Date for this dividend was set at 24 April 2008 and the Directors propose for this dividend to be paid on 30 May 2008.

3. **Resolution 3 – Re-election of Ms Julie Anne Wolseley as a Director**

Pursuant to Bye-law 88 of the Company's Bye-laws, Ms Julie Anne Wolseley, being a Director of the Company, retires by way of rotation and, being eligible, offers herself for re-election as a Director of the Company.

Ms Wolseley was appointed as a Non-Executive Director on 24 February 2005. Ms Wolseley holds a Bachelor of Commerce degree and is a Chartered Accountant. Ms Wolseley is the principal of a corporate advisory company and has over 14 years of experience acting as company secretary to a number of ASX listed companies operating primarily in the resources sector. Her expertise includes corporate secretarial, management accounting, financial and management reporting in the mining industry, initial public offerings, capital raisings, cash flow modelling and corporate governance. She is also a Member of the Australian Institute of Company Directors.

4. **Resolution 4 – Appointment of Mr Tan Peng Chin as a Director**

Bye-law 87 of the Company's Bye-laws, provides that the Board may appoint a person to be a Director. Any such person so appointed as a Director holds office only until a general meeting of Shareholders and is then eligible for re-election at that meeting.

Mr Tan Peng Chin was appointed as a Non-Executive Director on 14 September 2007. Mr Tan is the Managing Director of Tan Peng Chin LLC, a Singapore based law firm specialising in the areas of banking and finance, corporate and commercial law, conveyancing, employment law, intellectual property, technology, franchising and competition law.

Mr Tan holds current directorships on a number of companies in the Asia region and his expertise will greatly assist the advancement of strategic pursuits within Asia.

5. **Resolution 5 – Approval of the Grant of Options to Mr Tan Peng Chin or his Nominee**

5.1 **Background**

The purpose of the issue of options contemplated in Resolution 5 is to provide incentive remuneration for Mr Tan Peng Chin a Non-Executive Director appointed on 14 September 2007 and to recognise his contribution to the future success of the Company and its subsidiaries under his management and governance.

Shareholders should note that for the reasons noted below, it is proposed to grant the Non-Executive Director options to Mr Tan despite Guideline 9.3 of the ASX Corporate Governance and Best Practice Recommendations which recommends that Non-Executive Directors should not receive options.

5.2 **Details of unlisted options proposed to be issued**

It is proposed that a total of 500,000 unlisted options be issued free to Mr Tan Peng Chin (or his nominee) as set out in Table 1 below:

TABLE 1

Expiry date		31 March 2011	31 March 2011
Vesting date		No vesting period from date of issue	Vest on 14 March 2009
	Exercise price		
Number of Options proposed to be issued to Mr Tan Peng Chin	A\$1.44	250,000*	250,000*
TOTAL		250,000*	250,000*

As announced on 14 September 2007 the exercise price of the options was approved by the Board based upon the volume weighted average price in the 5 business days prior to his appointment on 14 September 2007.

* Upon the sub-division of ordinary shares contemplated by Resolution 9 coming into effect, the number of options will automatically be reconstructed on a 2-for-1 basis and the option price will be reduced by a factor of one half.

5.3 **Terms and Conditions**

The terms and conditions attaching to the unlisted options are set out in Annexure A.

5.4 **Additional Information**

Part 2E of the Corporations Act in relation to the related party provisions and the giving of financial benefits to related parties is not applicable to the Company as it is incorporated in Bermuda and is a foreign registered company.

However, in accordance with good corporate governance and best practice, the Board has elected to provide a similar level of disclosure concerning the issue of options to Mr Tan Peng Chin as if it were required to abide by those prescribed requirements.

Consequently the following information is provided to Shareholders to allow them to assess the proposed issue of options to Mr Tan Peng Chin.

- (i) Mr Tan Peng Chin is a Non-Executive Director of the Company to whom the proposed resolution would approve a financial benefit to be given.
- (ii) The nature of the potential financial benefit to be given to Mr Tan Peng Chin is the issuing of the number of options set out in Section 5.2 above for no consideration on the terms and conditions set out in Annexure A to this Explanatory Statement.
- (iii) All the Directors of the Company have been available to make a recommendation on the issue of the options to Mr Tan Peng Chin.

- (iv) All of the Directors other than Mr Tan Peng Chin recommend that Shareholders vote in favour of Resolution 5. Mr Tan Peng Chin declined to make a recommendation about Resolution 5 as he has a material personal interest in the outcome of that particular resolution.
- (v) Value attributed to the proposed issue of options:

The Company engaged advisers to independently value the options using the Binomial option pricing model on the basis that it is accepted under IFRS guidelines, in particular where there are grant conditions attached to the options. The value per option in has been calculated based on the assumptions set out below.

	Alternative Valuation			
	250,000	250,000	250,000	250,000
Date of Valuation (based upon Director appointment date)	14 September 2007	14 September 2007	29 April 2008	29 April 2008
Vesting date	14 March 2008	14 March 2009	14 March 2008	14 March 2009
Volatility (%)	77.1	73.6	88.1	84.9
Risk-free interest rate (%)	6.15	6.13	6.41	6.38
Expected life of option (years)	2.78	3.03	2.19	2.41
Exercise price (A\$)	\$1.44	\$1.44	\$1.44	\$1.44
Underlying share price at grant date (A\$)	\$1.49	\$1.49	\$3.30	\$3.30
Value per option (A\$)	\$0.75	\$0.75	\$2.26	\$2.27
Total Valuation (A\$)	\$187,500	\$187,500	\$565,000	\$567,500

On the basis of the indicative value of the options set out above, the value of the options and hence of the benefit attributable to Mr Tan Peng Chin is A\$375,000 based upon the valuation at his appointment date. An alternative updated valuation based upon the underlying share price on 29 April 2008 is also indicated above totalling A\$1,132,500.

- (vi) Total remuneration package

The current total remuneration package per annum for Mr Tan Peng Chin is A\$80,000 per annum with effect from 14 September 2007 and excluding the value of this proposed issue of options.

There is no fringe benefits tax liability attached to the issue of the options.

No loan has or will be made in relation to the issue or exercise of the options.

- (vii) The issue of options pursuant to the proposed resolution has the potential to dilute the shareholding of existing Shareholders. Based on the total number of 234,023,075 ordinary shares currently on issue, the proposed options, if exercised in full, would dilute the existing Shareholders' interest in the Company by 0.2% (assuming no other options are exercised). If the existing options on issue were to be exercised the dilution effect would be smaller. The market price of the Company's shares during the term of the options will determine whether or not the Non-Executive Director can exercise the options.

- (viii) The Company presently has 234,023,075 ordinary shares on issue as at the date of this Notice. In addition the Company has on issue the following unlisted options to subscribe for ordinary shares as at the date of this Notice:

Number	Exercise Price	Expiry Date
480,500	A\$1.05	30 November 2008
82,000	A\$0.60	31 December 2009
3,295,000	A\$0.60	31 May 2010
82,000	A\$0.72	30 June 2010
3,000,000	A\$0.73	30 June 2010
1,595,000	A\$0.60	31 May 2011
500,000	A\$0.28	12 March 2012
3,750,000	A\$0.56	31 May 2012
12,784,500		

- (ix) In the last year the highest price of shares in the Company trading on the ASX was A\$3.86, which occurred on 5 May 2008, and the lowest price was A\$0.46, which occurred on 7 May 2007. The closing price of the Company's shares on 5 May 2008 was A\$3.84. The share price during this period has traded at various levels.

- (x) Mr Tan Peng Chin holds no other securities in the Company.

The Company is keen to advance its ongoing operations and growth initiatives and it is appropriate that the remuneration of Mr Tan Peng Chin takes into consideration the service required to be provided to the Company.

It is proposed that the issue of options to Mr Tan Peng Chin is an efficient means for the Company to supplement the cash based remuneration of Mr Tan Peng Chin given that it involves no further cash outlay by the Company, thereby conserving liquid funds. Finally it is proposed that there are no significant opportunity costs to the Company or benefits foregone by the Company in issuing the options.

- (xi) The number of options to be issued has been arrived at by reference to the overall remuneration package considered appropriate for the services of Mr Tan Peng Chin acting as a Non-Executive Director. The Company is aware that it can be difficult to attract Non-Executive Directors of the desired calibre to sit on the board of a company such as the Company as it continues to advance its ongoing operations. Consideration has been given to levels of remuneration including free options paid by other listed companies to their directors and the number of options proposed relative to the total number of shares the Company has on issue is considered to be modest and appropriate.

- (xii) The adoption of equivalents to IFRS for reporting periods means that the equity-based compensation contemplated by this resolution will be recognised as an expense in respect of the services received.

- (xiii) The Company is not aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the potential financial benefits contemplated by the proposed resolution.

5.5 Listing Rule 10.11 of the ASX Listing Rules

Listing Rule 10.11 of the ASX Listing Rules prohibits a listed company from issuing securities to a director of the Company without the approval of shareholders.

The following information is provided in accordance with Listing Rule 10.13 of the ASX Listing Rules to assist Shareholders to assess the proposed issue of options in the Company:

- (a) The name of the Non-Executive Director and the number of options which may be issued to him or his nominee are set out in Section 5.2 above;
- (b) The options will be issued for no consideration within one month of the date of the Meeting and may be exercised in accordance with the terms of the resolution on payment of the exercise price detailed in Section 5.2 above;
- (c) Detailed terms of the options are set out in Annexure A to this Explanatory Statement; and
- (d) No funds will be raised by the issue of the options.

It should be noted that if shareholder approval for this issue is given in terms of Listing Rule 10.11 of the ASX Listing Rules, there is no requirement to seek separate approval under Listing Rule 7.1 of the ASX Listing Rules and the issue of the options will not be included in the 15% calculation for the purposes of that Rule.

The appropriate voting exclusion statement appears as a note to the Notice of Annual General Meeting.

The Board of Directors (excluding Mr Tan Peng Chin) recommend that Shareholders vote to approve Resolution 5. Mr Tan Peng Chin has abstained from making a recommendation on Resolution 5 for the reasons outlined above.

6. Resolution 6 – Approval to the Issue of Securities

Resolution 6 has been included so that Shareholders may approve pursuant to Listing Rule 7.1 of the ASX Listing Rules the proposed issue of up to a maximum of 45,000,000 ordinary shares (or up to a maximum of 90,000,000 ordinary shares on a reconstructed basis if Resolution 9 is passed) to persons selected by the Directors in their absolute discretion (“Offer Shares”).

The Company presently has on issue 234,023,075 ordinary shares. The maximum issue of the Offer Shares pursuant to this resolution will represent approximately 19% of the current issued capital of the Company on an undiluted basis. The Company is required to seek shareholder approval for any issue of securities greater than 15% of its issued capital pursuant to Listing Rule 7.1 of the ASX Listing Rules. The passing of this resolution will permit the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months.

Background

On 12 November 2007 the Company announced that it would be pursuing a proposed secondary listing on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”).

The Company considers that the secondary listing will further broaden the Company’s shareholder base internationally and give the Company access to future capital raising opportunities in the growing Asian market to support its longer term growth strategy.

Hong Kong is one of the top 10 largest stock markets in the world, with an impressive investor base from both local and overseas investment communities.

OMH Group’s established manganese operation in Australia, combined with its ferro alloy production capability in China and trading operations based in Singapore are considered to be an attractive investment opportunity for the Hong Kong investor market.

The Company’s proposed listing on the HKSE comes ahead of an expected significant expansion of the Hong Kong securities market, which is seeking to attract more high credentialed and solid resource companies in the one of the world’s leading markets. The Board considers that the

expansion of the Hong Kong market can only be positive, attracting a broader spectrum of investors and opportunities. In addition, being strategically positioned in this deep and highly liquid market will be of significant benefit to the Company should it contemplate a future international acquisition or growth opportunity.

The Company has appointed CITIC Securities Corporate Finance (HK) Limited (being a subsidiary of CITIC Securities International Company Limited, "CSI") to be its financial advisor for the proposed Global Offering and secondary listing. 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. The Company also appointed its other key professional advisers to co-ordinate and assist with the process of preparing the requisite Global Offering documentation.

The Company is in the process of preparing a Global Offering Prospectus to be published solely in connection with the Hong Kong public offering, which forms part of the Global Offering. The listing application and other relevant documentation for the Global Offering was lodged with the HKSE on 21 April 2008. The Global Offering Prospectus is expected to be published by 30 June 2008 and the Company is expecting to complete the secondary listing by 31 July 2008.

The Global Offering of the Offer Shares comprise an International Placing (the placing of shares by the Company to institutional and professional investors in Hong Kong and other jurisdictions outside the United States), a Hong Kong Public Offering (the offer of shares for subscription by the public in Hong Kong) and any shares issued pursuant to the exercise of the Over-allotment Option (the option that is expected to be granted by the Company to CSI, exercisable by CSI, on behalf of the international underwriters, which will if granted require the Company to allot and issue up to approximately 15% of the number of Offer Shares initially available under the Global Offering at the same offer price solely to cover over-allocations in the International Placing, (if any)).

The listing of the Offer Shares being offered pursuant to the Global Offering is expected to be sponsored by CITIC Securities Corporate Finance (HK) Limited, who is also expected to act as lead manager of the Global Offering. CSI is acting as global coordinator and bookrunner.

The International Placing is expected to be fully underwritten by the international underwriters pursuant to an international underwriting agreement, which is expected to be entered into on the Price Determination Date, and the Hong Kong Public Offering is expected to be fully underwritten by the Hong Kong underwriters pursuant to terms of the Hong Kong underwriting agreement and is subject to the Company and CSI, on behalf of the underwriters, agreeing on the offer price.

The proposed issue of the Offer Shares is subject to completion and/or agreement upon a number of key issues including agreeing the final number of Offer Shares to be issued under the Global Offering Prospectus (including the maximum number of shares which may be issued under the Over-allotment Option), the offer price of the Offer Shares, the completion of the listing application and supporting documentation required to be lodged with the HKSE, the listing committee of the HKSE granting the listing of, and permission to deal in, the Offer Shares and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Offer Shares on the HKSE, completion and lodgement of the Global Offering Prospectus and adherence to the obligations between the Company and the underwriters being satisfied and the obligations of the underwriters under the respective underwriting agreements becoming unconditional and those agreements not being terminated.

If, for any reason, any of the key issues outlined above are not agreed between the Company and CSI or the relevant approvals from the HKSE are not obtained the Global Offering will not proceed.

The Offer Shares and the offer price are expected to be determined by CSI, on behalf of the underwriters, and the Company on the Price Determination Date. If CSI, on behalf of the underwriters, and the Company are unable to reach agreement on the offer price, the Global Offering will not become unconditional and will lapse.

The offer price will be determined by the Directors with reference, among other factors, to the volume weighted average market price for the ordinary shares over the last 5 days on which sales were recorded before the Price Determination Date.

Information Requirements

The information required to be given to Shareholders pursuant to Listing Rule 7.3 of the ASX Listing Rules is set out below:

- (a) The Company proposes to issue up to 45,000,000 ordinary shares (or up to 90,000,000 ordinary shares on a reconstructed basis if Resolution 9 is passed) to persons selected by the Directors in their absolute discretion (but they may consult with the underwriters or delegate that discretion to the underwriters) and in accordance with the proposed Global Offering Prospectus.
- (b) Any Offer Shares issued pursuant to Resolution 6 will be issued within three months of the date of the meeting convened by this Notice (or such longer period of time as ASX may, in its discretion, allow pursuant to a waiver of Listing Rule 7.3.2 of the ASX Listing Rules).
- (c) Any Offer Shares issued pursuant to Resolution 6 must be issued at a price that will not be less than 80% of the volume weighted average market price for the ordinary shares over the last 5 days on which sales were recorded before the date the price is fixed and is announced to the market.
- (d) The proposed allottees of the ordinary shares are not known at this stage. The basis of allotment will be determined by the Directors of the Company and in consultation with CITIC Securities Corporate Finance (HK) Limited. The proposed allottees will be determined after receiving applications to subscribe for shares from public and professional investors in Hong Kong and other international investors arising from the Company's offering of shares in connection with the proposed secondary listing of the Company's shares on the HKSE.
- (e) Any Offer Shares issued pursuant to Resolution 6 will rank pari passu with the existing ordinary shares on the issue.
- (f) The funds to be raised from the Global Offering are intended to be applied principally as follows:
- Enhancement of existing operations at the Bootu Creek Manganese Mine located in the Northern Territory. This includes assessing opportunities to expand sustainable production from 700,000 tonnes to 1,000,000 tonnes per annum including re-treatment of rejects. In addition undertaking a feasibility study to assess the establishment of an additional new production facility supported by the Renner Springs project will be evaluated.
 - Expansion of exploration programmes including Bootu Creek, Renner Springs and Helen Springs and to more actively pursue a detailed program to follow up encouraging standalone copper mineralisation identified from exploration drilling at the Chugga North prospect.
 - Expansion options at the Qinzhou ferro alloy processing facility. In particular the operation will be conducting a feasibility study to ascertain the merits of constructing a standalone sinter ore plant to support the existing Qinzhou ferro alloy processing facility as well as develop a niche market for sinter ore supply to other third parties.
 - Fund the evaluation and assessment of other international projects including merger and acquisition opportunities.
 - General working capital (if required).
- (g) The Company will seek permission from the ASX Limited for official quotation of the ordinary shares to be issued pursuant to Resolution 6.

7. Resolution 7 – Approval to Increase Non-Executive Directors’ Fees

The Company’s Bye-laws provide that Non-Executive Directors may be collectively paid as remuneration for their services a fixed sum not exceeding an aggregate maximum sum as determined by the Company in general meeting. Shareholders last approved the aggregate sum of A\$500,000 on 26 May 2006. Presently the Non-Executive Directors receive a fee of A\$80,000 per annum and the Non-Executive Chairman receives a fee of A\$150,000 per annum. There are presently four Non-Executive Directors who receive in aggregate a sum of A\$390,000 (comprising A\$150,000 for the Non-Executive Chairman and A\$80,000 for each of the three remaining Non-Executive Directors).

The Board may seek to appoint additional Non-Executive Directors in the future and seeks member approval to increase the aggregate to A\$750,000 per annum.

The aggregate sum of A\$750,000 has been determined by the Directors taking into consideration the proposed increase in the number of Non-Executive Directors and market competitive remuneration levels required to attract, retain and fairly reward Non-Executive Directors. The revised limit will enable Directors to increase remuneration levels over time without the need to seek shareholder approval on a successive basis.

In determining the aggregate sum the Directors have considered remuneration levels paid by other listed companies to their Non-Executive Directors. The Directors are satisfied that the proposed aggregate sum is reasonable having regard to these remuneration levels and the other factors referred to above.

The increase in the level of permitted fees does not mean that the Company must pay the entire amount approved as fees in each year. However, the Board considers that it is reasonable and appropriate to seek an increase in fees as this will provide the Company with the flexibility to attract appropriately qualified directors and to act quickly if the circumstances require it.

There is no current intention to increase the existing remuneration paid to Non-Executive Directors.

Information Requirements

The information required to be given to Shareholders pursuant to Listing Rule 10.17.1 of the ASX Listing Rules is set out below:

- (a) The current approved amount for Non-Executive Directors’ fees is A\$500,000 per annum. Accordingly, the amount of the proposed increase is A\$250,000 per annum.
- (b) If Resolution 7 is passed the maximum amount that may be paid to the Non-Executive Directors’ as a whole will be A\$750,000 per annum.

8. Resolution 8 – Approval to Re-appointment of Auditor

The Company’s current auditors, Foo Kon Tan Grant Thornton, Certified Public Accountants, offer themselves for re-appointment. Bye law 155 requires the auditor to be approved by shareholders. Bye law 157 requires the remuneration of the auditor to be fixed by the Company in general meeting and it is recommended that the Directors of the Company determine the remuneration of the auditor.

9. Resolution 9 – Sub-Division of Securities

9.1 Introduction

The purpose of Resolution 9 is to reconstruct the Company’s share capital by dividing every one share into two new shares. Under the Company’s Bye-laws and the Companies Act 1981 of Bermuda, this requires the approval of an ordinary resolution of shareholders.

In connection with the proposed secondary listing of the Company’s shares on the HKSE, the Board believes that a reconstruction of the Company’s share capital is desirable to make the Company attractive to a broader range of investors.

The effect of the capital reconstruction will be that each shareholder's holding will be increased by a factor of one and a half. Each shareholder's proportionate interest in the Company's share capital will, however, remain unchanged. The reconstruction will not involve the payment or distribution of any amounts to Shareholders and will not affect the Company's paid up capital.

9.2 Details of the reconstruction

Ordinary Shares

Under the proposal, the number of ordinary shares comprised in the Company's issued capital will be increased from 234,023,075 to approximately 468,046,150. The rights and relativities of existing Shareholders will, however, be fully preserved and all reconstructed ordinary shares will rank equally after the reconstruction.

The effect of the capital reconstruction on a holding of ordinary shares is illustrated by the following example:

<i>Current Holding</i>	<i>Reconstructed Holding</i>
100,000 ordinary shares (out of a total 234,023,075 ordinary shares on issue)	200,000 ordinary shares (out of a total 468,046,150 ordinary shares on issue)

Following the reconstruction, the price for each share may decrease to one half of its current price following the commencement of trading on a deferred settlement basis of the shares on ASX. However the extent of this reduction in the price for each share will depend on various factors and market conditions.

Fractional entitlements

Fractions of ordinary shares resulting from the reconstruction will be rounded up to the nearest whole number. Ordinary shares resulting from the rounding up will be issued as fully paid up.

Unlisted Options

In accordance with ASX Listing Rule 7.22.2, the Company must subdivide the unlisted options in the same ratio as its share capital and must amend the exercise price in inverse proportion to that ratio. The Company presently has outstanding a total of 12,784,500 unlisted options to subscribe for ordinary shares exercisable at various prices and expiring on various dates. Under the capital reconstruction these options will be divided in the same ratio as the Company's shares (that is to say, on a 2-for-1 basis) and the exercise price of each option will be reduced to one half of its existing exercise price.

The following table sets out the options currently outstanding, together with their existing and reconstructed exercise prices:

Expiry Date	Existing Number of Options	Reconstructed Number of Options	Existing Exercise Price	Reconstructed Exercise Price
30 November 2008	480,500	961,000	A\$1.05	A\$0.525
31 December 2009	82,000	164,000	A\$0.60	A\$0.30
31 May 2009	82,000	164,000	A\$0.60	A\$0.30
30 June 2010	3,000,000	6,000,000	A\$0.73	A\$0.365
31 May 2010	3,295,000	6,590,000	A\$0.60	A\$0.30
31 May 2011	1,595,000	3,190,000	A\$0.60	A\$0.30
12 March 2012	500,000	1,000,000	A\$0.28	A\$0.14
31 May 2012	3,750,000	7,500,000	A\$0.56	A\$0.28
TOTAL	12,784,500	25,569,000		

Fractional entitlements

Fractions of options resulting from the reconstruction will be rounded up to the nearest whole number.

9.3 Australian tax implications

It is not considered that there will be any adverse taxation consequences arising from the reconstruction. However Shareholders should obtain independent taxation advice on the possible tax consequences of the proposed reconstruction. Different tax implications may arise for share traders or other tax payers whose shares are held on revenue account. Shareholders who are tax resident outside of Bermuda should obtain independent taxation advice regarding the tax effect of the share split in their jurisdiction. Neither the Company nor its directors accept any responsibility for any individual shareholders taxation consequences of the reconstruction.

9.4 Timetable for the reconstruction

Assuming Shareholders pass Resolution 9, the timetable for the capital reconstruction will be as follows:

Company tells ASX that reconstruction has been approved	Friday 30 May 2008
Trading in post-reconstruction shares commences on a deferred settlement basis	Tuesday 3 June 2008
Last day for registration of transfers of pre-reconstruction shares	Tuesday 10 June 2008
First day for Company to send notice to Shareholders advising of the number of shares held both before and after the reconstruction	Wednesday 11 June 2008
First day for Company to register shares on a post-reconstruction basis and issue holding statements for post-reconstruction shares	Wednesday 11 June 2008
Despatch of holding statements; deferred settlement market ends	Monday 16 June 2008

9.5 Conclusion and recommendation

The Board believes the proposed capital reconstruction is in the best interests of the Company and unanimously recommends Shareholders to vote in favour of Resolution 9 to give effect to the proposal.

10. Resolution 10 – Approval to Amend the Company’s Bye-Laws

The Company’s present Bye-laws were last adopted by Shareholders on 26 May 2006.

If Resolution 9 is passed, the Bye-laws must be amended to reflect that the authorised capital and par value of the issued capital will change from A\$0.10 per share to A\$0.05 per share.

A number of other minor modifications are required to the Company’s existing Bye-laws so as to comply with the listing rule requirements of the Stock Exchange of Hong Kong Limited (“HKSE”). As a result of the proposed secondary listing on the HKSE, the Directors consider it appropriate to update the Company’s Bye-laws to comply with the HKSE listing rules whilst ensuring that the Bye-laws remain consistent with the ASX Listing Rules and the Companies Act 1981 of Bermuda. In view of the small number of minor technical changes to the Bye-laws, the Board has decided that it is preferable to adopt a new set of Bye-Laws (containing the changes as outlined below).

Copies of the current and proposed Bye-laws are available for perusal by members at the Company’s registered office in Singapore from 9.30am to 4.30pm on business days until the Annual General Meeting and will be available for perusal at the meeting.

The Bye-laws proposed to be adopted are substantially similar to the present Bye-laws but differ from the present Bye-laws of the Company mainly in the following respects:

10.1 Amendment to Bye-law 50(1) – Transfer of Shares:

Bye-law 50(1) currently states

“No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.”

It is proposed to also add the following sentence to Bye-law 50(1)

“The Board may refuse to register a transfer of any share to more than four (4) joint holders”.

10.2 Definition of “Designated Stock Exchange”

The definition of “Designated Stock Exchange” be amended for an update in terminology to:

“The ASX Limited (formerly Australian Stock Exchange Limited) for so long as the Company is admitted to the official list of that exchange or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the securities of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the securities of the Company.”

10.3 Definition of “Secondary Stock Exchange”

The definition of “Secondary Stock Exchange” be included as below and referenced to the relevant existing Bye-laws where appropriate.

Definition of “Secondary Stock Exchange - The Stock Exchange of Hong Kong Limited.”

Annexure A
OM HOLDINGS LIMITED

ARBN 081 028 337

RIGHTS ATTACHING TO UNLISTED OPTIONS TO MR TAN PENG CHIN
- NON - EXECUTIVE DIRECTOR

- (a) Each Option shall be issued free for no consideration.
- (b) Each Option entitles the holder to subscribe for 1 ordinary Share upon the payment of the amount specified in the Notice.
- (c) The Options may only be exercised after the relevant vesting period (if any) save that this condition is waived so that full vesting occurs in the event of a takeover/merger or change in control of more than 20% of the Company's issued capital since the Director's appointment or the death or incapacity of the Optionholder.
- (d) The Options will lapse at 5.00pm, Western Standard Time on the date specified in the Notice.
- (e) The Options will not be listed for official quotation on the ASX.
- (f) The Options shall not be transferred or assigned by an Optionholder.
- (g) There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the Option. However Optionholders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing Shareholders of the Company made during the currency of the Options, and will be granted a period of at least nine (9) business days before books closing date to exercise the Options.
- (h) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (i) The Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Optionholder to exercise all or a specified number of Options held by them accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the Optionholder to the balance of the Options held by them.
- (j) The Company shall allot the resultant Shares and deliver a statement of Shareholdings with a holders' identification number within ten (10) business days of the exercise of the Options.
- (k) Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with the existing ordinary Shares of the Company in all respects.
- (l) The Company shall make an application to have those Shares allotted pursuant to an exercise of Options listed for official quotation by the Australian Securities Exchange Limited.
- (m) All Options will lapse within 30 days upon the holder ceasing to be a Director or employee of the Company.

**OM HOLDINGS LIMITED
ARBN 081 028 337**

PROXY FORM

The Company Secretary
OM Holdings Limited
#08-08, Parkway Parade,
80, Marine Parade Road
Singapore 449269
By Facsimile: (65) 6342 2242

I/We (name of member)
of (address)
being a member/members of OM Holdings Limited hereby appoint:
(name of proxy)
of (address)
and/or failing him/her (name)
of (address)
and/or failing him/her the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Grand Mecure Roxy Hotel, 50 East Coast Road, Roxy Square, Singapore on Friday 30 May 2008 at 10.00 am and at any adjournment of the meeting.

If you wish to direct your proxy how to vote with respect to the proposed resolution, please indicate the manner in which your proxy is to vote by placing an "X" in the appropriate box below, otherwise your proxy will vote or abstain from voting as he/she thinks fit.

Ordinary Business

	For	Against	Abstain
Resolution 1 Financial statements and reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval of final dividend	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Julie Anne Wolseley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Director appointment – Mr Tan Peng Chin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval of options to Mr Tan Peng Chin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval to the issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval to increase Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Approval of re-appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Approval of subdivision of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 Approval to amend the Company's Bye-laws	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman intends to vote in favour of all Resolutions in relation to undirected proxies.

OR if you do not wish to direct your proxy how to vote, please place a mark in the box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxyholder will be disregarded of that interest.

This Proxy is appointed to represent ____% of my voting right, or if 2 proxies are appointed Proxy 1 represents ____% and Proxy 2 represents ____% of my total votes. My total voting right is _____ shares

If the Member is an individual:

Signature: _____

Name: _____

If the Member is a company:

Affix common seal (if required by Constitution)

Director/Sole Director and Secretary

Director/Secretary

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A member entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the Member's proxy. A proxy need not be a member of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the Member's voting rights. If such appointment is not made then each proxy may exercise half of the Member's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the Member or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or under the hand of an officer of the corporation or its duly authorised attorney. In the case of joint members, this proxy must be signed by at least one of the joint members, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a member, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company at its Registered Office at #08-08, Parkway Parade, 80 Marine Parade Road, Singapore 449269 or to the Company's Share Registry, Computershare Registry Services Pty Ltd at Level 2, Reserve Bank Building, 45 St George's Terrace, Perth, Western Australia 6000 no later than 48 hours before the time appointed for the holding of this Annual General Meeting that is **by 10:00 am WST on 28 May 2008** by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
 - (c) if the proxy is Chairperson, the proxy must vote on a poll and must vote that way, and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a member, the proxy can cast any votes the proxy holds as a member in any way that the proxy sees fit.

7. The Chairman intends to vote in favour of all resolutions as set out in the Notice of Annual General Meeting, except for resolutions in which he/she has an interest.

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OM HOLDINGS LIMITED
(ARBN 081 028 337)



#08 -08 Parkway Parade
80 Marine Parade Road, 449269 Singapore
Tel: 65-6346 5515 Fax: 65-6342 2242
Email address: om@ommaterials.com
Website: www.omholdingsltd.com
ASX Code: OMH