



Media Release

ASX: OMH

12 August 2008

OMH GROUP LAUNCHES ON-MARKET SHARE BUY-BACK WITH ORGANIC GROWTH STRATEGIES TO CONTINUE IN AUSTRALIA AND CHINA

OM HOLDINGS LIMITED

(ARBN 081 028 337)

ASX code: OMH

Share price: A\$1.88
(as at close of trade on 11 August 2008)

Market capitalisation: -A\$0.9B

Ordinary shares on issue:
473.1M

Unlisted options on issue:
21.1M

Board

Non Executive Chairman
Mr John Raubenheimer

Director, CEO
Mr Low Ngee Tong

Director, CFO
Mr Ong Beng Chong

Non-Executive Director
Ms Julie Anne Wolseley

Non Executive Director
Mr Tan Peng Chin

Non Executive Director
Mr Wong Fong Fui

Non Executive Director
Mr Thomas Teo Liang Huat

Major Shareholders

Board/Management	22%
HSBC Custody Nom	15%
Strategic Partners	12%
Zero Nominees Pty Ltd	8%
Top 20 Shareholders	78%

Diversified commodity trading, metals and mining house, OM Holdings Limited (**ASX: OMH – “OMH”**), has announced it will immediately implement an on-market share buy-back program to enhance its capital management combined with its strong financial position which is continuing to be underpinned by substantial operating cash flows generated by its manganese mining, processing and trading operations in Australia, China and Singapore.

The Singapore-headquartered Company said today (**Tuesday**) that it would implement an on-market share buy-back of up to 24 million ordinary shares, representing approximately 5% of its issued capital.

OMH Group's CEO, Mr Low Ngee Tong, said the Board believed that there were significant advantages to having a share buy-back program in place in the current environment of significant volatility in global equity markets.

“Our view is that the current market price of OMH shares does not reflect the underlying value, strong earnings and future potential of the Group's assets,” Mr Low commented. “We believe that it represents prudent capital management to utilise some of our existing surplus cash reserves to buy-back some of our own shares, which will ultimately benefit all shareholders by delivering long-term value and maximising returns.

“The OMH Group has been generating significant operating cash flows from all our operations in Australia, China and Singapore,” he continued. “As at 30 June, we had over A\$60 million in cash reserves and no material debt, and the outlook for all of our businesses remains very strong, with manganese prices remaining buoyant.”

The Company recently confirmed that it was on track to achieve the previously announced forecast consolidated net profit after tax of no less than A\$85 million for the half year ended 30 June 2008. The Company's dividend policy of declaring interim and final dividends will also not be impacted by the buy-back. The Company will be announcing its audited result for the half year ended 30 June 2008 on or around 27 August 2008.

“It is important to emphasise that the share buy-back program will not compromise our organic growth strategy, which continues to centre on opportunities to expand production and increase the mine life at our 100%-owned Bootu Creek Manganese Mine in the Northern Territory and advance construction of a dedicated sinter ore production facility at our Qinzhou smelter in China,” Mr Low said.

The share buy-back program will continue for a 12 month period from 13 August 2008. The prices to be paid will comply with the ASX Listing Rules, being no more than 5% above the average price paid for OMH shares over the five previous trading days. All shares purchased will be held as treasury shares, with the Company precluded from exercising any rights in respect of the shares, except the Company will have the ability to offer or transfer the shares in the future.

Directors who currently hold shares either directly or indirectly in the Company are not intending to offer their shares under the buy-back program.

- ENDS -

Released by:
Nicholas Read
Read Corporate
Telephone: +61-8 9388 1474

On behalf of:
Mr Low Ngee Tong, CEO
Tel: +65 6346 5515

Forward-Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of OM Holdings Limited, that could cause actual results to differ materially from such statements. OM Holdings Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

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