

# OM HOLDINGS LIMITED

(ARBN 081 028 337)



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1 September 2008

Company Announcements Office  
ASX Limited  
4<sup>th</sup> Floor  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

## **NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT**

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

The General Meeting has been convened to be held on Tuesday 23 September 2008 at the Grand Mecure Roxy Hotel, 50 East Coast Road, Roxy Square, Singapore, commencing at 11am.

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 km<sup>2</sup>.*

*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

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**NOTICE OF GENERAL MEETING**  
**EXPLANATORY STATEMENT**  
**AND**  
**PROXY FORM**

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**Date of Meeting**  
Tuesday, 23 September 2008

**Time of Meeting**  
11.00am

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

# OM HOLDINGS LIMITED

ARBN 081 028 337

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of the Shareholders of OM Holdings Limited ("**Company**") will be held at Grand Mercure Roxy Hotel, 50 East Coast Road, Roxy Square, Singapore on Tuesday, 23 September 2008 commencing at 11.00 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 General Meeting.

### **ORDINARY BUSINESS**

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

#### **RESOLUTION 1 – RE-ELECTION OF PETER IVAN TOTH AS A DIRECTOR**

"That in accordance with Bye-law 87(2), Mr Peter Ivan Toth who, having been appointed as a Director to fill a casual vacancy, retires and, being eligible, offers himself for re-election."

#### **RESOLUTION 2 – RE-ELECTION OF WONG FONG FUI AS A DIRECTOR**

"That in accordance with Bye-law 87(2), Mr Wong Fong Fui who, having been appointed as a Director to fill a casual vacancy, retires and, being eligible, offers himself for re-election."

#### **RESOLUTION 3 – RE-ELECTION OF THOMAS TEO LIANG HUAT AS A DIRECTOR**

"That in accordance with Bye-law 87(2), Mr Thomas Teo Liang Huat who, having been appointed as a Director to fill a casual vacancy, retires and, being eligible, offers himself for re-election."

#### **RESOLUTION 4 - APPROVAL OF THE GRANT OF OPTIONS TO MR PETER IVAN TOTH OR HIS NOMINEE**

"That subject to Resolution 1 set out in this Notice of Meeting being passed, and in accordance with Rule 10.11 of the ASX Listing Rules and for all other purposes, Shareholders approve and authorise the grant and issue of a total of 20,000,000 unlisted options to subscribe for ordinary shares in the Company to Mr Peter Ivan Toth or his nominee, for no consideration, in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Meeting."

*The Company will disregard any votes cast on this resolution by or on behalf of Mr Peter Ivan Toth or any associate of Mr Peter Ivan Toth. 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 5 - APPROVAL OF THE GRANT OF OPTIONS TO MR WONG FONG FUI OR HIS NOMINEE**

"That subject to Resolution 2 set out in this Notice of Meeting being passed, and in accordance with Rule 10.11 of the ASX Listing Rules and for all other purposes, Shareholders approve and authorise the grant and issue of a total of 1,000,000 unlisted options to subscribe for ordinary shares in the Company to Mr Wong Fong Fui or his nominee, for no consideration, in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Meeting."

*The Company will disregard any votes cast on this resolution by or on behalf of Mr Wong Fong Fui or any associate of Mr Wong Fong Fui. 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 OF THE GRANT OF OPTIONS TO MR ONG BENG CHONG OR HIS NOMINEE**

"In accordance with Rule 10.11 of the ASX Listing Rules and for all other purposes, Shareholders approve and authorise the grant and issue of a total of 12,000,000 unlisted options to subscribe for ordinary shares in the Company to Mr Ong Beng Chong or his nominee, for no consideration, in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Meeting."

*The Company will disregard any votes cast on this resolution by or on behalf of Mr Ong Beng Chong or any associate of Mr Ong Beng Chong. 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 OF THE GRANT OF OPTIONS TO MR LOW NGENE TONG OR HIS NOMINEE**

"In accordance with Rule 10.11 of the ASX Listing Rules and for all other purposes, Shareholders approve and authorise the grant and issue of a total of 4,000,000 unlisted options to subscribe for ordinary shares in the Company to Mr Low Ngee Tong or his nominee, for no consideration, in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Meeting."

*The Company will disregard any votes cast on this resolution by or on behalf of Mr Low Ngee Tong or any associate of Mr Low Ngee Tong. 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 THE GRANT OF OPTIONS TO MR PAUL VINCENT THOMAS OR HIS NOMINEE**

"In accordance with Rule 7.1 of the ASX Listing Rules and for all other purposes, Shareholders approve and authorise the grant and issue of a total of 10,000,000 unlisted options to subscribe for ordinary shares in the Company to Mr Paul Vincent Thomas or his nominee, for no consideration, in accordance with the terms and conditions as set out in the Explanatory Statement accompanying this Notice of Meeting."

*The Company will disregard any votes cast on this resolution by or on behalf of Mr Paul Vincent Thomas, any other person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if the resolution is passed, or any associate of any 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.*

## SPECIAL BUSINESS

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

### RESOLUTION 9 – AMENDMENT OF BYE-LAWS

That in accordance with Bye-law 168, the Bye-laws of the Company be amended by:

- (a) deleting the words "*no more than two proxies or no more than two attorneys*" from Bye-law 79 and replacing them with "*more than one proxy or attorney*";
- (b) deleting Bye-law 85(2) and replacing it with the following:

*"Where a Member and/or warrant holder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of the Company or at any meeting of any class of Members and/or warrant holders provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of shares and/or warrants in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence for substantiating the facts that it is duly authorised and will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise if it were an individual Member and/or warrant holder of the Company.";* and

- (c) inserting a new Bye-law 52AA in the following form:

#### **"52AA Proportional takeover bids**

**52AA.1** *In this Bye-law:*

- (1) **proportional takeover bid** or **bid** means a proportional takeover bid as defined in section 9 of the Corporations Act;
- (2) **relevant day** in relation to a proportional takeover bid means the day that is the fourteenth day before the end of the period during which the offers under the bid remain open; and
- (3) a reference to **a person associated with** another person has the meaning given to that expression by Division 2 of Part 1.2 of the Corporations Act.

**52AA.2** *Where offers have been made under a proportional takeover bid in respect of shares included in a class of shares in the Company:*

- (1) *other than where a transfer is effected in accordance with the takeover provisions (if any) under the ASTC Settlement Rules, the registration of a transfer giving effect to a contract resulting from the acceptance of one of those offers is prohibited unless and until a resolution (in this Bye-law referred to as an **approving resolution**) to approve the proportional takeover bid is passed in accordance with this Bye-law;*
- (2) *a person (other than the bidder or a person associated with the bidder) who, as at the end of the day on which the first offer under the bid was made, held shares in that class is entitled to vote on an approving resolution and, for the purpose of so voting, is entitled to one vote for each of the shares;*
- (3) *an approving resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the resolution; and*
- (4) *an approving resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is taken to have been rejected.*

52AA.3 The provisions of these Bye-laws that apply in relation to a general meeting of the Company apply with any modifications the circumstances require, in relation to a meeting that is convened pursuant to this Bye-law as if the last-mentioned meeting were a general meeting of the Company.

52AA.4 Where offers have been made under a proportional takeover bid, then the Directors must ensure that a resolution to approve the bid is voted on in accordance with this Bye-law before the relevant day in relation to the bid.

52AA.5 Where a resolution to approve a proportional takeover bid is voted on in accordance with this Bye-law, the Company must, on or before the relevant day in relation to the bid:

- (1) give to the bidder; and
- (2) serve on the Designated Stock Exchange,

a notice in writing stating that a resolution to approve the bid has been voted on and that the resolution has been passed, or has been rejected, as the case requires.

52AA.6 Where, at the end of the day before the relevant day in relation to a proportional takeover bid, no resolution to approve the bid has been voted on in accordance with this Bye-law, a resolution to approve the bid must, for the purposes of this Bye-law, be treated as having been passed in accordance with this Bye-law.

52AA.7 Where a resolution to approve a proportional takeover bid is voted on in accordance with this Bye-law before the relevant day in relation to the bid and is rejected, then:

- (1) all offers under the bid that have not, as at the end of the relevant day, been accepted, and all offers under the bid that have been accepted and from whose acceptance binding contracts have not, at the end of the relevant day, resulted, must be treated as withdrawn at the end of the relevant day; and
- (2) a person who has accepted an offer made under the bid is entitled to rescind the contract (if any) resulting from that acceptance.

52AA.8 Nothing in this Bye-law authorises the Company to interfere with any takeover transfer procedures contained in the ASTC Settlement Rules.

52AA.9 This Bye-law ceases to have effect on the third anniversary of the date of its adoption or of its most recent renewal".

By order of the Board



Heng Siow Kwee/Julie Wolseley

**COMPANY SECRETARY**

Dated: 27 August 2008

#### NOTES

- All securities of the Company that are quoted securities at the **close of business on 21 September 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 General Meeting on 23 September 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 General Meeting.

## EXPLANATORY STATEMENT

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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 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 those resolutions.

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

### 1. **Resolutions 1, 2 and 3 – Re-election of Directors**

Bye-law 87(2) of the Company's Bye-laws provides that the Board may appoint a person to be a Director. Any person so appointed holds office as a Director only until the next annual general meeting of the Company and is then eligible for re-election at that meeting. OMH's next annual general meeting is not due to be held until May 2009, so the opportunity is now being taken to put resolutions to Shareholders for the re-election of Mr Peter Ivan Toth, Mr Wong Fong Fui and Mr Thomas Teo Liang Huat, each of whom has or will have been appointed as a Director of OMH since the Company's last Annual General Meeting held on 30 May 2008.

#### **Mr Peter Ivan Toth**

Mr Peter Ivan Toth will join the Board as Joint Chief Executive Officer with effect from 3 September 2008.

Mr Toth is a senior executive with extensive experience gained over the past 14 years in the resources industry. His experience encompasses various marketing and commercial roles, including manganese and iron ore marketing roles with BHP Billiton.

Mr Toth will be Singapore-based and will work closely with the other Joint Chief Executive Officer, Mr Low Ngee Tong, the Board and senior management in the Company's various operations.

Mr Toth's immediate priorities are to ensure the continuity of strong production from the Bootu Creek Manganese Mine, further enhance cost control systems, deliver on time and on budget development projects focused upon expanded production beyond 700,000 tonnes per annum, develop a strong, technically proficient team at the Bootu Creek Manganese Mine to pursue future growth opportunities and improve the OMH Group's market competitiveness.

#### **Mr Wong Fong Fui**

Mr Wong Fong Fui was appointed as an independent Non-Executive Director of the Company on 5 June 2008.

Mr Wong is a Singapore-based businessman with a diverse background in engineering services, commercial aviation, education, food, manufacturing and retail, information technology and telecommunications.

Mr Wong has a Bachelor of Engineering degree specialising in Chemical Engineering from the University of New South Wales. He commenced his career as a chemical engineer in the oil and gas industry and subsequently co-founded a number of engineering and construction companies.

He is presently the Chairman and Group Chief Executive Officer of Boustead Singapore Limited, a position he has held since 1996. Prior to that, Mr Wong was the Group Managing Director of QAF Limited, a food manufacturing and retail company which he was instrumental in developing into a leading regional food empire within Asia. He was also instrumental in the formation and privatisation of Myanmar International Airways and presently holds a minority interest in Jetstar Asia.

## **Mr Thomas Teo Liang Huat**

Mr Teo was appointed as an independent Non-Executive Director of the Company on 18 July 2008.

Mr Teo is the Chief Financial Officer of G.K. Goh Holdings Limited, a Singapore-listed investment group involved primarily in the provision of financial services.

Prior to joining G.K. Goh Holdings Limited, Mr Teo was a senior executive with a regional private equity group where he was responsible for direct investments in the Asean region and was appointed to the boards of various investee companies during his tenure with the group. Mr Teo also spent eight years with Ernst & Young, Singapore and has had extensive experience in the audit and corporate finance fields.

Mr Teo holds a Master of Business in Information Technology from the Royal Melbourne Institute of Technology and a Bachelor of Accountancy from the National University of Singapore. He is also a Fellow of the Institute of Certified Public Accountants of Singapore.

## **2. Resolutions 4, 5, 6 and 7 – Approval of the Grant of Options to Mr Peter Ivan Toth, Mr Wong Fong Fui, Mr Ong Beng Chong and Mr Low Ngee Tong (or their respective nominees)**

### **2.1 Background**

The issues of options contemplated by these resolutions form part of the recipients' respective remuneration packages and are designed to provide them with an incentive to grow the Company and enhance shareholder value.

Shareholders should note that for the reasons stated below, it is proposed to grant options to Mr Wong Fong Fui despite Guideline 9.3 of the ASX Corporate Governance and Best Practice Recommendations, which recommends that non-executive directors should not receive options as part of their remuneration.

### **2.2 Details of options to be issued**

#### **Mr Peter Ivan Toth**

It is proposed that a total of 20,000,000 unlisted options be issued free to Mr Peter Ivan Toth (or his nominee) as follows:

- 4 million options with an exercise price of A\$1.405 each vesting immediately upon issue and expiring 30 September 2010;
- 4 million options with an exercise price of A\$1.52 each, vesting on 3 September 2009 and expiring 3 September 2011;
- 4 million options with an exercise price of A\$1.64 each, vesting on 3 September 2010 and expiring 3 September 2012;
- 4 million options with an exercise price of A\$1.755 each, vesting on 3 September 2011 and expiring 3 September 2013; and
- 4 million options with an exercise price of A\$1.87 each, vesting on 3 September 2012 and expiring 3 September 2014.

In addition to each of these options Mr Toth's remuneration package comprises a sign-on bonus of A\$3,000,000 (which is repayable to the Company in certain circumstances), an annual salary of S\$600,000 (approximately A\$480,000), provision of a fully serviced motor vehicle to the value of S\$200,000 (approximately A\$160,000), a rental allowance of S\$84,000 (approximately A\$67,000) per annum, and standard contributions in accordance with the Singapore Government's Central Provident Fund requirements.

### **Mr Wong Fong Fui**

It is proposed that 1,000,000 unlisted options be issued free to Mr Wong Fong Fui (or his nominee) with an exercise price of A\$2.58 each and expiring 31 August 2011. These options will vest immediately on issue. In addition to these options, Mr Wong is entitled to a director's fee of A\$80,000 per annum.

### **Mr Ong Beng Chong**

Mr Ong Beng Chong commenced as the Company's Chief Financial Officer on 1 August 2008. It is proposed that a total of 12,000,000 unlisted options be issued free to Mr Ong (or his nominee) as follows:

- 3 million options with an exercise price of A\$1.405 each, vesting immediately upon issue and expiring 1 August 2010;
- 3 million options with an exercise price of A\$1.52 each, vesting on 1 August 2009 and expiring 1 August 2011;
- 2 million options with an exercise price of A\$1.64 each, vesting on 1 August 2010 and expiring 1 August 2012;
- 2 million options with an exercise price of A\$1.755 each, vesting on 1 August 2011 and expiring 1 August 2013; and
- 2 million options with an exercise price of A\$1.87 each, vesting on 1 August 2012 and expiring 1 August 2014.

In addition to these options, Mr Ong's remuneration package comprises a sign-on bonus of A\$1,800,000 (which is repayable to the Company in certain circumstances), an annual salary of S\$500,000 (approximately A\$400,000), provision of a fully serviced motor vehicle to the value of S\$200,000 (approximately A\$160,000), and standard contributions in accordance with the Singapore Government's Central Provident Fund requirements.

Prior to his appointment as the Company's Chief Financial Officer, Mr Ong was a Non-Executive Director of the Company, a position he had held since 25 May 2007. Mr Ong's remuneration whilst he was a Non-Executive Director was A\$80,000 per annum.

### **Mr Low Ngee Tong**

It is proposed that 4,000,000 unlisted options be issued free to Mr Low Ngee Tong (or his nominee) with an exercise price of A\$2.49 each and expiring on 31 August 2011. In addition to these options, Mr Low's remuneration package comprises an annual salary of S\$600,000 (approximately A\$480,000), an additional one month payment of S\$45,000 in December each year, provision of a fully serviced motor vehicle, plus standard contributions in accordance with the Singapore Government's Central Provident Fund requirements. Mr Low is also entitled to receive a discretionary performance bonus based on the annual consolidated operating profit after tax of the OMH Group, with the minimum bonus amounts specified for the three years ending 31 December 2009 calculated as a percentage ranging from 2% to 3% of the annual consolidated operating profit after tax of the Group.

## **2.3 Terms and Conditions**

The terms and conditions attaching to the options referred to in Section 2.2 are set out in Annexure A to this Explanatory Statement.

## 2.4 Additional Information

Part 2E of the Corporations Act (which relates to the giving of financial benefits to related parties) is not applicable to the Company as it is incorporated in Bermuda. However, in accordance with good corporate governance and best practice, the Board has elected to provide a similar level of disclosure concerning the proposed issues of options as if the Company were incorporated in Australia and subject to the disclosure requirements of Part 2E.

The following information is therefore provided to Shareholders to allow them to assess the proposed issues of options to Mr Peter Ivan Toth, Mr Wong Fong Fui, Mr Ong Beng Chong and Mr Low Ngee Tong:

- (i) Mr Toth, Mr Wong, Mr Ong and Mr Low are all Directors of the Company to whom Resolutions 4, 5, 6 and 7 would approve a financial benefit being given.
- (ii) The nature of the financial benefit to be given to each individual is the issue of the number of options referred to in Section 2.2 above for no consideration.
- (iii) Other than Mr Toth, Mr Wong, Mr Ong and Mr Low in relation to Resolutions 4, 5, 6 and 7 respectively, the Directors unanimously recommend that Shareholders vote in favour of those resolutions.
- (iv) The options have been independently valued as at 8 August 2008 using the Binomial option pricing model, on the basis that this is accepted under IFRS guidelines - in particular where there are vesting conditions attached to the options.

The value per option has been calculated using the assumptions set out in the table below.

Expiry Date	Vesting Date	Share Price at Date of Valuation	Exercise Price	Dividend Yield	Risk Free Rate	Volatility	Binomial Model Option Value	Number of Options	Total Value of Options
<b>Peter Ivan Toth</b>									
30.09.10	08.08.08	A\$1.80	A\$1.405	1.65%	6.43%	66.97%	A\$0.77	4,000,000	A\$3,080,000
03.09.11	03.09.09	A\$1.80	A\$1.52	1.65%	6.27%	84.41%	A\$0.99	4,000,000	A\$3,960,000
03.09.12	03.09.10	A\$1.80	A\$1.64	1.65%	6.18%	74.46%	A\$0.99	4,000,000	A\$3,960,000
03.09.13	03.09.11	A\$1.80	A\$1.755	1.65%	6.17%	69.23%	A\$1.00	4,000,000	A\$4,000,000
03.09.14	03.09.12	A\$1.80	A\$1.87	1.65%	6.17%	74.39%	A\$1.10	4,000,000	A\$4,400,000
									<b>A\$19,400,000</b>
<b>Ong Beng Chong</b>									
30.09.10	08.08.08	A\$1.80	A\$1.405	1.65%	6.43%	66.97%	A\$0.77	3,000,000	A\$2,310,000
01.08.11	01.08.09	A\$1.80	A\$1.52	1.65%	6.28%	85.74%	A\$0.99	3,000,000	A\$2,970,000
01.08.12	01.08.10	A\$1.80	A\$1.64	1.65%	6.19%	75.31%	A\$0.99	2,000,000	A\$1,980,000
01.08.13	01.08.11	A\$1.80	A\$1.755	1.65%	6.17%	69.75%	A\$1.00	2,000,000	A\$2,000,000
01.08.14	01.08.12	A\$1.80	A\$1.87	1.65%	6.17%	74.76%	A\$1.09	2,000,000	A\$2,180,000
									<b>A\$11,440,000</b>
<b>Wong Fong Fui</b>									
31.08.11	08.08.08	A\$1.80	A\$2.58	1.65%	6.31%	89.04%	A\$0.76	1,000,000	A\$760,000
									<b>A\$760,000</b>
<b>Low Ngee Tong</b>									
30.09.10	08.08.08	A\$1.80	A\$2.49	1.65%	6.43%	66.97%	A\$0.44	4,000,000	A\$1,760,000
									<b>A\$1,760,000</b>

On the basis of the valuations set out in the above table, the total value of the financial benefit to be received by Mr Toth is A\$19,400,000; by Mr Ong is A\$11,440,000; by Mr Wong is A\$760,000; and by Mr Low is A\$1,760,000.

There is no fringe benefits tax liability attached to the issue of the options, and no loan has or will be made in relation to the exercise of the options.

- (iv) The issues of options pursuant to Resolutions 4, 5, 6 and 7 have the potential to dilute the interest of existing Shareholders. Based on the total number of 473,097,150 ordinary shares currently on issue, the proposed options, if exercised in full, would dilute existing Shareholders' interests in the Company by 7.8% (assuming no other options were exercised). If existing options on issue were to be exercised the dilutionary effect would obviously be smaller.

- (v) As at the date of this Explanatory Statement the Company had 473,097,150 ordinary shares on issue. In addition, as at that date the Company had on issue the following options to subscribe for shares:

Number	Exercise Price (A\$)	Expiry Date
220,000	0.525	30 November 2008
64,000	0.30	31 December 2009
2,480,000	0.30	31 May 2010
64,000	0.36	30 June 2010
5,750,000	0.365	30 June 2010
3,040,000	0.30	31 May 2011
1,000,000	0.72	31 March 2011
7,500,000	0.28	31 May 2012
1,000,000	0.14	12 March 2012
<b>21,118,000</b>		

- (vi) In the last 12 months the highest price of shares in the Company trading on the ASX was A\$2.87, which occurred on 19 June 2008, and the lowest price was A\$0.55, which occurred on 27 August 2007. The closing price of the Company's shares on 26 August 2008 was A\$2.34.
- (vii) As at the date of this Explanatory Statement Mr Toth, Mr Ong, Mr Wong and Mr Low have relevant interests in the following securities issued by the Company:

Director	Number of Ordinary Shares	Number of Unlisted Options
<b>Mr Peter Ivan Toth</b>	Nil	Nil
<b>Mr Ong Beng Chong</b>	766,000 held directly	Nil
<b>Mr Wong Fong Fui</b>	Nil	Nil
<b>Mr Low Ngee Tong</b> <sup>1</sup>	36,395,000 held indirectly 750,000 held indirectly 6,000,000 held directly	6,000,000 unlisted options exercisable at A\$0.27 each by 31 May 2012

<sup>1</sup> Mr Low Ngee Tong's spouse (Ms Heng Siow Kwee who is a senior executive of one of the Company's subsidiaries) also holds 47,132,130 ordinary shares indirectly, 500,000 ordinary shares directly and 500,000 unlisted options exercisable at A\$0.30 each by 31 May 2010 (held directly).

- (viii) The proposed issues of options to Mr Toth, Mr Wong, Mr Ong and Mr Low are regarded as an efficient means for the Company to supplement the cash-based remuneration payable to them as they involve no cash outlay by the Company, thereby conserving liquid funds. In the Directors' opinion there would be no significant opportunity costs to the Company or benefits foregone by the Company in issuing the options.
- (ix) The number of options proposed to be issued to each recipient has been arrived at by reference to the overall remuneration packages considered appropriate for their services.

In particular, Mr Toth and Mr Ong will play an integral role in further expanding and developing the Company and its subsidiaries' existing operations as well as seek further growth and expansion opportunities. Furthermore, Mr Toth's leadership as the Joint Chief Executive Officer of the Company is expected to be an important element in the OMH Group's future success. The Board considers that an essential element of both Mr Toth's and Mr Ong's remuneration should be an option package which rewards success.

Mr Toth will be responsible for:

- Further enhancing the Australian manganese mining operation and focus primarily upon expediting expansion plans;
- Pursuing and assessing a number of exploration and development opportunities both within Australia and internationally;
- Evaluating merger and acquisition growth opportunities relevant to expanding the OMH Group's manganese and other carbon steel materials businesses; and
- Extending the investor base both within Australia and overseas

Mr Ong will be responsible for:

- Managing all financial aspects including risks of the OMH Group;
- Ensuring appropriate financial planning and reporting particularly in relation to expansion opportunities;
- Implementing corporate strategies and plans to meet OMH Group goals; and
- Implementing efficient cost control measures across the OMH Group.

In the case of Mr Wong, the number of options to be issued has been arrived at by reference to the overall remuneration package considered appropriate for the services of a person 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 OMH as it continues to advance its ongoing operations.

In the case of Mr Low, his Executive Service Agreement requires the Board to undertake an annual review of his remuneration and performance and the Board in its absolute discretion has the ability to offer options (subject to shareholder approval). This review was conducted in early July 2008 and the Board has determined that the proposed options package reflects the role he has played with respect to the Company's outstanding operational and financial performance across all business units over the past 12 months.

Given the nature of the Company's activities and the small management team responsible for its running, the Board believes that the performance of Mr Toth, Mr Ong and Mr Low and the performance and value of the Company are closely related. Accordingly, other than the time-based vesting period for the options to be issued to Mr Toth and Mr Ong, there are no performance criteria on the exercise of the options. The proposed options will generally only be of benefit if Mr Toth, Mr Ong and Mr Low performs to the level whereby the value of the Company increases sufficiently to warrant exercising the options.

- (x) The adoption of equivalents to IFRS for reporting periods means that the equity-based compensation contemplated by Resolutions 4, 5, 6 and 7 will be recognised as an expense in respect of the services received.
- (xi) The Company is not aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 4, 5, 6 and 7.

## 2.5 Listing Rule 10.11

Rule 10.11 of the ASX Listing Rules prohibits a listed company from issuing securities to a related party (which includes a director) of the Company without the approval of Shareholders.

The following information is provided in accordance with Rule 10.13 of the ASX Listing Rules to assist Shareholders to assess the issues of options contemplated by Resolutions 4, 5, 6 and 7:

- (a) The name of the proposed recipient of the options and the number of options which may be issued to him or his nominee are set out in Section 2.2 above.
- (b) The options will be issued within one month after the date of the General Meeting.
- (c) The options will be issued on the terms set out above and in Annexure A to this Explanatory Statement.
- (d) No funds will be raised by the issue of the options.

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

Appropriate voting exclusion statements appear as notes to the Notice of General Meeting.

### 3. **Resolution 8 – Approval of the Grant of Options to Mr Paul Vincent Thomas or his nominee**

Resolution 8 has been included so that Shareholders may approve pursuant to Rule 7.1 of the ASX Listing Rules the proposed issue of a total of 10,000,000 options to Mr Paul Thomas, the Managing Director of the Company's 100%-owned subsidiary, OM (Manganese) Ltd. The options are being issued free, as part of Mr Thomas's remuneration package, and are exercisable at A\$2.49 each. One-fifth of the options will vest on each of 1 January 2009, 2010, 2011, 2012 and 2013, and in each case will expire two years after vesting.

Under Rule 7.1 of the ASX Listing Rules, the Company is required to seek shareholder approval for any issue of securities greater than 15% of its issued capital in any 12 month period. The passing of Resolution 8 will preserve intact the Company's ability to place up to 15% of its issued capital at any time during the next 12 months without shareholder approval.

As Mr Thomas is not a "related party" of the Company for the purposes of ASX Listing Rules, approval of this issue by Shareholders is not required under Rule 10.11 of the ASX Listing Rules.

#### **Information Requirements**

The information required to be given to Shareholders pursuant to Rule 7.3 of the ASX Listing Rules in relation to the option issue contemplated by Resolution 8 is set out below:

- (a) The Company proposes to issue a total of 10,000,000 options to Mr Paul Thomas.
- (b) The options will be issued within three months after the date of the General Meeting.
- (c) The options will be issued on the terms set out above and in Annexure A to this Explanatory Statement.
- (d) No funds will be raised by the issue of the options.

### 4. **Resolution 9 – Amendment of Bye-laws**

At the Annual General Meeting held on 30 May 2008 the Company adopted a new set of Bye-laws. In connection with the Company's proposed listing on the Hong Kong Stock Exchange ("**HKSE**"), some minor changes to those Bye-laws are required for the purposes of casting votes attached to securities registered in Hong Kong's scripless trading system. As announced to the ASX on 1 August 2008, the proposed listing on HKSE has been postponed. Nevertheless the Directors consider it prudent to take the opportunity presented by the General Meeting to effect these changes to the Bye-laws in readiness for a resumption of the listing process. The proposed changes to the Bye-laws, which are largely technical in nature, are set out in Resolution 9.

In addition the Directors are proposing a further amendment to the Bye-laws to protect Shareholders' interests in the event of a proportional takeover bid being made for the Company. A "proportional takeover bid" is a takeover bid for the Company under which the bidder offers to acquire a fixed percentage of each Shareholder's shares, rather than his entire shareholding.

The proposed amendment to the Bye-laws involves the insertion of a provision which would require the Directors, if a proportional takeover bid is made for the Company, to convene a general meeting of Shareholders to vote on a resolution to approve the bid. Neither the bidder nor any Shareholder associated with the bidder would be eligible to vote on that resolution. The resolution would be proposed as an ordinary resolution (that is to say, one requiring a simple majority of the votes cast on the resolution) and, if the resolution is not passed, any transfer of shares in the Company pursuant to an acceptance of the bid would be prohibited. In other words, the bid would lapse.

The Directors consider that Shareholders should have the opportunity to decide whether a proportional takeover bid for the Company should proceed. If the necessary resolution is passed and the bid proceeds, individual Shareholders can then make their own decisions as to whether to accept the bid.

A proportional takeover bid may enable control of the Company to be acquired by a party without Shareholders being given the opportunity to dispose of all of their shares – thereby exposing them to the risk of being left as minority shareholders in the Company. The proposed amendment to the Bye-laws should reduce this risk.

If adopted, the proposed amendment to the Bye-laws will automatically expire three years after the date of its adoption, unless it has previously been renewed by resolution of Shareholders.

The potential advantages and disadvantages of including such a provision in the Bye-laws can be summarised as follows:

#### **Advantages**

- (a) The provision enables the Directors to ascertain the views of Shareholders in respect of a proportional takeover bid and ensures that Shareholders will have an opportunity to consider the bid and vote on it.
- (b) It enables Shareholders to prevent a proportional takeover bid from proceeding if they believe that control of the Company should not pass to the bidder.
- (c) It may encourage a proportional takeover bid to be structured so as to be attractive to the independent Shareholders (i.e. those not associated with the bidder).

#### **Disadvantages**

- (a) Such a provision may discourage takeover bids for the Company. As a result, it may reduce any "takeover speculation" element in the Company's share price and deny Shareholders the opportunity of selling a portion of their shareholdings at a premium to the market price.
- (b) It may restrict the ability of individual Shareholders to deal freely with their shares in certain circumstances.

On balance, the Directors believe that the advantages enumerated above outweigh the disadvantages and recommend that Shareholders vote in favour of this amendment to the Bye-laws.

## Annexure A

### TERMS OF ISSUE OF OPTIONS TO BE ISSUED TO MR PETER IVAN TOTH, MR WONG FONG FUI, MR ONG BENG CHONG, MR LOW NGEЕ TONG AND MR PAUL VINCENT THOMAS (OR THEIR RESPECTIVE NOMINEES)

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#### 1. ENTITLEMENT

- 1.1 Each Option entitles the Holder to subscribe for and be issued, credited as fully paid, one Share.
- 1.2 Subject to these Terms of Issue, the Company shall issue Shares on exercise of an Option in accordance with the ASX Listing Rules and shall either issue a certificate, or cause a holding statement to be issued, for Shares so issued within 10 Business Days after the date of exercise of the relevant Option.
- 1.3 Shares issued on the exercise of Options will rank pari passu with all existing shares in the Company from the date of issue of those Shares.

#### 2. EXERCISE OF OPTIONS

- 2.1 Subject to clause 2.2 of these Terms of Issue, an Option is exercisable by the Holder lodging with the Company Secretary:
- (a) a notice of exercise of that Option;
  - (b) a cheque for the exercise price for each Share to be issued on the exercise of that Option; and
  - (c) the certificate for that Option.

In the event of the death of a Holder of Options, those Options are exercisable by the executor of the estate of the Holder in the same manner as set out above.

- 2.2 An Option must be exercised not later than its Expiry Date and, subject to this clause 2, may be exercised at any time after the Option has been vested and before its Expiry Date. The exercise of some Options only does not affect the Holder's right to exercise other Options at a later time. If the Holder exercises less than all Options represented by a certificate, the Company will cancel the certificate and issue a new certificate for the balance.

- 2.3 An Option held by a Holder will immediately lapse upon the first to occur of:
- (a) its Expiry Date;
  - (b) the making by the Board of a determination that:
    - (i) the Holder has acted fraudulently, dishonestly or in breach of the Holder's obligations to the Company; and
    - (ii) the Option is on that account to be forfeited;
  - (c) subject to clause 2.5 of these Terms of Issue, 30 days after the Holder ceases to be employed by, or to be a director of, the Company for any reason (or, in the case of an Option held by a nominee, the employment or directorship of the nominating Holder ceases) except where the Holder ceases to be employed or to be a director as a direct result of the disposal or sale of the Company's main undertaking (in which case, for the avoidance of doubt, such Options shall not lapse by virtue of that event alone);
  - (d) the day which is 30 days following any person acquiring a relevant interest in not less than 90% of the Company's ordinary shares; or

- (e) the day which is 10 days following the Company issuing a notice convening a meeting of shareholders to approve a scheme of arrangement which, if implemented, would result in a person acquiring a relevant interest in not less than 90% of the Company's ordinary shares.

2.4 Subject to the Holder agreeing, any Options granted but not exercised may be cancelled.

2.5 For the purposes of clause 2.3(c) of these Terms of Issue, a Holder shall be deemed to have ceased to be employed by the Company:

- (a) on the day which is three months after the day the Holder ceases to be employed by the Company by virtue of:
- (i) the Holder's death; or
  - (ii) the Holder being retrenched or made redundant by the Company (other than as a direct result of the disposal or sale of the Company's main undertaking); and
- (b) on the later of 21 days following the Holder ceasing to be employed by the Company or such later date that the Board determines in its absolute discretion where the Holder ceases to be employed by virtue of:
- (i) the Holder retiring; or
  - (ii) the Holder's permanent illness or permanent physical or mental incapacity (as certified by a medical practitioner who is approved in writing by the Board).

2.6 If, in the opinion of the Board, a Change of Control Event has occurred, or is likely to occur, the Board may declare all Options to be immediately vested and Options which are so declared may, subject to clause 2.3 of these Terms of Issue, be exercised at any time on or before their Expiry Date.

2.7 If any person acquiring a relevant interest in not less than 90% of the Shares or the Company issues a notice convening a meeting of shareholders to approve a scheme of arrangement which, if implemented, would result in a person acquiring a relevant interest in not less than 90% of the Company's ordinary shares, all Options shall vest immediately and may, subject to clause 2.3 of these Terms of Issue, be exercised at any time on or before their Expiry Date.

### 3. TRANSFER

An Option is personal to the Holder to whom it was granted, and the Holder may not sell, transfer or otherwise dispose of, or make a declaration of trust in respect of, the Option except to a nominee of that Holder or to a bidder for the Company under a takeover bid which constitutes a Change of Control Event.

### 4. QUOTATION OF OPTIONS AND SHARES

Options will not be listed for quotation on ASX. However, the Company will make application for official quotation of Shares issued on the exercise of Options to ASX and to each other stock exchange on which Shares are quoted at the time.

### 5. FUTURE ISSUES OF SHARES

#### 5.1 New Issues

There are no participating rights or entitlements inherent in the Options and Holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 9 Business Days after the issue is announced. Holders shall be afforded the opportunity to exercise all Options which they are entitled to exercise pursuant to these Terms of Issue prior to the date for determining entitlements to participate in any such issue.

## 5.2 Bonus Issues

If the Company makes an issue of Shares to shareholders by way of capitalisation of profits or reserves ("**Bonus Issue**"), each Holder of Options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him upon exercise of any of those Options the number of Shares which would have been issued under the Bonus Issue ("**Bonus Shares**") to a person registered as holding the same number of Shares as that number of Shares which the Holder would be issued pursuant to the exercise of those Options immediately before the record date determining entitlements under the Bonus Issue (in addition to the Shares which he is otherwise entitled to have issued to him upon such exercise). The Bonus Shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue will rank pari passu in all respects with the other Shares issued upon exercise of the Options.

## 6. RECONSTRUCTION OF CAPITAL

In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any Options, the number of Options to which each Holder is entitled or the exercise price of his Options (or both) will be reconstructed in a manner determined by the Board which complies with the provisions of the ASX Listing Rules applicable at that time.

## 7. ADVICE

The Company shall give notice to each Holder of any adjustment to the number of Shares which the holder is entitled to be issued on exercise of an Option or the exercise price of the Options in accordance with the ASX Listing Rules.

## 8. NOTICES

Notices may be given by the Company to the Holder in the manner prescribed by the Bye-laws of the Company for the giving of notices to members of the Company and the relevant provisions of the Bye-laws apply with all necessary modification to notices to holder of Options.

## 9. COMPANY'S RIGHTS NOT WAIVED

The Company's right to terminate or vary the terms of employment of any Holder shall not be prejudiced in any way by anything contained in these Terms of Issue. Further, the rights or benefits of a Holder under these Terms of Issue, or the inability or restricted ability of a Holder to exercise an Option, shall not be grounds for granting or increasing damages in any action brought by any holder against the Company, whether in respect of any alleged wrongful dismissal or otherwise.

## 10. GOVERNING LAW

These Terms of Issue shall in all respects be governed by and shall be construed in accordance with the laws of Western Australia.

## 11. SEVERANCE

If any provision in these Terms of Issue is void, voidable by any party or illegal, it shall be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible, the offending words) shall be severed from these Terms of Issue without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Terms of Issue which shall continue in full force and effect.

## 12. INTERPRETATION

In these Terms of Issue, unless the contrary intention appears:

"**ASX**" means ASX Limited.

"**ASX Listing Rules**" means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time.

"**Board**" means the directors of the Company acting as a board.

"**Business Day**" means any day that is not Saturday, Sunday or public holiday in Western Australia.

"**Change of Control Event**" means:

- (a) the Company entering into a scheme of arrangement with its members;
- (b) the making of an unconditional takeover bid for the Company which has been recommended for acceptance by the Board; or
- (c) a person or a group of associated persons acquiring a relevant interest in sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board.

"**Company**" means OM Holdings Limited, ARBN 081 028 337.

"**Exercise Price**" means, in relation to a Share to be issued upon the exercise of an Option, the issue price of that Share.

"**Expiry Date**" means, in relation to an Option, the date on which that Option expires.

"**Holder**" means, in relation to an Option, the registered holder for the time being of that Option.

"**Option**" means an option to subscribe for Shares.

"**Share**" means a fully paid ordinary share in 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 General Meeting of the Company to be held at the Grand Mercure Roxy Hotel, 50 East Coast Road, Roxy Square, Singapore on Tuesday, 23 September 2008 at 11:00 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 Re-election of Mr Peter Ivan Toth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Wong Fong Fui	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Mr Thomas Teo Liang Huat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Grant of options to Mr Peter Ivan Toth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Grant of options to Mr Wong Fong Fui	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Grant of options to Mr Ong Beng Chong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Grant of options to Mr Low Ngee Tong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Grant of options to Mr Paul Vincent Thomas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Amendment of 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 resolutions and votes cast by him other than as proxyholder will be disregarded because 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 or joint holders:

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

Name: \_\_\_\_\_ 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 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 General Meeting that is **by 11.00am WST on 21 September 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 two 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 Chairman, the proxy must vote on a poll and must vote that way, and
    - (d) if the proxy is not the Chairman, 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 General Meeting, except for resolutions in which he has an interest.

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