



## ASX Announcement

23 October 2008

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

Dear Sir/Madam

The following Notice of Award is jointly released by OM (Manganese) Ltd and NRW Holdings Limited

### **OM (MANGANESE) LTD AWARDS MINING CONTRACT**

The Board of OM Holdings Limited ("OMH") is pleased to announce that its wholly-owned mining subsidiary, OM (Manganese) Ltd ("OMM"), has issued a Letter of Intent with respect to the award of an initial three-year mining contract for the Bootu Creek Manganese Mine in the Northern Territory to a wholly-owned subsidiary of NRW Holdings Limited ("NRW").

The scope of the contract comprises drill and blast, excavation, and haulage of ore and waste at the Bootu Creek open cut operation. The contract value is approximately A\$60 million per annum. NRW is expected to mobilise the initial mining fleet to site during December 2008 and be fully operational by mid-January 2009.

NRW was selected through a competitive tender process managed by OMM over a four month period and independently facilitated by mining industry specialist consultants, AMC Consultants. NRW, which is a S&P/ ASX 200 listed company, is a leading provider of services to the resources sector.

The competitive tender process has resulted in unit mining costs consistent with those achieved at Bootu Creek over the past six months and anticipated within the life of mine planning framework.

NRW was also selected based upon having experienced and capable management and operating teams which have conducted safe and successful mining contracting businesses at a number of sites throughout Australia and overseas. NRW also has demonstrated its financial capability to perform.

The mining contract agreed includes performance incentives for NRW to achieve goals aligned with OMM's key performance indicators. These include but are not limited to delivering volumes

of ore for blending consistent with the mine plan and implementing and maintaining strong safety and human resource management systems.

Furthermore, OMM has the capacity within the contract to implement increased production capability in conjunction with additional production from the rejects re-treatment plant, which is expected to be commissioned by 30 June 2009, as well as flexibility for further longer term production upgrades thereafter.

Plans are presently being put in place for OMM to ensure an orderly transition with the existing mining contractor.

OMH and OMM are looking forward to working with NRW, which shares a safety-driven and high performance culture.

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NRW Pty Ltd

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