



Media Release

ASX: OMH

5 March 2009

## OMH ANNOUNCES SUBSTANTIAL INCREASE IN BOOTU CREEK MANGANESE RESOURCES AND RESERVES

2008 EXPLORATION PROGRAM DELIVERS SIGNIFICANT MINE LIFE EXTENSION

### OM HOLDINGS LIMITED

(ARBN 081 028 337)

ASX code: OMH

Share price: A\$1.05  
(at close of trade on 4 March 2009)

Market capitalisation: ~A\$501M

Ordinary shares on issue: 477.6M

Unlisted options on issue: 72.2M

#### Board

Executive Chairman  
Mr Low Ngee Tong

Director, CEO  
Mr Peter Toth

Executive Director, CFO  
Mr Ong Beng Chong

Non Executive Director  
Ms Julie Anne Wolseley

Non Executive Director  
Mr John Raubenheimer

Non Executive Director  
Mr Tan Peng Chin

Non Executive Director  
Mr Wong Fong Fui

Non Executive Director  
Mr Thomas Teo Liang Huat

#### Top Shareholders

Board/Management	22%
HSBC Custody Nom	12%
Stratford Sun Limited	12%
Strategic Partners	10%
Zero Nominees Pty Ltd	7%
Top 20 Shareholders	82%

### HIGHLIGHTS

- **72% increase in Mineral Resources to 30.6 million tonnes at 24.1% Mn**
- **117% increase in Ore Reserves to 22.4 million tonnes at 22.1% Mn**
- **Two new significant deposits (Masai and Yaka) totalling 9.6 million tonnes added to the Mineral Resource inventory**
- **Life-of-mine plan based on resource base extended to +15 years at 2008 production rates**
- **Reinforces Bootu Creek's unique position as a long-life, low-cost, high-grade manganese operation**
- **Expansion production options to be proactively assessed during 2009 in preparation for a return to market stability**

OM Holdings Limited (ASX: OMH – “OMH”) today announced a substantial upgrade in the resource and reserve inventory for its 100%-owned **Bootu Creek Manganese Mine** in the Northern Territory of Australia, reinforcing its position as one of the world's premier high-grade manganese production assets.

The highly successful 2008 exploration program at Bootu Creek has resulted in a **72% increase** in the total Mineral Resources as at 31 December 2008 to **30.6 million tonnes at 24.1% Mn** (31 December 2007: 17.8 million tonnes at 25.7% Mn). Ore Reserves more than doubled to **22.4 million tonnes at 22.1% Mn** as at 31 December 2008 (31 December 2007: 10.3 million tonnes at 24.5% Mn)

The landmark upgrade – by far the most significant in the operating history of the Bootu Creek mine – has successfully extended the life-of-mine plan based on the Mineral Resource inventory **to over 15 years** based on the actual 2008 ore mining rate of 2Mtpa and proven production capability of 700,000tpa of high-grade manganese.

The 2008 exploration program involved the completion of 1,265 RC and Diamond Drill holes for close to 95,000 metres of drilling within a A\$10 million budget. Highlights included the delineation of two significant new deposits (Masai and Yaka), comprising **6.8 million tonnes at 23.3% Mn** and **2.8 million tonnes at 23.6% Mn** respectively.

“Today's resource upgrade marks the conclusion of a well-timed, aggressively funded and superbly executed exploration program during 2008, delivering an outstanding result for the Company,” commented OMH's CEO, Peter Toth.

“This is a very important development for the long-term future of the mine, cementing its position in the global manganese industry as a long-life, low-cost and high grade manganese ore operation with a proven and expandable capability in terms of mining, processing and shipping a high grade siliceous ore product,” he said.

Based on the extent and success of the 2008 exploration program, the Company has initially budgeted A\$4 million for its 2009 exploration program, with continued delineation drill programs planned to test extensions of the Masai (northwest), Yaka (southeast) and Chugga North (north) deposits and adjacent areas.

"The 2008 exploration campaign demonstrated the full extent and future prospectivity of the Bootu Creek Mineral Resource Lease," Mr Toth said. "Our exploration focus will now shift to the prospective outer-lying Renner Springs and Helen Springs Projects."

The OMM operation at Bootu Creek was a key contributor to OMH's recently announced record A\$115.6 million net profit after tax for the 12 months to 31 December 2008, delivering a record manganese production of 672,580 tonnes (2007: 516,448 tonnes).

"In terms of realising its full potential the Bootu Creek mine is continuing to benefit from its unconstrained logistics infrastructure, geographical proximity to the Chinese market, its vertical integration through OMH's Qinzhou smelter as well as the Company's in-house marketing and trading group with specific skills and expertise in the Chinese steelmaking raw materials markets," Mr Toth continued.

"While we have implemented a revised production strategy in response to prevailing market conditions based upon a 500,000tpa production rate, we will continue to proactively assess expansion production options for the Bootu Creek operation during 2009 in preparation for improving market demand for high grade siliceous ores," he said.

"Bootu Creek has the ability to rapidly return to production at a rate of 700,000tpa and – with its world-class resource base and unconstrained logistics – the capability to double production to around 1.5Mtpa, providing a very attractive organic growth option with the potential to deliver exceptional returns to shareholders."

- ENDS -

**Released by:**  
**Nicholas Read**  
**Read Corporate**  
**Telephone: +61 8 9388 1474**  
**Mobile: +61 419 929 046**

**On behalf of:**  
**Mr Low Ngee Tong, Executive Chairman**  
**Telephone: +65 6346 5515**

**Mr Peter Toth, CEO**  
**Telephone: +61 8 6311 1500**

**Mr Paul Thomas, MD – OM (Manganese) Ltd**  
**Telephone: +61 8 6311 1500**

**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.*

**Competent Person's Statement**

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