



## OM (MANGANESE) LTD WINS KEY NORTHERN TERRITORY EXPORT AWARD FOR THE SECOND YEAR

### OM HOLDINGS LIMITED

(ARBN 081 028 337)

ASX code: OMH

Share price: A\$1.815  
(at close of trade on 23 September 2009)

Market capitalisation: ~A\$891M

Ordinary shares on issue: 490.7M  
Unlisted options on issue: 58.6M

#### Board

Executive Chairman  
Mr Low Ngee Tong

Executive Director, CEO  
Mr Peter Toth

Executive 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

#### Top Shareholders

|                       |     |
|-----------------------|-----|
| Board/Management      | 23% |
| HSBC Custody Nom      | 12% |
| Stratford Sun Limited | 12% |
| Strategic Partners    | 10% |
| Zero Nominees Pty Ltd | 6%  |
| Top 20 Shareholders   | 82% |

Diversified commodity marketing, metals and mining house OM Holdings Limited (ASX: **OMH** – “OMH”) is pleased to advise that its 100%-owned subsidiary, OM (Manganese) Ltd (“OMM”), which operates the Bootu Creek Manganese Mine, was last night announced as a category winner in the 2009 Chief Minister’s Northern Territory Export and Industry Awards.

The award was accepted by Mr Frank Botica, OMM Director and Chief Financial Officer at a function in Darwin last night.

“We are very pleased to have received recognition in these prestigious awards for the second year in a row,” said OMH’s CEO, Peter Toth.

“It is particularly rewarding for our team at Bootu Creek, who have put in an exceptional effort during what was a very difficult year for the manganese industry and mining companies in general.

“Despite the difficult global economic conditions, which saw us temporarily suspend shipments in late 2008, we were able to post a solid production performance – including near-record shipments of manganese ore in the June 2009 Quarter – implement a new production and marketing strategy which leaves us very well placed to benefit from the recovery in global markets.

“I would like to commend all of our employees and contractors for their contribution towards achieving these goals and thank the Northern Territory Government and all of our other key stakeholders for their ongoing strong support of the Company and its operations,” Mr Toth added.

OMM Managing Director, Paul Thomas said the award reflected OMM’s commitment to increasing value for all of its stakeholders. “Last year we focused on single grade manganese exports to China, because Darwin’s proximity to Chinese markets provided us with a significant shipping advantage over other manganese producers,” he said.

“However, the onset of the Global Financial Crisis in late 2008 caused us to suspend shipments temporarily and revise our production strategy in response to the prevailing change in market conditions.

“Guided by the results of market dynamics, we successfully implemented a new production strategy designed to deliver a broader range of multiple manganese product grades to suit niche market demand.

"This more flexible approach has allowed to us to pursue different production strategies for different market conditions so we could cost effectively maximise yield and metal recovery, while continuing to produce a high value in use product that attracted premium prices," Mr Thomas added.

OMM developed the Bootu Creek manganese mine, which is located near Tennant Creek in the Northern Territory, in 2005/06. The first ore was processed in April 2006. The manganese ore is transported 60 kilometres from the mine site to the Muckaty Rail Siding, then railed 800 kilometres to the East Arm Port in Darwin. Product is stockpiled at the railhead, transported to the Port's shiploader and exported to China and other emerging hungry markets.

OMM was the first mining company to use the Adelaide to Darwin Railway for bulk haulage to East Arm Port.

"We have always received strong support from the Northern Territory Government and our success is largely due to the Government's vision in building the railway," Thomas said.

"By the same token, OMM has invested heavily in Territory-based supporting infrastructure because OMM is confident of a long and expanded production future here."

OMM is spending A\$13 million constructing a secondary processing plant at the Bootu Creek mine that is expected to enable OMM to achieve an annualised rate of production of approximately 1 million tonnes heading into 2010. The Company is also spending A\$1.6 million to extend the Muckaty Rail Siding to allow the loading and railing of the expanded production capacity.

OMM won the Northern Territory Emerging Exporter of the Year in 2008.

OMM was also announced as the Top Employer of the Year and runner-up in two other categories in last year's Northern Land Council's Employee Excellence Awards. At the time of receiving the award, 25% of the mine's employees were Indigenous. The mine generally maintains 15% Indigenous employment for its mine site operations and ensures all employees receive cross-cultural training, which is delivered by local Traditional Owners.

OMM has also been named as a finalist in four categories of the 2009 Australian Mining Prospect Awards, being Excellence in Mine OH&S, Minerals Processing Plant of the Year, Best Metalliferous Mine of the Year and Australian Mine of the Year.

OMM has recently established an operational office in Darwin and continues to operate a policy of supporting local and Territorian businesses.

"OMM is in a strong position as the market returns," Mr Thomas said. "We have maintained a strong financial position with no external debt, and in 2008 we expended over A\$10 million on a successful exploration program at Bootu Creek extending our mine life to over 13 years. We have adapted our production strategy to retain strong market share, and we have maintained strong partnerships with a number of key stakeholders including the Northern Territory Government, our Singapore-based trading division, and our Chinese customers."

"We are now well-placed as a major independent player in the high grade manganese industry, delivering reliable product to a fast-growing Chinese steel market," he said.

Manganese is used as an essential element in the steel and stainless steel industries to improve the quality of steel.

**- ENDS -**

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Telephone: +61 8 6311 1500**

## BACKGROUND PROFILE OF OM HOLDINGS LIMITED

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*OMH which was listed on the ASX in March 1998 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 (“OMM”), 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 over 800,000 tonnes of manganese product annually. Bootu Creek has further exploration potential given that its tenement holdings extend over 3,326 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 an 12% shareholding in Shaw River Resources Limited, a company presently exploring for manganese in Western Australia as well as a 10% shareholding in Territory Resources Limited a company operating the Frances Creek iron ore mine in the Northern Territory.*