

OM HOLDINGS LIMITED

(ARBN 081 028 337)



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Company Announcements Office
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**EXECUTION AND FINANCING ARRANGEMENTS TO COMPLETE TSHIPI ACQUISITION
AND COMMENCE DEVELOPMENT**

Investment in Ntsimbintle Mining (Proprietary) Limited

OM Holdings Limited ("OMH") and Ntsimbintle Mining (Proprietary) Limited ("Ntsimbintle") (jointly referred to as "the Parties") are pleased to announce that the definitive suite of agreements (including, amongst others, a share subscription agreement, shareholders agreement and marketing joint venture agreement) in respect of the subscription by OMH of an approximate 26% interest in Ntsimbintle (the "Transaction") have been executed.

Ntsimbintle holds a 50.1% interest in the Tshipi Kalahari Manganese Project ("Tshipi Project") in South Africa.

As previously announced the investment by OMH in Ntsimbintle ensures a deep and meaningful engagement with the Tshipi Project's Black Economic Empowerment partner, brings significant project development, operating and marketing expertise to Ntsimbintle and creates a significant strategic platform for the identification, analysis and execution of future South African and broader African growth opportunities. The extent of OMH's shareholding and the structuring of the Transaction creates a platform for OMH's meaningful involvement in Ntsimbintle's operating and marketing activities in relation to the Tshipi Project and ensures that OMH's minority shareholder rights are adequately and appropriately protected.

OMH remains excited about the outstanding quality and strategic significance of the Tshipi Project and is committed to the Tshipi Project becoming a major part of the ongoing strategy to transform OMH into a leading globally integrated manganese and steelmaking raw materials company.

The Transaction will go unconditional upon the satisfaction of final conditions precedent which are standard commercial practice in South Africa including (i) the registration by the Registrar of Companies in South Africa of the resolutions necessary to implement the Transaction and (ii) South African Exchange Control approval of the Transaction. The Parties anticipate that these two conditions will be fulfilled shortly and, to this end, have mutually agreed to extend the time period for the fulfillment of these conditions beyond 31 March 2010.

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Financing Arrangements

The Board of OMH is also pleased to advise that OM Materials (S) Pte Ltd (“OMS”), a wholly owned subsidiary of OMH has executed a Facility Agreement with Standard Chartered Bank (“SCB”), Singapore Branch to provide a US\$90 million facility for the primary purpose of funding OMH’s investment interest in the Tshipi Project and to provide supplementary financing, if required.

The facility has been guaranteed by an irrevocable and unconditional guarantee from OMH and OM (Manganese) Ltd, a wholly owned subsidiary of OMH.

The key features of the facility are summarised below:

- Tranche A: Provision of up to US\$60 million for the purpose of funding OMH’s 26% investment interest in Ntsimbintle; and
- Tranche B: Provision of up to US\$30 million for the purpose of funding OMH’s share of capital expenditure related to the Tshipi Project and general working capital. Tranche B is effectively a stand by facility and is available for drawdown within the next 12 months.

An initial drawdown on Tranche A is expected to take place upon satisfaction of all conditions precedent for the purpose of settling the subscription of shares in Ntsimbintle amounting to the South African Rand equivalent of approximately A\$64 million.

The OMH Board is pleased to have negotiated and secured the debt financing terms for the acquisition of the investment in the Tshipi Project and to provide a level of flexibility with respect to future funding requirements over the next 12 months. Securing such a facility signals OMH’s continued commitment to develop the Tshipi Project.

OMH’s current level of gearing is negligible and the SCB facility provides flexibility and does not constrain OMH with respect to its ongoing growth strategy and strong operating cash flows.

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 1,000,000 tonnes of manganese product annually. Bootu Creek has further exploration potential given that its tenement holdings extend over 3,325km².

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 is a constituent of the S&P/ASX 200 a leading securities index.

OMH also holds the following strategic shareholding interests in ASX listed entities:

- A 15% shareholding in **Northern Iron Limited** (ASX Code: NFE), a company presently producing iron ore from its Sydvaranger iron ore mine located in northern Norway;
- A 12% shareholding in **Shaw River Resources Limited** (ASX Code: SRR), a company presently exploring for manganese in Western Australia and Ghana; and
- A 7% shareholding in **Territory Resources Limited** (ASX Code:TTY), a company operating the Frances Creek iron ore mine in the Northern Territory.