OM MATERIALS (SARAWAK) SDN BHD FIRST TAPPING OF MANGANESE ALLOY ACHIVED

OM Holdings Limited ("OMH") is pleased to announce that the first modified furnace at its Sarawak plant has successfully achieved hot commissioning, with the first tap of silicomanganese occurring on 18 December 2016. The successful tapping of manganese alloy demonstrates the advantage of the project’s modular nature, with furnaces able to produce different alloys depending on the relative demand of each ferroalloy.

OMH expects to continue to modify and increase production at its Sarawak plant by establishing another 5 furnaces for manganese alloys through the first half of 2017, bringing potential total manganese alloy production to 200-250 kt per annum.

OMH is also working with potential offtakers, with the objective of converting one or two furnaces at the Sarawak plant to the production of metallic silicon, subject to necessary approvals.

Yours faithfully

OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Company Secretary
OMH Holdings Limited (OMH) was listed on the ASX in March 1998 and has its foundations in metal materials trading – incorporating the sourcing and distribution of manganese ore products.

OMH is involved in mining manganese product in Australia and South Africa and smelting in Sarawak, East Malaysia.

The smelter in Sarawak is 75% owned by OMH and physical construction of Phase 1 of the ferrosilicon production facility has been completed.

Having commenced construction in Q3 2012, first tapping was achieved on 22 September 2014. The facilities’ capacity of 308,000 tonnes per annum will make it one of the largest ferrosilicon smelters in the world. Manganese Alloy production is under review and is expected to commence in 2016.

OMH, through a wholly owned subsidiary, owns the Bootu Creek manganese mine in the Northern Territory. This mine has the capacity to produce up to 1,000,000 tonnes of manganese product per annum.

OMH also owns a 26% investment in Main Street 774 (Pty) Limited, which, in turn owns 50.1% interest in the world class Tshipi Borwa (“Tshipi”) manganese mine in South Africa. This mine has the capacity to produce up to 2,400,000 tonnes of manganese product per annum when the permanent processing plant is completed.

The manganese products of Bootu Creek, and those from Tshipi, are exclusively marketed through OMH’s trading division, OM Materials (S) Pte Ltd, and OM Tshipi Pte Ltd (33.33% owned) respectively. Through all these activities OMH has established itself as a significant manganese supplier to the global market.