

OM HOLDINGS LIMITED

(ARBN 081 028 337)

(Malaysian Registration No. 202002000012 (995782-P))

Incorporated in Bermuda



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27 October 2023

ASX Market Announcements

ASX Limited

4th Floor

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SYDNEY NSW 2000

Dear Sir/Madam

SEPTEMBER 2023 QUARTERLY PRODUCTION AND MARKET UPDATE

The Board of OM Holdings Limited (“OMH” or the “Company”) is pleased to provide the following update.

HIGHLIGHTS

OPERATING PERFORMANCE

SMELTING: OM Materials (Sarawak) Sdn Bhd (100% owned smelter in Samalaju, East Malaysia)

- Production output for the quarter ended 30 September 2023 was 39,296 tonnes of ferrosilicon (“FeSi”), 86,934 tonnes of manganese alloys (including silicomanganese (“SiMn”) and high carbon ferromanganese (“HCFeMn”)) and 38,832 tonnes of manganese sinter ore
- A total of 34,353 tonnes of FeSi, 67,586 tonnes of manganese alloys and 1,625 tonnes of manganese sinter ore were sold during the quarter ended 30 September 2023
- As at 30 September 2023, all 8 manganese alloy furnaces and 2 FeSi furnaces have completed major maintenance and were operational
- For the silicon metal conversion project, fabrication works are currently ongoing to address the issues which arose during the hot commissioning phase. Hot commissioning of the 2 furnaces for the production of silicon metal is anticipated to restart in Q1 2024
- Loan repayment of US\$9.3 million was made to project finance lenders during the quarter ended 30 September 2023

MARKETING, TRADING AND MARKET UPDATE

- 604,157 tonnes of ores and alloys were transacted in the period from 1 July 2023 to 30 September 2023 as compared to 493,060 tonnes from 1 April 2023 to 30 June 2023, which represented a quarter-on-quarter increase of 22.5%. The increase was mainly due to higher volumes of manganese ores (“Mn ore”) traded during the period

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OPERATING PERFORMANCE (CONT'D)

- World crude steel production during July and August 2023 was 319.4 million tonnes, which represented a 2.3% increase as compared to the same period in 2022
- Price of 44% Mn ore closed at US\$4.37/dmtu CIF China at the end of September 2023, a decrease of 3.7% from US\$4.54/dmtu CIF China at the end of June 2023
- FeSi price decrease from US\$1,400 to close at US\$1,360 per tonne CIF Japan and SiMn price increased from US\$935 to close at US\$945 per tonne CIF Japan at the end of September 2023

CORPORATE

- As at 12 October 2023, a total of 103,029,236 shares were listed on Bursa Malaysia and 635,594,101 shares were listed on the Australian Securities Exchange



SMELTING

OM MATERIALS (SARAWAK) SDN BHD (“OM Sarawak”)

OM Sarawak owns a Ferroalloy Smelting Plant in the Samalaju Industrial Park in Sarawak, Malaysia (the “Plant”). The Plant consists of 8 main workshops with a total of 16 units of 25.5 MVA furnaces, of which 6 units are allocated for the production of FeSi, 8 units for manganese alloys and 2 units for silicon metal. Upon completion of the conversion works and scheduled major maintenance the Plant will have a design annual capacity to produce approximately 120,000 to 126,000 tonnes of FeSi, 333,000 to 400,000 tonnes of manganese alloys and 21,000 to 24,500 tonnes of silicon metal. The Plant also consists of a sinter plant that has a design capacity to produce 250,000 tonnes of sinter ore per annum.

Commercial operation

As at 30 September 2023, 15 out of 16 furnaces were in operation with 7 furnaces (consisting of 5 Fesi furnaces and 2 silicon metal furnaces) producing FeSi and 8 furnaces producing manganese alloys. The remaining 1 FeSi furnace was shut down for scheduled major maintenance.

	September 2023 Quarter	June 2023 Quarter	9 months YTD 2023
Tonnes			
Production			
Ferrosilicon	39,296	29,891	98,894
Manganese Alloys	86,934	70,776	209,861
Manganese Sinter Ore	38,832	42,230	111,174
Sales*			
Ferrosilicon	34,353	29,565	92,199
Manganese Alloys	67,586	64,573	177,185
Manganese Sinter Ore	1,625	-	1,625

*Sales volume includes intercompany sales to OMS

For the quarter ended 30 September 2023, FeSi production increased by 31.5% or 9,405 tonnes quarter-on-quarter, with both silicon metal furnaces producing FeSi temporarily during the current quarter.

Production volumes for manganese alloys increased by 22.8% following the commencement of production for one manganese alloy furnace at the end of June 2023 following the completion of major maintenance works. In addition, in response to the growing market demand for HCFeMn, more production capacity was allocated to produce HCFeMn (a product with higher daily output) compared to the previous quarter, which also contributed to the increase in production volumes.

For the quarter ended 30 September 2023, sales volumes for FeSi and manganese alloys increased by 16.2% and 4.7% respectively as compared to the previous quarter ended 30 June 2023 which is in line with the increase in production volumes. The production of manganese sinter ore is mainly for internal consumption, with a small volume of 1,625 tonnes of manganese sinter ore sold in the current quarter.

As at 30 September 2023, all 8 manganese alloys furnaces have successfully completed major maintenance. Of the 6 FeSi furnaces, 2 have completed major maintenance while one furnace underwent major maintenance during the reporting period. For the remaining 3 FeSi furnaces, one is scheduled to commence major maintenance in Q4 2023, while the other two is scheduled for 2025 after further assessment on the furnace condition.



For the silicon metal conversion project, fabrication works are ongoing to address the issues which arose during the hot commissioning phase. In the interim, both silicon metal furnaces have been switched to produce FeSi to increase productivity. The hot commissioning of the 2 furnaces for the production of silicon metal is anticipated to restart in Q1 2024.

Loan repayment of US\$9.3 million was made to project finance lenders during the quarter ended 30 September 2023.

EXPLORATION AND MINING OM (MANGANESE) LTD (“OMM”)

Production at the 100% owned Bootu Creek Manganese mine (the “Mine”) ceased as planned in December 2021.

Processing

The Mine remains under care and maintenance mode.

The review of the Ultra Fines Plant (“UFP”) rectification plan and the financial model is ongoing. Evaluations are continuing to determine the most appropriate and optimal production and timing outcomes.

Mr Yi Ling has been appointed General Manager to oversee the OMM operation and in particular the UFP project implementation.

Environmental Programs

For the quarter ended 30 September 2023, the primary focus was the continued maintenance and repair of damage caused by the higher-than-expected rainfall experienced on the Mine site from December 2022 to March 2023. The Mine Closure plan is in the process of being finalised for presentation to the Department of Industry, Tourism and Trade of Northern Territory (DITT). The plan will be presented to the DITT in Q4 2023.

The Mine rehabilitation programs continued to focus on the repair of damaged landforms (washouts and other water damage) as follows:

- Repairs to the Eastern Limb landforms have been completed, rock lining major washouts and repairing and ripping minor damage;
- Washouts have been rock lined allowing water flow without causing further damage to landforms;
- Fire breaks have been maintained, to protect assets against potential fire damage;
- Rehabilitation of all exploration drill collars at Renner Springs and Carruthers have been completed; and
- Weed spraying has continued as agreed with the Northern Territory Government Weed Management Branch during their site visit to the Mine in November 2022.

Rehabilitation of the Tourag Waste Rock Dump will continue in Q4 2023.

Bootu Creek Fatality

The legal proceedings related to the 2019 fatal accident at the Bootu Creek Manganese Mine in the Northern Territory were concluded on 11 October 2023. OMM accepted full responsibility for the casual factors that contributed to the fatality and also accepted the Northern Territory Local Court’s decision to impose a fine of A\$487,500 for a breach of the *Work Health and Safety (National Uniform Legislation) Act 2011 (NT)*.

MARKETING AND TRADING UPDATE

During the quarter ended 30 September 2023, a total of 604,157 tonnes of ores and alloys were transacted (which included intercompany sales), which represented a 22.5% quarter-on-



quarter increase compared to the previous quarter ended 30 June 2023. The increase was mainly due to higher volumes of Mn ores traded during the quarter ended 30 June 2023.

According to the International Manganese Institute (“IMnI”), world crude steel production during July and August 2023 was 319.4 million tonnes, which represented an increase of 2.4% as compared to the same corresponding period in 2022.

Fastmarkets MB reported that the price of 44% Mn ore closed at US\$4.37/dmtu CIF China at the end of September 2023, a decrease of 3.7% from US\$4.54/dmtu CIF China at the end of June 2023.

During the quarter ended 30 September 2023, FeSi price decreased marginally from US\$1,400 to US\$1,360 per tonne CIF Japan, while SiMn price increased marginally from US\$935 to US\$945 per tonne CIF Japan. The market has been relatively stable during the current quarter.

Freight rates increased in the current quarter as compared to the preceding quarter, with Fastmarkets MB reporting an implied freight of US\$0.80/dmtu from South Africa to China for 37% manganese ore, as compared to US\$0.66/dmtu at the end of June 2023.

OM Holdings Limited

CORPORATE

1. Tshipi é Ntle Manganese Mining (Pty) Ltd (“Tshipi”)

OMH has an effective 13% interest in Tshipi through its 26% strategic partnership with Ntsimbintle Holdings Proprietary Limited.

OMH (26%) and Ntsimbintle Holdings Proprietary Limited (74%) are shareholders in Ntsimbintle Mining Proprietary Limited (“NMPL”). NMPL holds a 50.1% interest in Tshipi, an independently operated and managed black-empowered manganese mining company that operates the Tshipi Borwa Manganese Mine located in the world class Kalahari Manganese field in South Africa. The Tshipi Borwa Manganese Mine currently has a production capacity of 3.3 to 3.6 million tonnes per annum.

Tshipi Borwa Manganese Mine

Tshipi exports (100%) for the quarter ended 30 September 2023 totaled 863,948 tonnes, which represented an increase of 6.4% from the previous quarter ended 30 June 2023.

2. Update on Bryah Farm-In and Joint Venture Agreement (OMM has earned a 51% interest)

As previously announced, OMM is a party to the Farm-In and Joint Venture Agreement for the Bryah Basin Manganese Project with Bryah Resources Limited (ASX Code: BYH).

OMM has earned a 51% interest in the Bryah Basin Manganese Joint Venture (“BBMJV”).

OMM is currently sole funding A\$1.8 million on exploration to earn a 60% interest in the BBMJV.

BYH announced to ASX an updated Bryah Basin Manganese Mineral Resource Estimate on behalf of the BBMJV on 24 August 2023.

The total Inferred and Indicated JORC 2012 compliant Mineral Resource Estimate is 3.07 million tonnes (Mt) at 20.2% Mn. The Indicated Mineral Resource tonnage increased by 91% to 2.07 Mt at 20.9% Mn and the Inferred Mineral Resource increased by 32% to 1.0 Mt at 18.6% Mn. The Mineral Resource estimate included prospects Area 74, Brumby Creek East, Brumby Creek West, Redrum and Black Hill deposits on E52/3237 and Horseshoe South and Horseshoe Extended on M52/806.



A 94 hole Reverse Circulation (RC) drill program (3,296 metres) was conducted in early August 2023 and included drilling to infill and extend Brumby Creek West and Redrum deposits, and to test drill new prospects at Gold Trip, Black Hill Northeast and Epona. Assay results are expected in early Q4 2023.

3. 701 Mile Manganese Project with Great Sandy Pty Ltd (“701 Mile Manganese Project”)

OMM has withdrawn from the Farm-in and Exploration Joint Venture Agreement (on E52/3587) with Great Sandy Pty Ltd, with no retained equity.

4. Weelaranna Project Area (OMM 100%)

OMM surrendered Exploration Licence E52/3892, located west of the 701 Mile Manganese Project area, on 13 September 2023.

The potential tonnage and grade of the ores from both projects were no longer regarded as meaningful to pursue.

CAPITAL STRUCTURE

There was no movement in the share capital structure of the Company during the quarter ended 30 September 2023. As at 30 September 2023, the Company had 738,623,337 ordinary shares on issue.

As at 12 October 2023, a total of 103,029,236 shares were listed on Bursa Malaysia and 635,594,101 shares were listed on the Australian Securities Exchange.

Yours faithfully

OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Joint Company Secretary

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This ASX announcement was authorised for release by the Board of OM Holdings Limited.