

OM HOLDINGS LIMITED

(ARBN 081 028 337)



No. of Pages Lodged: 27

20 August 2014

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

Dear Sir/Madam

OM MANGANESE LTD PRESENTATION

Please find attached a copy of a presentation to be delivered by Mr. Trevor Cook, Chief Operating Officer of OM (Manganese) Ltd at the 8th Annual Mining the Territory conference on Wednesday 20th August 2014.

Yours faithfully

OM HOLDINGS LIMITED



Heng Siow Kwee/Julie Wolseley
Company Secretary



BACKGROUND INFORMATION ON 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 its extensive tenement holdings in the area.

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.

OM Materials (Sarawak) Sdn. Bhd., for which the OMH Group owns 80%, owns a Ferro Alloy Smelting Project in the Samalaju Industrial Park in Sarawak, Malaysia. Phase 1 of the Project is currently being constructed consisting of a ferrosilicon production facility with the capacity to produce 308,000 tonnes per annum of ferrosilicon alloys. Upon completion, this will be one of the world largest Ferrosilicon plant.

OMH holds a 26% investment in Ntsimbintle Mining (Proprietary) Ltd, which holds a 50.1% interest in the world class Tshipi Borwa manganese project in South Africa.

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

- *11% shareholding in **Northern Iron Limited** (ASX Code: NFE), a company presently producing iron ore from its Sydvaranger iron ore mine located in northern Norway; and*
- *4% shareholding in **Shaw River Resources Limited** (ASX Code: SRR), a company presently exploring for manganese in Namibia, Western Australia and Ghana.*



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BOOTU CREEK MINE UPDATE

RESPONDING TO CHANGE



MINING THE TERRITORY CONFERENCE

August 2014





Disclaimer

This presentation has been prepared and issued by OM Holdings Limited ARBN 081 028 337 ("OMH"). This presentation contains summary information about OMH and its subsidiaries. The information in this presentation does not purport to be complete or to provide all information that an investor should consider when making an investment decision. It should be read in conjunction with OMH's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange which are available at www.asx.com.au.

This presentation contains "forward-looking" statements within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of OMH, and its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are therefore cautioned not to place undue reliance on forward-looking statements and OMH, other than required by law, assumes no obligation to update such information.

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This presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire (or refrain from selling) OMH shares. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. OMH is not licensed to provide financial product advice in respect of OMH shares.

Presentation



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- **Bootu Creek Mine (BCM) background**
- **Update and “Change Pressures”**
- **OM Holdings Parent**
- **Where to for BOOTU?**

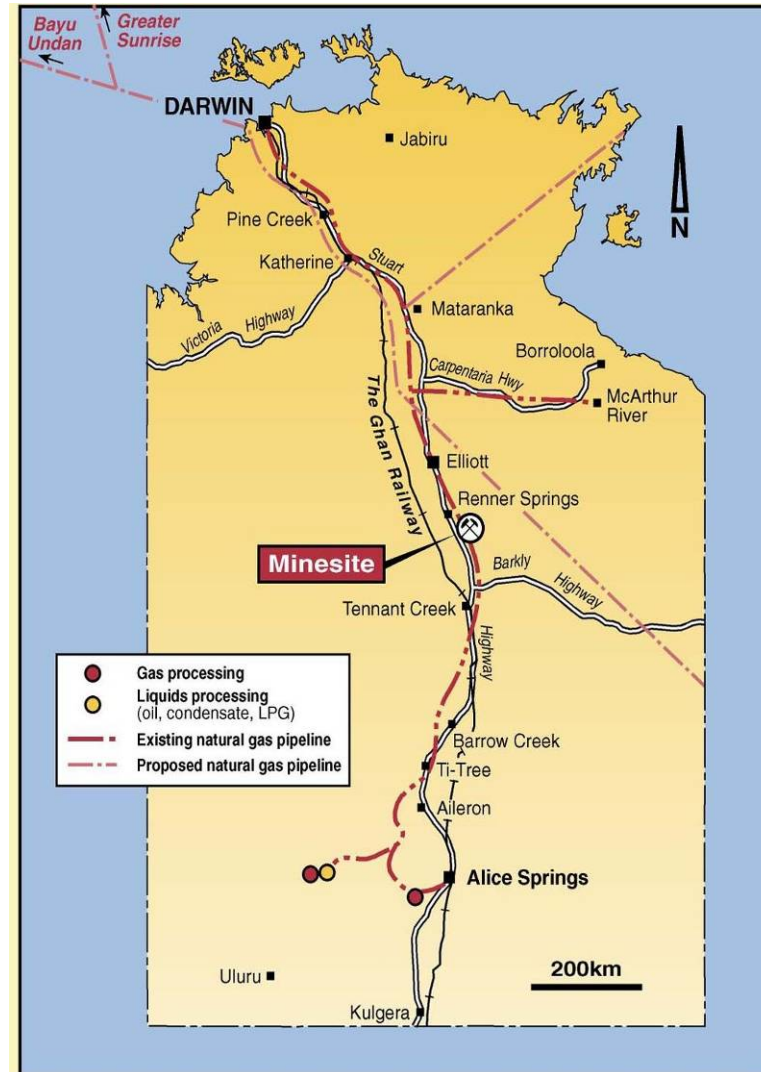
BCM Location



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- 900km south of Darwin (by road)
- 600km north of Alice Springs (by road)



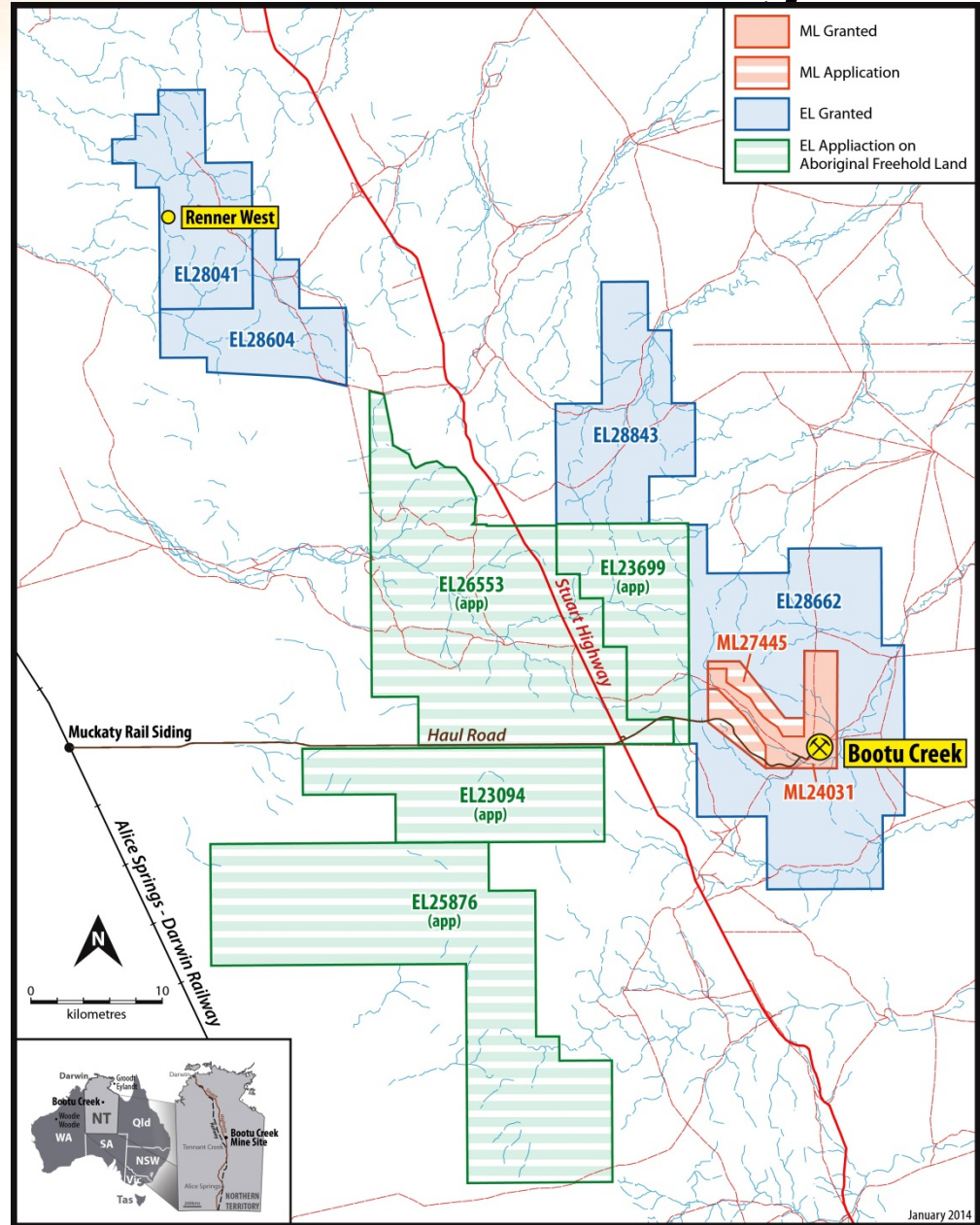
- 100% owned, commenced production in 2006
- High Value-in-Use siliceous grade manganese orebody
- Mineral Resources of 23.5 million tonnes @ 22.3% Mn and Ore Reserves of 12.5 million tonnes @ 20.9% Mn (refer ASX announcement "Bootu Creek Mineral Resources and Ore Reserve update" 24th April 2014)
- Established open cut mine and processing plant with logistics up to 1.0 mtpa via rail to the Port of Darwin
- Flexible production capability of up to 1 mtpa (2013 – 827 kt @ 35%Mn)
- Transitioned to "owner operator" mining to reduce costs, improve flexibility and execute a fully optimised operating strategy

Bootu Creek Mine – Tenement Holding



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- Total tenement area 1612 km² (approx 95km long x 35km wide)
- Includes Mining Lease 38 km²

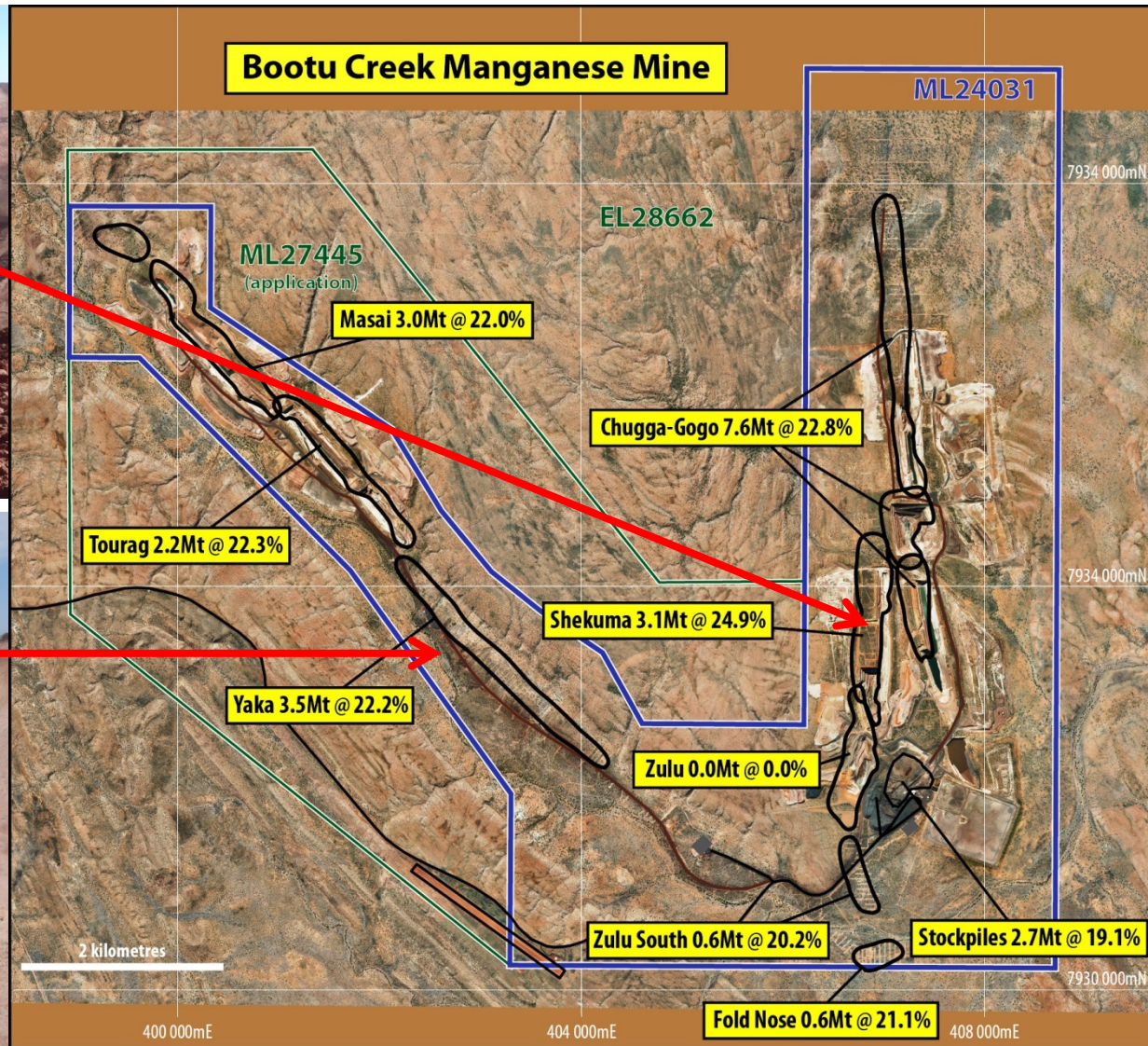


January 2014

BCM Site Layout



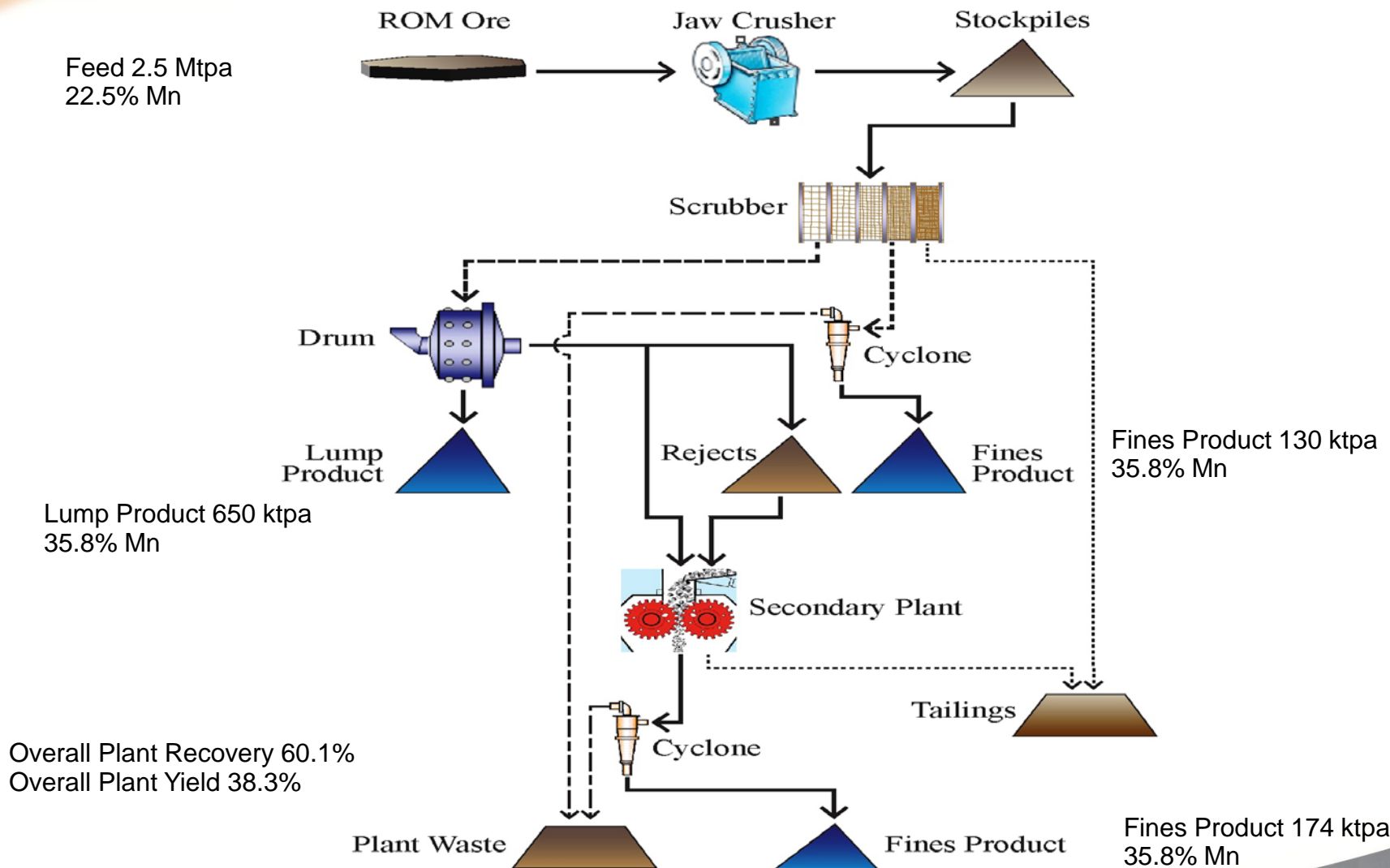
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BCM Processing



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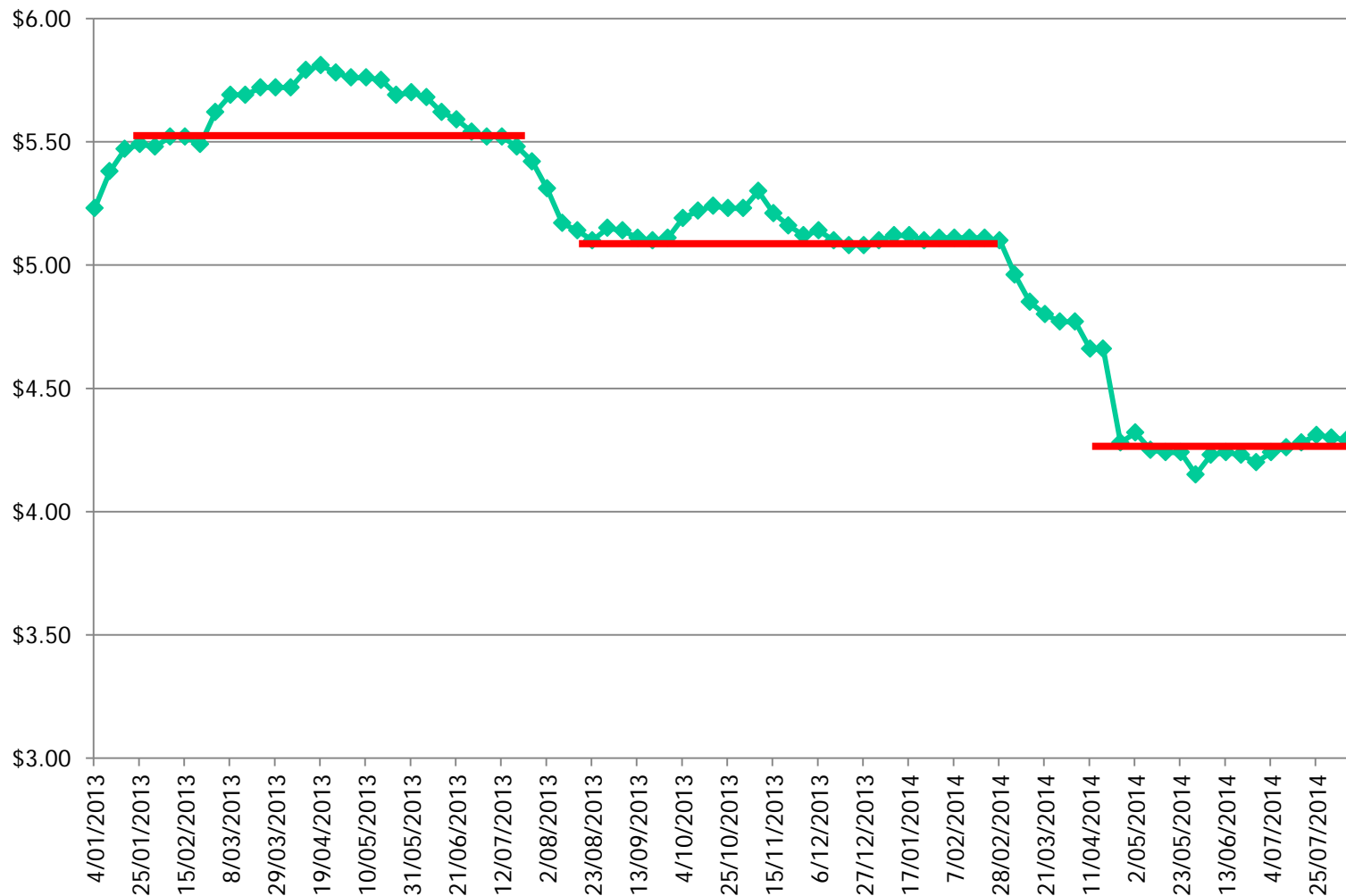
PRODUCT SPECIFICATION	BOOTU CREEK MANGANESE ORE					
	Mn %	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	Sizing %
OMML 35/7	Min 35.5 %	Max 7 %	Min 18%	Max 4%	Max 0.07 %	6 - 80 mm
OMMF 37/7	Min 37.0 %					0.6 - 10 mm
OMMF 35/7	Min 35.5 %					0.6 - 10 mm

Pressure For Change



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Metal Bulletin Index "US\$/dm tu" (44% CIF China)



Capacity For Change

- OM Manganese Ltd, small to medium sized mining company with flat structure.
- Sound business knowledge.
- Tight commercial control.
- Skilled and informed workforce.
- Float of subcontract workers.
- Hired plant surplus.
- Mature contractor relationships.
- Receptive management team – challenging status quo.

Business Challenge

Three Options Existing

- Increase the Price.



- Reduce Cost



- Improve production and efficiencies.



Actionable Steps

- Key Driver maintain production outputs = maximised revenues.
- Reduce C1 \$/dmtu cost profile.
- Re-optimize mining targets, lower strip ratios, reschedule the mine.
- Remove 1 x excavator fleet activity.
- Reduce mining team by 1/3rd.
- Retraining for multi-skilled / multi-disciplined approach.
- Focus on “Production Improvement and Efficiency”

Actionable Steps Continued

- Remove hire fleet, replace with owned assets.
- Take an advantageous end position on older assets.
- Re-profile airstrip, plane size and reduce flights by 20%.
- Improve Secondary Process Plant production.
- Mine site organisation restructure to improve management profile.

Execute 3 Month Delivery Plan

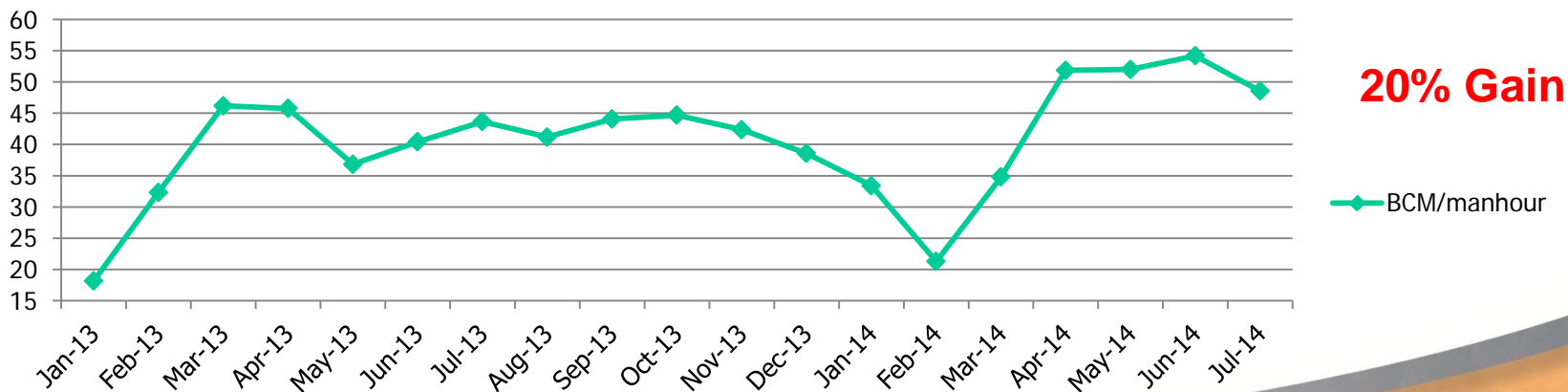
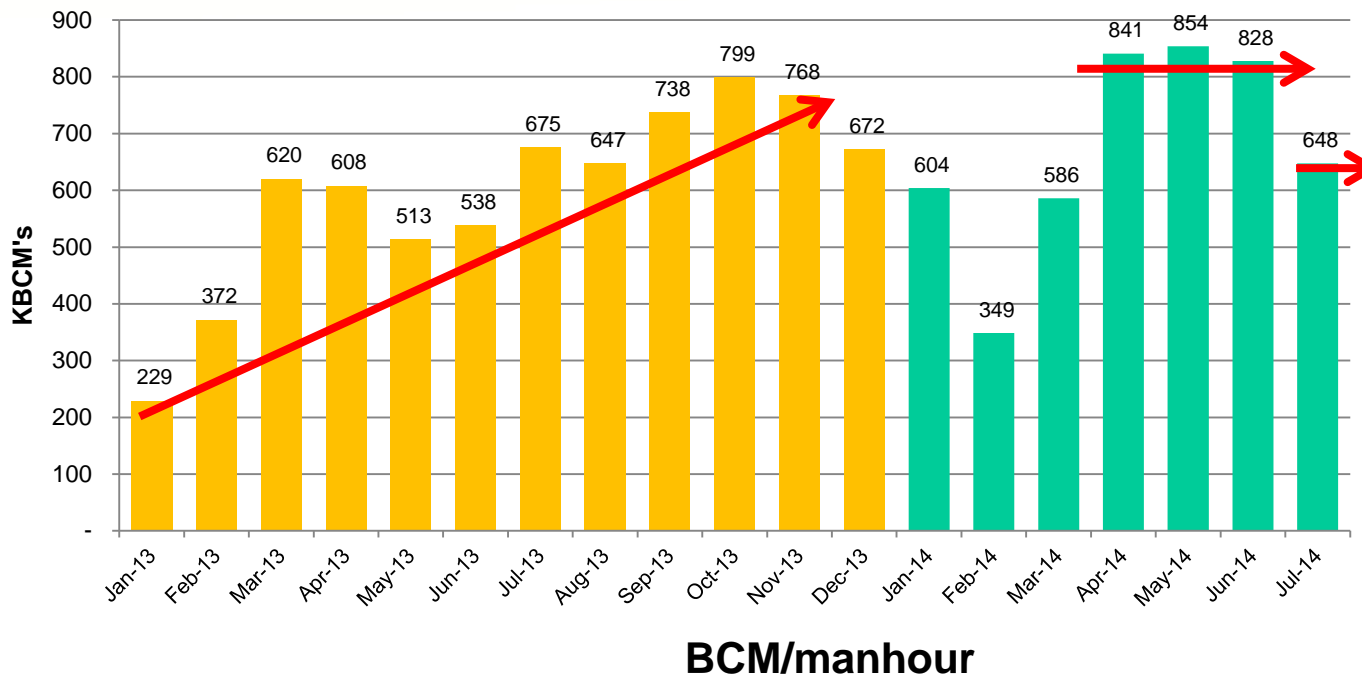
- Reduce Mining Operations July 2014 
- Reduce Charter Air Services July 2014 
- Finance Hired Truck fleet August 2014 
- New Hitachi EX1900 September 2014 
- Replace Hired ancillary equipment September 2014.
- Production Improvement SPP September 2014 underway.

Evaluate and Improve



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Mining Volumes - Monthly 2013/2014



OMH STRATEGIC FOCUS

A world-class miner and smelter of Manganese and Ferro Silicon

Exploration & Mining

- **Exploration**
 - Bootu + Regional
- **Mining – Australia**
 - **Bootu Creek** – up to 1 mtpa production capacity
- **Mining – South Africa**
 - **Tshipi Borwa** – up to 2.4mtpa production capacity (OMH 13% interest)

Ferro Alloy Smelting

- **Smelting – China**
 - **OM Qinzhou** – up to 80ktpa alloys and 300ktpa sinter capacity
- **Smelting – Malaysia**
 - **OM Sarawak Project**
Ferro Silicon and Manganese alloys for the Asian steel industry (OMH 80%)

Marketing & Trading









- **Equity product sales**
 - Ore, Sinter, Alloys
- **Marketing agencies**
 - Manganese
 - Iron Ore
- **Third Party trading**
 - Manganese
 - Ferro Silicon
 - Chrome
 - Iron Ore

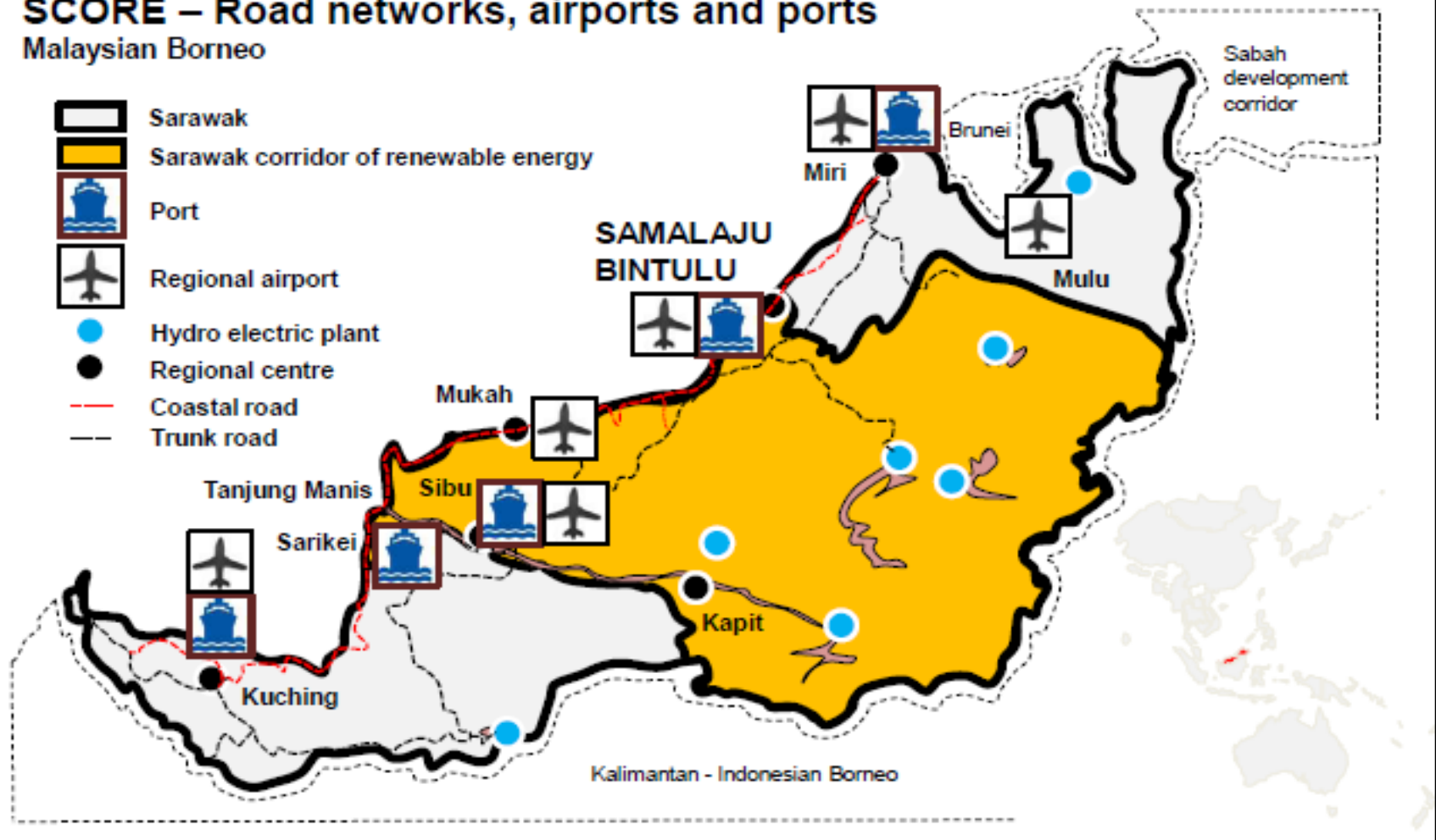
OMH and SARAWAK (Malaysia)

- Building a world-class smelter to reliably and competitively supply ferro alloys to the Asian and global steel industries
- Competitively priced power, coastal industrial land, purpose built port facility and geographic proximity to key raw materials and markets
- Expected to become one of the lowest cost silicon based ferro alloy producers
- Strategic investment and off-take partnerships established
- Phase 1 – 308,000 tonnes per annum Ferro Silicon production facility, expected project capital expenditure of USD397 million
- Phase 2 - Silico-Manganese production facility to follow closely

SCORE – Road networks, airports and ports

Malaysian Borneo

-  Sarawak
-  Sarawak corridor of renewable energy
-  Port
-  Regional airport
-  Hydro electric plant
-  Regional centre
-  Coastal road
-  Trunk road



BINTULU FACILITY

Site Plan



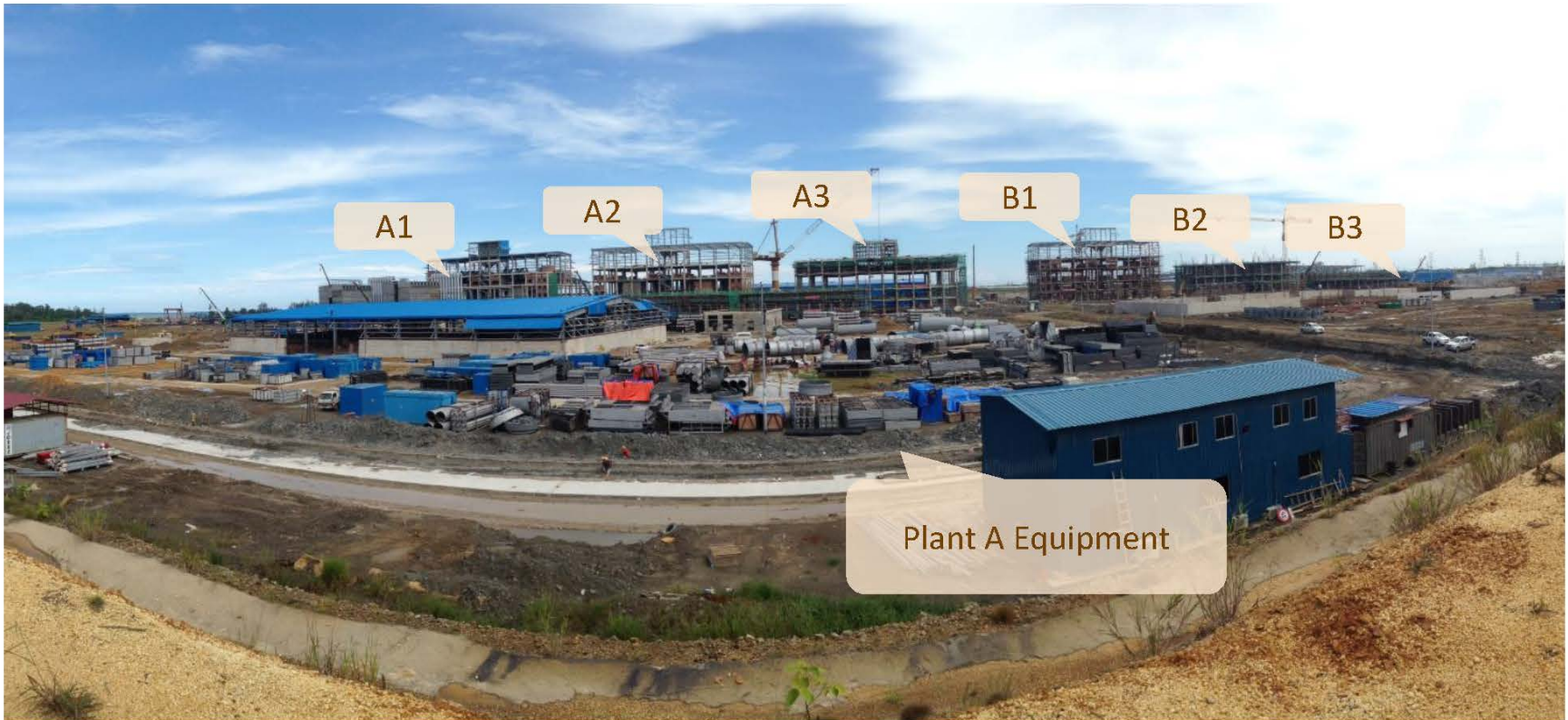
Plant A Workshops: A1 to A3
Plant B Workshops: B1 to B5

Ferrosilicon and Manganese Alloy Smelter
Phase 1 Ferrosilicon: 16 sets of 25.5 MVA furnaces

Phase 2 Manganese alloy: 200k to 300k MT capacity

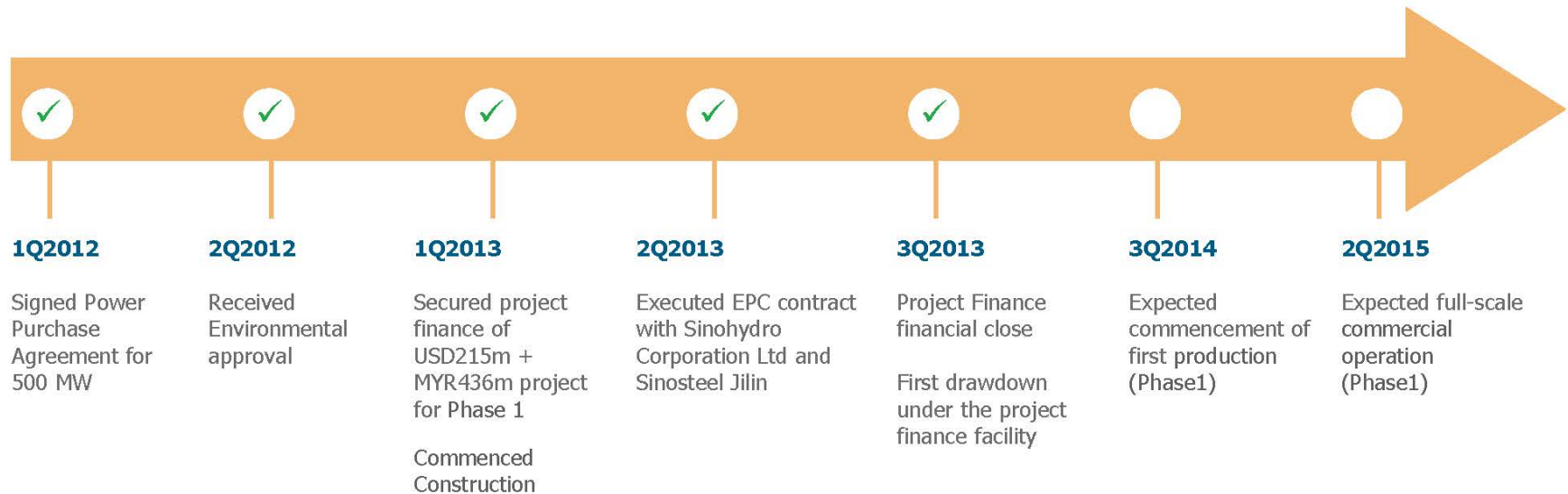
BINTULU CONSTRUCTION

Site Overview



BINTULU DELIVERY

Phase 1 Timeline



FINAL MESSAGE

- 2014 tough market environment to operate.
- BCM needs to cut its cloth accordingly.
- BCM upside advantage being created.
- OMH parent building for the future.
- BCM has a role to play as a key supplier across an integrated value chain





Thank You



Appendix OM Manganese Ltd

Mineral Resource and Reserve - Bootu Creek

Mineral Resource as at 31 Dec 2013

At 15% Mn cutoff	Measured		Indicated		Inferred		Combined*	
Deposit:	Mt	%Mn	Mt	%Mn	Mt	%Mn	Mt	%Mn
Chugga-Gogo	1.9	23.3	5.4	22.6	0.3	24.3	7.6	22.8
Foldnose			0.6	21.1			0.6	21.1
Masai	0.7	23.1	2.3	21.7			3.0	22.0
Shekuma	0.5	25.0	2.6	24.9	0.0	21.6	3.1	24.9
Tourag	0.4	22.9	1.8	22.2			2.2	22.3
Yaka	0.1	23.1	3.3	22.1			3.5	22.2
Zulu							0.0	0.0
Zulu South			0.6	20.2			0.6	20.2
Renner West					0.3	22.1	0.3	22.1
Insitu Resource*	3.7	23.4	16.6	22.6	0.6	23.1	20.8	22.7
ROM Stocks	0.3	17.2					0.3	17.2
SPP Stocks	2.4	19.3					2.4	19.3
Total Resource*	6.3	21.6	16.6	22.6	0.6	23.1	23.5	22.3

* Rounding gives rise to unit discrepancies in this table

Ore Reserve as at 31 Dec 2013

	Proved		Probable		Combined*	
Deposit:	Mt	%Mn	Mt	%Mn	Mt	%Mn
Chugga-Gogo	1.6	21.3	2.4	21.0	4.0	21.1
Masai	0.7	20.9	0.5	20.6	1.2	20.8
Shekuma	0.5	22.6	1.7	22.9	2.2	22.9
Tourag	0.4	20.8	0.7	21.1	1.0	20.9
Yaka	0.1	21.1	1.2	20.9	1.3	20.9
Zulu					0.0	0.0
Insitu Reserve*	3.3	21.3	6.5	21.5	9.8	21.4
ROM Stocks	0.3	17.2			0.3	17.2
SPP Stocks	2.4	19.3			2.4	19.3
Total Reserve*	6.0	20.3	6.5	21.5	12.5	20.9

* Rounding gives rise to unit discrepancies in this table

This information is extracted from the report "Bootu Creek Mineral Resources and Ore Reserve Update as at 31 December 2013" created on 24 April 2013, and is available to view on the ASX, OMH announcements. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.