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19 January 2017

ASX Market Announcements  
ASX Limited  
4<sup>th</sup> Floor  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**OM HOLDINGS LIMITED: OM MATERIALS (SARAWAK) SDN BHD'S SECOND  
MODIFIED FURNACE ACHIEVES FIRST TAPPING OF MANGANESE ALLOY**

OM Holdings Limited ("OMH" or "the Group") is pleased to announce that the second modified furnace at its Sarawak smelter has successfully completed its hot commissioning, and the first tap of High Carbon Ferromanganese was achieved on 14 January 2017. Following close behind the tapping of Silicomanganese at its first modified furnace last December, this development marks an important milestone for OM Materials (Sarawak) Sdn Bhd ("OM Sarawak"), and for the Group as a whole.

The operational developments at its Sarawak smelter demonstrates the Group's strong in-house engineering capabilities, enabling it to respond and adapt to improved Manganese alloy fundamentals by modifying its furnaces for a different production mix in a short span of time.

With two modified furnaces currently in production, and the current ongoing work to modify another four furnaces to produce Manganese alloys, OM Sarawak will produce a wide range of Silicon and Manganese alloys by the first half of 2017 to cater to the requirements of steel producers for different applications and different types of steel.

With the successful production of High Carbon Ferromanganese as stated above, OM Sarawak is on track to convert its furnaces to produce special Manganese alloys like Low Carbon and High Grade Silicomanganese.

Production of Refined Ferrosilicon such as Low Aluminium Ferrosilicon and Low Calcium Ferrosilicon by the first quarter of 2017 will further expand the range of alloys offered by OM Sarawak.

OMH is currently studying the market for Metallic Silicon which is used in the aluminium and polymer industries, among others, as well as Medium Carbon and Low Carbon Ferromanganese which are used in the production of higher grade steel.

Shareholders will be updated on further developments in OM Sarawak's operations.

Yours faithfully

**OM HOLDINGS LIMITED**

Heng Siow Kwee/Julie Wolseley  
**Company Secretary**



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## **BACKGROUND PROFILE OF OM HOLDINGS LIMITED**

*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.*