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

UPDATE ON NORTHERN TERRITORY TRAIN DERAILMENT

OM Holdings Limited ("OMH" or "the Company") advises that Genesee & Wyoming Inc. (GWI) (NYSE: GWR) has this week provided an update on the status of the restoration works on the Edith River Bridge in Australia's Northern Territory following the 27th December 2011 derailment of a Genesee & Wyoming Australia Pty Ltd (GWA) freight train in flood waters associated with Cyclone Grant. As announced previously, the freight train was not carrying any of the Company's manganese product from its Bootu Creek Manganese Mine at the time of the derailment.

GWI has advised that *"The bridge is substantially repaired with earthworks and abutments on both ends of the bridge complete and the bridge deck aligned. In making the repairs, additional damage was found on the southernmost girder of the bridge. As a result, this girder will require additional strengthening before the bridge can be reopened. It is now anticipated that this work will be completed and the bridge reopened for service by February 29, 2012."*

As previously announced by OMH on 3 January 2012, it was initially anticipated that the train derailment incident could impact OM (Manganese) Ltd's ("OMM") export shipments over a period of five to six weeks. Following the most recent advice from GWA, the impact on OMM's export shipments is now expected to extend to the end of February 2012/ early March 2012.

It is anticipated that the delay to the bridge re-opening may now defer two to three export shipments that could have potentially been made in the first quarter of 2012 into the second quarter of 2012. Despite the delay, the Group is continuing to meet its contractual commitments as well as spot sales to customers from its existing stockpiles in Northern and Southern China. GWA have advised OMM that additional rail capacity will be made available to OMM if required, to make up for the delay.

Despite the delay impact from the bridge re-opening, production at OMM has continued uninterrupted and product will continue to be stockpiled on the mine and at OMM's Muckaty Rail Siding with railing and shipping expected to resume once the rail line is re-opened. Storage capacity at the Muckaty Rail Siding and at the mine site is not expected to be constrained whilst production continues despite the further delay in rail activity. It is anticipated that approximately 3 shipments will still be made by OMM from the Port of Darwin in the first quarter of 2012.

As a result of the train derailment and the consequential impact to OMM's scheduled export shipments, the Company has made arrangements for the internal funding of OMM's operating cash requirements.

Yours faithfully
OM HOLDINGS LIMITED

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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 2,400km^2.

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 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:

- *14% 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*
- *8% shareholding in **Shaw River Manganese Limited** (ASX Code: SRR), a company presently exploring for manganese in Namibia, Western Australia and Ghana; and*