6 June, 2012

The Manager
Company Announcements Office
ASX Limited
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/ Madam,

RE: Proposed Acquisition of Korean Graphite Projects

We enclose herewith the Announcement in relation to the proposed acquisition by the Company of Opirus Minerals Pty Ltd and their Korean Graphite Projects.

Yours sincerely,

[Signature]

Gary Stewart
Director/Company Secretary
OMI Holdings Limited
PROPOSED ACQUISITION OF KOREAN GRAPHITE PROJECTS
AND NAME CHANGE TO *PENINSULA GRAPHITE LIMITED*

**Key Points:**

- **OMI Holdings Limited** has secured the right to acquire a company that holds a number of flake graphite exploration projects in South Korea.
- The Tenements are all well located near infrastructure, processing facilities and key Asian markets for graphite.
- The acquisition is the first step in OMI’s transition into the resources sector, with a focus on the rapidly emerging international flake graphite market.
- OMI will seek shareholder approval for the acquisition, a share consolidation and to rename the Company “*Peninsula Graphite Limited*” to reflect its planned focus on graphite exploration, initially on the Korean Peninsula.

**OMI HOLDINGS LIMITED (ASX: OMI or the Company)** is pleased to advise that it has secured the right to acquire 100% of the issued capital of Opirus Minerals Pty Ltd (Opirus), the holder of the rights to a flake graphite exploration project in South Korea, certain exploration permit applications over flake graphite-bearing areas and a pipeline of other prospective flake graphite acquisitions in that region (the Acquisition).

On satisfaction of the conditions to the Acquisition, including final due diligence and shareholder approval, OMI will have interests in permits and permit applications covering a portfolio of flake graphite exploration areas in South Korea, representing a significant area of graphite-bearing schists and gneisses including de-commissioned graphite mines.

In addition to the flake graphite project currently within Opirus, Opirus is also in the process of negotiating to acquire other flake graphite prospects that include additional de-commissioned graphite mines.

OMI Chairman, Mr Terry Cuthbertson said the Opirus flake graphite projects would rapidly position the Company as a key player in the graphite exploration sector with a valuable exploration portfolio in a known flake graphite province nearby to major Asian markets and processing facilities.

"Upon completion of the Acquisition, the Company will have an impressive flake graphite exploration portfolio in South Korea, with the potential for further expansion on the Korean peninsula via
additional flake graphite prospects currently under consideration by Opirus.

From the 1960s to the early 1990s, South Korea was the largest producer of graphite in the world. During the 1990s, China dumped graphite onto the world market and maintained reduced prices over a prolonged period to the extent that South Korean producers de-commissioned their graphite mines. More recently, China has imposed a 20% export duty, a 17% value added tax (VAT) and an export licensing system in an attempt to protect its graphite resources and restrict exports.

South Korea is now an attractive destination for exploration and mining, with a stable and democratically-elected government, and a sophisticated and workable Mining Act and permitting system.

“Following the Acquisition, we will aim to add value to our flake graphite projects, seek strategic partners, and identify further organic and acquisition-based growth opportunities in South Korea and other flake graphite provinces, including Australia” Mr Cuthbertson said.

He said, as a proposed developer of early-stage flake graphite projects, the Company would be well positioned to rapidly add significant value to the initial project portfolio with the key members of the team involved with Opirus.

The Acquisition would involve a significant change in the nature and scale of OMI’s activities. As a consequence, OMI will be seeking shareholder approval to proceed with the Acquisition. If shareholder approval is obtained, OMI will re-comply with Chapters 1 and 2 of the ASX Listing Rules.

An overview of Opirus, its projects and the proposed process for seeking shareholder approval and re-complying with Chapters 1 and 2 of the ASX Listing Rules is set out below.

The Company is also implementing an Unmarketable Parcel Program (the Program) to provide an opportunity for eligible small shareholders to sell their shareholding without incurring any brokerage or handling costs. It is expected that the shares will be purchased at a price of $0.003 per share. The Program is being conducted to enable OMI to reduce the significant administrative cost of managing small shareholdings. It will enable shareholders on the Company’s register with unmarketable holdings as at 1 June 2012, who may find it difficult or expensive to dispose of those shares through normal means, to dispose of their holdings in a cost effective manner. A letter containing full details of the Program will be sent to qualifying shareholders in the coming days.

1. OPIRUS AND THE PROJECTS

Opirus’ project area includes flake graphite discoveries and de-commissioned graphite mines based on historical mapping and sampling undertaken by the Korean Mining Promotion Corporation in the 1970s.

The Projects are well situated, near to population centres, Asian markets and transport...
infrastructure, and include shallow and outcropping flake graphite deposits hosted in graphitic schists and gneissites.

OMI also plans to seek shareholder approval for the Acquisition and to rename the Company “Peninsula Graphite Limited” at an upcoming General Meeting. The proposed name reflects the Company’s proposed focus on graphite exploration on the Korean Peninsula, one of the world’s leading flake graphite production provinces.

A list of the tenements is as follows:

### Geumam Project

<table>
<thead>
<tr>
<th>Tenement Number</th>
<th>Registered Holder</th>
<th>Grant Date</th>
<th>Expiration Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dangjin 55-3</td>
<td>Opirus Minerals Pty Ltd*</td>
<td>7 February 2012</td>
<td>6 February 2032</td>
</tr>
<tr>
<td>Dangjin 65-1</td>
<td>Opirus Minerals Pty Ltd*</td>
<td>8 December 2011</td>
<td>7 December 2031</td>
</tr>
<tr>
<td>Dangjin 65-2</td>
<td>Opirus Minerals Pty Ltd*</td>
<td>17 December 2009</td>
<td>16 December 2029</td>
</tr>
</tbody>
</table>

*held by a wholly owned subsidiary of Opirus Minerals Pty Ltd.

### Samcheok Tenement Application

<table>
<thead>
<tr>
<th>Application Number</th>
<th>Applicant</th>
<th>Expiration Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samcheok 009</td>
<td>Opirus Minerals Pty Ltd*</td>
<td>If granted, the tenement will expire 20 years from the date of its grant.</td>
</tr>
<tr>
<td>Samcheok 010</td>
<td>Opirus Minerals Pty Ltd*</td>
<td>If granted, the tenement will expire 20 years from the date of its grant.</td>
</tr>
</tbody>
</table>

*Application has been made by a wholly owned subsidiary of Opirus Minerals Pty Ltd.

The Geumam and Samcheok projects discussed below were the subject of exploration by the Korea Mining Promotion Corporation (“KMPC”). From analysis of trenching results, KPMC estimated that these projects host flake graphite of grades ranging from 4% to 12% contained graphite.

### Geumam

The Geumam graphite deposit is located 67km southwest of Seoul and 4km north of the township of Dangjin, in Dangjin County of Chungcheongnam-Do Province. The terrain of the area is characterised by low lying eroded hills with elevations of less than 100m above sea level.
Geologically, the Geumam area consists of biotite gneiss, schist and quartzite of the Precambrian Gyeonggi Gneiss Complex, and granite gneiss of the Sobaegsan Gneiss Complex. The metamorphic fabric of the biotite gneiss and schist is predominantly northeast-southwest striking, dipping gently-moderately to the southeast. At least 3 stratiform graphite beds were mapped by the KMPC (1980) within muscovite-chlorite gneiss, comprising 2 western (lower) beds and an eastern (upper) bed.¹

The “lower” 2 western beds are 25-50m in thickness, traceable in outcrop over a 130m strike length. The “upper” eastern bed is 25-70m thick and can be traced over a strike length of 350m.

The graphite is classified as flake and is hosted in graphite schist, accompanied by quartz, chlorite and muscovite as the gangue or “ash” minerals. The KMPC used several trenches and a small adit to evaluate and sample the graphite beds. A very limited IP-Resistivity geophysical survey was also conducted by the KMPC over the south-western part of the area, which delineated a chargeability anomaly of 50Mev over a strike length of 450m and width of 120m. The chargeability response closely corresponds to the eastern (upper) graphite bed, indicating it has a strike length of at least 600m.

**Samcheok**

The Samcheok graphite deposit is situated about 215km east of Seoul on the eastern seaboard of Korea, about 13km southeast of the coastal town of Samcheok, in Donghae County of Gangwon-Do Province.

There is an abandoned open cut graphite mine at Samcheok. The graphite-bearing zone is clearly evident in limonite-hematite stained outcrops in road cuts and open pit exposures over a strike length of at least 700m.

Geologically, the Samcheok area consists of schist and gneiss of the Precambrian Yongnam Gneiss Complex and granite gneiss of the Sobaegsan Gneiss Complex. Foliation in the schist strikes north-northwest, dipping steeply to the east. The graphite bed at Samcheok is 60-80m thick and can be traced over an outcrop length of 300m.

A very limited ground IP-Resistivity geophysical survey was conducted by the KMPC (1976), indicating the graphite bed can be readily mapped by the anomalous conductivity response of 76mV.²

Location Map: Opirus Minerals South Korean Graphite Projects:
2. The Opirus Transaction

OMI has entered into an Option Agreement with the shareholders of Opirus Minerals Pty Ltd (Opirus). Pursuant to the terms of the Option Agreement, OMI has the right to acquire 100% of the issued capital of Opirus.

The Acquisition is conditional upon the following conditions precedent being satisfied:

(a) the completion of due diligence investigations by OMI and Opirus to their absolute satisfaction;
(b) the completion of a consolidation of OMI’s issued capital sufficient to satisfy ASX re-compliance requirements;
(c) the completion by OMI of a minimum capital raising of $3 million (to be conducted on a post consolidation basis) via the issue of a minimum of 15 million shares at an issue price of $0.20 each (5 million of which will be offered to existing OMI shareholders pursuant to a priority offer) (the Capital Raising);
(d) OMI obtaining all requisite regulatory and shareholder approvals required under the ASX Listing Rules and the Corporations Act to the issue of the consideration securities to Opirus and the issue of the shares that are the subject of the $3 million capital raising;
(e) OMI satisfying the compliance requirements set out within Chapters 1 and 2 of the ASX Listing Rules, and, if required by ASX, obtaining shareholder approval to a change in the nature and scale of its activities;
(f) Opirus confirming that all of its shareholders have agreed to transfer all of their shares in Opirus to OMI; and
(g) all but one of the existing directors of OMI tendering their resignation as directors of OMI (which shall take effect upon completion of the transaction).

In consideration for the acquisition, OMI will issue the Opirus shareholders up to 40,000,000 fully paid ordinary shares (having a deemed issue price of $0.20 each) as follows:

(a) 12,500,000 shares will be issued upon completion of the Acquisition; and
(b) 27,500,000 performance rights which give the holder the right to acquire shares for no consideration, upon the achievement of the following milestones:
   (i) 2,500,000 shares are to be issued if, within 1 year of the date OMI satisfies the compliance requirements set out within Chapters 1 and 2 of the ASX Listing Rules (Relisting), OMI’s volume weighted average share price is at least $0.30 for 30 consecutive days on which OMI’s shares are traded;
   (ii) 2,500,000 shares are to be issued if, within 1 year of the date of Relisting, OMI’s volume weighted average share price is at least $0.40 for 30 consecutive days on
which OMI’s shares are traded;

(iii) 7,500,000 shares are to be issued upon the achievement by OMI of an inferred resource in accordance with the JORC Code of 50,000 tonnes or more of in-situ carbon as graphite from one or more deposits known to contain flake graphite within 3 years of the date of Relisting;

(iv) 7,500,000 shares are to be issued upon the achievement by OMI of an inferred resource in accordance with the JORC Code of 100,000 tonnes or more of in-situ carbon as graphite from one or more deposits known to contain flake graphite within 3 years of the date of Relisting; and

(v) 7,500,000 shares are to be issued upon the achievement by the Company of an inferred resource in accordance with the JORC Code of 150,000 tonnes or more of in-situ carbon as graphite from one or more deposits known to contain flake graphite in accordance with the JORC Code within 3 years of the date of Relisting.

3. CHANGE IN NATURE AND SCALE OF ACTIVITIES

Previously the Company’s principle focus has been in research, development and manufacture of medical products. The Company will discontinue and dispose of its rights to this business and instead focus on adding value to its flake graphite projects through further exploration and by pursuing a pipeline of prospective flake graphite projects that Opirus has identified.

ASX Listing Rule 11.1 provides that if an entity proposes to make a significant change, either directly or indirectly, to the nature and/or scale of its activities, it must provide full details to ASX as soon as practicable.

Listing Rule 11.1.2 provides that, if the ASX requires, the entity must get shareholder approval and comply with the ASX’s requirements in respect of the notice of meeting. Listing Rule 11.1.3 provides that, if the ASX so requires, the entity must meet the requirements of Chapters 1 and 2 as if the entity were applying for admission to the official list.

Following consultation with ASX, if OMI proceeds with the Acquisition, it will be required to re-comply with Chapters 1 and 2 as if it were applying for admission to the official list.

4. PROPOSED MANAGEMENT AND BOARD CHANGES

It is proposed that, if the Acquisition is completed, Messrs Brooks, Doery and Stewart will step down as directors of OMI and will be replaced with two directors nominated by Opirus, who will provide the requisite skills and experience to pursue the Company’s new direction. Mr Cuthbertson will continue as a director of OMI.
5. **GENERAL MEETING OF OMI SHAREHOLDERS**

OMI will convene a general meeting of shareholders to approve (amongst other things):

- a change in activities via the Acquisition of Opirus;
- the issue of consideration securities to the shareholders of Opirus;
- a consolidation of its issued capital sufficient to satisfy ASX re-compliance requirements;
- the issue of options to the current directors of OMI;
- a change of OMI's name; and
- the issue of securities under a prospectus capital raising.

6. **CAPITAL STRUCTURE**

The following table sets out an example of the Company’s capital structure (on a post consolidation basis) upon completion of the Acquisition. Further details regarding the confirmed capital structure (post completion of the consolidation and Acquisition) will be detailed within the Notice of General Meeting that is sent to shareholders.

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Shares*</th>
<th>Non-diluted**</th>
<th>Fully Diluted***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing share capital</td>
<td>12,428,516</td>
<td>29.7%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Placement up to 15% capacity</td>
<td>1,864,277</td>
<td>4.5%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Priority offer to existing shareholders</td>
<td>5,000,000</td>
<td>12.0%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Public offer</td>
<td>10,000,000</td>
<td>23.9%</td>
<td>14.4%</td>
</tr>
<tr>
<td>Issue to vendors of Opirus</td>
<td>12,500,000</td>
<td>29.9%</td>
<td>57.7%</td>
</tr>
<tr>
<td></td>
<td><strong>41,792,793</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>94.9%</strong></td>
</tr>
<tr>
<td>Existing options</td>
<td>1,500,000</td>
<td>0%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Directors options</td>
<td>2,200,000</td>
<td>0%</td>
<td>3.0%</td>
</tr>
<tr>
<td></td>
<td><strong>45,492,793</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
</tr>
</tbody>
</table>

*All shares are presented on a post-consolidation basis applying a consolidation ratio of 1:40. The consolidation ratio is an example only and the ratio to be applied to the consolidation will be agreed by the Company and the shareholders in Opirus, prior to the issue of the notice of meeting, having regard to the then prevailing share price.
**Excludes options and performance rights.
***Includes options and assumes performance rights have vested and been exercised. OMI intends to issue 27,500,000 performance rights. If the performance conditions (set out in section 2 above) are met, each performance right gives the holder the ability to subscribe for one ordinary share in OMI for nil consideration.
7. INDICATIVE TIMETABLE

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice of meeting despatched</td>
<td>13 July 2012</td>
</tr>
<tr>
<td>Prospectus for Capital Raising lodged with ASIC and ASX</td>
<td>18 July 2012</td>
</tr>
<tr>
<td>General Meeting (and suspension in trading in Shares)</td>
<td>17 August 2012</td>
</tr>
<tr>
<td>Priority Offer closes</td>
<td>31 August 2012</td>
</tr>
<tr>
<td>Offer under prospectus closes</td>
<td>7 September 2012</td>
</tr>
<tr>
<td>Shares issued to vendors on completion of Acquisition and</td>
<td>12 September 2012</td>
</tr>
<tr>
<td>applicants under the Capital Raising</td>
<td></td>
</tr>
<tr>
<td>Expected date for reinstatement of the Company's securities</td>
<td>14 September 2012</td>
</tr>
</tbody>
</table>

* The above dates are indicative only and are subject to change without notice. The actual timetable will depend upon the timing of ASX approval and also the time at which the conditions precedent to the Acquisition are satisfied or, if applicable, waived.

** The proposed change in activities will trigger a suspension of OMI shares on the morning of the General Meeting, which suspension will be lifted once OMI has satisfied the requirements of Chapters 1 & 2 of the ASX Listing Rules.

8. PRIVATE PLACEMENT

OMI has also received commitments for a private placement to sophisticated and professional investors within its 15% placement capacity via the issue of up to 75 million shares at an issue price of $0.003 each to raise approximately $220,000. The Company intends to apply the funds raised from the capital raising towards the costs associated with completing due diligence in respect of the Acquisition, the costs associated with calling a general meeting, issuing a prospectus and achieving re-compliance with Chapters 1 and 2 of the ASX Listing Rules and general working capital.

9. INFORMATION TO SHAREHOLDERS

OMI shareholders will receive a notice of meeting in due course, which will provide further details regarding Opirus, its Projects and the requisite resolutions seeking approval to the change in the nature and scale of OMI’s activities.

The Company is excited by the opportunity to rapidly gain a strong position in the emerging international flake graphite market in a well-known flake graphite province, close to the major international markets for high-value flake graphite products, including China, South Korea and Japan.

The proposed Acquisition provides the basis for a new future for the Company in a high-value and long-term sustainable resource sector in which flake graphite demand continues to grow strongly.
Further information:
Terry Cuthbertson
Director
OMI Holdings Limited
Telephone: +61 2 8752 7861