

Ore Holdings Approves Debt-for-Equity Exchange

NEW YORK—Nov. 12, 2013— Ore Holdings, Inc. (OTC: ORXE.PK) today announced that its board of directors, following an evaluation of strategic alternatives, has approved an agreement under which the company will issue newly created convertible preferred shares to Steel Partners, Ltd., in exchange for the cancellation of a 12% secured promissory note, pursuant to an exchange proposal made by privately-held Steel Partners, Ltd.

Principal, plus accrued but unpaid interest, on the promissory note currently totals \$6,031,371, but Ore Holdings confirmed that it would be unable to meet a minimum net worth covenant as of the end of the current fiscal year.

“Ore Holdings faced a default event at December 31, 2013, per terms of the promissory note,” said J. Stark Thompson, chairman of the special committee of independent Ore Holdings directors formed to evaluate the Steel Partners, Ltd. exchange proposal. “Following its review, which included a fairness opinion provided by independent valuation firm Cullum Advisors, the committee concluded that approving the transaction is the best course of action for Ore and its shareholders.

“Consummation of the exchange now, while the proposal is at hand, allows the company to preserve shareholder value, rather than face bankruptcy or liquidation, and provides shareholders with the opportunity to continue to participate in the company’s future investments,” Thompson said. “After exploring all of the alternatives, the independent committee concluded that a sale or refinancing were not viable options for shareholders at this time,” he added.

In connection with the agreement, the Ore Holdings board has authorized the company to exchange the promissory note and the accrued but unpaid interest for shares of newly created Series A Preferred Stock of the corporation at a price per share of \$6.00 for an aggregate number of 1,005,228 shares.

The preferred shares are convertible into shares of Ore Holdings common stock at a forty-to-one ratio and will participate on equal footing with the common shares in any dividends, or upon a liquidation of the company. The number of shares to be issued in the exchange was based on a \$0.15 average trading price over a 30-day period, divided into the total amount outstanding under the note. The preferred shares were created since the number of authorized common shares of Ore Holdings was not sufficient to meet the exchange ratio on that basis.

Following the exchange, Ore Holdings will have positive stockholders’ equity of \$3.8 million and no long-term debt. The company will have 8,663,519 common shares outstanding and a total of 1,005,228 Series A Preferred Stock, convertible into 40,209,140 shares of common stock,

outstanding. Assuming full conversion of the Series A Preferred, Ore will have 48,872,659 of common stock equivalent shares.

Following the exchange, Steel Partners, Ltd. will have no further rights under the note, which will be cancelled. On an as-converted basis, Steel Partners, Ltd.'s share of the outstanding equity in the company will increase to 90.6% from 47.1%. The transaction is expected to be completed on or about November 12, 2013.

About Ore Holdings

Ore Holdings, www.oreholdings.com, is a management company focused on strategic investments aimed at enhancing the value of the entities within its portfolio.

The Certificate of Incorporation of Ore Holdings contains provisions prohibiting certain transfers of the company's common stock that would affect the ownership of holders of 5% or more of the company's common stock (subject to certain exceptions) in order to protect the company's ability to utilize its net loss carryforwards to reduce potential future federal income tax obligations.

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