Orica Limited
ABN 24 004 145 868

ASX Announcement

ORICA TO SELL ITS 70% STAKE IN INCITEC PIVOT

Orica Limited today announced that it will sell its entire 70% stake in listed company Incitec Pivot Limited (IPL). The first phase of the sell down will be the sale of approximately 55% of IPL's ordinary shares via an underwritten institutional placement. The sale is underwritten by Macquarie Equity Capital Markets Limited at $18.30 per share and the final price will be determined on Thursday 11 May, following the completion of the book build.

Subsequent to the first phase of the sell down, Orica will hold approximately 15% of IPL's ordinary shares, which are intended to be sold to IPL under a selective share buy-back, at a price equal to the final book build price. The buy-back, which will be subject to IPL shareholder approval, is expected to be completed in early July.

The funds generated by the sale will be used by Orica, in part, to repay up to $400 million of debt. Mr Graeme Liebelt, Managing Director and CEO of Orica said "After paying down some debt, we will use the remaining funds either on appropriate growth or capital management opportunities."

Further details of the impact of the sell down on Orica will be provided when the final price of the underwritten sale has been determined.

9 May 2006

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