



2014 ANNUAL GENERAL MEETING

29 January 2015

Ian Smith

Managing Director and Chief Executive Officer



DISCLAIMER

Forward looking statements

This presentation has been prepared by Orica Limited. The information contained in this presentation is for informational purposes only. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. This presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Orica Limited, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this presentation. In particular, no representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in this presentation. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies.

Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Past performance is no guarantee of future performance.

Non-International Financial Reporting Standards (Non-IFRS) information

This presentation makes reference to certain non-IFRS financial information. Management use this information to measure the operating performance of the business and has been presented as this may be useful for investors. This information has not been reviewed by the Group's auditor. Refer to slide 72 for a reconciliation of IFRS compliant statutory net profit after tax to EBITDA and to slide 73 for the definition and calculation of non-IFRS and key financial information. Forecast information has been estimated on the same measurement basis as actual results.

Overview and Sustainability

4 - 7

Financial Performance

9 - 11

Projects and Strategy

13 - 19

PERFORMANCE HIGHLIGHTS

FY14 Guidance met in challenging markets

- NPAT of \$602.5M up 2%
- 48% increase in net operating and investing cashflows
- Efficiency improvements largely offset underlying market conditions

Delivery of strategy

- Increased take up of advanced blasting services
- Growth in new markets - Africa, CIS and Pilbara
- 35% reduction in capex

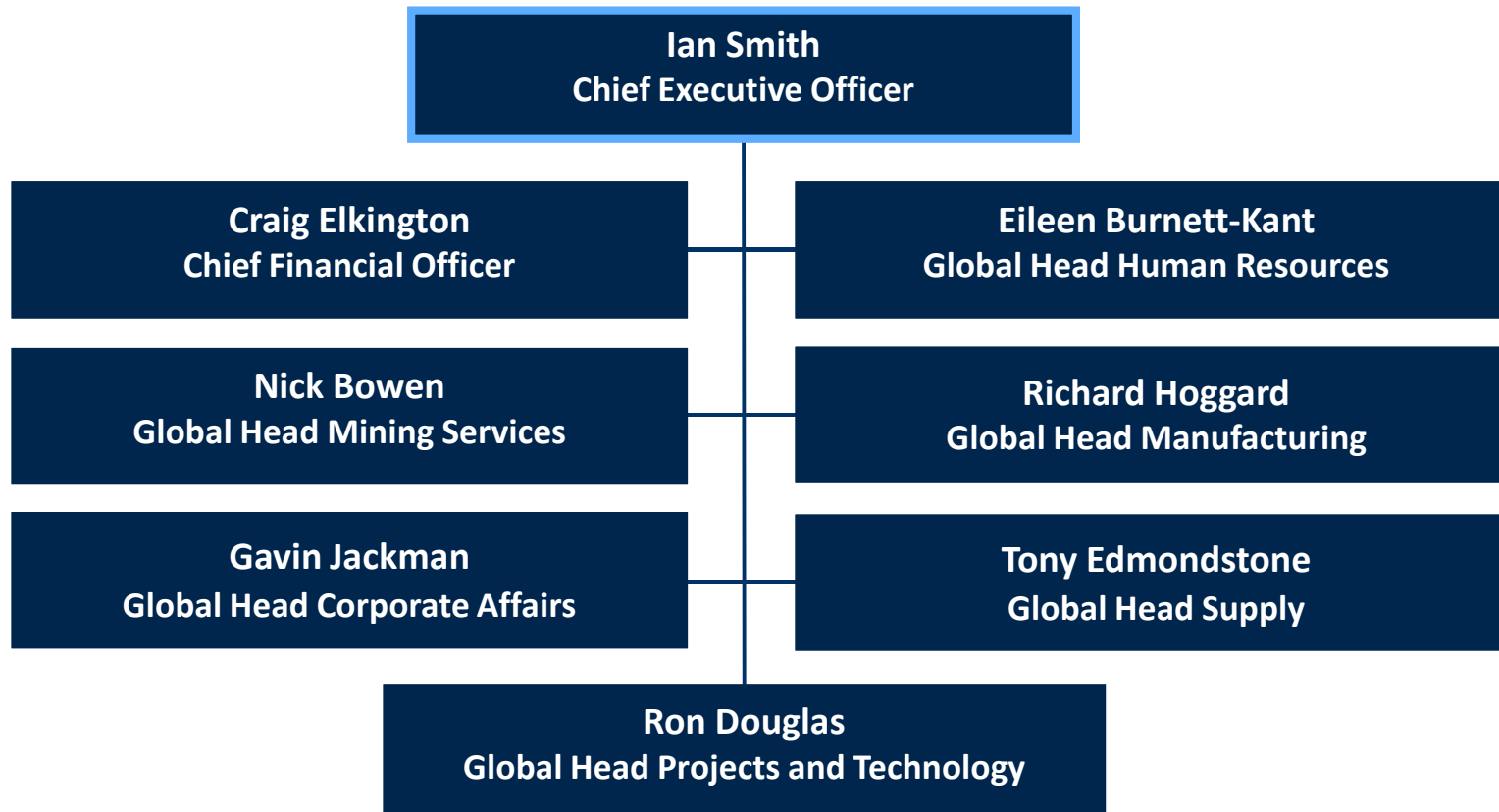
Separation of Chemicals business

- Sale agreed with funds advised by Blackstone for \$750 million
- Completion expected Q1 CY2015
- Result provides flexibility for potential capital management

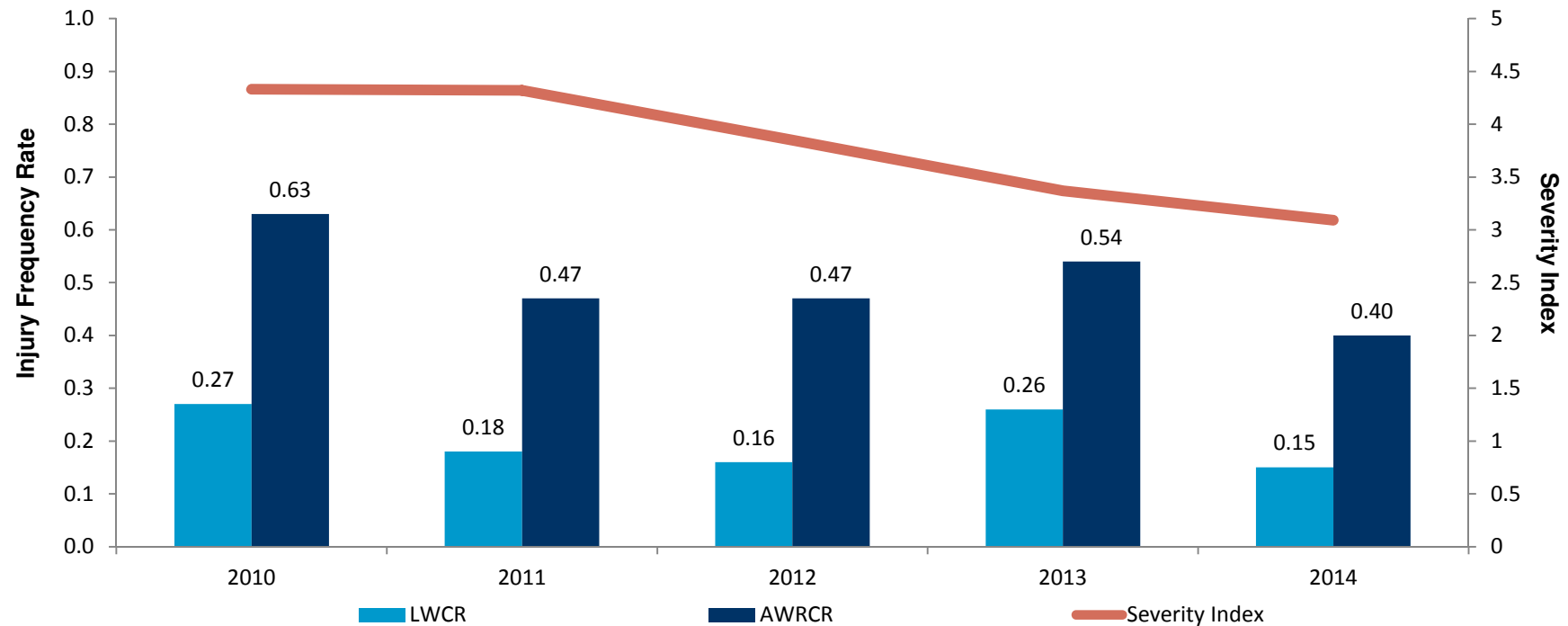
Ongoing Transformation

- Program to achieve sustainable earnings
- Pathway to reduce cost base by \$200 - \$250M per annum from FY16 which will provide flexibility in challenging markets

EXECUTIVE STRUCTURE

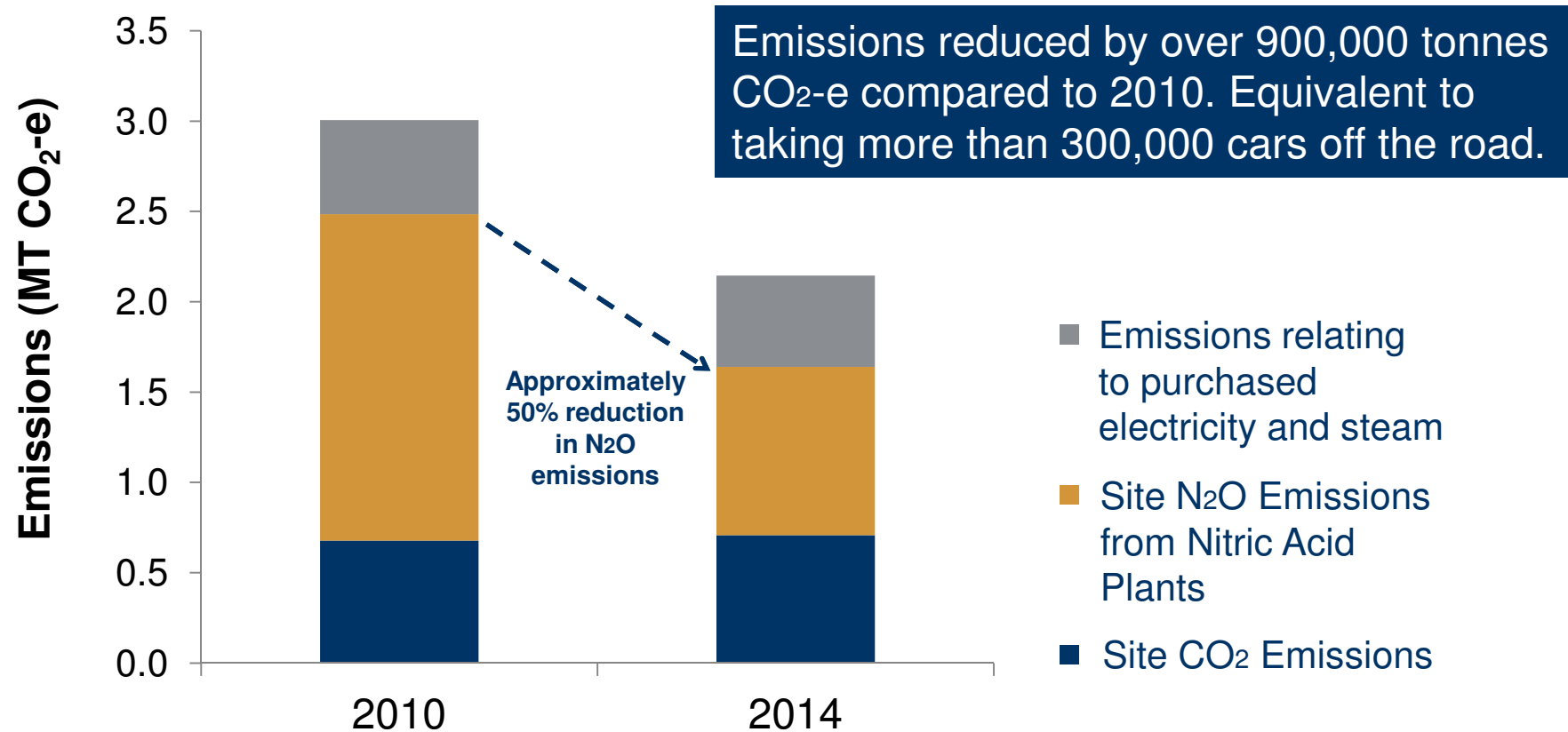


SAFETY PERFORMANCE



1. AWRCR: All Worker Recordable Case Rate, total number of recordable cases per 200,000 hours worked.
2. LWCR: Lost Workday Case Rate, total number of lost workday cases per 200,000 hours worked.
3. Severity Index: A weighted analysis of the severity of incidents within Orica.

N₂O ABATEMENT HAS SIGNIFICANTLY REDUCED ORICA'S CARBON FOOTPRINT



Overview and Sustainability

4 - 7

Financial Performance

9 - 11

Projects and Strategy

13 - 19

GROUP FINANCIAL PERFORMANCE

Full year ended 30 September (A\$M)	2014	Restated ¹ 2013	
NPAT ¹	602.5	592.5	✓
Earnings Per Share (cents)	163.7	162.9	✓
Dividends Per Share (cents)	96.0	94.0	✓
Net Operating and Investing Cashflow	461	311	✓
Net Debt	2,237	2,334	✓
Trade Working Capital	646	698	✓
Gearing (%) ²	33.7	36.8	✓
Interest Cover (times) ³	8.0	6.4	✓
Cash Conversion (%) ⁴	87.7	80.3	✓

1. 2013 numbers have been restated for new accounting standards. Refer to Note 41 of the Orica Annual Report.

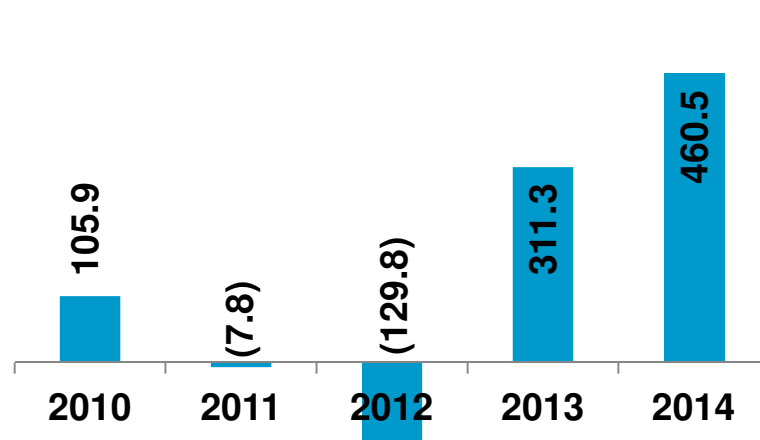
2. Net debt / (net debt + book equity).

3. EBIT / Net Interest Expense (post capitalised interest).

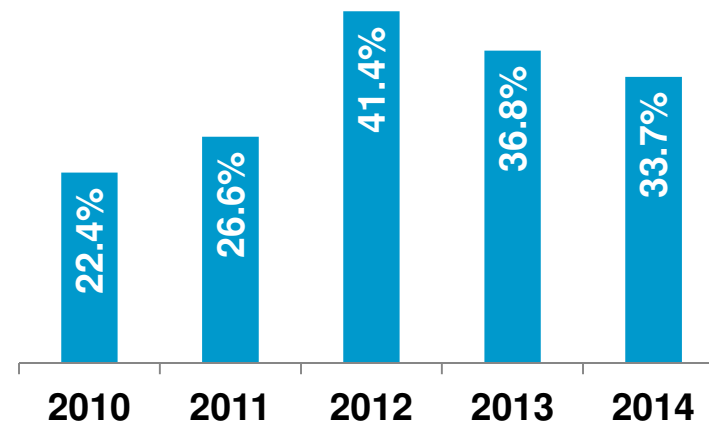
4. EBITDA add / less movement in TWC less sustaining capital expenditure / EBITDA

STRONG CASH FLOW & BALANCE SHEET

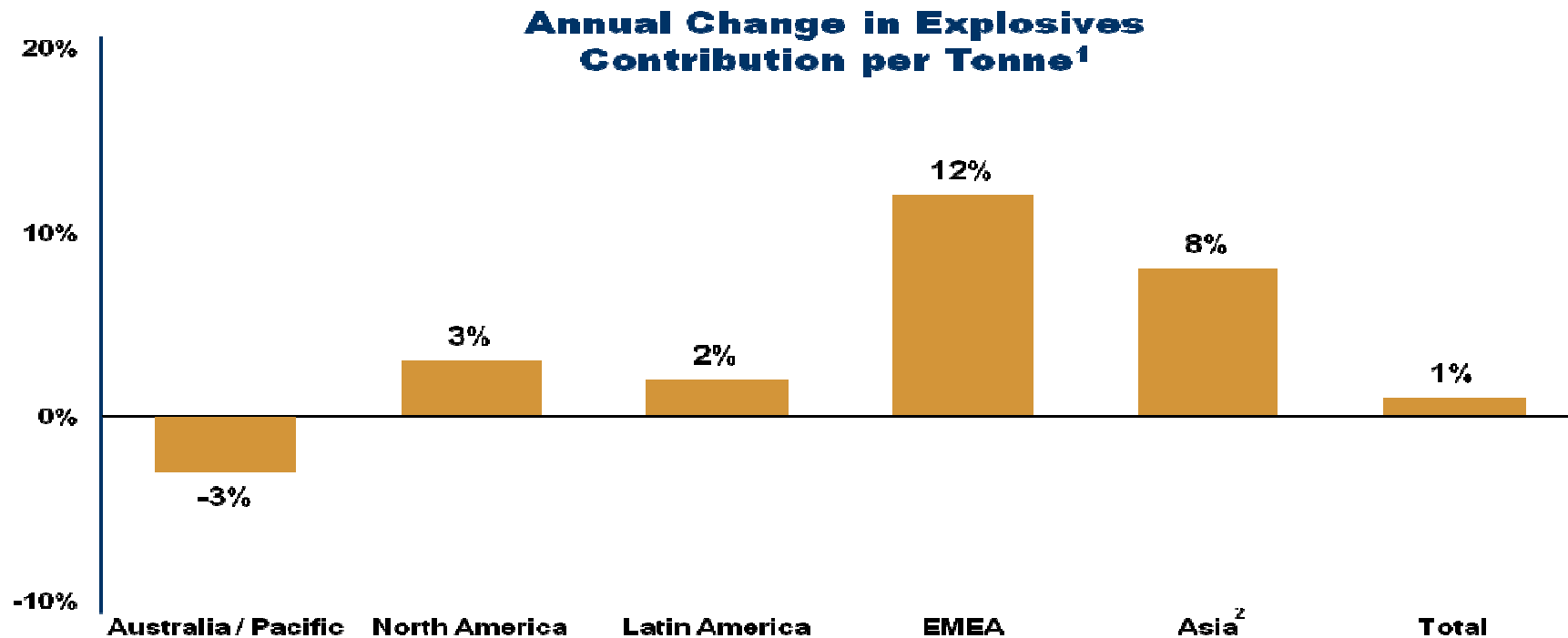
Net Operating and Investing Cashflows (A\$M)



Gearing



BENEFITS OF GLOBAL FOOTPRINT



Continued Resilience of Explosives Margins

1. Volume represents ammonium nitrate and emulsion products (bulk and packaged). Refer Supplementary Information to this presentation for detailed volume data by region.

2. Asia is included in "Mining Services Other" as disclosed in note 2 of the Orica Annual Report.

3. Contribution includes all income and costs attributable to the sale of explosives products and services adjusted for constant foreign exchange and one-off costs. The tonnes are based on AN and emulsion products

4. The contribution for the Asia region includes only contribution from explosives products and services sold in the Asia region and excludes profits generated in the Global Hub relating to North America and Latin America.

Overview

4 - 7

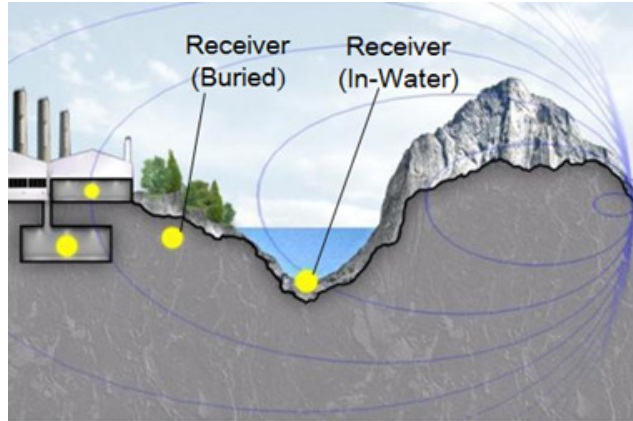
Financial Performance

9 - 11

Projects and Strategy

13 - 19

WIRELESS BREAKTHROUGH

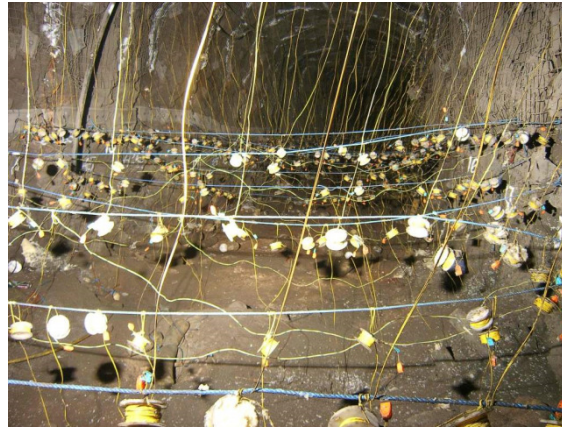


Low frequency transmission of digital data

Wireless Initiation

- Simpler - no wires or connections
- Regulatory approval
- Started field trials
- Commercially available mid 2015
- Delivers greater flexibility in firing patterns

Complex life at the face



Wireless Future



BURRUP AMMONIUM NITRATE PROJECT

- 330ktpa capacity AN plant on the Burrup Peninsula, Western Australia, in joint venture with Yara and Apache (Orica share: 45%).
- Unique project and capital structure
 - \$110M entry fee
 - 45% of project capital
 - 100% marketing rights for all AN
- Onsite construction 68% complete, overall project 91% complete as at 31 October 2014
- Project on schedule for commissioning mid to late 2015, with nameplate production rates expected by end of 2016.



CUSTOMER: CONTRACT PROFILE

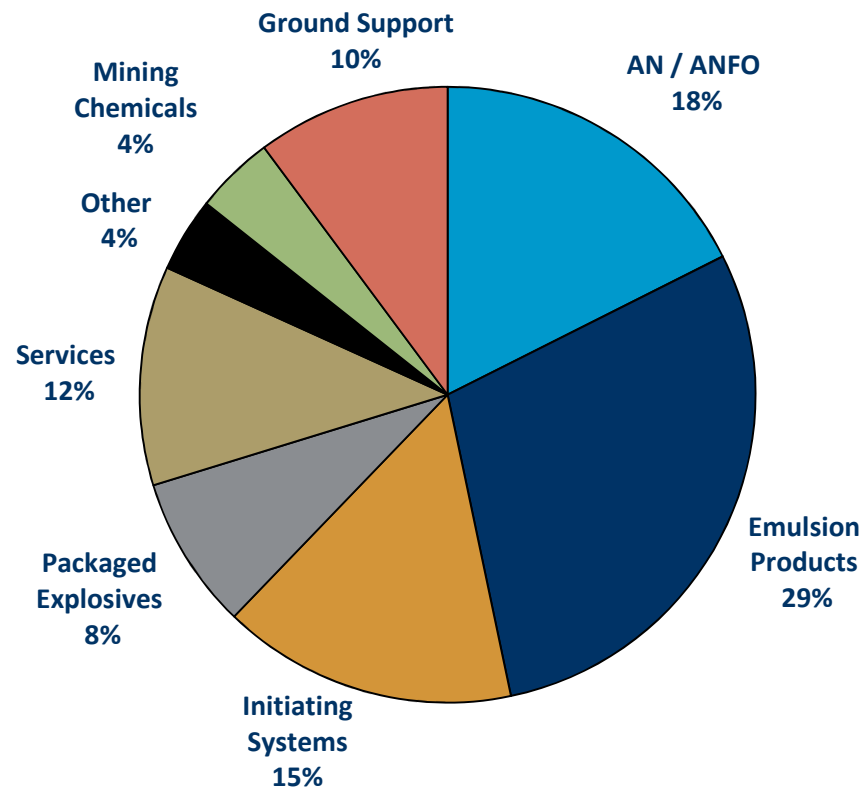
Resilience of the Explosives Contract Profile

- ✓ Retained > 90% of existing contracts at re-tender (on a revenue basis),
- ✓ For every \$1 of contract revenue lost at re-tender, we won in excess of \$2 in new contract revenue from greenfield projects or competitor accounts.
- ✓ Advanced Blasting Services contracts comprised 7% of new contracts in FY14, versus 3% in FY13 and 0% in FY12,
- ✓ Advanced Blasting Services a key contributor to contract wins & extensions.

CUSTOMER: SERVICES

Mining Services Sales Revenue

2014



TRANSFORMATION INDICATIVE COSTS & BENEFITS

	FY15*	FY16*
Cash Costs	60 – 70	20 – 40
Potential Non-Cash Costs	40 – 50	-
Indicative Annual Costs	100 – 120	20 – 40
Benefits (before costs)	140 - 170	200 - 250

Net benefits provide flexibility in how the company positions itself across its diverse markets and customer base

* Estimated benefits and costs are pre-tax

SALE OF CHEMICALS

- A strategic review determined that separation of the Chemicals business is superior to retention in the Orica portfolio
- Separation completes a decade long transition into a pure play mining services business with market leading positions around the globe
- The Board formed the view that a sale would likely result in a higher and more certain value for shareholders than a demerger
- Other benefits of a sale over a demerger are:
 - faster completion
 - less distraction to Orica and the Chemicals business
 - lower transaction costs
 - flexibility to consider capital management initiatives

ORICA'S 5 YEAR HORIZON

