Incitec Pivot Limited

Office of the Company Secretary

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13 October 2010

The Manager
Company Announcements Office
Australian Securities Exchange
Level 45, South Tower
Rialto
525 Collins Street
MELBOURNE VIC 3000

Dear Sir or Madam

Electronic Lodgement

Incitec Pivot Limited and Perdaman – Agreement on Granular Urea

In accordance with the listing rules, I attach a copy of an ASX Announcement for release to the market.

Yours faithfully

Kerry Gleeson
Company Secretary

Attach.

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ASX ANNOUNCEMENT – 13 October 2010

Incitec Pivot Limited and Perdaman – Agreement on Granular Urea

Incitec Pivot Limited (**ASX**:IPL) has today announced that it has entered into a 20-year off-take agreement with Perdaman Chemicals and Fertilisers Pty Limited (Perdaman) for the output of approximately two million tonnes per annum of granular urea fertiliser from the proposed project at Collie in Western Australia.

Under the agreement, IPL is the off-taker from the proposed project, planned to begin production in 2014. The terms of the agreement remain confidential to the parties.

IPL's General Manager Supply Chain and Trading, James Whiteside, said that the product would be available for sale in Oceania, India, Pakistan, Asia and the Americas. "In 2009, in terms of the total global trade of urea, which was 35 million tonnes, these target markets represented 16 million tonnes," he said.

Kerry Gleeson
Company Secretary

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About Incitec Pivot

Incitec Pivot (ASX: IPL), an S&P/ASX Top 50 company, is a leading global company which manufactures, markets and distributes a range of industrial explosives, fertilisers, related products and services to customers around the world. A leader in its chosen markets, the Company holds a portfolio of recognised and trusted brands and is the No. 1 supplier of fertilisers in Australia and the No 1 supplier of industrial explosives, related products and services in North America. Employing more than 4,400 people, IPL owns and operates manufacturing plants in the USA, Canada, Australia, Mexico, Turkey and Chile and has joint venture operations, including in South Africa, Malaysia and China.