Incitec Pivot Limited

Office of the Company Secretary

ABN 42 004 080 264

Registered Office:
Level 8, 28 Freshwater Place
Southbank Victoria 3006

Tel: (61 3) 8695 4400
Fax: (61 3) 8695 4419

www.incitecpivot.com.au

17 April 2013

ASX Market Announcements Office

Electronic Lodgement – Construction of Ammonia Plant in Louisiana, USA

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 – 17 APRIL 2013

Incitec Pivot Limited
Construction of Ammonia Plant in Louisiana, USA

Incitec Pivot Limited (**ASX:** IPL) today announced that it has approved US$850 million of capital expenditure for the construction of a world scale 800,000 metric tonne per annum ammonia manufacturing plant.

The Plant will be situated on a brownfield site, which is part of Cornerstone Chemicals Company's chemical complex in Waggaman, Louisiana, situated on the industrial corridor along the Mississippi River.

IPL, through its subsidiary Dyno Nobel Louisiana Ammonia LLC, has entered into a contract with KBR Inc., a global engineering, construction and services company with world leading ammonia technology. This contract is for the engineering, procurement and construction of the Plant and will include a licence of KBR's ammonia technology.

Production is planned to commence in the Third Quarter of Calendar 2016. The Plant is sold out from Day One of production commencing with 300,000 tonnes to the Group's own plants in the US. The balance is committed to offtake agreements with Transammonia Inc. and Cornerstone Chemicals Company. The Group's US business, Dyno Nobel, is the largest manufacturer of industrial explosives in North America having 9 major manufacturing sites.

The project will be funded by debt facilities and internally-generated cash flows.

IPL's Managing Director & CEO, James Fazzino, said the project met IPL's strict investment hurdles with compelling financial metrics, with a payback of less than five years and a 15% Internal Rate of Return.

"Two years ago, IPL identified the unique opportunity to capitalise on a potential investment in the US through a brownfield site, competitively-priced energy, labour productivity and responsive regulatory environment.

"Also, this project leverages the "one off" benefits of the brownfield site, utilising existing infrastructure, including ammonia logistics and access to the US ammonia market.

"The Plant will sit in the bottom quartile of the global cost curve and takes our US business, and potential future ammonium nitrate expansions, back to US gas economics."

"This is a unique set of factors that allows IPL to grow its international business and strengthens our presence in one of the world's largest economies."

Mr Fazzino said that the project was a good strategic fit for IPL and leverages the Group's core manufacturing competence. This project brings to seven the number of ammonia plants operated by IPL globally.

"The confidence to proceed with the project was underpinned by support from the State of Louisiana, Jefferson Parish and community. The US Federal Administration's energy policy platform and commitment to manufacturing was also a major factor" he said.

Kerry Gleeson
Company Secretary

Investor contact:
Nick Stratford
Telephone: 03 8695 4569
Mobile: 0419 139 793

Media Contact:
Stewart Murrihy
Telephone: 03 8695 4582
Mobile: 0418121064

About Incitec Pivot
Incitec Pivot (ASX: IPL), a 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 approximately 5,000 people, IPL owns and operates manufacturing plants in Australia, USA, Canada, Turkey, Mexico, Chile and Indonesia and has joint venture operations, including in South Africa, Malaysia and China.