



Incitec Pivot Limited
ABN 42 004 080 264
70 Southbank Boulevard
Southbank Victoria 3006
GPO Box 1322
Melbourne Victoria 3001
Tel: (61 3) 8695 4400
Fax: (61 3) 8695 4497
www.incitecpivot.com.au

MEDIA STATEMENT 20 April 2006

Fertiliser plant site to be closed by 2009

Incitec Pivot Limited today announced plans to close its Cockle Creek fertiliser manufacturing operations at Boolaroo, near Newcastle, by September 2009 to allow remediation and development of the long-standing industrial site.

“We have environmental obligations to remediate the site and this cannot be done while the plant is operating,” said Incitec Pivot’s Managing Director and CEO, Julian Segal.

“When remediation is complete, the site will be available for more appropriate use by future generations.”

About 25 positions will be made redundant at the Cockle Creek single superphosphate manufacturing plant and at the company’s associated Kooragang Island site.

Mr Segal said the company would endeavour to find alternative jobs within other parts of Incitec Pivot and its associated companies before manufacturing operations ceased.

The Cockle Creek area has been used by heavy industry since a lead smelter was established there in late 1800s. The superphosphate plant was established in 1913 to utilise sulphuric acid produced as a by-product at the smelter.

Local sulphuric acid supplies ceased when Pasminco closed the smelter in 2003. Demolition is now well advanced.

In 2005 Incitec Pivot committed to the Department of Environment and Conservation to prepare a voluntary remediation plan for its site, which contains slag waste from the smelter.

“The demolition of the smelter gives us the opportunity to co-operatively remediate both sites in preparation for other possible uses, which might include light industry and public space, subject to the final land use strategy adopted by the Lake Macquarie City Council,” said Mr Segal.

While Incitec Pivot is committed to stop manufacturing operations at Cockle Creek by 2009, there are no immediate plans to cease production. Fertiliser distribution from Cockle Creek is expected to end in 2010 as stocks wind down.

Mr Segal said Incitec Pivot's plants at Geelong and Portland in Victoria had the capacity to meet the demand for single superphosphate on Australia's east coast.

"We will continue to ensure there is a reliable supply of superphosphate and other fertilisers, including MAP, DAP and urea, to farmers in NSW through our distribution centres at Kooragang Island and Port Kembla."

The company announced that it will create a provision of \$21.9 million after tax for the cash costs of dismantling the manufacturing plant at Cockle Creek and remediating the site.

Media contact:
Neville Heydon
Communications Adviser
Tel 0408 123 160

Investor Relations contact:
James Fazzino
Finance Director & CFO
Tel 03 8695 4498