

Incitec Pivot Limited

GLOBAL DIVERSIFIED INDUSTRIAL CHEMICALS

Update on Western Australia Business

6 December 2017

Incitec Pivot Limited (**ASX:IPL**) today advised that it has been notified that with effect from expiry of its current contract with BHP Iron Ore (BHPIO) on 28 November 2019, IPL will cease to be BHPIO's contracted supplier of ammonium nitrate prill.

This development is expected to have no financial impact in FY18 and FY19. Having regard to IPL's contractual commitments with its third party supplier of ammonium nitrate prill in Western Australia, the loss of the BHPIO ammonium nitrate prill volumes is currently estimated to have a one off maximum impact on Net Profit After Tax (NPAT) of approximately \$10m in FY20 and \$25m in FY21, and minimal impact beyond FY21.

These NPAT impacts are estimated on the basis of expected input costs, and may be able to be mitigated to some extent by other commercial arrangements.

For more information:

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