

**MINING
SERVICES**



Graeme Liebelt
Executive Director &
CEO Mining Services

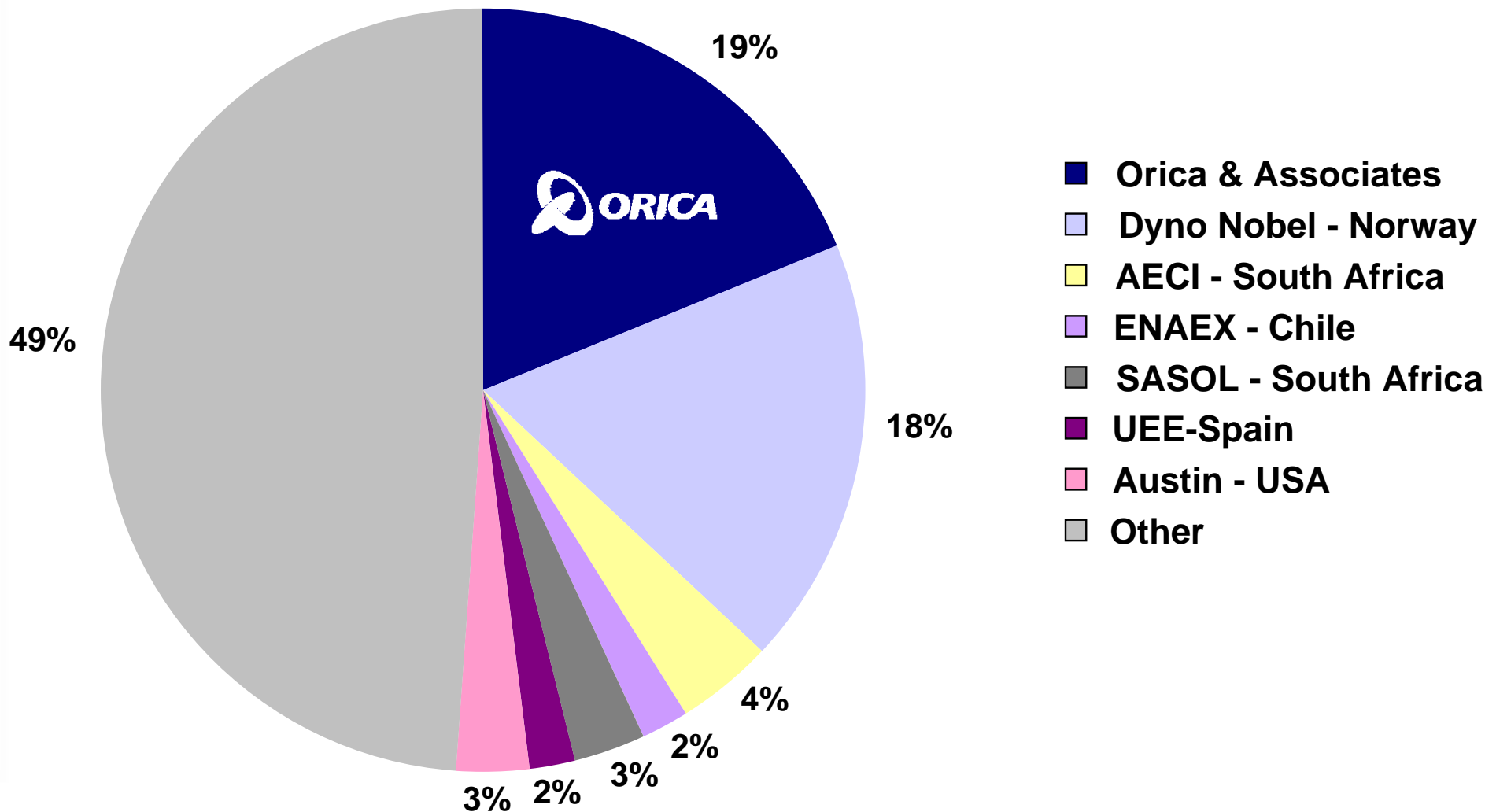
&

Gordon Davis
GM Australia / Asia
Mining Services

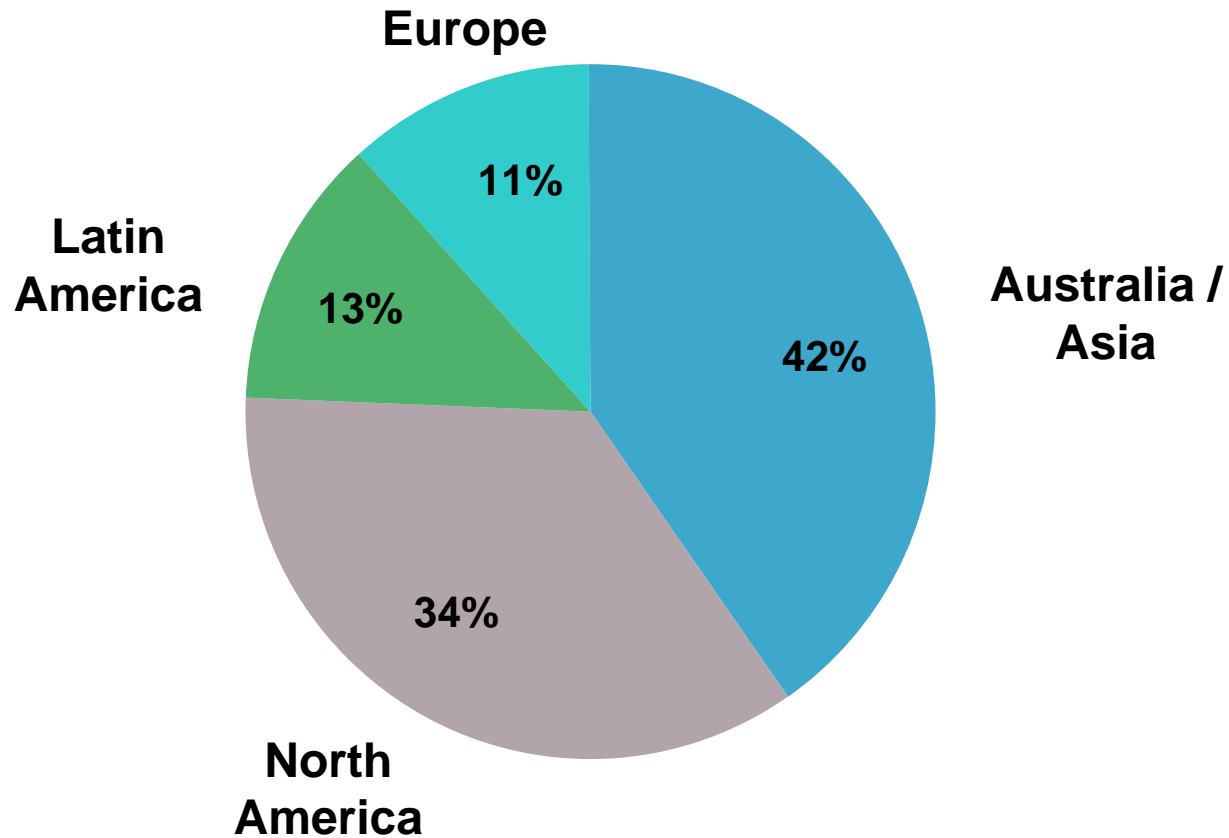
Agenda

- Overview
- Industry drivers
- Value drivers
- Summary

Overview - World Market Share

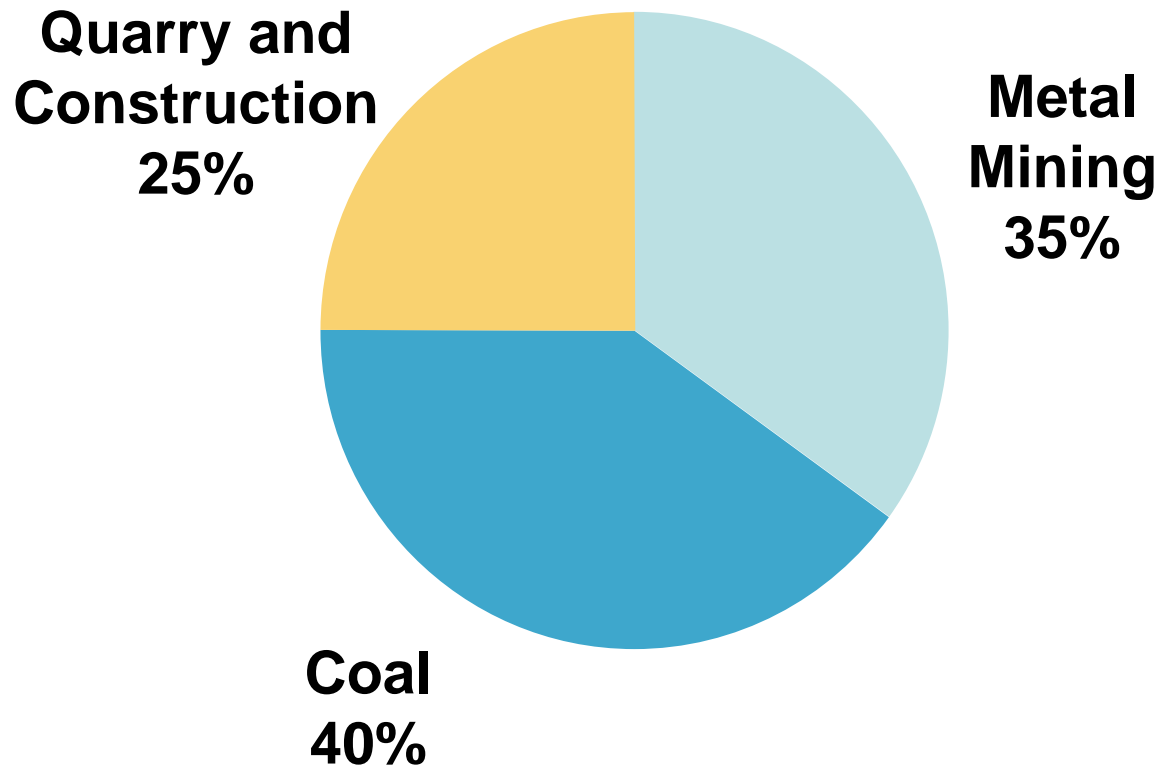


Overview - Business Split by Region



FY04 Sales

Overview - End Product Segments



Industry Drivers

Strong Economic Growth

- China
- Other countries:
 - India
 - Brazil
 - Russia

Industry Drivers

Strong Economic Growth

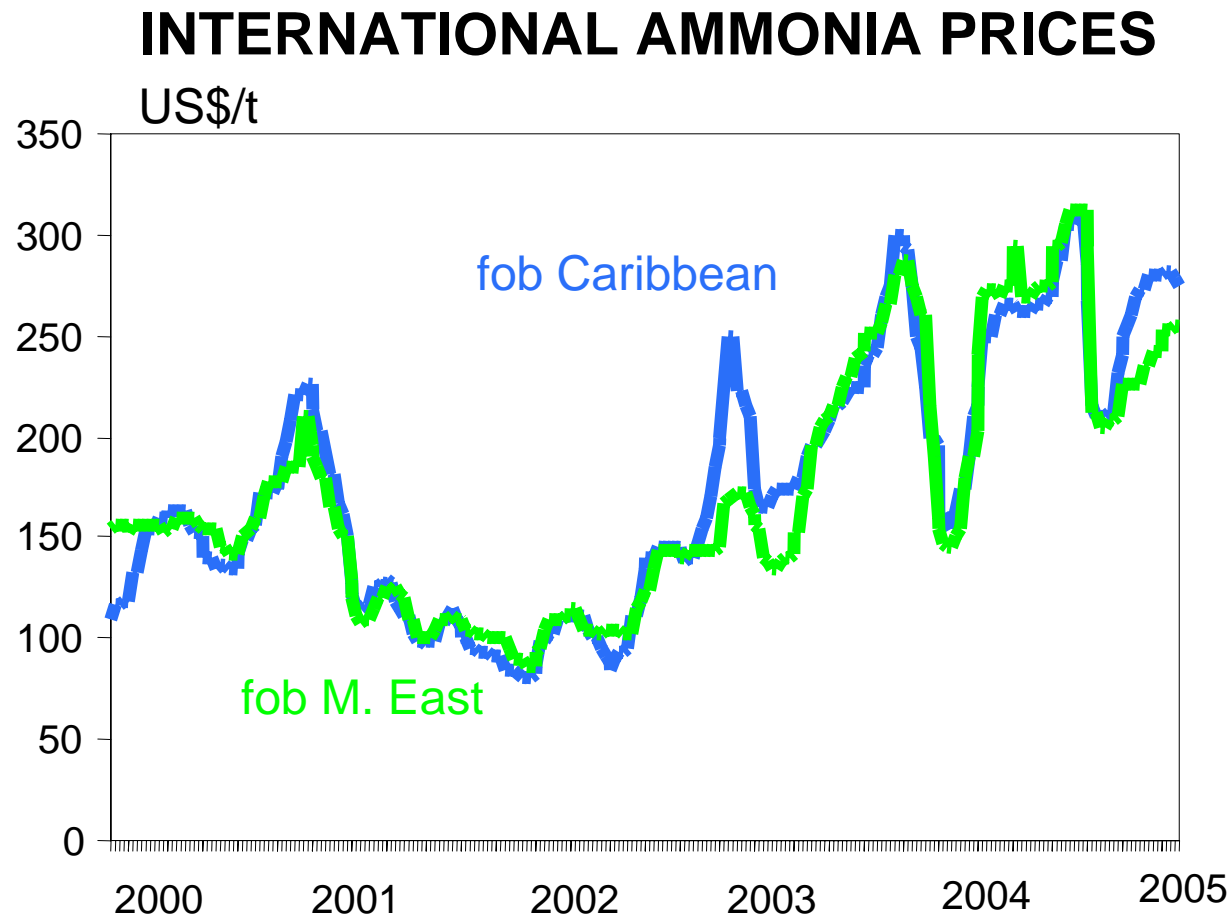
	Population (Mill)	GDP (US\$B)	GDP Growth (% real)	GDP Increase (US\$B pa)	Resource Intensity of Growth
China	1,300	1,850	9	175	H
India	1,100	750	7	50	M
Brazil	180	750	3	25	M
Russia	140	720	6	40	M
Australia	20	670	3	20	L
USA	290	12,400	3	370	L

Industry Drivers

Energy Upheaval

- Crude oil prices
 - threat to growth
 - increase in direct costs
- Natural gas prices
 - increase in ammonia costs
 - US capacity shut down
 - new ammonia capacity underway elsewhere
- Coal relatively more attractive
- Nuclear power - more proposed
- Continued interest in renewables

Industry Drivers



Source: Fertecon Ammonia Report

Industry Drivers

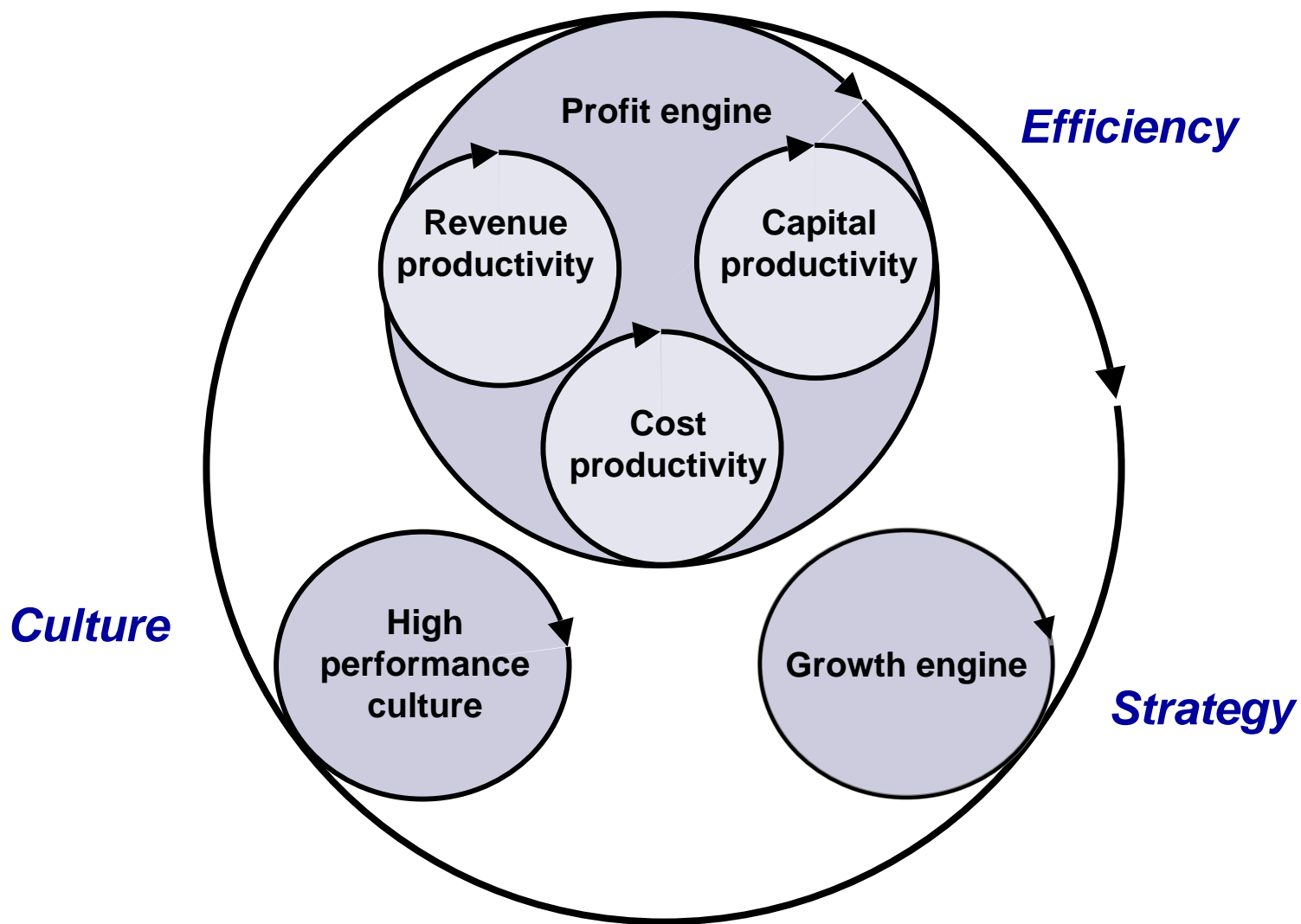
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Industry Drivers

- Continued industry restructuring
- Security requirements
- Electronic detonators
- Supply of Ammonium Nitrate

Orica's Approach Value Drivers



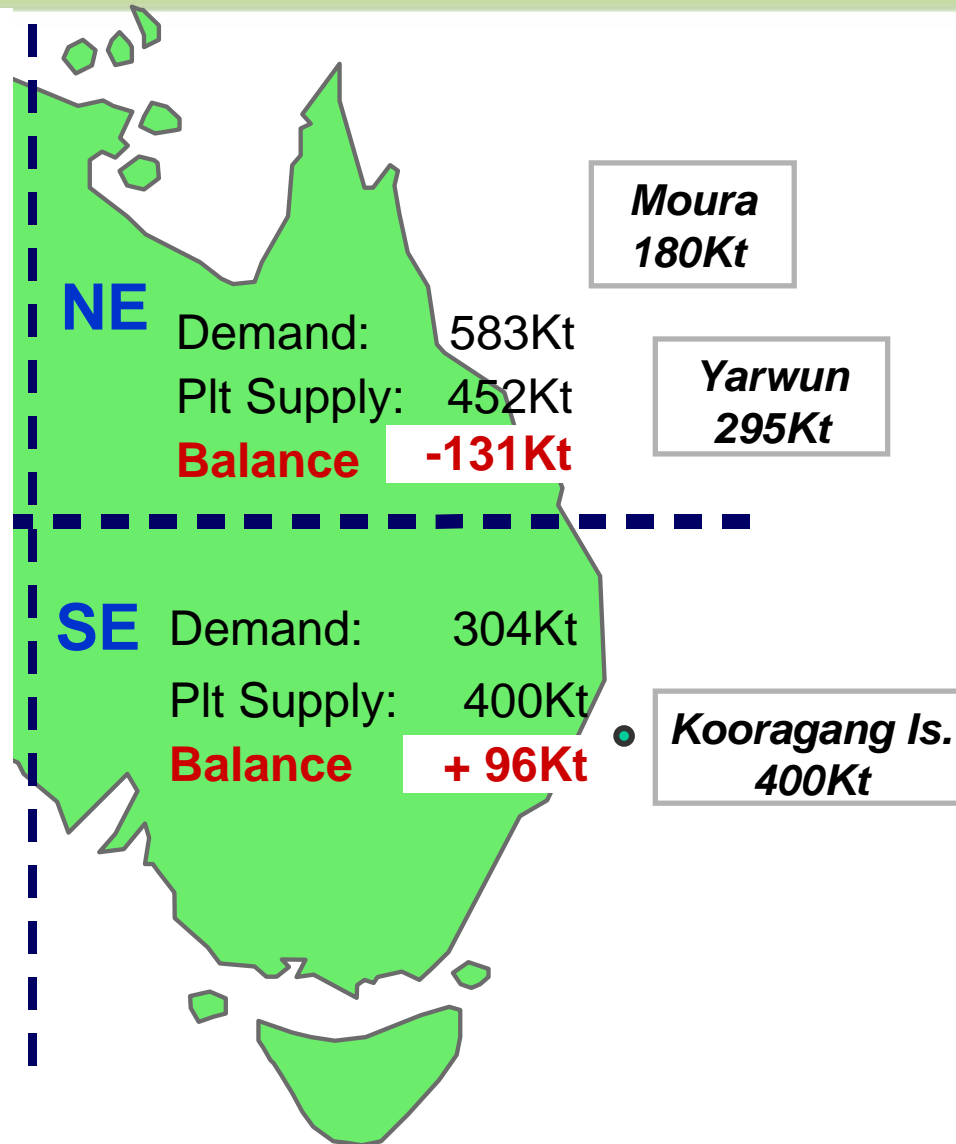
Orica Mining Services Strategy

- **DIFFERENTIATION** through investment in innovation in new products, services and supply chain
- Establishing **LOW COST** supply positions for our mature products
- Continuing to **GROW** through acquisition and joint ventures
- Leverage the **GLOBAL** business platform to rapidly disseminate best practice and to meet the needs of global customers
- Maintaining and enhancing our **REPUTATION** for superior safety, environmental management, dependability, integrity and expertise

Australia / Asia – Value Drivers

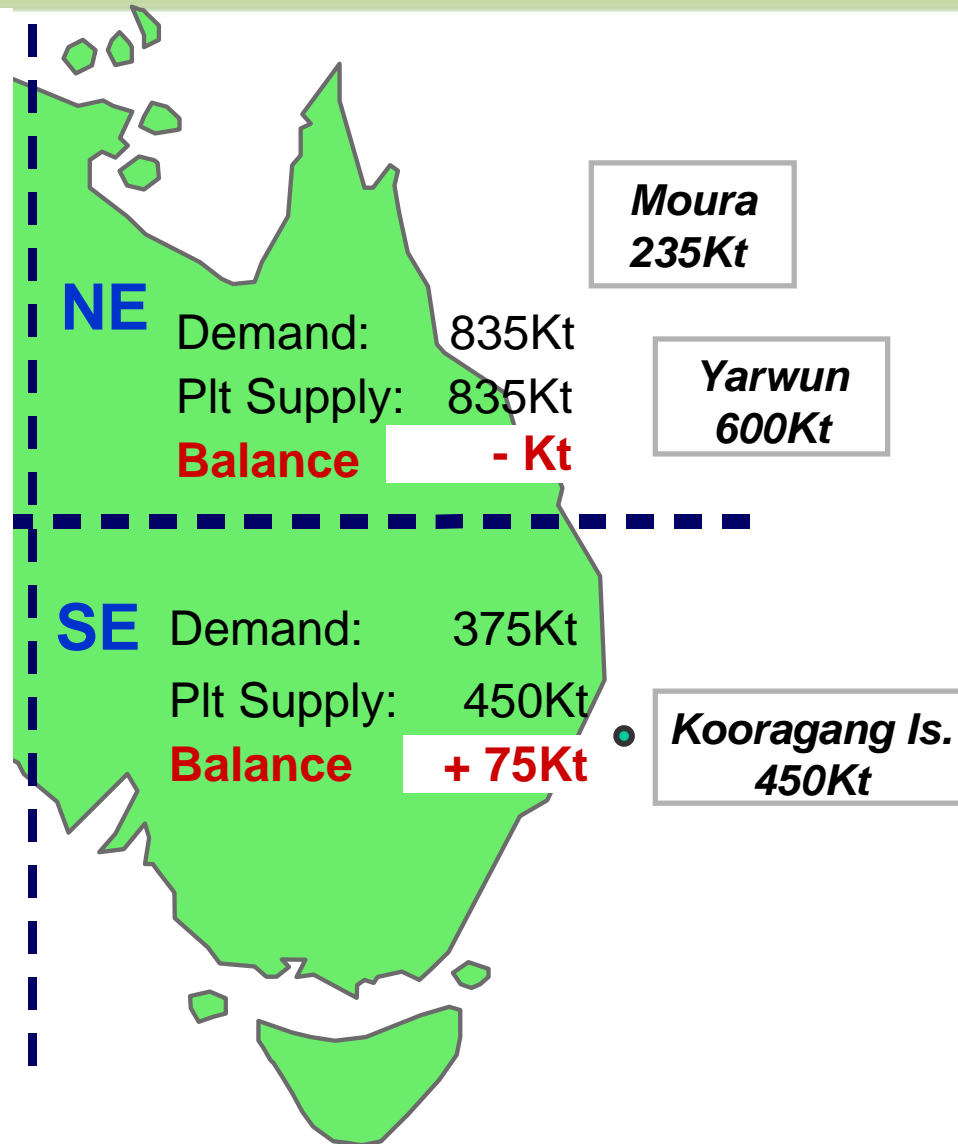
- 2005 AN supply balance
- Import history & outlook
- Yarwun expansion
- East-coast supply / demand outlook
- Other regional growth prospects

2005 Supply / Demand - East Coast



Supply / Demand Outlook - East Coast

Est. 2010



Australia / Asia Growth Prospects

- Yarwun uprate (300kt)
- Kooragang Island debottlenecking
- India
- Indonesia
- China

Rest of World – Value Drivers

- North America
- Latin America
- Europe / Africa

Value Drivers

Revenue Productivity

- Industry growth
 - strong short / medium term outlook
- Electronics
 - robust growth
- Value beyond blasting
 - margin enhancement

Cost and Capital Productivity

- AN investments
 - Kooragang Island
 - Yarwun
 - Other
- Further cost efficiencies

Growth Engine

- Geographies
 - Europe / Africa / Latin America
- M&A opportunities