



19 September 2005

GREAME LIEBELT OPEN LETTER

This is a very exciting time for Orica and everyone associated with us.

I am delighted that we have signed an agreement to acquire from the Macquarie consortium (an Australian investment bank and partners) the businesses of Dyno Nobel in Europe, the Middle East, Africa, Asia and Latin America.

Orica's acquisition from the Macquarie consortium will take place on a country-by-country basis, as applicable regulatory approvals are obtained (the Macquarie consortium will retain Dyno Nobel's business in North America and Australia as well as an initiating systems plant in Mexico and Dyno Nobel's interest in the Det Net joint venture).

While it will take some time to fully implement, the impending acquisition consolidates Orica as a leading global supplier of explosives, initiating systems and blasting services to the mining, construction and quarrying industries.

We recognise that our success comes from our employees, our customers, suppliers and our communities.

For our employees, this latest chapter in our successful growth strategy will continue to provide greater opportunities for professional advancement and personal improvement. Our priority is to continue to support, nurture and develop our employees.

While this is an exciting time of change, I recognise that change can be unsettling for some. We acknowledge the contribution employees have made to Orica and Dyno both in the past and will continue to make in the future and we intend to create a smooth transition and a rewarding future.

For our customers, I am confident that the larger, more diverse organisation, which will be created by the acquisition, will increase our capability to deliver an improved and wider range of products and services to existing and new customers.

I can assure you that the primary focus of our expanded organisation will continue to be on providing superior products and services designed to meet customers' requirements – with the expert customer support that is a feature of Orica's way of doing business. We are also committed to the continuing advancement of our technology directed at further improving our customer's productivity and profitability.

This, of necessity, means a growing demand for products and services from our local and global suppliers. We are mutually beneficial partners in our pursuit of world class and world scale customer offering.

Our communities are the cornerstone of our operations and we are committed to continued openness in communications and support for our communities. We value the fact that the relationship with our communities is a partnership that grows on trust and mutual respect.

There is much more information about what's happening and our future plans on this web site. If you have a specific question, please contact us at your.questions@orica.com or 61-3-9665-7771.

Graeme Liebelt
Managing Director & CEO