



2008 Orica Day CEO Welcome Graeme Liebelt

11 March 2008



Objectives of Orica day

- Improve understanding of Orica and each of its business platforms
- Get to know our Group Executive Team
- Improve understanding of the key drivers and principles we have in place to deliver sustainable growth for shareholders



Noel Meehan

Executive Director Finance, Orica Limited



Philippe Etienne

Chief Executive Officer, Orica Mining Services



Patrick Houlihan
General Manager, Orica Consumer Products



Bronek Karcz
General Manager, Orica Chemnet



Andrew Coleman
General Manager, Chemical Services



John Beevers

General Manager, Orica Mining Services Australia/Asia



Michael Reich

Chief Executive Officer, Minova International



Craig Elkington
President, Orica Mining Services North America



Andrew Larke

General Manager, Strategy, Mergers & Acquisitions and Technology

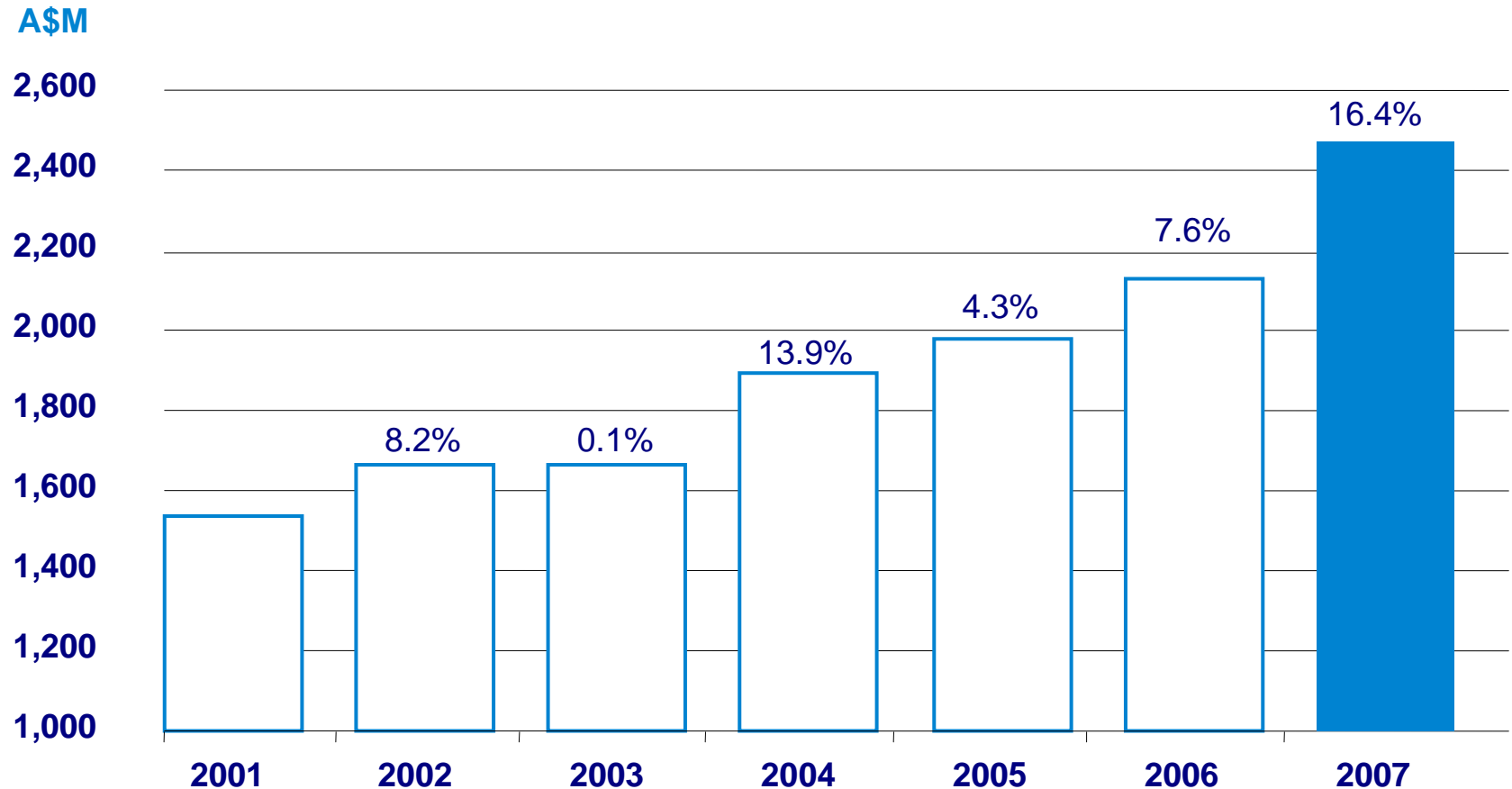


Greg Witcombe
General Manager, People and Community

Orica's approach – value drivers

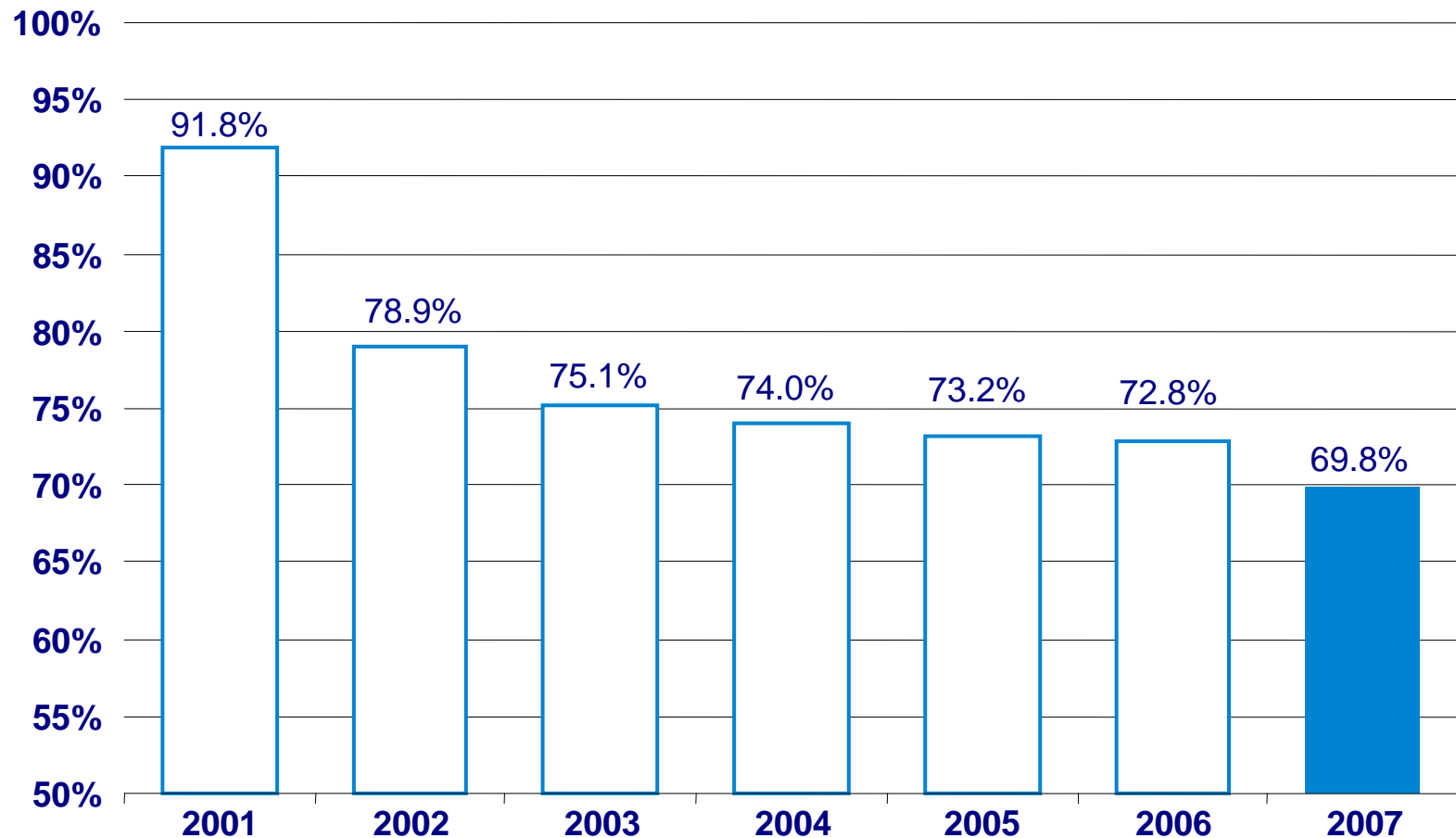


Gross margin growth



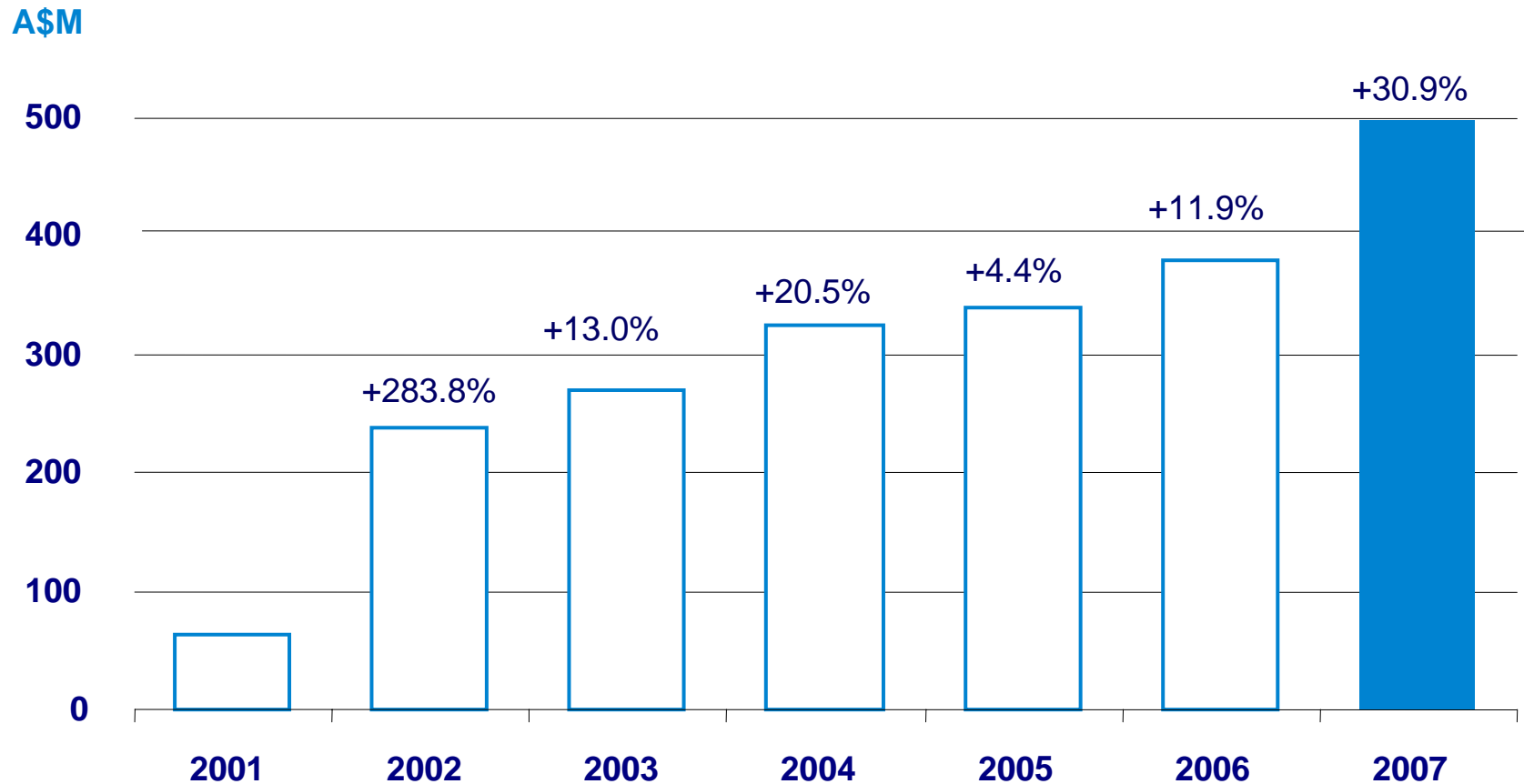
Cumulative average growth rate since 2001 is 8.3%

Productivity



Productivity is measured as fixed costs (incl. depreciation and amortisation) as a percentage of gross margin

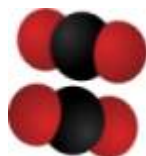
Net profit after tax



Cumulative average growth rate since 2001 is 41.4%

Sustainability - 'No Harm'

Carbon-Neutral



No net generation of greenhouse gases.

Reducing carbon emissions applies a management hierarchy: avoid; reduce; contain; offset. Considering options in this order delivers the best environmental and economic outcomes.

Water-Neutral



No net consumption of fresh (towns) water.

Reducing dependence on high quality potable water applies a management hierarchy: avoid; reduce; recycle; capture.

Zero Waste



No waste generated or deposited in the environment.

Requires elimination or identification of alternative beneficial uses for waste.

Environmentally Friendly (Zero Trace)



No 'unintended' side effects arising from operations, products and services.

Includes clean-up of contaminated sites, stewardship, identification of low-impact alternatives and avoiding future legacies.

Reduced cyclicality – portfolio management

ACQUISITIONS

- 1998 - ICI Explosives - Europe and America's
- Various minor acquisitions in all businesses
- 2005 - Dyno Nobel
- 2006 - Minova
- 2007 - Excel

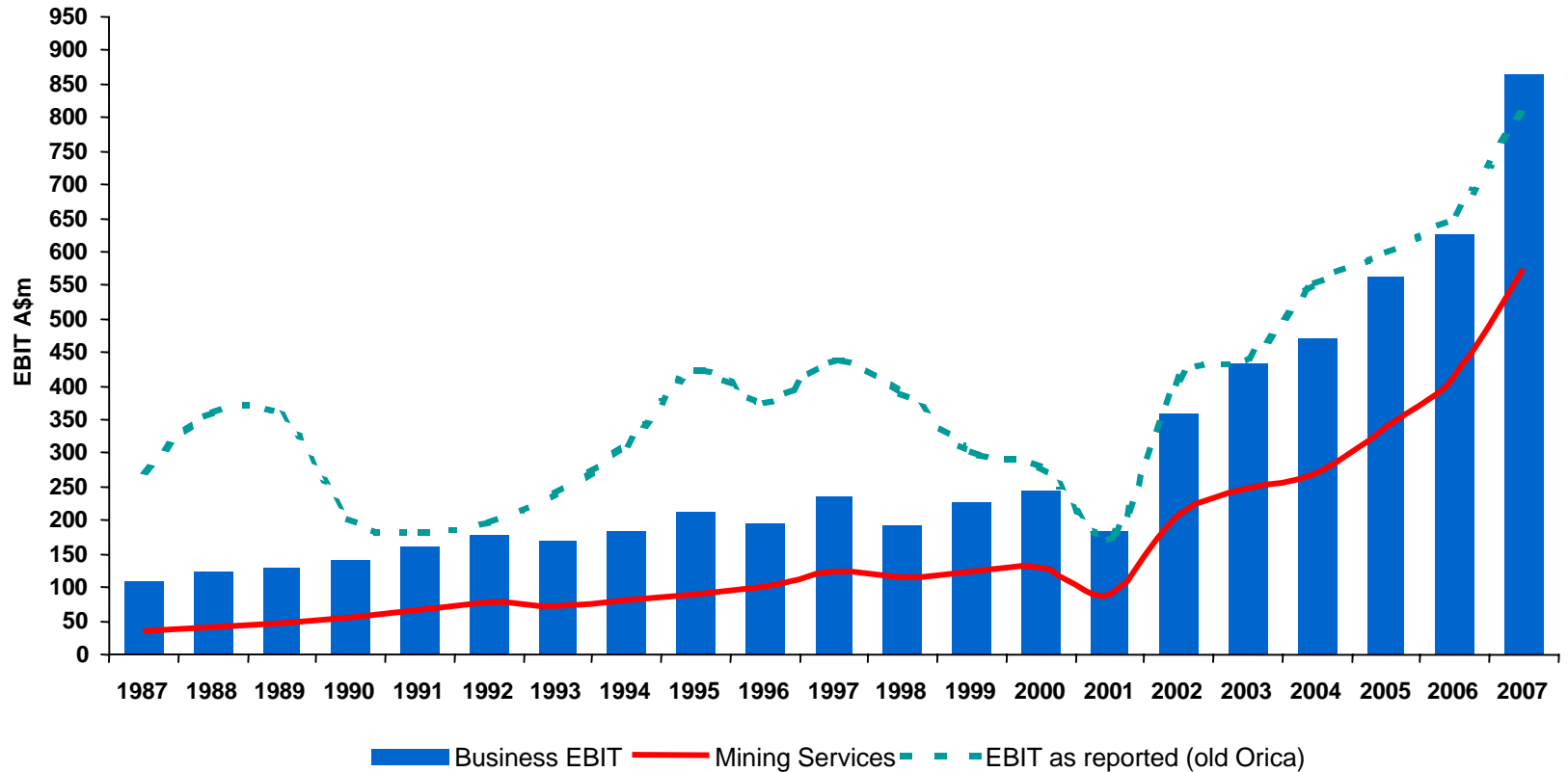
Total investment in
acquisitions
A\$4.0b

DIVESTMENTS

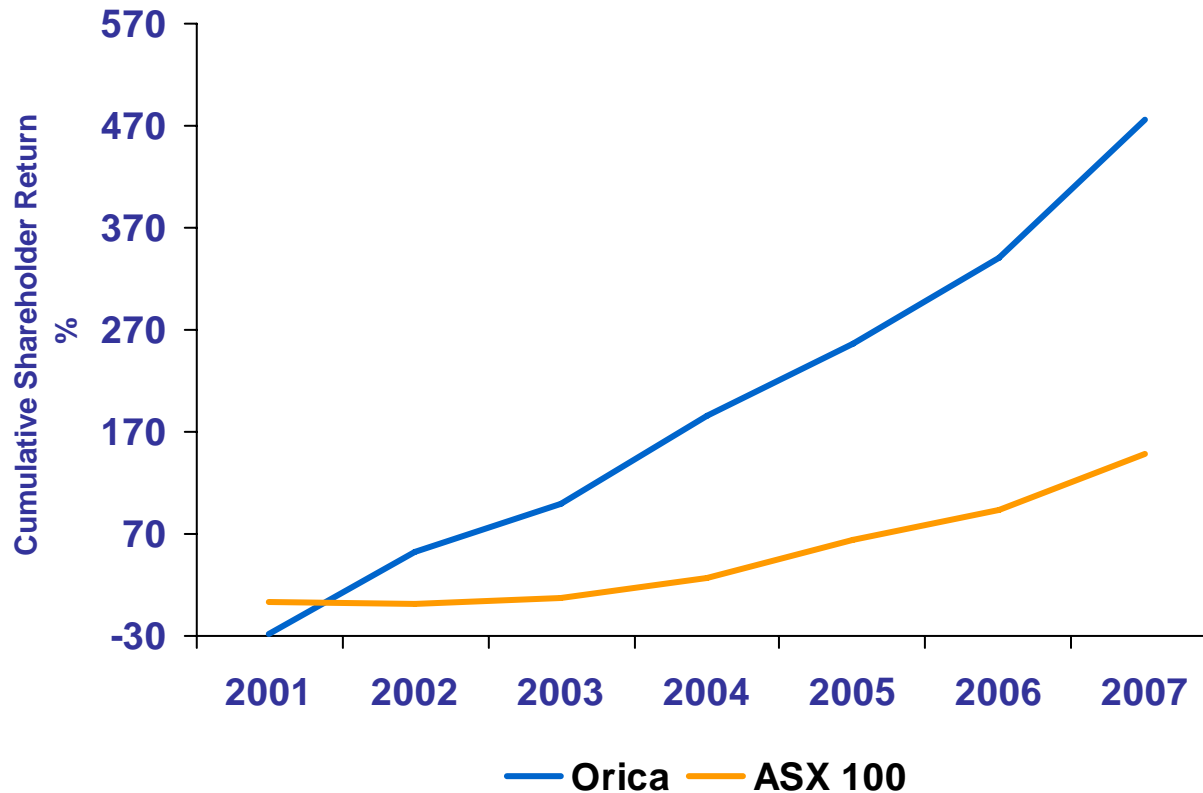
- 1998 - Polypropylene film, technical coatings, pharmaceuticals and surfactants
- 2002/03 – Cropcare, Vinyls
- 2005 - Qenos
- 2006 - Incitec Pivot
- 2007 - Adhesives and Resins

Total proceeds from
divestments
A\$2.0b

Reduced cyclicality – EBIT history existing vs reported



Cumulative total shareholder returns



Growth strategy has delivered superior returns

Source: Orica Annual Report, Base year 2001

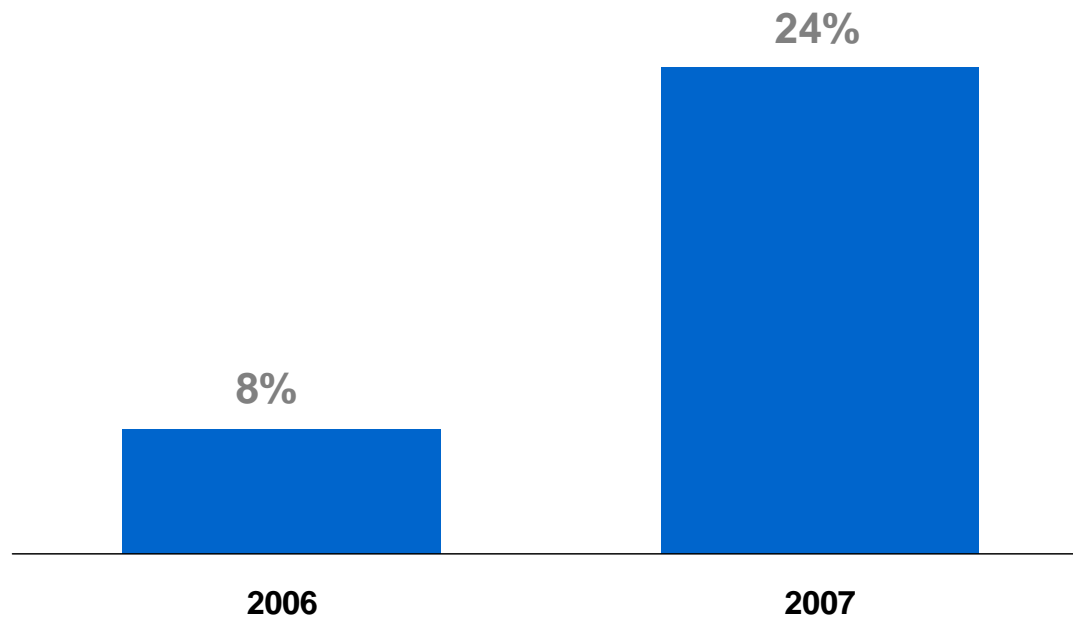


2008 Orica Day Strategy Andrew Larke

11 March 2008

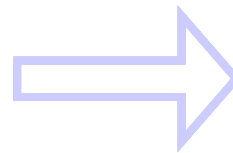
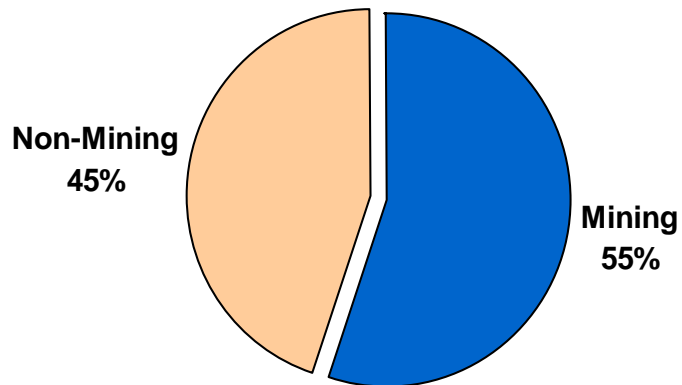


EBIT contribution from recent acquisitions

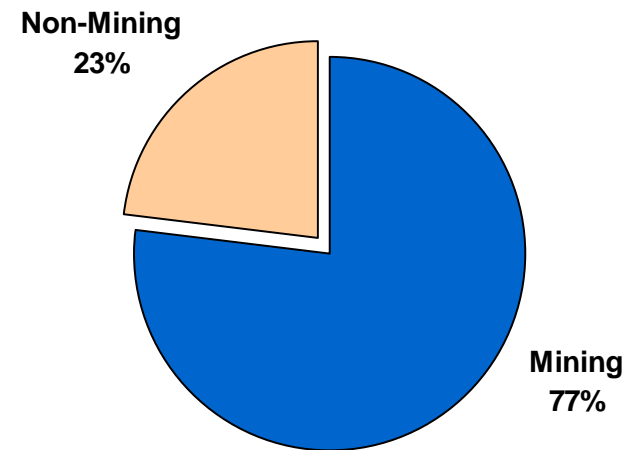


Significant shift toward mining services

2005 EBIT



2007 EBIT



Non-Mining – clear leadership positions in ANZ



Chemnet

#1

Consumer
Products



#1



Watercare

#1



Mining – global leadership positions

Mining
Services



#1



#1

Minova



#2

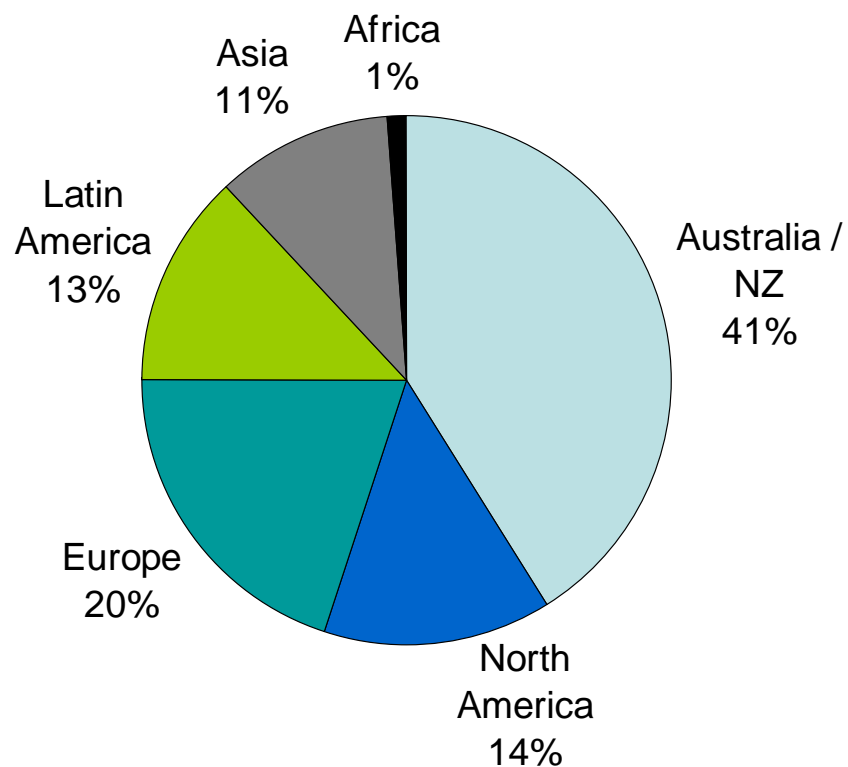


Mining
Chemicals



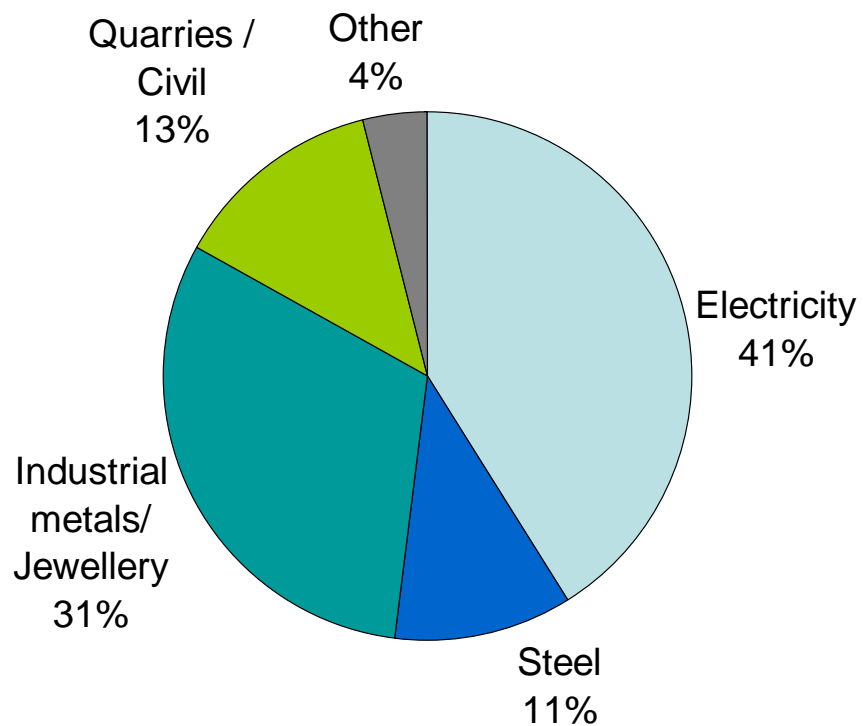
Orica Mining – geographic diversity

Orica Mining – Geographic Diversity
(2007 EBIT)

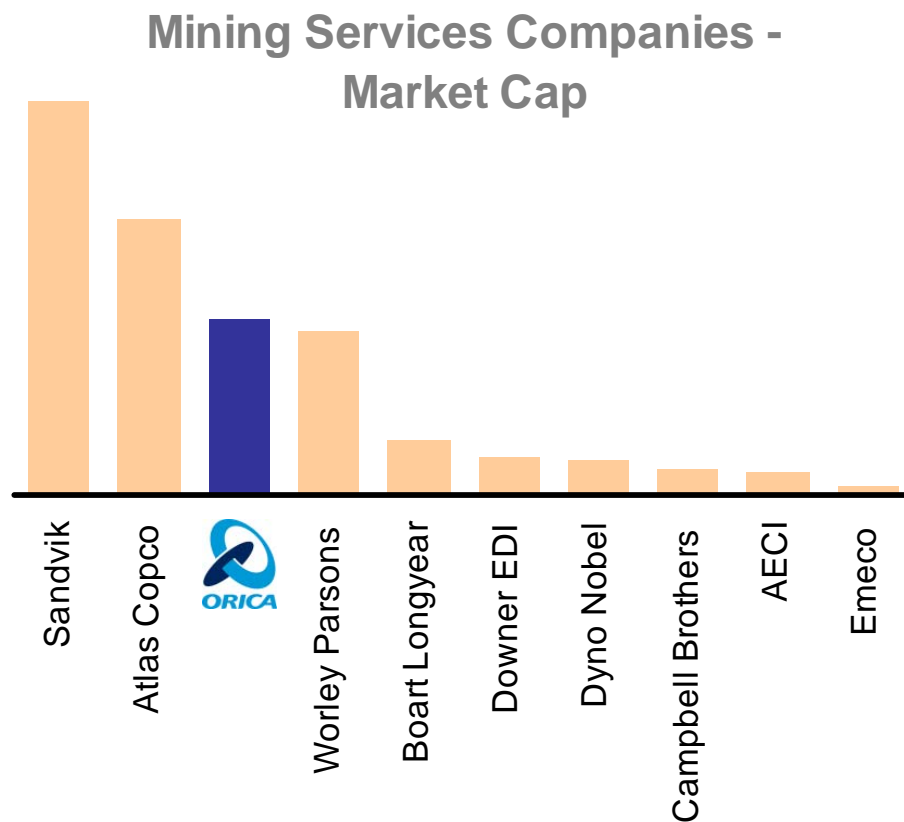


Orica Mining – end market diversity

Orica Mining – End Market Diversity
(2007 Revenue)



Orica Mining – global leader in mining services



Source: Company reports, GSJBW research, IBES

Strategic Focus

Non-Mining Businesses

- Organic growth in ANZ, China and Latin America
- Focus on cash generation

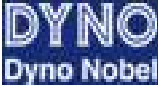



























Mining Businesses

- Global leadership positions in the provision of consumables and services
- Capitalise on the following underlying growth drivers;
 - Commodity volumes
 - Underground mining
 - Safety regulation
 - Customer trend towards global deals (new geographies)
 - Improved infrastructure
 - New geographies
- Organic and M&A growth

Strategic Criteria – maximising shareholder value

	Key Elements
Corporate Target	>20% pa compound three year TSR
Business Focus	Gross Margin growth
	Productivity
	Cash Conversion
Growth Guidelines	Earn the Right to Grow (RONA > 18%)
	Grow Close to the Core
	Aim for market leadership in growing profit pools

M&A criteria for selection

	 2006	 Dec-06	 Oct-07	 Mar-08
Financial <ul style="list-style-type: none"> • 18% RONA • 15% IRR • EPS accretive 				
No 1 or 2 in respective market				
Attractive industry structure				
High cash conversion				
Synergies				
Growth				

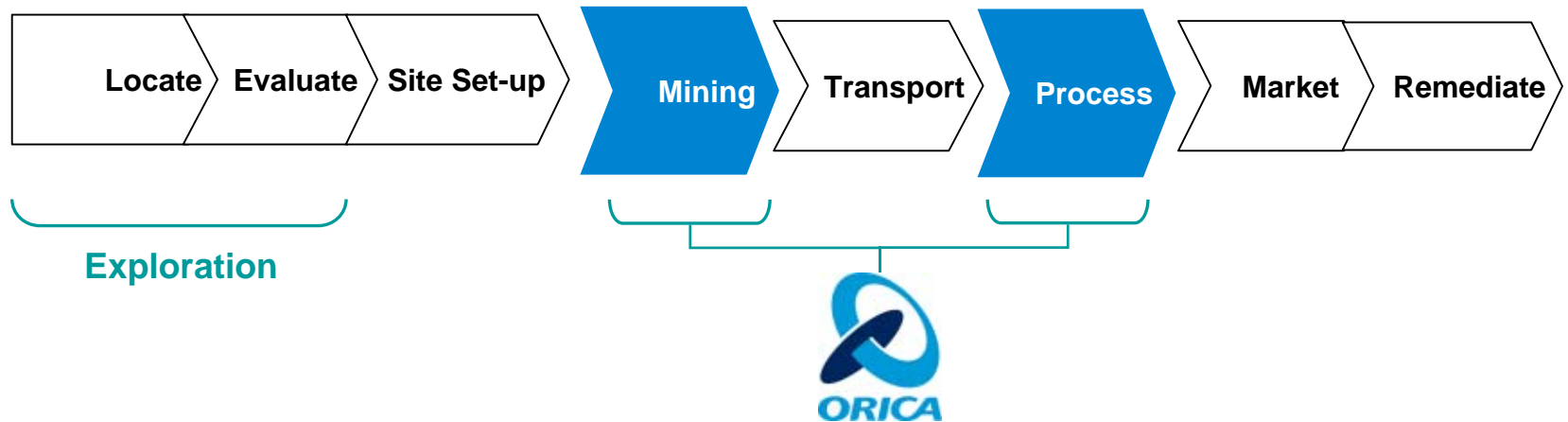
Note: # Strata acquisition not yet complete

M&A criteria for success

Lessons Learned from Prior Acquisitions

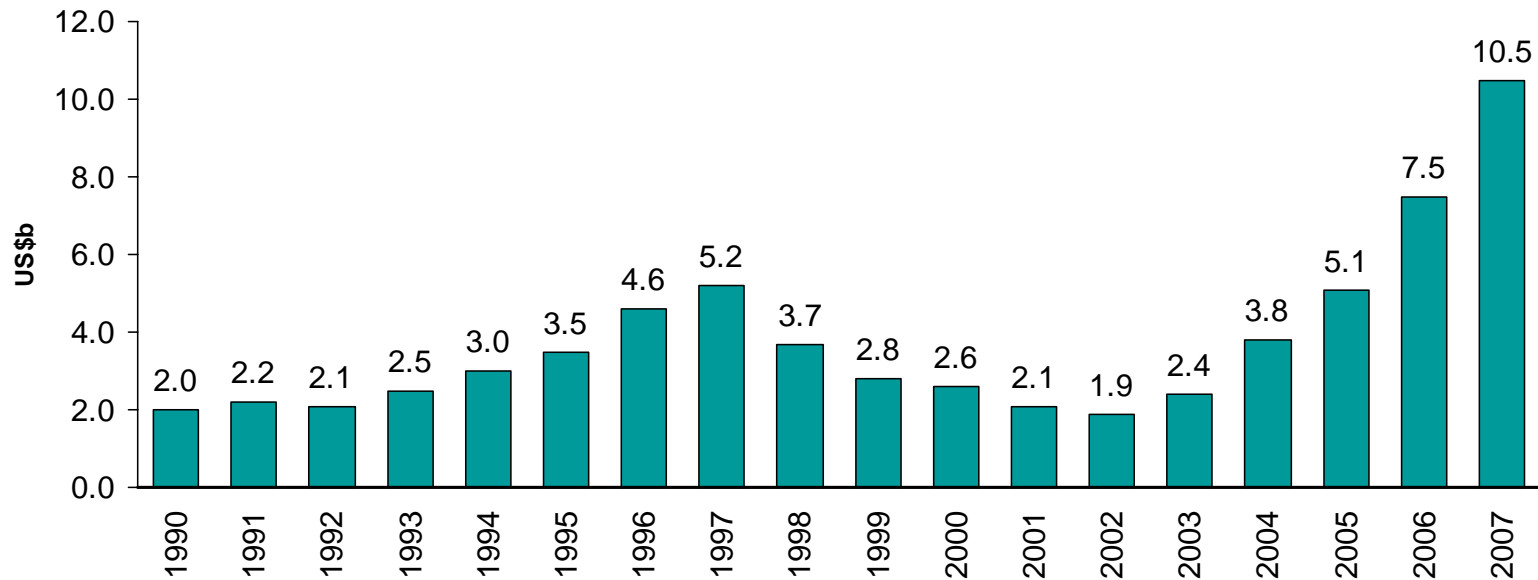
- Phase acquisitions
- Specialist integration team
- Be prepared to walk
- Speed and decisive action
- Retention of key people

Mining cycle



Record Global Exploration Spend

World Mineral Exploration (Non-Ferrous Metals)

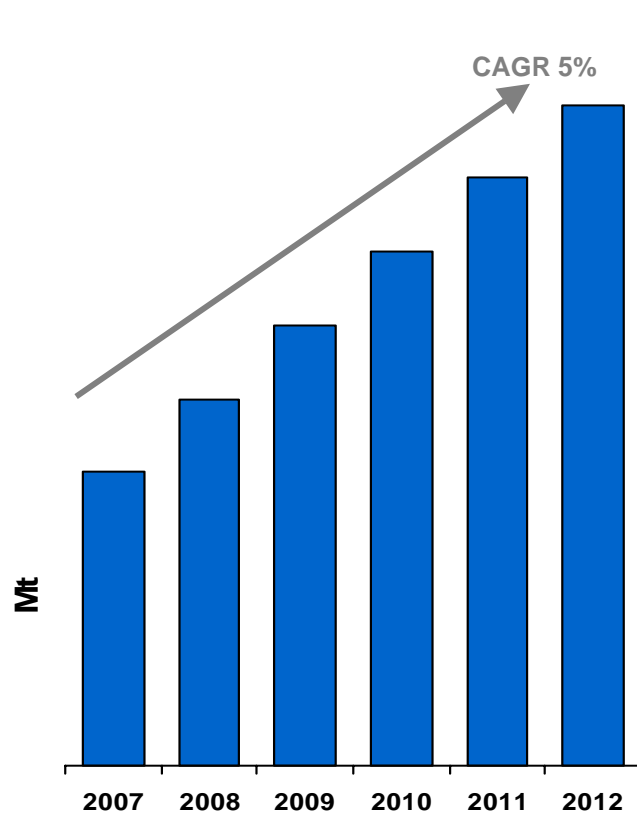


Source: Metals Economics Group: World Exploration Trends Report 2007

Note: Rest of world includes China and Russia

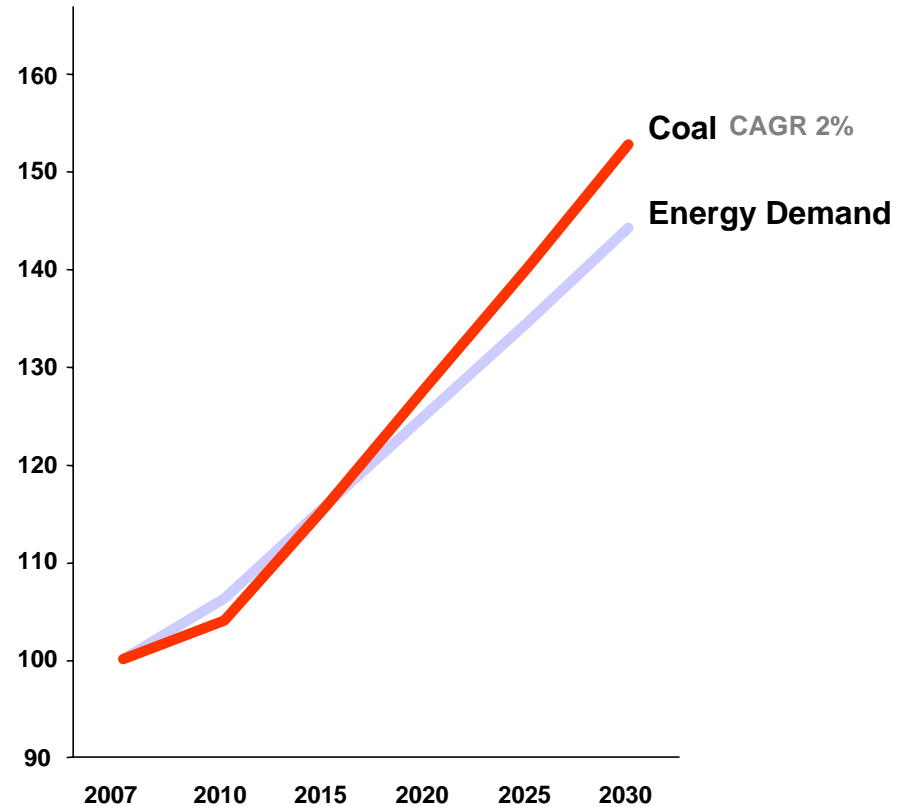
Increasing Mine Production – Iron Ore and Coal

World iron ore production



Source: CRU International

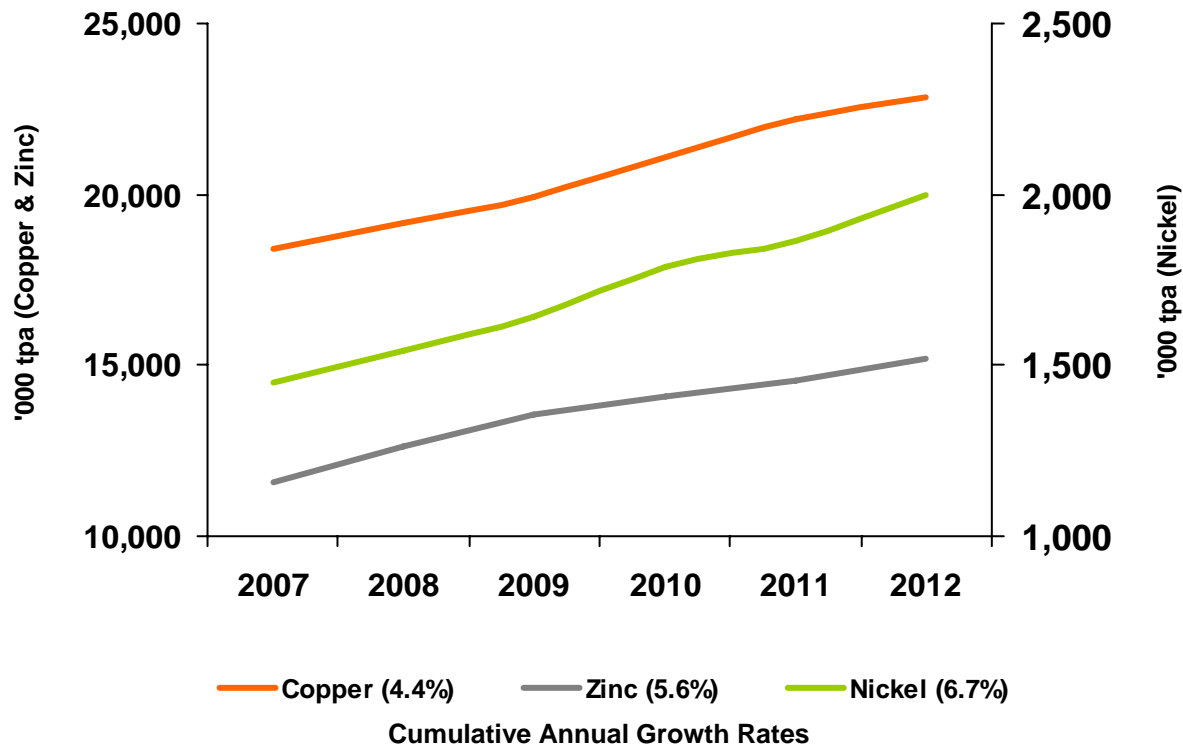
Projected primary energy demand



Source: EIA International Energy Outlook 2007, WNA Global Nuclear Fuel market 2007

Increasing Mine Production - Metals

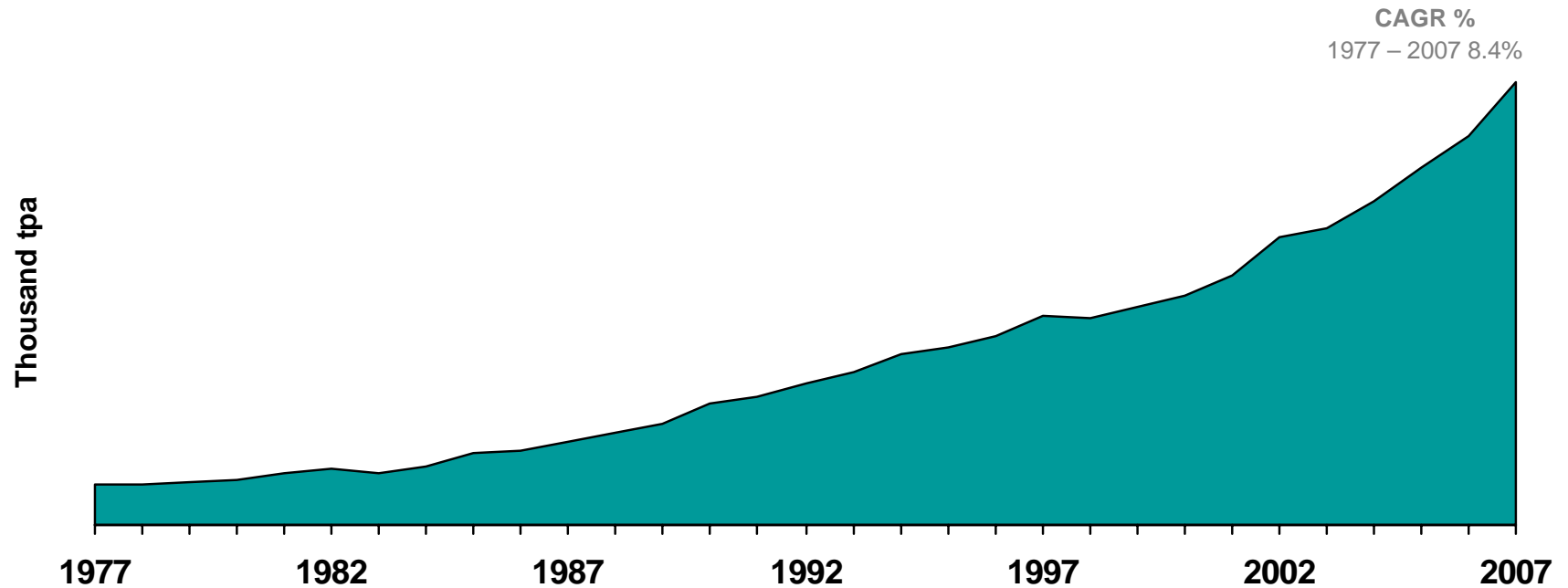
Projected Global Production – Base Metals



Source: Macquarie Research – Commodities Outlook Jan-08

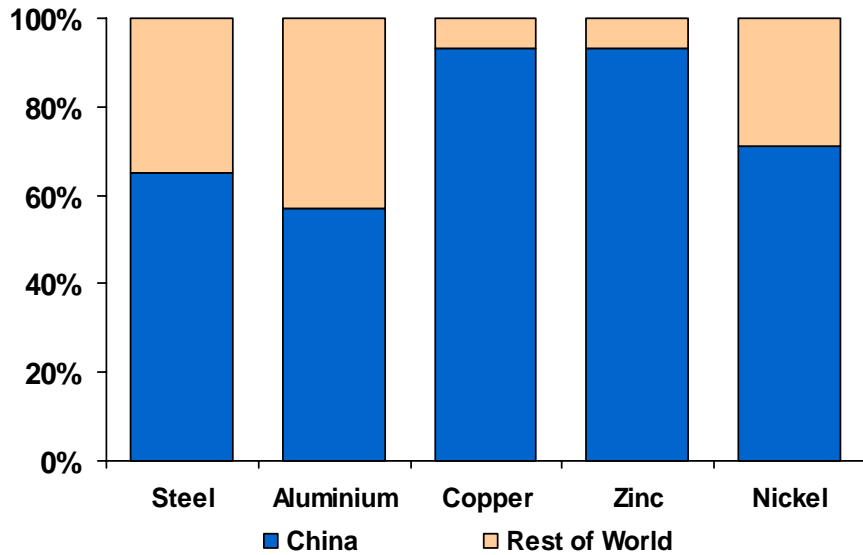
AN Demand Linked to Mining Volumes

Australian Ammonium Nitrate Demand

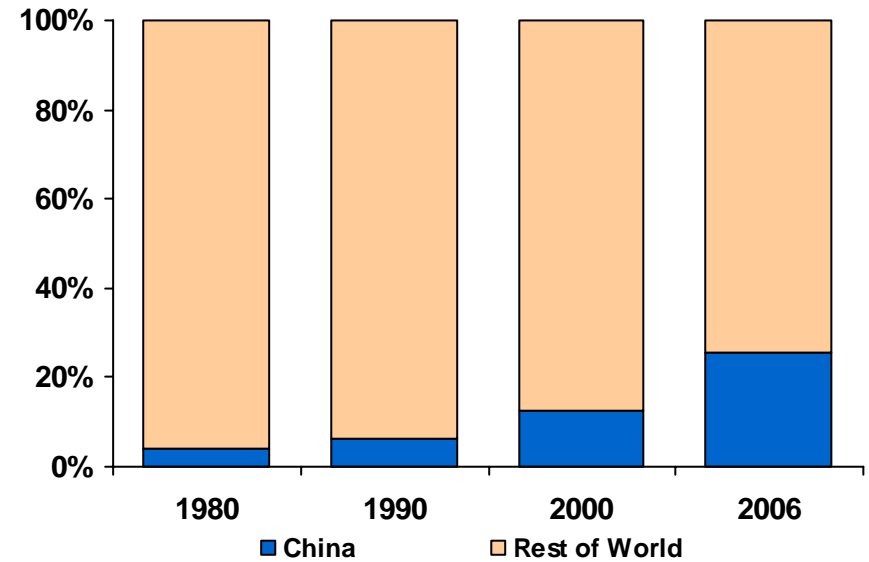


China Drives Global Metals Demand

China Share Global Demand
Growth 2000 - 2006



Share of World Demand for
Metals



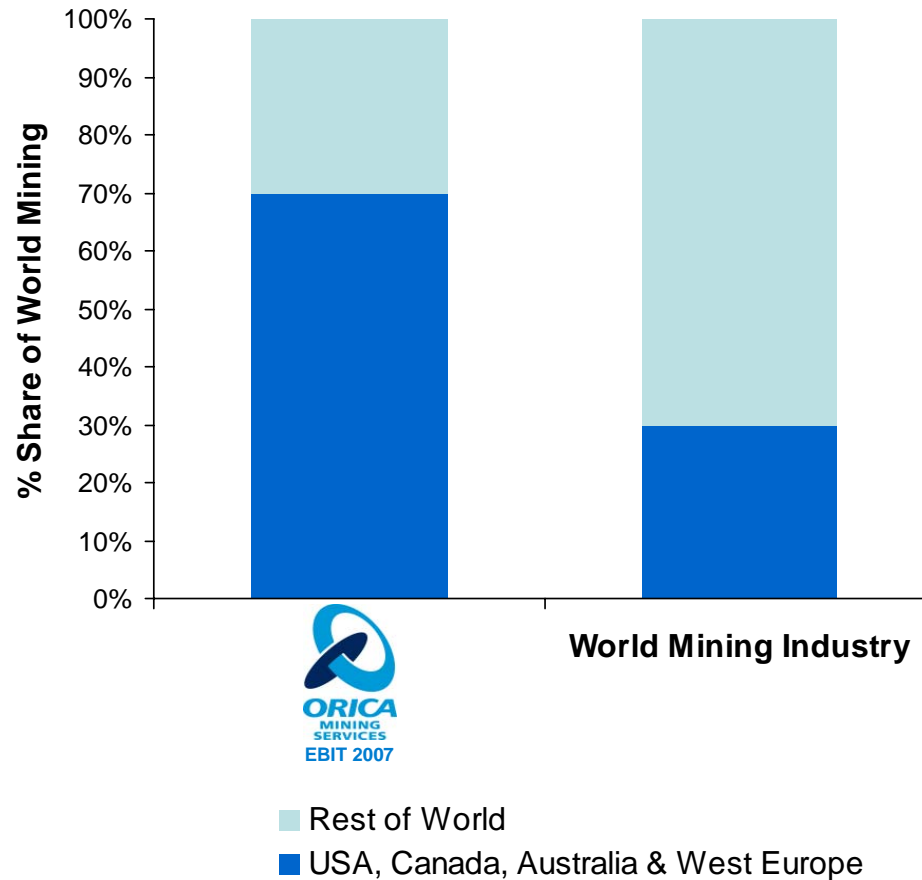
Source: Macquarie Research – Commodities Outlook Jan-08

Underlying Organic Growth Drivers - Mining

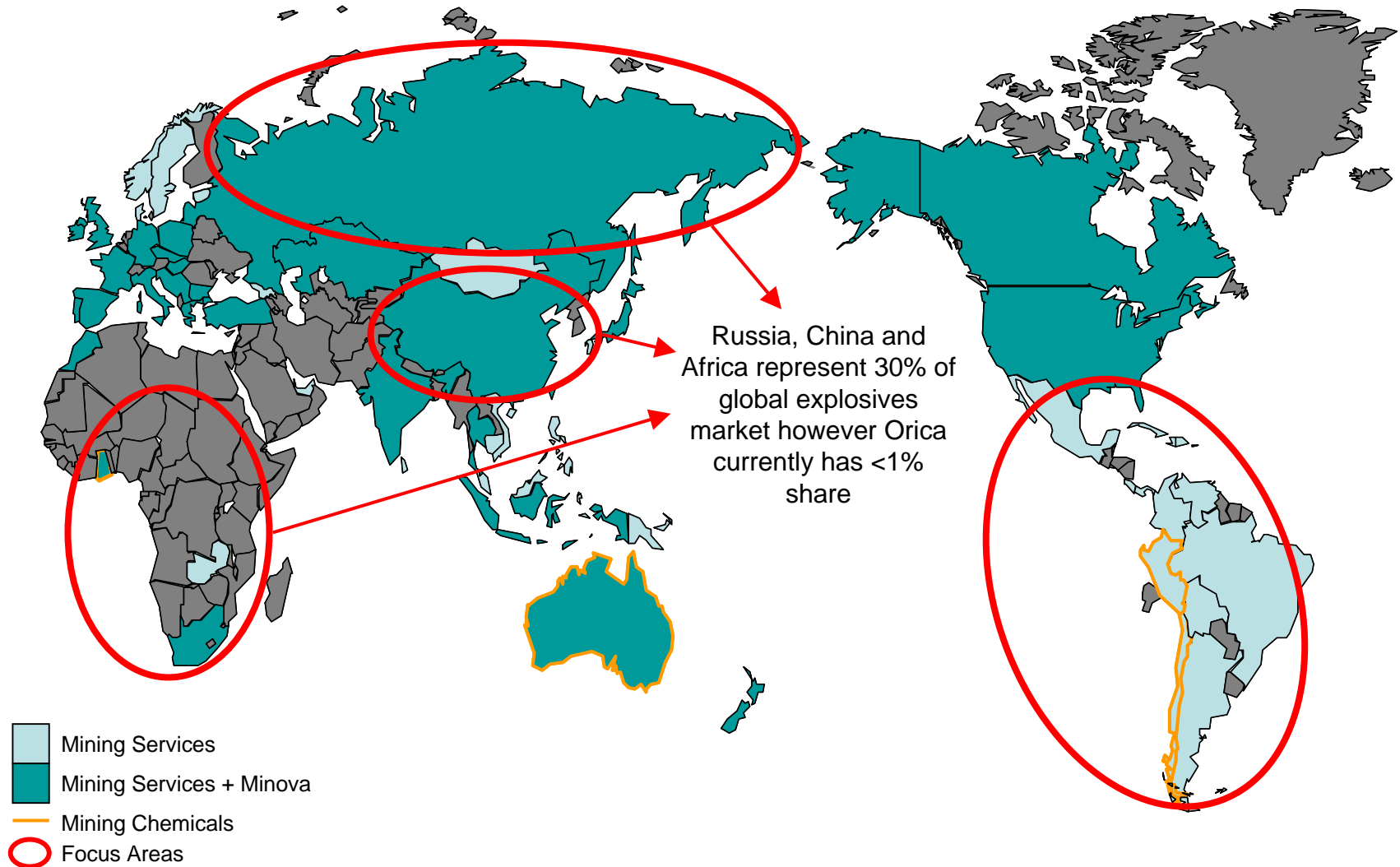


	ORICA MINING SERVICES	MINOVA	ORICA MINING CHEMICALS
Tighter safety regulations	✓	✓	✓
Underground mining	✓	✓	✓
Production Volumes	✓	✓	✓
Follow customers to new geographies	✓	✓	✓
Infrastructure constraints easing	✓	✓	✓
Global deals	✓	✓	✓

Significant Opportunities in Developing Regions



Geographic expansion opportunities



Orica Mining Growth Opportunities

Significant available opportunities to enhance leadership position through combination of organic growth and M&A



- Organic growth in developing regions
 - >1mt of AN expansion potential in Indonesia, Peru & Australia
 - M&A opportunities in new geographies
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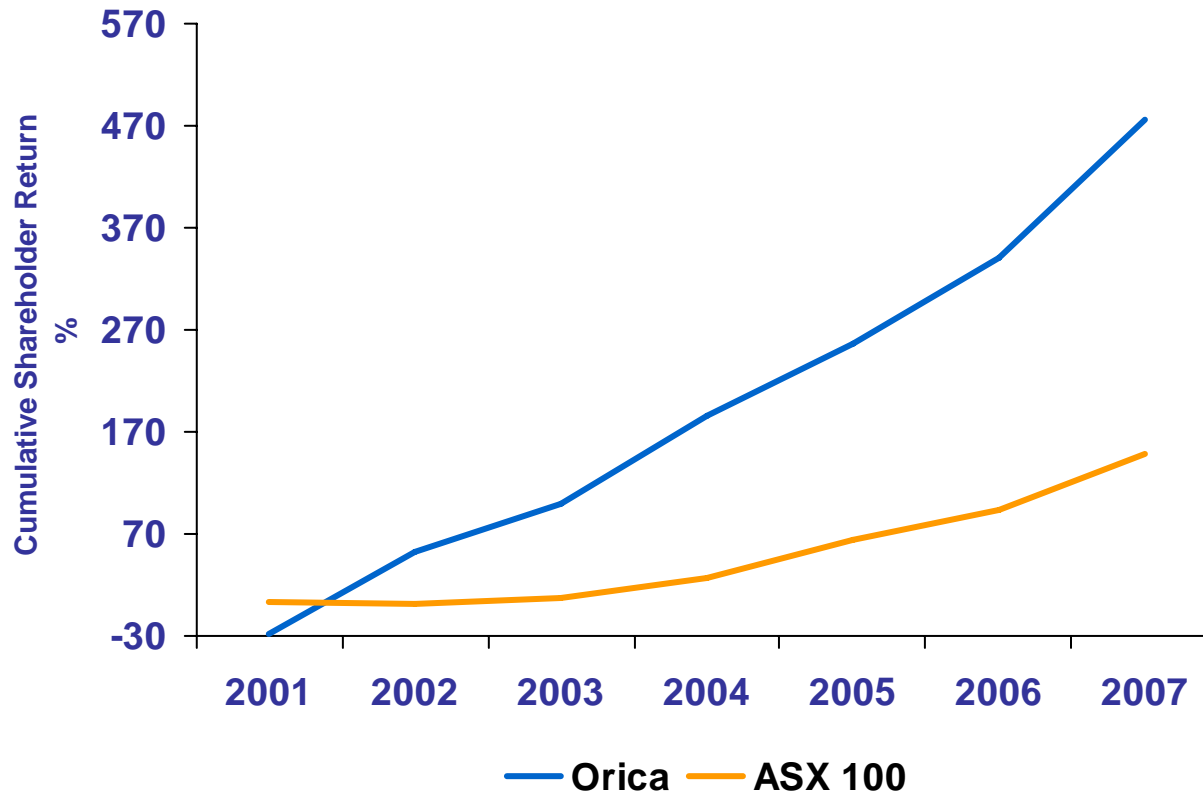


- Global roll-out of resin/bolt product offering
 - Latin America, China & Russia expansion
 - Global tunnelling expansion opportunities
 - Bolt-on acquisitions
-



- Growth supported by gold market development
- M&A opportunities in cyanide & mining chemicals

Cumulative total shareholder returns



Growth strategy has delivered superior returns

Source: Orica Annual Report, Base year 2001



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