

Office of the Company Secretary

ABN 42 004 080 264

Registered Office:
Level 8, 28 Freshwater Place
Southbank Victoria 3006
Australia

Tel: +61 3 8695 4400

Fax: +61 3 8695 4419

www.incitecpivot.com.au

ASX ANNOUNCEMENT – 31 MARCH 2016

IPL announces interim gas supply arrangements for Phosphate Hill Fertiliser Manufacturing Plant

Incitec Pivot Limited (ASX: **IPL**) today announced the execution of a gas supply agreement with Walloons Coal Seam Gas Company Pty Limited (a Shell-owned QGC business) (**QGC**) for its Phosphate Hill manufacturing plant in North West Queensland. This interim gas supply agreement is for supply for up to two years from 1 January 2017 through to the anticipated commencement of supply from Power and Water Corporation (**PWC**) under the long term gas supply agreement announced in November 2015. The agreement with PWC is scheduled to commence upon completion of the Northern Gas Pipeline (previously referred to as the NEGI pipeline) to be constructed from Tennant Creek to Mount Isa.

IPL has also entered into a gas transportation agreement with the APA Group (ASX: **APA**) for the transportation of gas under the QGC agreement. The transportation agreement provides flexible services across multiple pipeline assets.

Gas supply costs are expected to decrease by approximately \$20 million per year for the 2017 and 2018 calendar years as against the current cost.

IPL's Managing Director & CEO, James Fazzino said: "These arrangements, which secure gas for Phosphate Hill for 2017 and 2018, reflect our continuous improvement culture and significantly lower our input costs. This is a particularly pleasing outcome given the challenging markets in which we are currently operating".

Further Information:

Investors: Charles McGill
Vice President Investor Relations & Corporate Development
T (Australia): +61 3 8695 4559
T (US): +1 877 895 2882
M: +61 457 575 390
E: charles.mcgill@incitecpivot.com.au

Media: Stewart Murrhly
Chief Communications Officer
T (Australia): +61 3 8695 4582
M: + 61 418 121 064
E: stewart.murrhly@incitecpivot.com.au