



19 November 2008

Office of the Company Secretary

Incitec Pivot Limited
ABN 42 004 080 264
70 Southbank Boulevard
Southbank Victoria 3006
GPO Box 1322
Melbourne Victoria 3001
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The Manager
Company Announcements Office
Australian Securities Exchange
Level 45, South Tower
Rialto
525 Collins Street
MELBOURNE VIC 3000

Dear Sir or Madam

Electronic Lodgement

Notice of Annual General Meeting

In accordance with the listing rules, I attach a copy of the Notice of Annual General Meeting for release to the market.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Kerry Gleeson'.

Kerry Gleeson
Company Secretary

Attach.

Notice of Annual General Meeting

Incitec Pivot Limited

ABN 42 004 080 264

Incitec Pivot Limited ("Company" or "Incitec Pivot") gives notice that the Annual General Meeting of members will be held at the Auditorium, Level 2, Melbourne Exhibition Centre, 2 Clarendon Street, Southbank, Victoria on Friday, 19 December 2008 at 2.00 pm (Melbourne time).

The Explanatory Notes, which accompany and form part of this Notice of Annual General Meeting, contain important information in connection with the proposed resolutions.

Business

A. Annual Reports

To table for discussion the financial report of the Company, the directors' report and the auditor's report for the year ended 30 September 2008.

B. Re-election of directors

Proposed resolution 1:

That Mr John Watson, who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.

C. Increase in non-executive directors' fee pool

Proposed resolution 2:

That, in accordance with rule 6.5(a) of the Company's Constitution, the maximum total amount of fees from which the Company may pay the non-executive directors of the Company for their services as directors, including their service on a committee of directors, be increased by \$600,000 to a maximum of \$2 million per annum.

D. Approval of issues to directors under the Incitec Pivot Performance Rights Plan

Proposed resolution 3:

That the grant of performance rights under the Incitec Pivot Performance Rights Plan to the Managing Director & Chief Executive Officer, Mr Julian Segal, as described in the Explanatory Notes, be approved.

Proposed resolution 4:

That the grant of performance rights under the Incitec Pivot Performance Rights Plan to the Finance Director & Chief Financial Officer, Mr James Fazzino, as described in the Explanatory Notes, be approved.

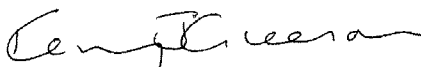
E. Remuneration report

Proposed resolution 5:

That the remuneration report for the Company (included in the directors' report) for the year ended 30 September 2008 be adopted.

Please note that the vote on this resolution is advisory only and does not bind the directors or the Company.

By order of the Board.



Kerry Gleeson
Company Secretary
19 November 2008



Notes

These notes form part of the Notice of Annual General Meeting.

Voting and Other Information

Entitlement to attend and vote

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cwlth), the directors have determined that, for the purposes of the Annual General Meeting (including voting at the meeting), members are those persons who are the registered holders of shares in the Company at 7.00 pm (Melbourne time) on 17 December 2008.

Proxy votes

A member who is entitled to attend and vote at the Annual General Meeting may appoint a proxy. A proxy can be either an individual or a body corporate. A proxy does not need to be a member of the Company. The appointment may specify the proportion or number of votes the proxy may exercise.

If you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act 2001 (Cwlth) ("Corporations Act"); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the Annual General Meeting.

If satisfactory evidence of appointment as corporate representative is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as your proxy.

Any member who is entitled to cast two or more votes may appoint not more than two proxies to attend and act for that member at the Annual General Meeting and may specify the proportion of votes each proxy is appointed to exercise. If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of those votes.

If more than one proxy for a member is present at the Annual General Meeting, none of them is entitled to vote on a show of hands. If you require a second proxy form, please contact the Company's Share Registry, Link Market Services, on 1300 303 780 (for callers within Australia) or +61 (0)2 8280 7765 (for international callers).

To be effective, your completed proxy form must be received at the Company's Share Registry, Link Market Services, by no later than 48 hours prior to the commencement of the Annual General Meeting.

The completed proxy form may be:

- Mailed/delivered to Link Market Services at:

| | |
|-------------------|-----------------|
| Street address: | Postal address: |
| Level 12 | Locked Bag A14 |
| 680 George Street | Sydney South |
| Sydney NSW 2000 | NSW 1235 |

- Faxed to Link Market Services on +61 (0)2 9287 0309.

A proxy form must be signed by the member or the member's attorney. In the case of shares held jointly by two or more persons, all joint holders must sign the proxy form.

Where a proxy is executed by an attorney, the power of attorney or a certified copy of the power of attorney must be received at the Company's Share Registry no later than 48 hours prior to the commencement of the Annual General Meeting.

Powers of attorney may be sent by fax to the Company's Share Registry, Link Market Services, on +61 (0)2 9287 0309.

Members who wish to appoint the Chairman of the meeting as proxy to vote on their behalf may leave open their votes in the hands of the Chairman. The Chairman of the meeting intends to vote undirected proxies in favour of each resolution.

Corporate representatives

A body corporate which is a member may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members.

The appointment must comply with the requirements of section 250D of the Corporations Act. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at the meeting or in voting on a resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Voting Restrictions

The Company will disregard any votes cast on proposed resolution 2 (increase in non-executive directors' fee pool) and proposed resolutions 3 and 4 (approval of issues to directors under the Incitec Pivot Performance Rights Plan) by:

- directors of Incitec Pivot; and
- associates of the directors of Incitec Pivot.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Explanatory Notes

A. Annual Reports

The Corporations Act requires the financial report, directors' report and auditor's report to be laid before the meeting. There is no requirement in the Corporations Act or the Company's Constitution for members to vote on, approve or adopt these reports. Members will have a reasonable opportunity at the meeting to ask questions and make comments on these reports and on the business, operations and management of the Company.

The auditor is required to attend the meeting and will be available to take members' questions and comments about the conduct of the audit and the content of the auditor's report. Members may submit written questions to the auditor on these matters for response at the meeting. These questions should be sent to the Company by mail to the Company Secretary, Incitec Pivot Limited, GPO Box 1322, Melbourne, Victoria, 3001 and must be submitted no later than five business days before the meeting. The Company is required by law to forward all questions to the auditor and the auditor is required to prepare a list of questions that the auditor considers are relevant to the conduct of the audit and the content of the auditor's report. The auditor may omit questions that are the same in substance to other questions and questions that are not received in a timely manner. At the meeting, the Chairman will give the auditor a reasonable opportunity to answer the questions on the question list. The list of questions prepared by the auditor will be available on the Company's website (www.incitecpivot.com.au) prior to the meeting. In addition, copies of the list of questions will be available at the meeting.

The auditor will also be available to take members' questions at the meeting regarding accounting policies adopted by the Company in relation to the preparation of the financial statements, the preparation of the auditor's report and the independence of the auditor in relation to the conduct of the audit.

B. Re-election of directors

Resolution 1:

The Company's Constitution provides that at each Annual General Meeting, where the Company has three or more directors, one third of the directors, excluding the Managing Director, must retire from office and are eligible for re-election. As the Company has six directors, excluding the Managing Director, the Constitution requires that two directors retire from office. Mr Brian Healey, retires and, while being eligible, does not offer himself for re-election. Mr John Watson retires and, being eligible, offers himself for re-election.

Candidate

Mr John Watson, AM MAICD

Mr Watson was appointed as a director on 15 December 1997 and was appointed Chairman in January 1998. He is the Chairman of Tasman Farms Limited and Governor of Van Diemen's Land Company, a director of Tassal Group Limited, Councillor of the Royal Agricultural Society of Victoria and a member of the Rabobank Food and Agribusiness Advisory Board for Australia and New Zealand. He is also a past Deputy President of the National Farmers' Federation, a former Chairman of PrimeSafe and a former non-executive director of Rural Press Limited. Until recently, he was Chairman of the Export Wheat Commission, which was replaced by a new authority, Wheat Exports Australia, on 1 July 2008. In 2004, he was awarded a Membership in the Order of Australia for services to the agricultural and food production sectors. In 2006, he was the recipient of the inaugural Rabobank Leadership Award.

Recommendation

Mr Watson, who has a personal interest in the subject of this resolution, has abstained from making a recommendation. Mr Watson has been a director of, and has presided, as Chairman of the Company, throughout its transformation: its merger with Incitec Fertilizers Limited and listing on ASX in 2003, its acquisition of Southern Cross Fertilisers Pty Limited and exit from Orica Limited in 2006 and, most recently, its acquisition of Dyno Nobel Limited. Accordingly, the other directors recommend that members vote in favour of the re-election of Mr Watson.

C. Increase in non-executive directors' fee pool

Resolution 2:

At the 2007 Annual General Meeting, members approved an aggregate limit of \$1.4 million per annum. The proposal is to now increase the maximum total amount from which the Company may pay the non-executive directors for their services as directors by \$600,000 to \$2 million per annum. The fee pool covers all fees for services as a director, including committee fees and superannuation contributions.

The Board sought independent advice and engaged Godfrey Remuneration Group (GRG) to undertake a review of non-executive director remuneration taking into account fees paid by comparable companies and the level of fees considered necessary to attract and retain directors of the appropriate calibre. Having regard to the Company's market capitalisation, the increase in its business complexity and international presence following the acquisition of Dyno Nobel Limited and the Company's admission to the S&P/ASX 50 Index, the Board considers that a fee pool of \$2 million is appropriate for a company of the size and nature of Incitec Pivot. This is consistent with the fee pool of companies of comparable size and will bring the maximum limit into line with the 50th percentile of comparable market practice, allowing sufficient headroom to cover the increase for fees paid to non-executive directors for the 2008/09 financial year and the appointment of additional non-executive directors to the Board.

Recommendation

Given their interest in the subject matter of this resolution, the non-executive directors make no recommendation to members on resolution 2. The executive directors recommend that members vote in favour of the proposed resolution.

D. Approval of issues to directors under the Incitec Pivot Performance Rights Plan

Background

The Incitec Pivot Performance Rights Plan (Plan) has been created to align the interests of senior employees and executives of the Company with those of the Company's shareholders by rewarding senior employee and executive performance in line with the creation of shareholder value.

The Plan applies to the performance period 1 October 2008 to 30 September 2011.

Under the Plan, employees may be offered performance rights. A performance right is a right which entitles the participating employee to acquire an ordinary share in the Company for no consideration at a later date subject to the satisfaction of certain performance and service conditions. These conditions focus on financial performance of the Company and include a condition relating to duration of employment. The performance conditions are measured by reference to Incitec Pivot's Total Shareholder Return (Absolute TSR) over the relevant performance period (that is, three years). The Board has adopted Absolute TSR as the performance measure, as opposed to a TSR measure relative to the TSR of the companies in the S&P/ASX 100 Index, because doing so ensures there is a direct link between reward and actual returns to shareholders thereby aligning executives' performance with the creation of shareholder value.

For the performance condition to be satisfied in full, Incitec Pivot's TSR must be at least 20% per annum compounded over the three year period. In setting the TSR at 20%, the Board considers it has established an aggressive target to promote behaviour to achieve superior performance, noting that it referenced TSR for the S&P/ASX 100 Index over the ten year period to 30 September 2008 and that a TSR of 20% reflected top decile performance over this period. Accordingly, if, at the end of the relevant performance period:

- TSR is less than 10% per annum compounded over the three year period, none of the performance rights vest;
- TSR is between 10-20% per annum compounded over the three year period, an increasing proportion of the performance rights will vest from zero on a straight line basis; and
- TSR is greater than 20%, all of the performance rights will vest.

The performance rights will not be quoted or transferable. As no share is issued until exercise, performance rights have no dividend entitlement.

There is no consideration payable on grant of the performance right or on exercise of the performance right.

Performance rights will lapse if they are not exercised within 5 years from their effective date, if the performance conditions are not satisfied or, in certain circumstances, if an employee ceases to be employed during the performance period.

If an employee ceases to be employed:

- due to death, total or permanent disability, retrenchment or retirement, their performance rights will be tested at that date and, if satisfied, they will vest pro-rata;
- due to being dismissed with cause or due to their resignation, all their performance rights lapse, unless the Board determines otherwise;
- for any other reason, the Board will determine what is to happen to the employee's unvested performance rights.

A trust has been established in order to acquire and hold any shares granted under the Plan. These shares will be held on trust for employees until they submit a withdrawal request or the

restriction period ends, which occurs on the earlier of the tenth anniversary of the grant of the performance rights or when the employee ceases to be employed in a group company.

Provision of performance rights under the Plan is at the discretion of the Board and the particular conditions on which performance rights will be granted, the number of performance rights to be granted and the employees to whom performance rights will be granted will be reviewed by the Board annually. Mr Segal's and Mr Fazzino's participation in the Plan will be on the same basis as other employees and senior executives.

Resolution 3:

In accordance with ASX Listing Rule 10.14, members are being asked to approve the issue of performance rights, in accordance with the terms of the Plan, to Mr Segal. Details of Mr Segal's remuneration package were included in the remuneration report (included in the directors' report for the year ended 30 September 2008).¹

Details of performance rights

If this resolution is passed, the performance rights will be issued to Mr Segal as soon as practicable following the Annual General Meeting. The maximum number of performance rights that may be acquired by Mr Segal is 597,190. There is no consideration payable for the grant of the performance rights or the exercise of them. Mr Segal is eligible to participate in the Plan.

Recommendation

Mr Segal, who has a personal interest in the subject of this resolution, has abstained from making a recommendation. The other directors recommend that members vote in favour of the proposed resolution.

In making this recommendation the other directors consider the Plan aligns the interests of Mr Segal to the creation of shareholder value and in setting TSR at 20% the Board has established an aggressive target to promote behaviour to achieve superior performance.

Resolution 4:

In accordance with ASX Listing Rule 10.14, members are being asked to approve the issue of performance rights, in accordance with the terms of the Plan, to Mr Fazzino. Details of Mr Fazzino's remuneration package were included in the remuneration report (included in the directors' report for the year ended 30 September 2008).¹

Details of performance rights

If this resolution is passed, the performance rights will be issued to Mr Fazzino as soon as practicable following the Annual General Meeting. The maximum number of performance rights that may be acquired by Mr Fazzino is 222,482. There is no consideration payable for the grant of the performance rights or the exercise of them. Mr Fazzino is eligible to participate in the Plan.

Incitec Pivot Limited

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Recommendation

Mr Fazzino, who has a personal interest in the subject of this resolution, has abstained from making a recommendation. The other directors recommend that members vote in favour of the proposed resolution.

In making this recommendation the other directors consider the Plan aligns the interests of Mr Fazzino to the creation of shareholder value and in setting TSR at 20% the Board has established an aggressive target to promote behaviour to achieve superior performance.

E. Remuneration report

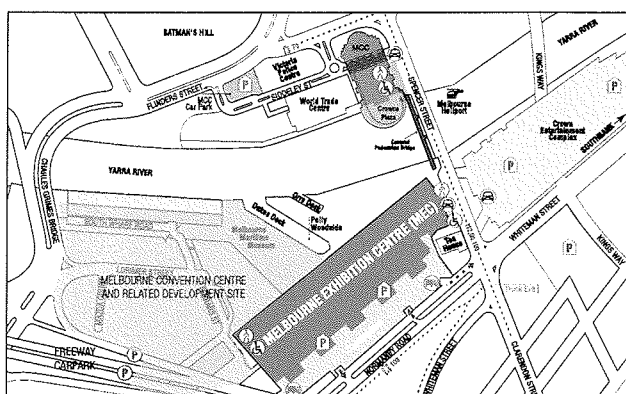
Resolution 5:

The remuneration report for the financial year ended 30 September 2008 is set out in the directors' report contained in the annual report.¹

The remuneration report sets out in detail the Company's policy for determining remuneration for directors and the executive management team. It includes information on the elements of remuneration that are performance based, the performance hurdles that apply and the methodology used to assess satisfaction of those performance hurdles.

The Corporations Act requires the business of the Annual General Meeting to include a resolution in relation to the remuneration report. This provides members with the opportunity to comment and ask questions on the content of the remuneration report, and exercise a vote for its adoption. While the Corporations Act requires resolution 5 to be put to the vote, the resolution is advisory only and does not bind the directors or the Company.

¹ The remuneration report is included in the Director's Report which was lodged with ASX on 12 November 2008 and a copy will be included in the Annual Report which will be made available shortly.



Directions to the Annual General Meeting venue

- The Annual General Meeting will be held at:
The Auditorium, Level 2
Melbourne Exhibition Centre
2 Clarendon Street
Southbank, Victoria

on Friday, 19 December 2008 at 2:00 pm.

- The Melbourne Exhibition Centre car park may be accessed from Normanby Road.

