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22 April 2009

The Manager
Company Announcements Office
Australian Securities Exchange
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Office of the Company Secretary

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Dear Sir or Madam

Electronic Lodgement

Resignation of MD & CEO

In accordance with the listing rules, I attach a copy of an ASX Announcement for release to the market.

Yours faithfully

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

Kerry Gleeson
Company Secretary

Attach.

ASX ANNOUNCEMENT – 22 April 2009

Resignation of MD & CEO

The Board of Incitec Pivot Limited (ASX:IPL) today announced that Managing Director & Chief Executive Officer, Julian Segal, had tendered his resignation for family reasons and would be taking up a position in his home city of Sydney.

Incitec Pivot Chairman, John Watson, AM, said James Fazzino, Finance Director & Chief Financial Officer, would be Acting CEO while the Company, together with external consultants, assessed international and internal candidates.

“Julian, together with James, has led a talented and dedicated management team which delivered on Incitec Pivot’s strategic vision,” said Mr Watson. “This has transformed Incitec Pivot from an Australian fertiliser business to a leading international chemicals company which is now a S&P/ASX top 50 company.

“On behalf of the Board, I sincerely thank Julian for his commitment and dedication and for the contribution he has made to the Company.

“I am pleased that James has agreed to act as CEO while the Board conducts its search. As well as being with the Company, as CFO, since May 2003, James has been an Executive Director since July 2005. With James taking the helm as Acting CEO, the Board is confident that the IPL management team and the Company are well positioned to continue to execute on the strategy.”

Mr Segal will leave the Company on Friday, 8 May 2009. In accordance with his service contract, Mr Segal will receive all accrued entitlements up to and including that date.

In relation to the incentive based components of his remuneration package (details of which are set out in IPL’s 2008 Annual Report):

- (i) no payment will be made in respect of the 2008/09 short term incentive plan;
- (ii) the loan of \$722,250 granted to Mr Segal in 2006 as a retention award will be forgiven in full in accordance with its terms. This means that the 651,940 shares acquired with the loan in 2006 will be released from the holding lock and Mr Segal will be free to deal in the shares without the holding lock restriction;
- (iii) regarding Incitec Pivot’s LTI Plan established in 2006 for the 3 year performance period expiring 30 September 2009, Mr Segal will continue to hold the 1,120,020 shares which were acquired with an interest bearing loan of \$1.35m granted to him in 2006, subject to the existing holding lock over those shares. At 30 September 2009, in accordance with the rules of the plan, a determination will be made by the IPL Board as to whether the performance measures have been achieved, and

accordingly, part of the loan may be forgiven. The amount of the loan to be forgiven will be determined by reference to the extent to which the performance measures have been achieved, will be net of fringe benefits tax and will be pro rata to the period of Mr Segal's employment during the three year performance period. Details of the performance measures applying to this LTI Plan are set out in the Company's 2008 Annual Report and relate to total shareholder returns (TSR). If, as at 30 September 2009, TSR is less than 10% per annum, compounded over the three year period, then none of the loan will be forgiven. In these circumstances, the loan must be repaid by 31 December 2009 before the shares may be dealt with. Similarly, where there has been loan forgiveness, that part of the loan not forgiven must be repaid by 31 December 2009;

- (iv) regarding Incitec Pivot's LTI Plan established in 2007, for the 3 year performance period expiring 30 September 2010, (which, as with the 2006/09 LTI Plan referred to at paragraph (iii), is a loan backed plan) the 361,200 shares held by Mr Segal under this plan, under a holding lock, will be forfeited and sold on market, with the proceeds to be paid to Incitec Pivot's LTI Plan Company, in accordance with the rules of the plan; and
- (v) regarding Mr Segal's participation in Incitec Pivot's Performance Rights Plan established in 2008, as approved by shareholders at the December 2008 AGM, in accordance with the rules of the plan, the rights granted to Mr Segal will lapse.

**Kerry Gleeson
Company Secretary**

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About Incitec Pivot

Incitec Pivot (ASX: IPL), a S&P/ASX Top 50 company, is a leading global company which manufactures, markets and distributes a range of fertilisers, industrial explosives, related products and services to customers around the world. A leader in its chosen markets, the Company holds a portfolio of recognised and trusted brands and is the No. 1 supplier of fertilisers in Australia and the No 1 supplier of industrial explosives, related products and services in North America. Employing more than 4,400 people, IPL owns and operates 20 manufacturing plants in the USA, Canada, Australia and Mexico and has joint venture operations in Turkey, South Africa, Malaysia and China.

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