

Incitec Pivot Limited

INNOVATION ON THE GROUND

ASX RELEASE

Incitec Pivot Limited and Perdaman – Urea Offtake Agreement

5 May 2021

Incitec Pivot Limited (ASX: **IPL**) today announced that its wholly owned subsidiary, Incitec Fertilizers Pty Ltd (IPF), has entered into a 20-year off-take agreement with Perdaman Chemicals and Fertilisers Pty Ltd (Perdaman) with a commitment to take up to 2.3 million tonnes per annum of granular urea fertiliser from Perdaman's proposed urea plant at Karratha in Western Australia (Offtake Agreement).

The Offtake Agreement is subject to the satisfaction of certain conditions precedent which must be satisfied by no later than a date which is 18 months from execution of the agreement. The primary condition precedent relates to Perdaman obtaining financing for construction of the new plant (which in turn depends on Perdaman finalising gas supply arrangements and obtaining various environmental and other regulatory approvals for the plant).

Subject to the satisfaction of the conditions precedent, construction of the plant by Perdaman is anticipated to be completed by the end of 2025. The terms of the agreement remain confidential to the parties.

The Offtake Agreement provides IPF with the opportunity to secure a competitive long-term domestic supply of urea for its Australian customers and to expand sales into growing global markets.

IPL Managing Director & CEO, Jeanne Johns, said:

"The investment by Perdaman in a new, world-scale plant will make it one of the most energy efficient plants in the world utilising low emissions technology.

"We are pleased to support such a significant domestic manufacturing project that will use Australian gas to produce urea fertiliser, essential for our Australian and international agricultural markets."

For more information:

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This document has been authorised for release by Richa Puri, Company Secretary.