

Orica Limited

ABN 24 004 145 868

Continuous Disclosure Policy

Approved 21 July 2009

1 Introduction

This policy replaces the previous Orica Limited Continuous Disclosure Policy - Compliance Process and Guidelines.

This policy sets out the procedure for:

- executives in identifying material price sensitive information;
- reporting such information to the Company Secretary for review;
- ensuring the Company achieves best practice in complying with its continuous disclosure obligations under the Corporations Act and ASX Listing Rules; and
- ensuring the Company and individual officers do not contravene the Corporations Act or ASX Listing Rules (which carry serious penalties).

You should note that the insider trading provisions of the Corporations Act may apply to an action being contemplated by Orica, such as a capital raising or rights issue, and in these circumstances a higher level of disclosure may be required.

This Continuous Disclosure Policy does not address guidelines for directors and senior executives in buying and selling Orica's shares, which are set out in the separate policy "Guidelines for dealing in securities".

2 Continuous Disclosure Policy

Orica has obligations under the Corporations Act and ASX Listing Rules to keep the market fully informed of information which may have a material effect on the price or value of Orica's securities. Orica discharges these obligations by releasing information to the ASX in the form of an ASX release or disclosure in other relevant documents (eg the Annual Report).

2.1 The Policy

The following procedures will continue to apply to safeguard against inadvertent breaches of Orica's continuous disclosure obligations:

- (a) directors and senior management must immediately notify the Company Secretary as soon as they become aware of information that should be considered for release to the market (**material information**);
- (b) the Company Secretary will:
 - (1) review the material information reported by senior management;
 - (2) determine, in consultation with the Executive Directors, the Group General Counsel (or delegate) and other members of the Group Executive as appropriate, whether any of the material information is required to be disclosed to the ASX;
 - (3) co-ordinate the actual form of disclosure with the relevant members of management including obtaining any necessary verification of information from relevant employees of the information in the proposed form of disclosure to the ASX; and

- (4) obtain approval from the Executive Directors (or where the Executive Directors are uncontactable, the Chairman) and the Group General Counsel (or delegate) to the form of disclosure to the ASX.
- (5) in the case of information requiring disclosure to the ASX that is likely to have a significant impact on Orica's business, finances or operations, obtain approval from all Directors (where time permits).

If, due to time constraints, it is not practical to obtain the approval of all Directors prior to making such a release, management should consult with the Chairman prior to disclosure and circulate a copy of the release to all Directors as soon as possible after its release to ASX.

2.2 Your obligations

As soon as you become aware of information that:

- is not generally available (ie the information in question has not been included in any Annual Report, ASX Release or other publication of the Company); and
- which may be price sensitive (ie it is likely to have a financial or reputational impact upon the Company that may be considered material),

you must provide to the Company Secretary the following information:

- a general description of the matter;
- details of the parties involved;
- the relevant date of the event or transaction;
- the status of the matter (eg final/negotiations still in progress/preliminary negotiations only);
- the estimated value of the transaction;
- the estimated effect on Orica's finances or operations; and
- the names of any in-house or external advisers involved in the matter.

A list of matters that may be considered material is set out in Annexure A. This list is merely indicative and should not be seen as an exhaustive list of the matters that should be considered for disclosure.

You should also inform the Company Secretary if you believe any prior disclosure to the ASX is inaccurate or incomplete.

2.3 Analyst/Media Briefings

Information provided to, and discussions with, analysts are also subject to the continuous disclosure policy.

Material information must not be selectively disclosed (ie to analysts, the media or customers) prior to being announced to the ASX. If you are proposing to present any material information to analysts, journalists or customers, you should ensure that copies of your material are provided to the Investor Relations Manager and/or the Company Secretary for checking prior to presenting that information externally.

All inquiries from analysts must be referred to the Investor Relations Manager. All material to be presented at an analyst briefing must be approved by or referred through the Investor Relations Manager prior to briefing.

All inquiries from the media must be referred to the Corporate Affairs Manager. All media releases must be approved by or referred through the Company Secretary and Corporate Affairs Manager prior to release to journalists.

Slides and presentations to be used in briefings should be given to the ASX prior to the briefing and posted on the Orica website after confirmation of release by the ASX.

2.4 Interview / Briefing Black-out period

No employee may give an interview or make a presentation in the two month period leading up to the annual results announcement or in the one month period before the publication of any other results or outlook without the specific permission of the Managing Director or the Executive Director - Finance.

2.5 Margin loan arrangements

In accordance with Orica's Guidelines for dealing in securities, all directors and any employee who is a participant in the Long Term Equity Incentive Plan or any other Orica Group long term incentive arrangements implemented from time to time, who enter into a margin loan or similar funding arrangement for securities in Orica must immediately disclose the details of such arrangements to the Company Secretary.

In determining whether an announcement to the market is required, the Company Secretary will consider whether the information would, or would be likely to, have a material effect on the price or value of Orica's shares.

3 Legal Obligations

3.1 Introduction

The Corporations Act and the ASX Listing Rules require Orica, as a company listed on the ASX, to comply with continuous disclosure obligations.

3.2 Disclosure obligations

(a) ASX Listing Rule 3.1

ASX Listing Rule 3.1 requires that Orica immediately notify the ASX of:

Any information of which Orica becomes aware, concerning Orica that a reasonable person would expect to have a material effect on the price or value of any securities issued by Orica.

While certain exceptions apply under the Listing Rules, the application of those exceptions will be determined by the Company Secretary, together with relevant executives (including the Group General Counsel (or delegate) and the Board, as appropriate. A precondition of any exception applying is that the relevant information must be confidential.

The ASX may also require Orica to release information if it considers that there is or is likely to be a false market in Orica's shares (for example, where a reasonably specific rumour or media comment in relation to Orica has not been confirmed or clarified by Orica).

(b) Material effect on the price of securities

A reasonable person is taken to expect information to have a **material effect** on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.

(c) Information in Orica's knowledge

Orica becomes **aware of information** if any of its directors or executive officers has, or ought reasonably to have, come into possession of the information in the course of the performance of his or her duties as a director or executive officer of Orica.

(d) Release of Information to Others

Orica must not release the material price sensitive information to any person (eg the media) until it has given the information to the ASX and has received an acknowledgment that the ASX has released the information to the market.

(e) Information that is generally available

The obligation does not apply where the **information is generally available**. Information is considered to be generally available if:

- (1) it consists of a readily observable matter; or
- (2) it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in any of the classes of securities issued by Orica and a reasonable period for it to be disseminated among such persons has elapsed; or
- (3) it consists of deductions, conclusions or inferences made or drawn from other information that is generally available.

4 Management of the Policy

Orica has nominated the Company Secretary as the person with primary responsibility for all communication with the ASX in relation to Listing Rule matters.

The Company Secretary is responsible for:

- (a) liaising with the ASX in relation to continuous disclosure issues;
- (b) ensuring that the system for the disclosure of all material information to the ASX in a timely fashion is operating;
- (c) reviewing proposed announcements by Orica to the ASX and liaising with the Executive Directors, the Group General Counsel (or delegate) and other relevant executives in relation to the form of any ASX releases;
- (d) liaising with Group Executive, the Board of Directors and the Group General Counsel (or delegate), as appropriate, in relation to the disclosure of information;
- (e) keeping a record of all ASX and other releases that have been made;
- (f) periodically reviewing Orica's disclosure procedures in light of changes to the Listing Rules, Corporations Act, the ASX Principles and Recommendations or current corporate practice and recommending any necessary changes to the procedures;
- (g) preparing regular disclosure reports to the Board of Orica which advise of:
 - (1) material matters considered and the form of disclosure (if any); and
 - (2) any material changes to Orica's continuous disclosure process.

5 Contraventions and Penalties

5.1 Contravention

Orica contravenes its Australian continuous disclosure obligations if it fails to notify the ASX of the information required by Listing Rule 3.1 to be disclosed. If Orica contravenes this obligation intentionally, recklessly or negligently then it, and its officers, may be guilty of an offence under the Corporations Act.

5.2 Liability and enforcement – penalties for breach

(a) Orica

If Orica contravenes its continuous disclosure obligations, it may face:

- if the contravention is intentional or reckless - criminal liability with a monetary fine;

- civil liability for any loss or damage suffered by any person as a result of Orica's failure to disclose relevant information to the ASX; and
- de-listing from the ASX.

The ASIC can also institute proceedings under the ASIC Act 1989.

(b) Others

Orica's officers (including its directors), employees or advisers who are involved in the contravention by Orica, may also face criminal (monetary fine and/or 5 years imprisonment) and civil liability as outlined above.

(c) Enforcement

The court also has power under the Corporations Act to order compliance with the Listing Rules on the application of the ASX, the ASIC or an aggrieved person (for example, an Orica shareholder).

(d) Infringement notices

As an alternative to seeking the imposition of a civil penalty, if ASIC has reasonable grounds to believe that Orica has contravened its continuous disclosure obligations, ASIC may issue Orica with an infringement notice, detailing the alleged contravention and requiring payment of a fine.

(e) Unwanted publicity

Contravention of its continuous disclosure obligations may also lead to unwanted publicity for Orica and may cause damage to its reputation in the market place which may adversely impact upon the market value of its securities.

Annexure A – Information Disclosure Requirements

Orica must disclose any information that a reasonable person would expect to have a material effect on the price or value of securities issued by Orica.

The following guidelines may assist in assessing whether information is ‘material’:

- **Quantitative:** as a general rule of thumb, a disclosure should be made where an event has the potential to impact Orica’s revenue, profit, assets or liabilities (whichever is appropriate in the circumstances) by an amount of at least 5% of the relevant base.
- **Qualitative:** notwithstanding the quantitative threshold, a disclosure should be made where the information will, or is likely to, have an impact on Orica’s reputation, its products or officers.

Set out below is an illustrative list of matters that may give rise to an obligation to make disclosure to the market

You should not take this as an exhaustive list of the issues that must be disclosed. You must notify the Company Secretary of any matters which you think may be ‘price sensitive’.

Relevant information / matter	
1	the financial condition, results of operations, company issued forecasts and earning performance of Orica or a controlled entity, which are significantly different from that anticipated by Orica or the market;
2	a proposed acquisition or disposition of material assets to be announced by Orica, a controlled entity or joint venture partner;
3	significant foreign activities (or significant proposed foreign activities), by Orica or a controlled entity;
4	events or occurrences that have an impact on the operations of Orica or a controlled entity;
5	natural disasters or accidents that have particular relevance to the businesses of the Company or its suppliers;
6	significant changes in technology or the application of technology which could affect business;
7	a proposed announcement to alter pricing or tariff policies;
8	legal proceedings against or allegation of any breach of the law, whether civil or criminal, by Orica or any of its employees;
9	any notification by a Ratings Agency that it will review the credit rating of Orica;
10	a change in Orica’s financial forecast or expectation;
11	the appointment of a receiver, manager, liquidator or administrator in respect of any loan, trade credit, trade debt, borrowing or securities held by Orica or any controlled entity;
12	an agreement between Orica (or a related party or subsidiary) and a director (or a related party of the director);
13	changes in Orica’s senior management or auditors;
14	any negative publicity;
15	entry by Orica or a company controlled by Orica into a new line of business or the discontinuance of a particular line of business; and
16	any action by a regulator that may have an adverse impact on Orica’s financials, reputation or

licence to operate.

17 planning to undertake a significant financing or security issue (whether debt or equity) or to take other action with respect to outstanding securities (eg share repurchase program, redemption of bonds) or any default on any securities.