



Fabchem China Limited

FOR IMMEDIATE RELEASE

FABCHEM STRATEGIC PARTNERSHIP WITH DYNNO NOBEL

Singapore, 5th June 2008 – Following our announcement on 4th June 2008 regarding the resignation of Mr. Shane Michael Gannon and Mr. Timothy James Fry, we have received enquires from our Company's shareholders ("Shareholders") regarding the strategic partnership between our Group and Dynno Nobel Limited ("Dynno Nobel").

Based on various announcements made by Dynno Nobel on the Australian Securities Exchange ("ASX"), the board of directors would like to inform our Shareholders that:

- (1) all the shares in the issued and paid up capital of Dynno Nobel has been acquired by Incitec Pivot Limited ("Incitec") ("the Scheme of arrangement"); and
- (2) the shareholders of Dynno Nobel and the Supreme Court of Victoria had approved the Scheme of arrangement and Dynno Nobel was de-listed from the ASX after the close of trading on 2nd June 2008.

The board of directors is of the view that the Scheme of arrangement mentioned above will strengthen Dynno Nobel's current position as one of the top two global explosives companies which will benefit our Company through our partnership with Dynno Nobel. The board of Directors has been informed by Incitec that the strategic partnership with Dynno Nobel will continue following the implementation of the Scheme of arrangement.

Dynno Nobel

Dynno Nobel is a leading supplier of industrial explosives and blasting services to the mining, quarrying, seismic and construction industries. Dynno Nobel is the market leader in North America - the largest explosives market in the world - and the second largest supplier in Australia - the third largest explosives market in the world.





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Incitec Pivot Limited

Incitec Pivot Limited (ASX - IPL), an ASX Top 50 company, is Australia's largest manufacturer and distributor of fertiliser products supplying Australian farmers with over three million tonnes of fertiliser each year. Incitec Pivot has an extensive manufacturing and distribution network with key facilities spanning Australia's east coast, from far north Queensland to Tasmania and South Australia. Listed on the ASX in July 2003, the company traces its roots to the early 1900s. Today, Incitec Pivot Limited has a market capitalisation of A\$8.0 billion.

Ends

About Fabchem China Limited ("Fabchem")

Bloomberg: FABC SP

Headquartered in the Republic of Singapore, Fabchem is one of the leading manufacturers of initiation systems in China. These products are widely used in mining, infrastructure, and hydroelectric construction projects activities globally. Fabchem's products are sold in commodity booming economies including China, Australia and South Africa.

For further queries, please contact:-

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