

DYNO

Dyno Nobel

3 June 2008

The Manager, Companies
Australian Stock Exchange Limited
Company Announcements Office
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Sydney NSW 2000

Dyno Nobel Limited
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111 Pacific Hwy, North Sydney
NSW, 2060 Australia
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Dear Sir

Dyno Nobel Step-up Preference Securities

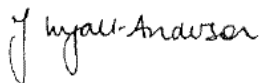
I refer to the Dyno Nobel Step-up Preference Securities issued by the Dyno Nobel SPS Trust (***Dyno Nobel SPS***). Please find attached a Change of Control Notice which will be sent to holders of Dyno Nobel SPS today.

Dyno Nobel intends to issue a Dyno Nobel Realisation Notice on or around Friday, 13 June 2008. If the Realisation Notice is given on 13 June 2008, the Realisation Date for the Dyno Nobel SPS will be Friday, 18 July 2008.

The Record Date for the final distribution to be made on the Realisation Date will be Friday, 27 June 2008. Accordingly, it is anticipated that an application will be made to ASX for suspension of trading in Dyno Nobel SPS from the close of trading on Friday, 20 June 2008.

Please contact me if you have queries on 02 9968 9545.

Yours sincerely



Julianne Lyall-Anderson
Company Secretary

3 June 2008

Dear Securityholder,

Dyno Nobel SPS - Change of Control Notice

Background - Scheme Implementation Agreement

Capitalised terms not otherwise defined in this letter have the meaning set out in the terms and conditions of issue of the Dyno Nobel Step-up Preference Securities issued by Permanent Investment Management Ltd as responsible entity of the Dyno Nobel SPS Trust, as set out in Appendix A to the Replacement Product Disclosure Statement dated 11 July 2007 ("**Dyno Nobel SPS Terms**").

On 11 March 2008, Dyno Nobel Limited ("**Dyno Nobel**") entered into a Scheme Implementation Agreement with Incitec Pivot Limited ("**Incitec Pivot**"). That agreement was amended by further agreement between Dyno Nobel, Incitec Pivot and Incitec Pivot US Holdings Pty Ltd ("**Bidco**") on 2 April 2008 ("**Scheme Implementation Agreement**"). Under the Scheme Implementation Agreement, it is proposed that Bidco acquire all of the ordinary shares in Dyno Nobel that Incitec Pivot does not already own by way of a scheme of arrangement (the "**Share Scheme**").

Dyno Nobel shareholders voted in favour of the Share Scheme at the Share Scheme Meeting which was held on Thursday, 22 May 2008 at the Sydney Convention and Exhibition Centre, Darling Harbour, Sydney (the "**Shareholder Vote**").

All conditions precedent to the Share Scheme set out in the Scheme Implementation Agreement (other than approval of the Share Scheme by the Court) had been satisfied or waived by 8am on 30 May 2008 (the "**CP Satisfaction**"). Accordingly, as a result of:

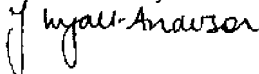
- the Shareholder Vote, an Acquisition Event occurred on 22 May 2008; and
- the CP Satisfaction, a Change of Control Event occurred on 30 May 2008.

This letter constitutes a Change of Control Notice for the purposes of clause 7.1(a) of the Dyno Nobel SPS Terms.

At the date of this notice, Dyno Nobel intends to issue a Dyno Nobel Realisation Notice for the purposes of clause 7.4(e) of the Dyno Nobel SPS Terms on 13 June 2008, notifying Holders of its intention to Repurchase all Dyno Nobel SPS. Dyno Nobel intends that all Dyno Nobel SPS will be Repurchased on or about 18 July 2008. Further details will be provided in that Dyno Nobel Realisation Notice.

For further information, please refer to the Dyno Nobel SPS Terms or you can contact Dyno Nobel on 1800 502 497 (within Australia) or +61 3 9415 4288 (outside Australia).

Yours Sincerely



Julianne Lyall-Anderson
Company Secretary
Dyno Nobel Limited