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22 August 2018

Mr Justin Wickes
Director
Investigations 2
Anti-Dumping Commission
Level 35
55 Collins Street
Melbourne Victoria 3000

Email: investigations2@adcommission.gov.au

Public File

Dear Mr Wickes

Investigation No. 473 – Ammonium nitrate exported from P R China, Sweden and Thailand – Further evidence of injury

I. Background

Further to the Anti-Dumping Commission's ("the Commission") verification visit with Orica Australia Pty Ltd ("Orica"), the company was requested to provide any further instances of pricing competition from dumped imports the subject of Investigation No. 473 (i.e. exports of ammonium nitrate ("AN") from P R China, Sweden and Thailand).

Orica has identified two further AN customers that have referred to import parity pricing for AN during the January to March 2018 quarter. The negotiations at the two accounts are continuing and have not yet been finalised.

II. Customer 1: [Entity name]

[Name of company, commercially sensitive details concerning supply volumes and locations]

Accompanying the supply of bulk explosives is the supply of initiating explosives and also the delivery down the hole and on bench shot-firing services in [State]. Orica's contract arrangements with *[commercially sensitive information concerning contracts, periods to expiry, and location]*.

Orica began the process of negotiating *[details of company and periods in negotiation]*.
[Further details of commercial sensitive pricing by product, and volumes]
[Further details on supply and locations].

Discussions continued [*customer & discussions*] not been able to reach an agreement. [*customer*] considered Orica's pricing too expensive.

As the [*statement concerning approaching end of contract with customer*] formally approached competitors of Orica (both locally and overseas) to source those products and services provided by Orica. Site visits were arranged and it is understood firm pricing was provided. [*Commercially sensitive discussions with customer concerning purchases and pricing*] that they had alternate positions of lower cost, with an implied position that Orica would lose all of the current Orica supplied business if Orica did not reduce pricing. [*Commercially sensitive information concerning volumes and location*].

Set out below is the summary of negotiations (with the notations referencing the price of products).

[Detailed timeline of discussions concerning the identified customer. The release of this information would disclose commercially-sensitive details concerning the identification of the customer and the level of volume(s), pricing and locations].

[*Commercially sensitive comments regarding current position*]

III. Customer 2 – [Entity name]

Orica has been conducting negotiations with [company name], which is majority owned by [parent], that is seeking to establish a [mine and location] with an annual volume requirement of [xxxxx- xxxxx tepa] and has called for proposals for supply of explosives [Commercially sensitive details concerning historic supply by Orica].

A summary of these discussions is as follows:

[Detailed timeline of discussions concerning the identified customer. The release of this information would disclose commercially-sensitive details concerning the identification of the customer and the level of volume(s), pricing and locations].

Please refer to a copy of the tender offer dated 28 March 2018 (Confidential Attachment 6).

IV. Closing remarks

Orica has responded to pricing pressures detailed by customers based upon the transparency of import data and alternate AN emulsion suppliers on the east-coast (i.e. company). It is evident that the alternative to Orica supply is imported product sourced by [company] from the countries under investigation – China, Sweden and Thailand).

If you have any questions concerning the attached response, please do not hesitate to contact me on (03) 9665 7309 or Orica's representative Mr John O'Connor on (07) 3342 1921.

Yours faithfully



Malcolm Hart
Senior AN Market Manager – APA

