



Fabchem China Limited

FOR IMMEDIATE RELEASE

Fabchem Appoints Two Dyno Nobel's Executives to its Board

Singapore, 2 February 2007 – Fabchem China Limited (Bloomberg: FABC SP) today announced the appointment of two non-executive directors Mr Shane Gannon and Mr Anthony Kutra. Both newly appointed directors are the senior executives of Dyno Nobel Limited where Mr Shane Gannon is the Chief Financial Officer and Mr Anthony Kutra is the Senior Vice President of Strategy and Business Development.

Fabchem's Chairman, Dr Lim Seck Yeow said: "The board of directors of Fabchem has been further strengthened with the appointment of these two non-executive directors which will bring with them valuable experience in managing a commercial explosive company that has operations globally. Their appointment will add value to the strategic growth of the Group including boosting our product orders for export markets globally as well as technical transfer arrangements with Dyno Nobel. Our Group's executives will be working closely with Dyno Nobel over the next few months in China through the appointment of a senior manager seconded from Dyno Nobel. We expect the entire exercise will result in growth of the Group internationally as well as in China."

On 16 Jan 2007, Fabchem made an announcement of the investment by DNX Australia Pty Ltd, a subsidiary of Dyno Nobel Limited, acquiring 29.9% of its ordinary shares and effectively becoming the second largest shareholder of the Group. Dyno Nobel is one of the world's leading explosives companies. The total consideration is up to S\$0.70 per Fabchem share or S\$49 million. With this transaction, Fabchem is valued at a market capitalization of S\$163.8 million.

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Background

Fabchem China Limited

Fabchem (Bloomberg: FABC SP) is one of the leading manufacturers of commercial explosive devices in China. The Group's principal business activity is in the production and sale of commercial explosives products, comprising explosive devices, initiators and detonators, both under its own brand name ("Yinguang") and those of third parties. It also provides after-sales services to its customers such as technical assistance related to the detonating activities.

The Group's products are mainly used by the mining, hydroelectric and infrastructure construction industries, for activities such as coal mining, oil & gas exploration, construction of hydroelectric dams, roads and railways, and large construction projects. The Group sells its products to more than 10 countries, including the United States of America, China, Australia and South Africa.

Dyno Nobel Limited

Dyno Nobel (ASX – DXL) is a leading supplier of industrial explosives and blasting services to the mining, quarrying, seismic and construction industries. Dyno 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. Dyno Nobel traces its roots back to Alfred Nobel, the inventor of the detonator and dynamite, and since the 1920s has focused on the commercial development of industrial explosives.

Dyno Nobel employs more than 3,300 people and has 36 manufacturing facilities in Australia, Canada, the US and Mexico. Dyno Nobel has a market capitalisation of approximately AUD2 billion. Dyno Nobel is renowned for its excellent safety performance and as a provider of innovative explosive products and services, which together deliver groundbreaking performance for its customers.

