



DetNet Presentation to Investors

15 May 2008





Mission

*changing the way the
world mines*

www.detnet.com

Discussion points

About DetNet

Products and benefits

Strategic expansion

Market and performance update

Synopsis



About DetNet

Joint venture between AECI and Dyno Nobel Ltd;
established in 2004

Combines technology developed by AECI in the 20
preceding years and international market reach of Dyno
Nobel

Core competence: ability to link customer requirements
with DetNet's capability to design and industrialise
electronic systems

For maximum competitiveness, sub-assemblies sourced
globally

Final assembly at AEL Modderfontein, SA, and Dyno
Nobel Simsbury, USA

What is an electronic detonator?

An emerging technology that enables digital communication between a blasting computer and micro-chip controlled detonators in the blast

The microchip in the detonator enables the detonator to receive and report back information

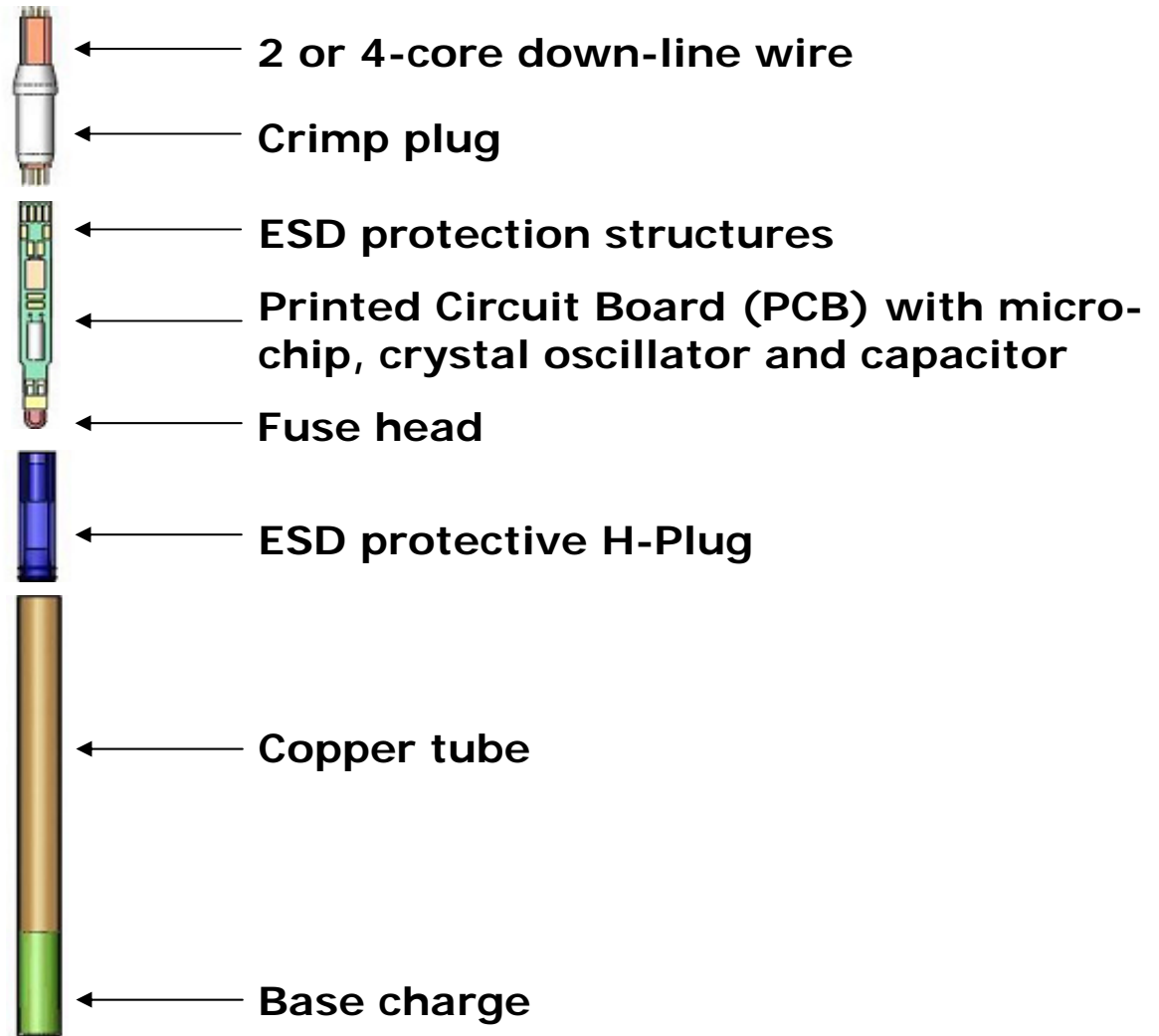
The detonator can undertake diagnostic tests on itself while timing delays are programmed

The detonator fires exactly as programmed

An unrestricted range of blast delay times can be selected on the blast to produce the required blast result

Key features of testability, precise firing and timing selection have NEVER before been available to the blasting industry

Detonator construction



What do electronic detonators offer the customer?

Ability to ensure all detonators are fully functional prior to the blast being fired

Ability to control the blast result through:

Precision timing

Selection of delays to suit the blast

Controlled blasting results in:

Improved fragmentation of rock

Ability to alter muckpile heave and shape

These factors result in improved loading, throughput and efficiency in down-stream material handling

Ability to minimise environmental impact of blasting through reduced vibration, flyrock and noise

Customers pay 3-4 times more than *shocktube* for these benefits

Total control



Product summary - Africa



smartdet



Longest-selling product with largest sales. Fully programmable, 2-wire system, used only in Africa



quickshot^Φ_{TM}

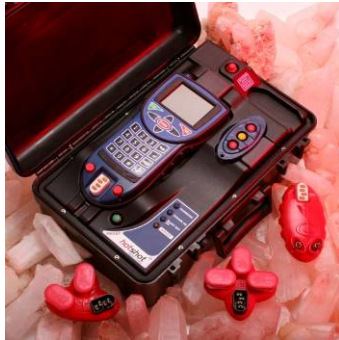
Pre-programmed electronic initiation system designed for safety and ease of use in underground and tunnelling applications



blastweb^Φ_{TM}

Centralised blasting system for large underground mines and tunnels

Product summary - global



hotshot^ϕ

Auto-programmable electronic initiating system making it user friendly, simple to understand, easy to deploy and flexible. HotShot+ software launched to provide for full programmability



smartshot^ϕ

Wireless remote electronic initiating system with complete timing flexibility; can fire up to 2 400 detonators



digishot^ϕ

Portable, fully programmable blasting system, designed to handle even the most complex medium-sized blast, in a user-friendly package

Strategic expansion stages

Short-term (2008)

Continue to establish penetration in international markets

Grow annual volumes to 2 million units

Improve global logistical effectiveness for in- and out bound logistics

Medium-term (2009-2012)

Growth – aim for 50% growth per annum in international sales

Competitiveness - move down the cost curve

Further roll-out of regional manufacturing

Long-term (2013-)

Introduce new products and technological enhancements



DetNet footprint

Past

Present

Future



2007 sales

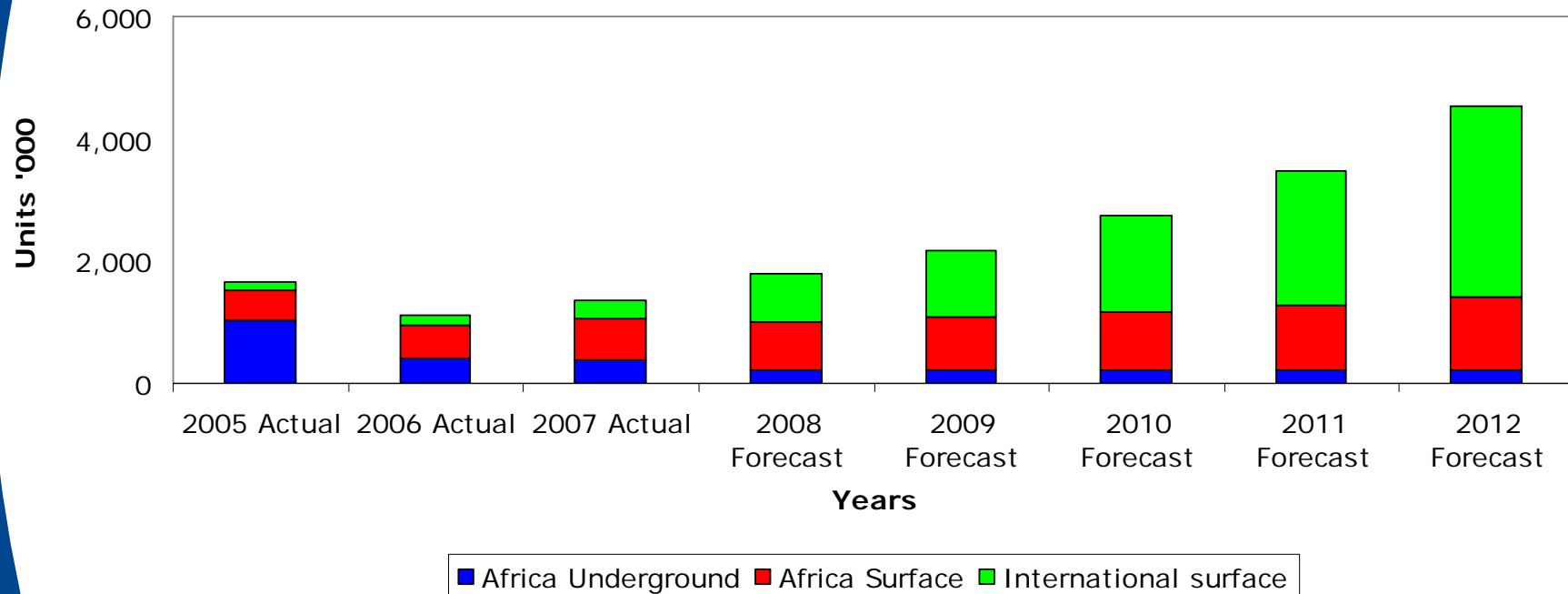
Overall detonator sales volumes increased 30% in 2007 compared to 2006

International sales grew 58%, with >100 000 units sold respectively in both the USA and Australia

African sales grew 15% from a high volume base and reached the 1 million per annum mark

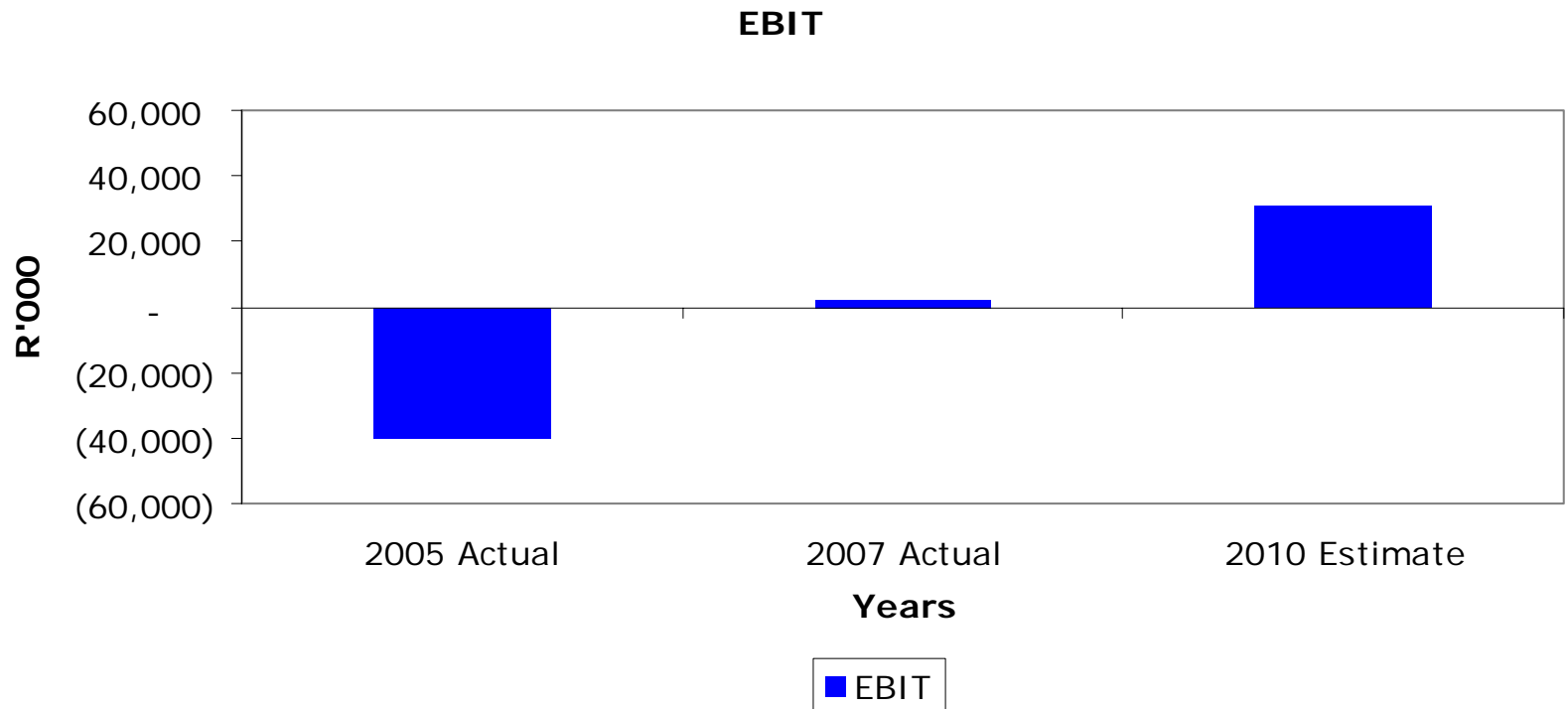
DetNet – detonator sales 25% growth

VOLUMES BY REGION



Financial performance

Possible future shape (as 100%)



Synopsis

Exciting new global business with established products, manufacturing, sales and distribution

Although off a low base, expanding at a high percentage growth rate

Strong partners highly motivated to take advantage of industry-shift to new technology

Significant global potential