



ASX ANNOUNCEMENT

Update on Waste Services Contract with Chevron Australia

28 March 2017

ASX Limited

UPDATE ON WASTE SERVICES CONTRACT ON BARROW ISLAND

Tox Free Solutions Limited ('Toxfree' or 'Company') has been advised by Chevron Australia Pty Ltd (Chevron) that the provision of Waste Management Services to its operations on Barrow Island will cease by the end of the financial year.

Toxfree believes we put forward a very strong proposal to retain the services on Barrow Island while ensuring an adequate return on investment for Toxfree shareholders.

Toxfree is very proud of the work performed on Barrow Island over the last seven years. In this time, we have been lost time injury free which is a significant achievement considering the volumes of waste generated during this time.

Toxfree will continue to provide services to Chevron's other Australian operations under its Master Contractor Services Contract.

Toxfree can inform shareholders that Toxfree's estimated contribution from Barrow Island services in financial year 2018 based on Toxfree's assessment of the waste volumes was expected to be between \$1m to \$2m in Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA).

Toxfree has recently been successful in the award of contracts for the Inpex led Ichthys LNG project in Darwin, GLNG in the Surat Basin and an expanded scope of work for FMG's waste services in the Pilbara (through our indigenous joint venture). We are confident these contracts will result in improved earnings in FY18 regardless of the Chevron decision.

The company also has several strategic initiatives being implemented to improve productivity and reduce costs. These include new waste treatment technologies to treat waste more efficiently. In addition, an organisational review of our business structure is being conducted with the assistance of an external expert. We expect significant costs savings to be gained through these initiatives and we will provide more detail in due course.

Toxfree's contract for industrial services on the Wheatstone LNG project with Bechtel will not be affected by this decision.

I would like to acknowledge and thank all our employees who have worked for Toxfree on Barrow Island. Your commitment to safety and the provision of high standards of service has been exemplary.

Yours faithfully



STEVE GOSTLOW

Managing Director

About Tox Free Solutions Ltd (ASX code: TOX)

Tox Free Solutions Ltd (Toxfree) is one of the largest integrated waste management, industrial services and environmental businesses in Australia. The Company offers a full range of waste management services through its national network of licensed waste treatment facilities. In addition, Toxfree are fast becoming the leaders in onsite industrial services, waste minimisation, resource recovery and total waste management services.

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