



ASX ANNOUNCEMENT

Annual General Meeting of Shareholders 2015

20 November 2015

ASX Limited

Chairman's address and Managing Director's presentation

Please find following the Chairman's address and Managing Director's presentation from today's Annual General Meeting of Shareholders.

Yours faithfully

David McArthur

About Tox Free Solutions Ltd (ASX code: TOX)

Tox Free Solutions Ltd (Toxfree) is one of the largest integrated waste management, industrial service 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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TOX FREE SOLUTIONS LIMITED

ANNUAL GENERAL MEETING 20 NOVEMBER 2015

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Tox Free Solutions Limited
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CHAIRMAN'S ADDRESS

Firstly, I would like to acknowledge the Whadjuk people of the Noongar Nation as the Traditional Owners of the land on which we meet today. I would also like to pay respect to Elders both past and present.

Financial year 2015 was another successful year for Toxfree.

We had an exceptional year with regard to improved safety performance and financially our results were pleasing given the economic environment.

At Toxfree, we have a zero tolerance to injuries in the workplace and believe all injuries can be prevented. Through a number of initiatives aimed at enhancing our safety culture we have seen a further reduction in injuries during financial year 2015 making Toxfree one of the safest places to work in the industry.

Our Total Recordable Injury Frequency Rate, which is a global measure for safety performance, has reduced by 23% within the period which is an exceptional result of which Steve and his team can be justifiably proud.

Through the company's focus on safety, reliability and sustainability, Toxfree has been able to build upon existing relationships and increase its market share in many of the regions and industry sectors that it operates.

Within financial year 2015, our team has also delivered a considerable number of productivity initiatives to address our clients' requirements for lower costs as they try and maintain their competitiveness. It is very satisfying that the Company has been able to meet this requirement, reduce its own cost base and maintain operating margins. Financially the business performed well with revenue increasing by 10% to \$407 million and profit before tax by 3% to \$33.6 M

The underlying earnings and strong cash flow achieved in financial year 2015 enabled the business to pay down debt as well as invest in a number of initiatives that have strengthened the business and provided a solid foundation to meet future growth ambitions.

The Company balance sheet is in good order. At year end our net debt to equity was 32% and the Board is very comfortable with our gearing at these levels

After consideration of the Company's cash flow forecast and current gearing, the Board decided to increase the target dividend payout ratio to 50% of underlying Net Profit after Tax (NPAT). The 50% payout ratio still enables the Company to implement its investment strategy to meet its 5 year growth ambitions.

The Board is therefore pleased to announce a full franked dividend of 8.5 cent per share which is a 42% increase on the previous year's dividend.



Within the 2015 financial year the Company also implemented an Enterprise Resource Planning (ERP) system to improve customer service, business intelligence and internal controls. The company intends to build upon the enhanced ERP foundation created to deliver further operating efficiencies and improvements in coming years.

At a Board level we continue to improve the effectiveness of the Board and strengthen our corporate governance to best practice standards.

The Board and senior management team completed a 5 year strategic planning process earlier in the year. The team developed a number of strategic initiatives designed to improve Total Shareholder Returns over the next 5 years. The Board believes the Company is well placed to continue to build upon the strategic foundation Toxfree has developed over the last 10 years.

We have structured our business so that it is diversified across industry and geographic sectors to ensure we minimize the risk associated with relying on a single industry or sector.

In diversifying our revenue streams across multiple sectors and locations providing Total Waste Management Solutions we believe we are well placed to continue to grow our business even as we move through a transition period within the Australian economy.

The available waste market is large and Toxfree is optimistic that we can continue to grow our business.

The management team is working tirelessly to improve financial performance and deliver shareholder returns in a safe, reliable and sustainable manner.

I will now ask Steve to provide his Managing Director's address, but prior to asking Steve to speak I would like to recognise the efforts of the Executive team and all employees of Toxfree for their commitment and efforts in delivering this result and finally I would like to recognise the ongoing support of our shareholders and customers

Thank you
Robert McKinnon
Chairman