



ASX ANNOUNCEMENT

Annual General Meeting of Shareholders 2014

28 November 2014

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 28 NOVEMBER 2014

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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 2014 was another successful year for Toxfree with both underlying earnings and earnings per share higher than the previous year. The Company continues to develop into one of Australia's leading waste management and industrial service companies.

Shortly Steve will provide his Managing Director's address, but prior to asking Steve to speak I would like to acknowledge the effort made by Steve, his executive team and all Toxfree employees.

During financial year 2014 the business continued its focus on organic growth opportunities through contract award to blue chip companies, integrating Wanless (which was acquired in May 2013), improving our waste treatment efficiencies and upgrading our systems to lay the foundations for our further growth ambitions

Our strategy remains unchanged as we strive to be the leader in hazardous and industrial waste management nationally, provide all waste services in the regional resource hubs of Australia and be the leader in the provision of industrial services throughout Australia. I am delighted to say the business made solid progress in all of these areas with a number of additional contracts being awarded or retained and our Technical and Environmental Services division improving its treatment efficiencies and margins in hazardous and industrial wastes.

Wanless Waste Services has been a real highlight for Toxfree during the year having integrated seamlessly with the rest of Toxfree's operations. We are very satisfied with the first year of earnings contribution from Wanless and the positive morale and optimism from Wanless and Toxfree employees gives us confidence that we will realise the strategic benefits of this acquisition in the medium term. We have already seen a favorable contribution from the investment in Wanless and the diversification of our earnings it has provided.

Our industrial services business continues to develop long term contracts with blue chip clients in our targeted industries and geographic regions.

There is no doubt that trading conditions within the Australian economy are challenging at this point in time. Over the last 18 months, we have seen a downturn in activity from the manufacturing sector, few major infrastructure projects under construction and although Australia is increasing its production and export of resources such as Iron Ore, Coal and LNG we have also seen a contraction in capital expenditure in these sectors.

While we are not immune from these challenging conditions within the economy it is important to understand the defensive nature of our business given the magnitude of the Australian waste market and the reality that all industry sectors continue to produce waste.

This is the case in both production and construction phases. Furthermore, as Steve will demonstrate Toxfree has successfully diversified the market sectors and geographic location of the business over time. Our challenge is to capture further market share, diversify our services to provide solutions for our clients and look to the use of technology and productivity improvements to continue to grow through this period

The Executive team has a number of key initiatives designed to improve Toxfree's financial performance which Steve will share with you shortly

One of the highlights this year for Toxfree has been our safety performance. We have a zero tolerance to injuries in the workplace and believe all injuries can be prevented. The management team has put in place leading key performance measures designed to highlight risk in the workplace and improve our safety culture. It has been through a number of these efforts that we have seen a dramatic reduction in injuries during financial year 2014.

Our Total Recordable Injury Frequency Rate which is a global measure for safety performance has reduced by 30% and our All Injury Frequency Rate has also reduced by 17% which is an exceptional result

Over the last three years the Company has invested significantly in a modern fleet of vehicles and we are pleased to advise shareholders that our average fleet age is now 6 years. Investment in a modern fleet also improves reliability, service to our clients, reduces carbon emissions and ultimately highlights the Toxfree brand as a premium service provider in our industry, while reducing the cost of operations. This is the best engineering solution we can take as a Board and Executive team to reduce the risk of accidents on the road to ensure the safety of our employees and the broader community. Fleet is just one area of risk management that the board monitors on behalf of its shareholders.

It is also pleasing to see the company improve its diversity with the number of female employees increasing from 15% to 18% during the year and our number of indigenous employees increasing to just under 5% of total group employees. Toxfree has an endorsed

reconciliation action plan through Reconciliation Australia and through our efforts in adopting the action plans we will endeavor to bridge the gap between indigenous and non-indigenous Australians..

During the year the company increased its dividend to 6 cents per share fully franked. The Company also commenced the payment of an interim dividend in addition to the final dividend. The payout ratio increased from 30% to 35% of underlying net profit after tax and over the coming years the Board has a view to increase the payout ratio as circumstances allow.

Our balance sheet is in good order. At year end our net debt to equity was 34% and the Board is very comfortable with our gearing at these levels

At Toxfree we have structured our business so that it is diversified across industry sectors to ensure we minimize 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 management team is working tirelessly to improve financial performance and deliver shareholder returns in a safe, reliable and sustainable manner

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

I would now like to ask your MD Steve Gostlow to provide shareholders with a summary of the 2014 year and a brief review of the year ahead. That will be followed by the resolutions to be put to this meeting.

Robert McKinnon
Chairman