



30 October 2009

Nicholas Ong  
Principal Adviser, Issuers(Perth)  
ASX Market Supervision Pty Ltd,  
Level 8 Exchange Plaza  
2 The Esplanade  
PERTH WA 6000.

Dear Sir,

Reference is made to your letter of 29 October 2009. In response to your queries, Tox Free advises as follows:

1. The company became aware of the quarterly result in final form immediately prior to the AGM. The quarterly results were prepared for a quarterly board meeting held on 29 October, the day after the AGM.
2. The company does not believe that the announcement is material. Firstly, given the significant increase in profit growth of the company over the last 12 months, and the acquisitions and contracts awarded since the first quarter of the 2009 financial year, the market would have quite reasonably expected an increase in first quarter earnings when compared with the previous period. It is not a "like for like" comparison based on the companies changed operational base and greatly improved performance. Secondly, the industry Tox Free services is cyclical in nature, and quarter by quarter results are not necessarily indicative of sustained trends.
3. Tox Free Solutions Limited confirms it is in compliance with listing rule 3.1.

In relation to listing rule 3.13.3 the company acknowledges your comments, and has taken steps to ensure future compliance with this listing rule.

Yours Faithfully,

David McArthur  
Company Secretary



ASX Markets Supervision Pty Ltd  
ABN 26 087 780 489  
Level 8 Exchange Plaza  
2 The Esplanade  
Perth WA 6000  
GPO Box D187  
Perth WA 6840

29 October 2009

Telephone 61 8 9224 0000  
Facsimile 61 8 9221 2020  
www.asx.com.au

David McArthur  
Company Secretary  
Tox Free Solutions Limited  
Level 2, 45 Stirling Highway  
Nedlands WA 6009

By facsimile: 9389 8327

Dear David,

**TOX FREE SOLUTIONS LIMITED (the "Company")**

We refer to the following;

- (i) The Company's annual general meeting held at 11.00am W.S.T. on Wednesday, 28 October 2009;
- (ii) The Managing Director's address to shareholders in the form of a presentation released at 1:55pm W.S.T. (the "Announcement"); and
- (iii) The Announcement provided an operational update for the Company's first quarter and indicated that results were promising with an EBIT 19% higher than previous corresponding period. The Announcement also indicated that the Company expects earnings growth to continue in FY10 and beyond ("Trading Update and Growth Outlook").

We wish to draw your attention to the definition of "aware" in chapter 19 of the listing rules which states that:

*"an entity becomes aware of information if a director or executive director (in the case of a trust, director or executive officer of the responsible entity or management company) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity"*

We also wish to draw your attention to listing rule 3.13.3 which requires an entity to give ASX immediately the contents of any prepared announcement (including any prepared address by the chairperson) that will be delivered at a meeting of security holders. A copy must be given to ASX no later than the start of the meeting. If other material information is released at the meeting, the entity must immediately tell ASX pursuant to listing rule 3.1.

Listing rule 3.1 which requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A. Please note that for disclosure not to be required under this listing rule all of the exceptions must apply.

Having regard to the above definition, listing rule 3.1 and Guidance Note 8 - Continuous Disclosure, we ask that you answer the following questions in a format suitable for release to the market in accordance with listing rule 18.7A.

1. When did the Company become aware of the Trading Update and Growth Outlook? Please state the time that the Company became aware in your response to this question.
2. Does the Company believe that the Announcement is material to the Company pursuant to listing rule 3.1?
3. If the answer to question 2 is "yes" and the Company became aware of the Trading Update and Growth Outlook prior to the release of the Announcement, please advise why the Company did not advise the market at this earlier time. Please comment specifically on the application of listing rule 3.1.
4. If the answer to question 2 is "yes" and the Company became aware of the Trading Update and Growth Outlook prior to the release of the Announcement, Please advise why the Company did not request a trading halt at that time, pending the release of the Announcement.
5. If the answer to question 2 is "no", and the Company became aware of the Trading Update and Growth Outlook prior to the release of the Announcement, please advise the basis on which the Company does not consider the Trading Update and Growth Outlook to be material for public release on the company announcement platform of ASX at this earlier time.
6. Please explain why the Announcement is not released prior to the start of the annual general meeting. Please comment specifically on the application of listing rule 3.13.3.
7. Please confirm that the Company is in compliance with listing rule 3.1.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

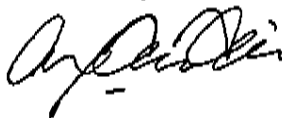
Please note the ASX reserves its right under listing rule 18.7 to release this letter and the Company's response to the market. Accordingly the Company's response should address each question separately and be in a format suitable for release to the market.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately. Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 5:00pm W.S.T. on Friday, 30 October 2009.

Your response should be sent to ASX by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

If you have any queries regarding any of the above, please contact me on 9224 0017.

Yours sincerely,



Nicholas Ong  
Principal Adviser, Issuers (Perth)