



ASX ANNOUNCEMENT

10 December 2012

ASX limited

- **Acquisition of the business, Absolute Liquid Waste Services (Absolute) based in Toowoomba, Queensland.**
- **Absolute is a leading provider of waste services to the Coal Seam Gas (CSG) sector in the Surat Basin, Queensland.**
- **Absolute provides Toxfree with a new geographic presence to complement Toxfree's existing services in Roma, Qld.**
- **Absolute has a waste services contract with QGC (part of the BG Group) for the management of effluent and production waste water from their CSG upstream drilling activities.**
- **Absolute is on track to achieve \$1.3M EBITDA. The acquisition price is \$4.9M including assets of \$2.5M, representing a 3.8 times EBITDA multiple.**
- **Toxfree expect to further develop this business which is leveraged to the growing Coal Seam Gas drilling activities in the Surat basin through additional waste management services.**

The Board of Tox Free Solutions Ltd (Toxfree) is pleased to announce it has completed the acquisition of Absolute based in Toowoomba, Queensland.

The purchase price for the Absolute business is \$4.9M. Absolute is on track to achieve Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) of \$1.3M and is experiencing significant growth in the CSG sector west of Toowoomba. The value of Absolute's assets is \$2.5M which are included in the sale price.

The acquisition of Absolute provides Toxfree with access to Absolute's blue chip client base throughout the CSG sector in the Surat Basin, Queensland. Absolute has a long term contract with QGC to provide waste services for their upstream drilling campaign; services include the transport and disposal of liquid waste. The contract has a further two years to run, expiring November 2014.

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.

24 Sangiorgio Court, Osborne Park WA 6017

P: +61 08 6216 7000 F: +61 08 6216 7001

For more information please contact investors@toxfree.com.au

safe.reliable.sustainable

08 6216 7000
www.toxfree.com.au



ASX ANNOUNCEMENT

BG Group, the parent of QGC, is a leading player in the global energy market and a dynamic growing business with operations in more than 20 countries over five continents. QGC is a leading Coal Seam Gas explorer and producer focused on establishing the world's first project to convert coal seam gas into liquefied natural gas - Queensland Curtis LNG (QCLNG). QGC's upstream drilling activities involve the drilling of approximately 2000 production wells in the Surat Basin.

Toxfree have a positive outlook on the resource sector in Queensland with in excess of \$60 Billion of capital investment in the CSG sector expected over the next four years.

The acquisition will assist Toxfree in realising its strategy to provide total waste management and industrial services for the oil & gas and mining sector throughout Australia.

Mr Dean Hartog, Managing Director of Absolute, has significant experience in the Toowoomba region and specifically waste management for the CSG sector. Dean will continue ongoing employment with Toxfree.

Toxfree expects to improve the financial performance of the business through organic growth within the region; introduction of further industrial and waste services, and synergies with Toxfree's other operations in Roma.

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 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.

24 Sangiorgio Court, Osborne Park WA 6017

P: +61 08 6216 7000 F: +61 08 6216 7001

For more information please contact investors@toxfree.com.au

safe.reliable.sustainable

08 6216 7000
www.toxfree.com.au