



Share Purchase Plan Offer

This document is dated 28 December 2011

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This is an important document. Please read it carefully before making an investment decision in relation to the SPP Offer.

This document does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs. You should consider the appropriateness of participating in the SPP Offer having regard to your objectives, financial situation and needs. You are encouraged to obtain independent advice before deciding whether to participate in the SPP Offer.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") ("U.S. Person")). This document may not be distributed or released in the United States or to, or for the account or benefit of, any U.S. Person. The securities to be issued in the SPP Offer have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities in the SPP Offer may not be offered, or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

SPP Offer Document

Eligible shareholders each have the opportunity to participate in the Share Purchase Plan offer (**SPP Offer**) by subscribing for up to \$10,000 of new fully paid ordinary shares in Tox Free (**New Shares**) at the SPP Offer price without incurring brokerage or other transaction costs. Details of the SPP Offer and how to participate are set out below.

The maximum amount that could be raised pursuant to the SPP \$ 34,480,000, however the Directors of Tox Free reserve the right to scale back applications on a pro rata basis.

On 15 December 2011, the Company announced its intention to undertake a capital raising comprising:

- a placement to selected eligible sophisticated and professional investors of 13,500,000 Shares at an offer price of \$2.00 per Share to raise \$27 million (**Institutional Placement**); and
- the SPP Offer,

(together, the **Equity Raising**).

The proceeds of the Equity Raising will be utilised to fund the acquisition of certain assets of DoloMatrix International Limited (**DoloMatrix**), including the acquisition of shares in certain of DoloMatrix's subsidiaries pursuant to sale and purchase agreements executed by the Company and DoloMatrix on 15 December 2011, and for growth and general working capital purposes. In the event the acquisition of DoloMatrix (which is subject to approval of DoloMatrix shareholders) does not proceed, the funds will be used for growth and general working capital purposes, and/or capital management initiatives.

The SPP Offer provides eligible shareholders with an opportunity to participate in the Equity Raising by Toxfree at the same issue price as under the Institutional Placement.

SPP Offer key dates

Event	Date
Record date	4:00 pm (Perth time) 14 December 2011
Offer opens	28 December 2011
Offer closes	5:00 pm (Perth time) 17 February 2012
Allotment date	24 February 2012
Trading date	27 February 2012
Dispatch of confirmations of allotment	27 February 2012

Note: Toxfree has the discretion to alter these key dates

Who is an eligible shareholder?

You are eligible to participate in the SPP Offer (an **Eligible Shareholder**) if you were a registered holder of fully paid ordinary Toxfree shares (**Shares**) at 4.00 pm (Perth time) on 14 December 2011 (the **Record Date**) with an address on the share register in Australia or New Zealand, provided that you are not in the United States, or a U.S. Person (as defined below), or acting for the account or benefit of a U.S. Person, subject to the terms and conditions of the SPP Offer. Toxfree has determined that it is not practical for holders of Shares with addresses on the share register in other jurisdictions to participate in the SPP Offer. See "Foreign securities restrictions" below for more information on restrictions on participation.

How much can Eligible Shareholders apply for under the SPP Offer?

Each Eligible Shareholder may participate in the SPP Offer by applying for New Shares valued at either \$500, \$1,000, \$2,500, \$5,000, \$7,500 or \$10,000 (subject to scale back).

Participation by Eligible Shareholders

The following rules apply to participation by Eligible Shareholders in the SPP Offer:

Single holders – If you are the registered holder of Shares and you receive more than one offer under the SPP Offer (for example, due to multiple registered holdings, including joint holdings), you may only apply for up to \$10,000 of New Shares in total.

Joint holders – If you are recorded with one or more other persons as the joint holder of Shares, that joint holding is considered to be a single registered holding for the purpose of the SPP Offer and a certification given by any of the joint holders is taken to be a certification given by all of them. A joint holder who receives more than one SPP Offer due to multiple registered holdings (including both sole and joint holdings), may only apply for up to \$10,000 of New Shares in total.

Custodians – The SPP Offer also enables Eligible Shareholders who hold Shares as a "custodian" to participate in the SPP Offer on behalf of each beneficiary on whose behalf the custodian is holding Shares up to a maximum amount of \$10,000 of New Shares for each beneficiary.

Under ASIC Class Order [CO 09/425] (and any relevant applicable ASIC relief) you are a custodian if:

- you hold an Australian financial services licence that:
 - covers the provision of a custodian or depository service; or
 - includes a condition requiring the holder to comply with the requirements of ASIC Class Order [CO 02/294]; or
- you are exempt under:
 - paragraph 7.6.01(1)(k) of the Corporations Regulations 2001; or
 - ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184]; or
 - paragraph 911A(2)(h) of the Corporations Act 2001 (Cth) (**Corporations Act**),
from the requirements to hold an Australian financial services licence for the provision of a custodial or depository service; or
- you are a trustee of a:
 - self-managed superannuation fund as defined in section 17A of the Superannuation Industry (Supervision) Act 1993; or

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- superannuation master trust as defined in ASIC Class Order [CO 09/425]; or
- you are a responsible entity of an IDPS-like scheme (as defined in ASIC Class Order [CO 02/296]); or
- you are the registered holder of Shares and are noted on the register of members of Toxfree as holding the Shares on account of another person.

If a custodian holds Shares jointly on behalf of 2 or more persons, the \$10,000 limit applies jointly in relation to those persons as if the custodian held the Shares on behalf of a single person, and the custodian is taken to have been instructed to apply for New Shares on behalf of those persons if the custodian has received such an instruction in accordance with the terms on which the Shares are held, or if the terms do not cover the giving of instructions of this kind, the custodian has received such an instruction from any of those persons.

Custodians wishing to participate on behalf of one or more beneficiaries must submit a custodian certificate to Toxfree. If you are a custodian, please contact Toxfree's share registry, Computershare Investor Services Pty Ltd (**Share Registry**), to obtain further information on how to apply and the form of certification to be given to Toxfree (see below for contact details for the Share Registry).

Eligible Shareholders who hold Shares in the capacity of a trustee or a nominee (or in another capacity) for another person but who are not a custodian (as defined above) cannot participate for beneficiaries in the manner outlined above. In this case, the rules for "Single holders" (above) apply.

Custodians must not distribute any documents relating to the SPP Offer to any person in the United States or to any U.S. Person (as defined below).

See "Foreign securities restrictions" below for more information on restrictions on participation.

How to apply for New Shares under the SPP Offer

The SPP Offer opens on 28 December 2011 and under the SPP Offer you may apply for New Shares valued at either \$500, \$1,000, \$2,500, \$5,000, \$7,500 or \$10,000 (subject to any scale back).

If you are an Eligible Shareholder and wish to apply for New Shares under the SPP Offer, you can use one of the following payment methods:

(a) Application Form and accompanying Cheque or Money order

Eligible Shareholders wishing to pay by cheque, bank draft or money order must follow the instructions on the Application Form, provide a cheque, bank draft or money order made payable to "**Tox Free Solutions Limited**" and return the completed Application Form and payment to:

Tox Free Solutions Limited,
C/- Computershare Investor Services Pty Limited,
GPO Box 505,
Melbourne VIC 3001,
Australia

to be received by the Share Registry no later than 5.00pm (Perth time) on 17 February 2012 ("**the Closing Date**").

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(b) Payment by BPAY®

Eligible Shareholders wishing to pay by BPAY are able to do so using the specific biller code and Customer Reference Numbers detailed on their Application Form.

If you choose to pay via BPAY you are not required to submit your Application Form.

Your payment will not be accepted after 5:00pm (Perth time) on the Closing Date and no New Shares will be issued to you in respect of that application. If you have multiple holdings you will have multiple BPAY reference numbers. To ensure you receive your New Shares in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any New Shares that you wish to apply for in respect of that holding. If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

If you have any enquiries in relation to your Application Form or the SPP Offer, please contact the Share Registry by telephone on 1300 557 010 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm (Perth time), Monday to Friday.

Custodians wishing to apply on behalf of one or more beneficiaries should contact the Share Registry. If you wish to apply as a custodian, an alternative form will be provided if requested by you for this purpose.

Applicants should not forward cash. Receipts for payment will not be issued. Applications will not be accepted at the Share Registry's or Toxfree's offices.

Applications and payments must be received by 5.00 pm (Perth time) on 17 February 2012. Applications and payments received after that time will not be accepted.

Applications may only be made for parcels of New Shares valued at either \$500, \$1,000, \$2,500, \$5,000, \$7,500 or \$10,000. If the amount of the cheque, bank draft or money order tendered with your Application Form or your BPAY payment is:

- less than \$500 – Toxfree will not allot any New Shares to you and will refund your application money to you;
- greater than \$10,000 – subject to scale back (and satisfaction of the Conditions), Toxfree will allot \$10,000 of New Shares to you at the SPP Offer price and will refund the excess application money to you; or
- for an amount between \$500 and \$10,000 that is not \$1,000, \$2,500, \$5,000 or \$7,500 – subject to scale back (and satisfaction of the Conditions), Toxfree will allot to you the number of New Shares that would have been allotted had you applied for either \$500, \$1,000, \$2,500, \$5,000 or \$7,500 that is nearest to but less than the amount of your payment, and will refund the excess application money to you.

If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred. If your cheque is dishonoured, it will not be re-presented.

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If your Application Form is incomplete, contains errors or is otherwise invalid or defective, Toxfree may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it determines, refund your application money, or take any combination of these actions. Any refund will be paid to you shortly after the allotment of New Shares under the SPP Offer or, in the event the Conditions are not satisfied, shortly after Toxfree has confirmed that the Conditions will not be satisfied. No interest will be paid to applicants on any refunded money.

Any application monies refunded by Toxfree will be paid by cheque or such other payment method as determined by Toxfree in its absolute discretion in Australian currency.

Applications and payments under the SPP Offer may not be withdrawn once they have been received by Toxfree. Application money will not bear interest as against Toxfree under any circumstances. Please read the enclosed SPP Offer Application Form for further details of how to apply for New Shares under the SPP Offer.

Participation is optional

Participation in the SPP Offer is entirely optional (subject to the eligibility criteria set out in this document). The offer to acquire New Shares is not a recommendation. If you are in any doubt about the SPP Offer, whether you should participate in the SPP Offer or how participation will affect you, you should consider seeking independent financial and taxation advice before making a decision as to whether or not to apply for New Shares under the SPP Offer. Toxfree also recommends that you monitor Toxfree's announcements to ASX and the Toxfree Share price, which can be found on Toxfree's website at www.toxfree.com.au or in the financial pages of major Australian metropolitan newspapers, or on the Australian Securities Exchange (**ASX**) website at www.asx.com.au (ASX code: TOX). If you do not wish to participate in the SPP Offer, you do not need to do anything.

Applications may be scaled back

The maximum amount that could be raised pursuant to the SPP is \$ 34,480,000, however the Directors of Tox Free reserve the right to scale back applications on a pro rata basis.

If there is a scale back you may receive less than the parcel of New Shares for which you have applied. If a scale back produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be allocated will be rounded up to the nearest whole number of New Shares.

In the event of a scale back, the difference between the application monies received, and the number of New Shares allocated to you multiplied by the SPP Offer price, will be refunded to you.

Offer price

Under the SPP Offer, Eligible Shareholders have an opportunity to subscribe for up to \$10,000 of New Shares at the SPP Offer price, \$2.00, being the issue price under the Institutional Placement. This represents a discount of 3.85 % to the closing market price on 14 December 2011, the record date for the offer.

You should note that Toxfree's Share price may rise or fall between the date of this SPP Offer document and the date when the New Shares are allotted and issued to you under the SPP Offer. This means that the price you pay per New Share pursuant to this SPP Offer document may be either higher or lower than the Toxfree Share price at the date the New Shares are issued and allotted to you under the SPP Offer. Please refer to the information under "Participation is optional" about how to monitor current trading prices of Toxfree Shares.

Calculation of the number of New Shares to be issued to you

In the absence of scale back (or any of the circumstances specified on page 5 under "How to apply for New Shares under the SPP Offer"), the number of New Shares to be issued to you will be

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calculated by dividing the application money that you pay by the SPP Offer price, with any resulting fractions of a New Share being rounded up to the nearest whole number of New Shares.

Allotment and trading dates

Subject to the satisfaction of the Conditions, New Shares are expected to be allotted under the SPP Offer on 24 February 2012 and are expected to commence trading on ASX on 27 February 2012.

Toxfree expects to dispatch a confirmation of allotment in respect of any New Shares allotted to you under the SPP Offer on 27 February 2012. You should confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP Offer.

Foreign securities restrictions

To the extent that you hold Shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any participation complies with all applicable foreign laws.

In particular, the New Shares to be issued under this SPP Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States.

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Because of these legal restrictions, you must not send copies of this document or any other material relating to the SPP Offer to any person in the United States or who is, or is acting for the account or benefit of, a U.S. Person.

Consistent with the warranties contained in this document and the Application Form included with this document, you may not submit any completed Application Forms for any person in the United States or who is, or is acting for the account or benefit of, a U.S. Person. Failure to comply with these restrictions may result in violations of applicable securities laws.

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Acknowledgements

By making payment (including through BPAY) or returning an Application Form or custodian application form, you certify, acknowledge, warrant and represent as true, correct and not misleading to Toxfree that:

- you have read and accepted the terms and conditions in this booklet in full;
- you declare that all details and statements in your application are true and complete and not misleading;

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- your application, on the terms and conditions of the SPP Offer set out in this booklet (including the Application Form and custodian application form), will be irrevocable and unconditional (that is, it cannot be withdrawn);
- as at 4.00 pm (Perth time) on 14 December 2011, you are recorded on Toxfree's Share register as being a registered holder of Shares and having an address in Australia or New Zealand;
- if you have a registered address in New Zealand, you continue to hold Shares as at opening of the SPP Offer on 27 December 2011;
- you, and each person for whose account or benefit you are acting, are not in the United States and are not a U.S. Person, or acting for the account or benefit of a U.S. Person;
- you acknowledge that the New Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the New Shares may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws;
- you represent that you have not, and you agree that you will not, send any materials relating to the SPP Offer to any person in the United States or to any person who is, or is acting for the account or benefit of, a U.S. Person;
- if you are applying on your own behalf (and not as a custodian):
 - the total of the application price for the following does not exceed \$10,000:
 - the New Shares the subject of the application; and
 - any other New Shares applied for by you under the SPP Offer or issued to you under any similar arrangement in the 12 months before the application (Note: Toxfree has not conducted a similar arrangement in the prior 12 months); and
 - any other New Shares which you have instructed a custodian to acquire on your behalf under the SPP Offer; and
 - any other Shares issued to a custodian in the 12 months before the application as a result of an instruction given by you to the custodian or another custodian to apply for Shares on their behalf under an arrangement similar to the SPP Offer which resulted in you holding beneficial interests in the Shares (Note: Toxfree has not conducted a similar arrangement in the prior 12 months);
- if you are a custodian and are applying on behalf of one or more beneficiaries on whose behalf you hold Shares:
 - you are custodian (as that term is defined in ASIC Class Order [CO 09/425]);
 - either or both of the following:
 - you held Shares on behalf of one or more persons that were not custodians (each a **participating beneficiary**) (**Direct Holding**);
 - that another custodian (**downstream custodian**) holds beneficial interests in Shares on behalf of one or more persons (each a **participating beneficiary**), and you hold the Shares to which those beneficial interests relate on behalf of the downstream custodian or another custodian (**Downstream Holding**),

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at 4.00 pm (Perth time) on 14 December 2011, and that each participating beneficiary has subsequently instructed you (in respect of a Direct Holding) and/or the downstream custodian (in respect of a Downstream Holding) to apply for New Shares on their behalf under the SPP Offer;

- there are no participating beneficiaries in respect of which the total of the application price for the following exceeds \$10,000:
 - the New Shares applied for by you on their behalf under the SPP Offer in accordance with the instructions referred to above; and
 - any other Shares issued to you in the 12 months before the application as a result of an instruction given by them to you or to a downstream custodian to apply for Shares on their behalf under an arrangement similar to the SPP Offer (Note: Toxfree has not conducted a similar arrangement in the prior 12 months); and
- you certify the additional matters or provide the additional information as might be required under or desirable as a result of any ASIC relief in relation to the SPP Offer as advised to you by Toxfree or the Share Registry before close of the SPP Offer;
- you may be offered New Shares pursuant to the SPP Offer in accordance with all applicable laws, and any acceptance by you on your own behalf or in respect of any person for which you are acting complies with all applicable laws;
- you accept the risk associated with any refund that may be dispatched to you by cheque or other payment method to your address shown on Toxfree's register;
- you are responsible for any dishonour fees or other costs Toxfree may incur in presenting a cheque for payment which is dishonoured;
- you agree to be bound by the provisions of the constitution of Toxfree (as amended and as they may be amended from time to time in the future);
- you authorise Toxfree and their affiliates, officers and representatives to do anything on your behalf necessary for New Shares to be issued to you in accordance with these terms and conditions;
- you authorise Toxfree (and its officers and agents) to correct minor or easily rectified errors in, or omissions from, your application and to complete the application by the insertion of any missing minor detail; and
- Toxfree may at any time irrevocably determine that your application is valid in accordance with these terms and conditions, even if the application is incomplete, contains errors or is otherwise defective.

Additional information

The offer to purchase New Shares under the SPP Offer is non-renounceable. This means that you cannot transfer your right to purchase New Shares under the SPP Offer to anyone else.

No brokerage, commission or other transaction costs are payable by you in respect of the issue of New Shares under the SPP Offer.

All New Shares issued under the SPP Offer will rank equally with existing Shares from the date of issue, and therefore will carry the same voting rights, dividend rights and other entitlements as existing Shares.

This offer of New Shares under the SPP Offer is made in accordance with ASIC Class Order [CO 09/425] and, or, any amending or further applicable modifications of the Corporations Act by ASIC.

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As a consequence, Toxfree is relieved from the requirement to prepare a prospectus for the offer of New Shares under the SPP Offer.

Once submitted, applications for New Shares under the SPP Offer cannot be withdrawn or altered.

Toxfree reserves the right to waive strict compliance with any provision of these terms and conditions, to amend or vary these terms and conditions and to suspend or terminate the SPP Offer at any time (including in the event that the Conditions have not been satisfied). Any such amendment, variation, suspension or termination will be binding on all shareholders even where Toxfree does not notify you of that event.

Toxfree reserves the right not to issue New Shares or to issue New Shares to a value less than that applied for under the SPP Offer by an Eligible Shareholder (including a custodian applying on behalf of its beneficiaries) if Toxfree believes that the issue of those New Shares would contravene any law or the ASX Listing Rules.

If the SPP Offer is terminated before the issue of New Shares (including in the event that the Conditions have not been satisfied), all application monies will be refunded. No interest will be paid on any money refunded to you.

Toxfree may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP Offer, whether generally or in relation to any participant or application. Any determinations by Toxfree will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Toxfree's rights may be exercised by its board of directors or any delegate of the board.

All amounts are in Australian dollars, unless otherwise stated.

The SPP Offer is governed by the law in force in Western Australia. By applying for New Shares under the SPP Offer, you submit to the non-exclusive jurisdiction of the courts of Western Australia.

The SPP Offer will not be underwritten.

Further information

If you have any questions in respect of the SPP Offer, please visit the Company's website at www.toxfree.com.au or call the Share Registry, Monday to Friday, 8.00am - 5.00pm (Perth time) on 1300 557 010 (within Australia) or +61 3 9415 4000 (outside Australia).

