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TRANSPACIFIC

PATHFINDER

THIS IS NOT A PROSPECTUS

IMPORTANT NOTICE

You must read this notice before reading or making any use of this document or any information contained in this document. By accepting this document, you agree to be bound by the following terms and conditions, including any modifications to them.

This document is a draft prospectus or pathfinder document for the purpose of section 734(9) of the Corporations Act 2001 (Cth) ("Corporations Act") in respect of a proposed offer of shares ("New Shares") by Transpacific Industries Group Limited (ABN 74 101 155 220) ("Transpacific").

This document has been prepared solely for information purposes and is provided so that you may consider an invitation to participate in the proposed offer of New Shares ("Opportunity").

This document is not a prospectus and has not been lodged with the Australian Securities and Investments Commission ("ASIC").

This document is a draft only and is subject to change prior to it being approved by the Directors of Transpacific and lodged with ASIC, which is expected to occur on or about 31 October 2011 (the "Prospectus"). The Prospectus will be available to Eligible Retail Shareholders (as that term is defined in the Prospectus) from its lodgement date on the Transpacific website at www.transpacific.com.au and as otherwise distributed or made generally available. Eligible Retail Shareholders who want to acquire the New Shares should complete, or otherwise apply in accordance with, the personalised Entitlement and Acceptance Form that will accompany the Prospectus and should consider the Prospectus in deciding whether or not to acquire the New Shares.

This document has been prepared at a time when the due diligence process and drafting of the Prospectus has not been finalised and therefore the information presented in this document may differ materially in both content and presentation from that presented in the Prospectus and Transpacific reserves the right to alter the document accordingly. This document does not purport to be all inclusive or to contain all information which recipients may require to make an informed assessment of whether to invest in the New Shares.

Transpacific may in its absolute discretion, but without being under any obligation to do so, update or supplement this document. Any further information will be provided subject to these terms and conditions.

Parties named in this document may seek amendments to the references to them or reports provided by them in this document before it is finalised and lodged with ASIC.

Joint Lead Managers and Underwriters

MACQUARIE

CommonwealthBank

Legal Adviser

CLAYTON UTZ

NO DISCLOSURE DOCUMENT REQUIRED

This document is provided to you on the basis that you are, and you represent and warrant that:

- if you are in Australia, you are a person to whom an offer and issue of New Shares may be made in Australia without a disclosure document (as defined in the Corporations Act);
- if you are outside Australia, you are a person to whom an offer and issue of New Shares may be made outside Australia without registration, lodgement or approval of a formal disclosure document or other filing in accordance with the laws of that foreign jurisdiction (except to the extent Transpacific, in its absolute discretion, is willing to comply with such requirements); provided that you are not in the United States;
- if you are in the United States, you are a Shareholder as of the Record Date (each as defined in this document) and you are either (a) a "qualified institutional buyer" (as defined in Rule 144A under the US Securities Act of 1933 (the "US Securities Act")) (a "QIB") that is acting for your own account or for the account or benefit of other QIBs; (b) a dealer or other professional fiduciary organized, incorporated or (if an individual) resident in the United States that (i) is acting for an account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. persons" (as defined in Regulation S under the US Securities Act) for which you have and are exercising investment discretion within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act and (ii) satisfies the definition of a QIB except that one or more of the accounts for which you have and are exercising investment discretion may not be a QIB or (c) WPX Holdings B.V. (collectively, "Approved US Shareholders"), and you have received the U.S. Private Placement Memorandum dated 26 October 2011 ("US Private Placement Memorandum");
- if you are in New Zealand, in relation to the New Shares, you are acquiring the securities for your own account, you intend to hold the securities on long-term capital or investment account, and accordingly you are not acquiring securities with a view to offering them (or any of them) for sale to the public (within the meaning of the New Zealand Securities Act 1978). If in the future you elect to directly or indirectly offer or sell any of the securities you undertake that you will not do so in any manner which:
  - — will, or is likely to, result in the offer, or such sale, being viewed as an "offer of securities to the public" or an offer requiring a prospectus, investment statement or other similar offering or disclosure document or any registration or filing;
  - — would contravene New Zealand securities laws or the securities laws of any applicable jurisdiction;

  or

  - — may result in Transpacific or its directors incurring any liability whatsoever;
- if you are in New Zealand, either:
  - — your principal business is the investment of money or you, in the course of and for the purposes of your business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand Securities Act 1978; or
  - — you are paying a minimum subscription price of NZ$500,000 for the securities; and
- you acknowledge that no prospectus or investment statement under the New Zealand Securities Act 1978 will be prepared for the New Shares and any information provided to you as concerns the offer is not required to, and may not, contain all the information material to a decision to acquire securities; and
- if you are not such a person, please do not read this document. Please return it immediately to Transpacific and destroy or delete any copies.

LIMITATIONS OF THIS DOCUMENT

This document is based on information supplied by Transpacific and from sources reasonably believed to be reliable. This information has not been independently verified and may not be independently verifiable.

Do not rely on this document to make an investment decision. This document is not, and should not be construed as, a recommendation by Transpacific, nor CBA Equities Limited or Macquarie Capital (Australia) Limited (together, the "Joint Lead Managers") or their respective affiliates, related bodies corporate, or their officers, employees, directors, partners or advisers or any other party referred to in this document to participate in the Opportunity. The provision of this document is not and should not be considered as financial product advice. Nothing in this document constitutes investment, legal, tax or other advice. The information in this document is general only and does not take into account your individual objectives, taxation position, financial situation or needs. Before making an investment decision, you should consider whether an investment in the New Shares or Transpacific is appropriate in light of your individual objectives, taxation position, financial situation or needs and consider obtaining professional securities advice. In all cases, you should conduct your own investigations and analysis of the Opportunity, the financial condition, assets and liabilities and business affairs of Transpacific and its business, and the contents of this document.

This document does not constitute an invitation, offer or recommendation to apply for New Shares and does not contain any application form for New Shares. This document does not constitute an advertisement for an offer or proposed offer of New Shares. It is not intended to induce any person to engage in, or refrain from engaging in, any transaction.

This document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in member states of the European Economic Area ("EEA"), from the requirement to produce a prospectus for offers of New Shares. Accordingly any person making or intending to make any offer within the EEA of New Shares which are the subject of the Entitlement Offer of New Shares contemplated in this document should only do so in circumstances in which no obligation arises for Transpacific or any of the Joint Lead Managers to produce a prospectus for such offer. Neither Transpacific nor the Joint Lead Managers have authorised, nor do they authorise, the making of any offer of New Shares through any financial intermediary, other than offers made by the Joint Lead Managers which constitute the placement and other issues of New Shares contemplated in this document.

In the United Kingdom, this communication is distributed to and only directed at (i) persons who are outside the United Kingdom; (ii) investment professionals falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"); (iii) high net worth companies, unincorporated associations and other persons falling within Article 49(2)(a) to (d) of the Order; or (iv) other persons to whom it may be lawfully communicated in accordance with the Order (all such persons falling within (i)-(iv) together being referred to as "relevant persons"). The New Shares are only available to, and an invitation, offer or agreement to subscribe or otherwise acquire the New Shares will be engaged only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its content.

DISTRIBUTION

This document is confidential, is being furnished to you solely for your information and may not be reproduced or distributed to any person except persons within your organisation directly involved in considering this Opportunity provided that they are not in the United States.

This document and its contents are provided on the basis that recipients will not breach applicable insider trader laws.

Distribution of this document (including an electronic copy) outside Australia may be restricted by law. Persons who come into possession of this document who are not in Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws.

This document has not been filed, registered or approved in any jurisdiction. No action has been taken or is proposed to be taken to register or qualify this document, New Shares or the offer of New Shares, or otherwise permit a public offering of securities, in any jurisdiction outside Australia.

FOREIGN JURISDICTIONS

Without limiting the foregoing, the distribution of this and any other materials relating to the Opportunity, the proposed offer, or the offering, issue or sale of New Shares in jurisdictions outside Australia is subject to the following requirements and restrictions:

UNITED STATES

This document does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person to whom such an offer or sale would be unlawful. Neither the Entitlements (as defined in the Prospectus) nor the New Shares have been or will be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up and New Shares may not be offered or sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable United States securities laws. Accordingly, the New Shares are being offered and sold only to certain eligible shareholders that are (a) in the United States that are determined to be Approved US Shareholders and (b) outside of the United States in compliance with Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, this document (or any copy thereof) may not be transmitted, distributed, or released, directly or indirectly, in the United States, except to Approved US Shareholders and accompanied by the US Private Placement Memorandum.

BELGIUM

The offering of New Shares in this document has not been and will not be notified to the Belgian Financial Services and Markets Authority (*Autoriteit financiële diensten en markten/ Autorité des services et marchés financiers*), nor has this document been or will it be approved by the Belgian Financial Services and Markets Authority.

The New Shares shall not, whether directly or indirectly, be offered, sold, transferred or delivered in Belgium, as part of their initial distribution or at any time thereafter, by way of a public offering in Belgium except under the exemptions provided in Article 3§2 of the Belgian Law of June 16, 2006 on the public offering of securities and the admission of securities to trading on a regulated market, as amended (the "Prospectus Law"):

a. to qualified investors within the meaning of Article 10 of the Prospectus Law and the Royal Decree of September 26, 2006 on the extension of the concept of qualified investor and the concept of institutional or professional investor; or

b. when addressed on the Belgian territory, to less than 100 natural persons or legal entities which are not qualified investors; or

c. when it relates to an offer of New Shares requiring a total consideration of at least €50,000 per investor, for each separate offer; or

d. when it relates to an offer of New Shares with the denomination per unit of at least €50,000; or

e. when it relates to an offer of New Shares with a total transaction value of less than €100,000, this limit being calculated over a period of 12 months.

Each investor who in Belgium acquires New Shares in the offering shall be taken by so doing to have represented and warranted to Transpacific or the Joint Lead Managers that it is a qualified investor mentioned in Article 10 of the Prospectus Law and/or that it has complied with any other restrictions applicable in Belgium. Accordingly, this document may not be used for any other purpose nor passed on to any other person in Belgium.

For the purposes of this provision, the expression "offer of New Shares to the public" in relation to any New Shares in Belgium means the communication, in any form and by any means, presenting sufficient information on the terms of the offering and the offer of New Shares to be offered so as to enable an investor to decide to purchase, or subscribe to the offer of, New Shares.

EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of any New Shares which are the subject of the offering contemplated by this pathfinder document may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any New Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

a. at anytime to any legal entity which is a qualified investor as defined in the Prospectus Directive;

b. to any legal entity which has two or more of:

    1. an average of at least 250 employees during the last financial year;

    2. a total balance sheet of more than €43,000,000; and

    3. an annual net turnover of more than €50,000,000, as shown in its last (or in Sweden, its last two) annual or consolidated accounts (and in Norway, who is registered with the Oslo Stock Exchange as a professional investor);

c. at any time by the Joint Lead Managers to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than "qualified investors," as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of each Joint Lead Manager; or

d. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Shares shall require the issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplementary prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision and the buyer's representation below, the expression an "offer of New Shares to the public" in relation to any New Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered so as to enable an investor to decide to purchase, or subscribe for the, New Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any of the New Shares will be deemed to have represented, warranted and agreed to and with the Joint Lead Managers and Transpacific that:

a. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

b. in the case of any New Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the New Shares acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than "qualified investors," within the meaning of the law in that Relevant Member State implementing the Prospectus Directive, or in circumstances in which the prior consent of each Joint Lead Manager and Transpacific has been given to the offer or resale; or (ii) where the New Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Shares to it is not treated under the law in that Relevant Member State implementing the Prospectus Directive as having been made to such persons.

FRANCE

This document and the related Entitlement Offer have not been prepared in the context of a public offering of securities (*titres financiers*) in France within the meaning of Article L.411-1 of the French Code Monétaire et Financier and of Article 211-1 of the Réglement Général of the French Autorité des Marchés Financiers (the "RGAMF") and have not been submitted to the Autorité des Marchés financiers for prior approval (*visa*) under the conditions set out inter alia by Articles 212-1 et seq. of the RGAMF.

This document and the related Entitlement Offer or any other offering material relating to the New Shares will not be distributed publically, and such offers, sales and distributions of New Shares have been and will be either (i) in relation to New Shares the denomination of which amounts to at least €50,000 (or the foreign currency equivalent thereof), or (ii) intended for investors acquiring at least €50,000 worth (or the foreign currency equivalent thereof), per investor and per transaction, of the New Shares, or (iii) made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, (b) qualified investors (*investisseurs qualifiés*) and/or (c) a restricted group of investors (*cercle restraint d'investisseurs*), all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3 of the French Code monétaire et financier and in each case acting for their own account, within the meaning of and in compliance with Articles D.411-1 to D.411-3, D.744-1, D.754-1 and D.764-1 of the French Code monétaire et financier and undertaking not to offer, market or distribute, sell or resell or otherwise retransfer, directly or indirectly to the public in France, any New Shares purchased as a result, other than, if relevant, in compliance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Code monétaire et financier, and/or to providers of investment services relating to portfolio management for the account of third parties (*prestataires de service d'investissement de gestion de portefeuille pour compte de tiers*) in the Republic of France.

GERMANY

Each subscriber of New Shares has agreed that it shall not offer or sell the New Shares in the Federal Republic of Germany other than in compliance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and any other laws and regulations applicable in the Federal Republic of Germany governing the issue, the offering and the sale of securities.

The New Shares may neither be nor intended to be distributed by way of public offering within the meaning of sections 2 no. 4 and 3 (1) of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) nor shall the distribution of this pathfinder document or any other document relating to the New Shares constitute such public offer.

The distribution of the New Shares has not been notified, and the New Shares are not registered or authorised for public distribution, in the Federal Republic of Germany under the German Securities Prospectus Act (*Wertpapierprospektgesetz*). Accordingly, this Prospectus has not been filed or deposited with the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*).

HONG KONG

The New Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in such document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong); and unless permitted to do so under the securities laws of Hong Kong, no person has issued, or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the New Shares which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than with respect to New Shares intended to be disposed of to persons outside Hong Kong or to be disposed of in Hong Kong only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

MALAYSIA

This offer document is an offer for shares in Transpacific to the Labuan Shareholder only and consequently is exempt from the requirement to obtain the approval from the Malaysian Securities Commission under section 212 of the Capital Markets & Services Act 2007 (CMSA).

Insofar as Section 232 of the CMSA is concerned, as the Offer made to the Labuan Shareholder in Malaysia constitutes an "excluded offer" or "excluded invitation" under Schedule 6 of the CMSA, the prospectus is exempt from strict compliance of various provisions pertaining to prospectus requirements in the CMSA.

This pathfinder prospectus will be deposited with the Malaysian Securities Commission within seven days of its issue to Institutional Shareholders, as an information memorandum for the purposes of Sections 229(4) and 230(4) of the CMSA. No offer will be made to Malaysian investors under the Retail Entitlement Offer, and the prospectus for the Retail Entitlement Offer will not be lodged with the Malaysian Securities Commission.

NEW ZEALAND

This pathfinder document has not been and will not be registered, filed with, or approved by any New Zealand regulatory authority under or in connection with the Securities Act 1978 (NZ). The pathfinder document does not constitute a prospectus or investment statement under New Zealand law. This pathfinder document is being distributed in New Zealand only to, and is directed only at, persons whose principal business is the investment of money or who, in the course of their business and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the Securities Act 1978 (NZ), or those persons who are paying a minimum subscription price of NZ$500,000 for the securities.

The New Shares are not being offered or issued with a view to them being offered for sale to the public in New Zealand.

NORWAY

This document has not been approved or disapproved by, or registered with, any Norwegian securities regulators pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, neither this document nor any other offering material relating to the New Shares constitutes, or shall be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007. The offer or sale, directly or indirectly, of New Shares in Norway is restricted under Norwegian law. This document is for the recipient only and may not in any way be forwarded to any other person or to the public in Norway.

SINGAPORE

This document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore and New Shares are offered by Transpacific pursuant to exemptions under Sections 274 and 275 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA). Accordingly, Transpacific has not offered or sold New Shares or caused New Shares to be made the subject of an invitation for subscription or purchase, nor shall it offer or sell New Shares or cause New Shares to be made the subject of an invitation for subscription or purchase, nor has it circulated or distributed nor shall it circulate or distribute this or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the New Shares initially subscribed for or acquired pursuant to an offer made in reliance on an exemption under Section 274 or Section 275 of the SFA are sold within a period of six months from the date of the initial acquisition of the New Shares to any person other than to an institutional investor (as defined in Section 4A of the SFA), a relevant person (as defined in Section 275(2) of the SFA), or any person pursuant to an offer referred to in Section 275(1A) of the SFA, then Subdivisions (2) and (3) of Division 1 of Part XIII of the SFA (which relate, inter alia, to the prospectus requirements) shall apply to the offer resulting in that sale, unless expressly specified otherwise in Section 276(7) of the SFA.

Where New Shares are subscribed or purchased under Section 275 of the SFA by:

a. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

b. a trust (where the trustee is not an accredited investor as defined in Section 4A of the SFA) whose sole purpose is to hold investments and each beneficiary (which shall include a unitholder of a business trust and a participant of a collective investment scheme) of the trust is an individual who is an accredited investor,

securities of that corporation (including shares, debentures and units of shares and debentures of that corporation) or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired New Shares pursuant to an offer made in reliance on an exemption under Section 275 of the SFA except:

a. where the transfer is made only to institutional investors under Section 274 of the SFA or to relevant persons (as defined in Section 275(2) of the SFA) and in accordance with the conditions specified in the SFA;

b. (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA, or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

c. where no consideration is or will be given for the transfer; or

d. where the transfer is by operation of law, unless expressly specified otherwise in Section 276(7) of the SFA.

SWITZERLAND

This document does not constitute an issuance prospectus pursuant to Article 652a of the Swiss Code of Obligations. Accordingly, this document is communicated in or from Switzerland to a small number of selected investors only without any public solicitation. The New Shares are not offered to the public in or from Switzerland, and neither this document, nor any other offering material relating to the New Shares, may be distributed in Switzerland in relation with any public offering.

UNITED KINGDOM

Each of Transpacific and the Joint Lead Managers have:

a. only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) in connection with the issue or sale of the New Shares in circumstances in which Section 21(1) of the FSMA does not apply to the issuer; and

b. complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Entitlements and New Shares in, from or otherwise involving the United Kingdom.

UNITED ARAB EMIRATES

This pathfinder document is strictly private and confidential, is being distributed to a limited number of sophisticated or professional investors, must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose.

By receiving this pathfinder document, the person or entity to whom it has been issued understands, acknowledges and agrees that this pathfinder document has not been approved by or filed with the UAE Central Bank, the UAE Securities and Commodities Authority ("SCA") or any other authorities in the UAE, nor has the placement agent, if any, received authorisation or licensing from the UAE Central Bank, the SCA or any other authorities in the United Arab Emirates to market or sell securities or other investments within the United Arab Emirates. No marketing of any financial products or services has been or will be made from within the United Arab Emirates other than in compliance with the laws of the United Arab Emirates, and no subscription to any securities or other investments may or will be consummated within the United Arab Emirates. It should not be assumed that the placement agent, if any, is a licensed broker, dealer or investment advisor under the laws applicable in the United Arab Emirates, or that it advises individuals resident in the United Arab Emirates as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The interests in the New Shares may not be offered or sold directly or indirectly to the public in the United Arab Emirates. This does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise.

By receiving this pathfinder document, the person or entity to whom it has been issued understands, acknowledges and agrees that the New Shares have not been and will not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre other than in compliance with laws applicable in the Dubai International Financial Centre, governing the issue, offering or sale of securities. The Dubai Financial Services Authority has not approved this pathfinder document nor taken steps to verify the information set out in it, and has no responsibility for it.

OTHER JURISDICTIONS

The New Shares may not be offered or sold in any other jurisdiction by means of this pathfinder document, except to persons to whom such offer, sale or distribution is permitted under applicable law without lodgement, registration or other formality or filing with or by a governmental agency.

NO LIABILITY

Transpacific has prepared this document based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, likelihood of achievement or reasonableness of any forecasts, reports, opinions and conclusions contained in this document or any other information Transpacific or either of the Joint Lead Managers otherwise provides to you.

You cannot assume that the information in this document will be updated at any time subsequent to 26 October 2011. The distribution of this document does not constitute a representation by Transpacific or either of the Joint Lead Managers or their respective affiliates, related bodies corporate, or the directors, officers, employees, partners, or advisers that the information will be updated at any time after the date of this document. Except to the extent required by law, Transpacific and each of the Joint Lead Managers do not undertake to advise any person of any information coming to their attention relating to the financial condition, status or affairs of Transpacific or its related bodies corporate (as that term is defined in the Corporations Act) ("related bodies corporate").

To the maximum extent permitted by law, Transpacific, the Joint Lead Managers and their respective related bodies corporate and their affiliates, officers, directors, employees, advisers and agents, and any other party referred to in this document, do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any direct, indirect, consequential or contingent loss or damage suffered by any person arising from the use of this document or its contents or otherwise in connection with it.

The Joint Lead Managers, their related bodies corporate, and their respective directors, officers, employees or advisers make no recommendation as to whether you should participate in the Opportunity or the sub-underwriting of the Opportunity, nor do they make any representation or warranty concerning the Opportunity. You should make your own decision to participate based on your own enquiries and information contained in this document.

To the extent the Joint Lead Managers provide any information contained in this document to any person (whether by distributing this document, or in verbal communications or otherwise), they do so as a mere conduit of the Issuer and in reliance on this document.

FORWARD LOOKING STATEMENTS

Some of the information contained in this document may constitute forward-looking statements that are subject to various risks and uncertainties. Nothing in this document is a forecast, or a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect. Transpacific does not make any representation or warranty as to the accuracy, completeness, likelihood of achievement or reasonableness of any forward-looking statements contained in this document. You acknowledge that circumstances may change and the contents of this document may become outdated as a result. You also acknowledge that no audit or review has been undertaken by an independent third party of the assumptions, data, results, calculations and forward-looking statements contained in or referred to in this document. You should make your own independent assessment of the information and seek your own independent professional advice in relation to the information and any action taken on the basis of the information.

REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGEMENT

By accepting this document, you acknowledge and agree that you understand the contents of this notice and that you agree to abide by the terms and conditions of this notice. You also:

- represent and warrant that you are not in the United States, unless you are an Approved US Shareholder and have received the US Private Placement Memorandum;
- represent and warrant that you will not, and will procure that your officers and employees will not, use this document, in whole or in part, for any purpose other than deciding whether or not to participate in the Opportunity;
- represent and warrant that you will act on the basis of your own investigations and analysis in respect of any investment decision whether to acquire New Shares;
- acknowledge that Transpacific and the Joint Lead Managers are relying on you complying with this notice and on the truth and accuracy of the representations and warranties given by you; and
- to the maximum extent permitted by applicable law, indemnify and agree to keep indemnified the Issuer and the Joint Lead Managers, their related bodies corporate (as the term is defined in the Corporations Act) and their officers, directors, employees and agents against any loss, damage and costs incurred and arising out of or relating to any breach by you of this disclaimer and conditions or representations or warranties given by you.

Neither this document nor any copy of it may be transmitted, distributed or released, directly or indirectly, in the United States (other than by Transpacific to Approved US Shareholders and accompanied by the US Private Placement Memorandum). By accepting this draft document, you agree to be bound by these limitations.

26 October 2011

TRANSPACIFIC

PROSPECTUS

9 FOR 14 ACCELERATED RENOUNCEABLE ENTITLEMENT OFFER OF APPROXIMATELY 618 MILLION NEW SHARES AT AN OFFER PRICE OF $0.50 PER NEW SHARE. THE ENTITLEMENT OFFER IS SCHEDULED TO CLOSE AT 5.00PM (SYDNEY TIME) ON FRIDAY, 18 NOVEMBER 2011.

This is an important document and requires your immediate attention.

If you are an Eligible Retail Shareholder, you should read this Prospectus in its entirety before deciding whether to apply for New Shares. Your Entitlement may have value and you should therefore consider whether to take up your Entitlement.

If you do not understand any part of this Prospectus, or are in any doubt as to how to deal with it or your Entitlement, you should consult your stockbroker, solicitor, accountant or other professional adviser.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

This document is not an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Securities may not be offered or sold in the United States unless the securities have been registered under the US Securities Act or an exemption from registration is available. The securities to be issued under the Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (the "US Securities Act") or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold, directly or indirectly, in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

Joint Lead Managers and Underwriters

MACQUARIE

CommonwealthBank

Legal Adviser

CLAYTON UTZ

IMPORTANT NOTICE

This prospectus dated 31 October 2011 ("Prospectus") was lodged with ASIC on that date by Transpacific Industries Group Limited ABN 74 101 155 220 ("Transpacific" or "Company"). ASIC takes no responsibility for the contents of this Prospectus. This Prospectus has been prepared by Transpacific.

This Prospectus expires on 30 November 2012. No Shares will be issued on the basis of this Prospectus after that expiry date.

This Prospectus is important and requires your immediate attention. You should read this Prospectus carefully and in its entirety before deciding whether to apply for New Shares. In particular, you should consider the risk factors that could affect the performance of Transpacific or the value of an investment in Transpacific, some of which are outlined in Section 6. The information contained in this Prospectus is not investment or financial product advice and does not take into account the investment objectives, financial situation, tax position or particular needs of individual investors.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you taking into account your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading this Prospectus, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, solicitor, accountant or other professional adviser.

The potential tax effects of the Retail Entitlement Offer will vary between investors. A summary of potential Australian tax implications is contained in Section 8. However, you should satisfy yourself of any possible tax consequences by consulting your professional tax adviser.

Investors should note that the past Share price performance provides no guidance as to the future Share price performance.

Transpacific will, within seven days of the date of this Prospectus, apply for the grant by ASX of official quotation of the New Shares. ASX takes no responsibility for the contents of this Prospectus.

Prospectus availability

Eligible Retail Shareholders will be mailed a copy of this Prospectus, together with a personalised Entitlement and Acceptance Form.

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Prospectus during the Entitlement Offer Period on the Transpacific website at www.transpacific.com.au or by calling the Transpacific Shareholder Information Line on the numbers listed below under the heading "Enquiries".

Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. The electronic version of this Prospectus on the Transpacific website will not include an Entitlement and Acceptance Form. **Shareholders in jurisdictions outside Australia and New Zealand (including Shareholders in the United States) are not entitled to access a copy of the Prospectus on Transpacific's website.**

Eligible Retail Shareholders will only be entitled to take up their Entitlement by completing the Entitlement and Acceptance Form which accompanies this Prospectus or by paying all Application Monies by BPAY® (see Section 3 for further information).

Any references to documents included on Transpacific's website are provided for convenience only, and none of the documents or other information on the website is incorporated by reference in this Prospectus.

Neither this Prospectus nor the accompanying Entitlement and Acceptance Form may be sent to investors outside Australia and New Zealand, including to investors who are in the United States or investors in any other place in which, or to any person to whom, it would not be lawful to distribute it.

Future performance and forward-looking statements

Except as required by law, and then only to the extent required, neither Transpacific nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to this Prospectus. Past performance is not indicative of future performance.

The pro-forma historical and pro-forma forecast Financial Information provided in this Prospectus is for illustrative purposes only and is not represented as being indicative of Transpacific's view on its future financial condition and/or performance.

The forward-looking statements in this Prospectus are based on Transpacific's current expectations about future events. They are, however, subject to known and unknown risks (including but not limited to the risks outlined in Section 6), uncertainties and assumptions, many of which are outside the control of Transpacific and its Directors, that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Prospectus.

This Prospectus details some important factors and risks that could cause Transpacific's actual results to differ from the forward-looking statements in this Prospectus.

Offering restrictions

This Prospectus contains an offer to Eligible Retail Shareholders in Australia of continuously quoted securities (as defined in the Corporations Act) of Transpacific, and has been prepared in accordance with section 713 of the Corporations Act (see Section 9.2 for further information regarding the nature of this Prospectus). This Prospectus has not been registered in New Zealand under or in accordance with the Securities Act 1978 (New Zealand). However, Eligible Shareholders with a registered address in New Zealand are permitted to take up their Entitlement. This is not an investment statement or prospectus under New Zealand law, and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

This Prospectus has been prepared to comply with the requirements of the securities laws of Australia. No action has been taken to register or qualify the Entitlement Offer (including the Retail Entitlement Offer), the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

The Entitlement Offer is generally not being extended to any Shareholder whose registered address is outside Australia or New Zealand, other than to Eligible Institutional Shareholders as part of the Institutional Entitlement Offer and to certain Institutional Investors under the Institutional Shortfall Bookbuild and the Retail Shortfall Bookbuild. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other place in which, or to any person to whom, it would not be lawful to make such an offer. Neither this Prospectus nor the accompanying Entitlement and Acceptance Form may be distributed to, or relied upon, by persons in the United States.

The distribution of this Prospectus (including an electronic copy) outside Australia is restricted by law. If you come into possession of this Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

None of the Entitlements under the Entitlement Offer, the Shares or the New Shares has been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by persons in the United States, and the Shares and New Shares may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Accordingly, the Shares and New

Shares will constitute "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and, for so long as the Shares and New Shares remain restricted securities, the Shares and New Shares may not be deposited in any unrestricted American depositary receipt facility with respect to the ordinary shares of Transpacific.

The return of a duly completed Entitlement and Acceptance Form and cheque, bank draft or money order for payment of any Application Monies or payment of any Application Monies for New Shares by BPAY® will be taken by Transpacific to constitute a representation and warranty made by the applicant to Transpacific that there has been no breach of such laws.

Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Prospectus.

Any information or representation that is not in this Prospectus may not be relied on as having been authorised by Transpacific, the Joint Lead Managers or their related bodies corporate in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of Transpacific, its Directors or any other person warrants or guarantees the future performance of Transpacific or any return on any investment made pursuant to this Prospectus.

The Joint Lead Managers have not authorised, permitted or caused the issue, lodgement, submission, despatch or provision of this Prospectus. The Joint Lead Managers do not make, or purport to make, any statement in this Prospectus, and there is no statement in this Prospectus which is based on any statement by the Joint Lead Managers. To the maximum extent permitted by law, the Joint Lead Managers expressly disclaim all liability in respect of, make no representations regarding and take no responsibility for any part of this Prospectus.

Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings, which are explained in the glossary, as are certain rules of interpretation that apply to this Prospectus.

A reference to time in this Prospectus is to the local time in Sydney, Australia (Sydney time), unless otherwise stated. All financial amounts in this Prospectus are expressed in Australian dollars, unless otherwise stated.

Enquiries

If you have any questions in relation to the Entitlement Offer, please contact your stockbroker, solicitor, accountant or other professional adviser.

If you have questions in relation to the Existing Shares upon which your Entitlement has been calculated, or how to complete the Entitlement and Acceptance Form or take up all or part of your Entitlement, please call the Transpacific Shareholder Information Line on: 1300 658 745 (local call cost within Australia) or +61 3 9415 4262 (from outside Australia).

The Transpacific Shareholder Information Line is open from 8.30am to 5.00pm (Sydney time) Monday to Friday during the Entitlement Offer Period.

Privacy

Please read the privacy statement located in Section 9.17. It is important you understand that by submitting an Entitlement and Acceptance Form accompanying this Prospectus, you consent to the matters outlined in that statement.

CONTENTS

WHAT SHOULD YOU DO?

This Prospectus contains important information in relation to the Retail Entitlement Offer. You should read it carefully and in its entirety, including Section 6 which contains a summary of the major risks associated with an investment in Transpacific and Section 8 which contains a general summary of the Australian tax implications associated with the Retail Entitlement Offer for Eligible Retail Shareholders. If you are in doubt as to the course you should follow, you should seek appropriate professional advice before making an investment decision. If you are an Eligible Retail Shareholder, you may:

- take up your full Entitlement under the Retail Entitlement Offer;
- partially take up your Entitlement; or
- do nothing.

If you do not take up part or all of your Entitlement or you are an Ineligible Retail Shareholder, the New Shares for which you would otherwise be able to subscribe will be placed in the Retail Shortfall Bookbuild and offered for sale to Institutional Investors. For each New Share in respect of your Entitlement that you do not or cannot subscribe for under the Retail Entitlement Offer, you will be paid the excess (if any) of the Clearing Price achieved through the Retail Shortfall Bookbuild above the Offer Price.

See Section 3.1 for further details about the options available to you.

CHAIRMAN'S LETTER

Dear Shareholder

On behalf of the directors of Transpacific, I am pleased to invite you to participate in a 9 for 14 accelerated renounceable entitlement offer of new Transpacific shares ("New Shares") at an offer price of $0.50 per New Share ("Offer Price") to raise up to approximately $309 million ("Entitlement Offer").

This Entitlement Offer, together with other debt refinancing initiatives mentioned below, will accelerate the process of achieving a simplified and improved capital structure for the Company. This will enable us to continue to build on our strong market positions and take advantage of further growth opportunities for our core waste management businesses. The proceeds will also reduce the Company's interest expense significantly and accelerate the resumption of dividend payments.

Transpacific's largest shareholder, Warburg Pincus, has committed to take up its entitlement in full, and Transpacific's directors also intend to take up their entitlements.

Transpacific's strong market positions

Transpacific is Australia's and New Zealand's leading waste management business, with a comprehensive range of waste management and industrial cleaning services and national coverage in both countries. We have long-term contracts with most of our customers, many of which are in the public sector, and our scale, infrastructure and technical expertise give us considerable competitive advantages.

We operate in an industry which is expanding as the population grows and as local authorities, businesses and individuals become increasingly committed to high environmental standards and recycling. The Australian waste industry's revenue is forecast to grow at an average annual rate of 5.2% per annum over the next five years, and considerable growth is expected from the resources and energy sectors.

Demand for waste management services tends to remain resilient across the economic cycle. Despite recent weakness in parts of the economy, our core waste management businesses – Cleanaway and Industrials in Australia and Transpacific Waste Management and Industrials in New Zealand – all increased their earnings before interest, tax, depreciation and amortisation ("EBITDA") during FY2011.

Based on current economic trends for the sector in Australia and New Zealand, the outlook for the Company remains positive, and we are forecasting EBITDA (including associates) of $452 million and profit before tax and significant items of $119 million for the year to 30 June 2012, compared with EBITDA (including associates) of $425 million and profit before tax and significant items of $73 million for FY2011. The fundamentals of the Company's Total Waste Management businesses remain sound, with good prospects for growth. Additionally, the Commercial Vehicles division has a solid order book and we anticipate improved results. After the first quarter's trading, we are on track to meet this forecast.

Achieving a simplified and improved capital structure

To simplify Transpacific's capital structure, reduce borrowings and maximise profitability and return on capital employed, we are taking a number of other capital management initiatives in addition to the Entitlement Offer. These include a new $1,525 million syndicated bank facility to replace our existing $1,435 million facility and provide for repayment of other debt securities.

The new facility will improve the Company's credit metrics, provide a well-spread debt maturity profile with no refinancing requirements until November 2014, and reduce our average funding cost. It will also enable us to refinance other debt instruments early.

Operating cashflow generation will remain a primary focus for the Company and we will also continue to assess asset realisation opportunities and take steps to reduce working capital. Debt reduction continues to be be a key priority.

The Entitlement Offer

This Prospectus relates to the retail component of the Entitlement Offer. Eligible Retail Shareholders are invited to purchase 9 New Shares for every 14 Existing Shares held at 7.00pm (Sydney time) on the Record Date of Monday, 31 October 2011 at the Offer Price of $0.50 per New Share. The Offer Price represents a 27.5% discount to Transpacific's closing price of $0.69 on 25 October 2011 and an 18.8% discount to the theoretical ex-rights price ("TERP")[1] of $0.62.

If you do not take up all or part of your Entitlement or are ineligible to participate, the New Shares which you would otherwise be able to purchase will be placed in the Retail Shortfall Bookbuild and may be sold to Institutional Investors. In this case, you will be paid the excess (if any) of the Clearing Price achieved through the Retail Shortfall Bookbuild above the Offer Price for each New Share for which you do not subscribe.

For information on how to take up all or part of your Entitlement see Section 3. To participate in the Retail Entitlement Offer, you will need to complete your personalised Entitlement and Acceptance Form and return it with your cheque, bank draft or money order using the reply paid envelope provided or make a payment via BPAY®. Please note that the Retail Closing Date for receipt of the Entitlement and Acceptance Form and Application Monies is 5.00pm (Sydney time) on Friday, 18 November 2011.

Further information

Further details of the Retail Entitlement Offer are set out in this Prospectus, which you should read carefully and in its entirety, including the risk factors in Section 6.

If you have any questions, please call the Transpacific Shareholder Information Line on 1300 658 745 (local call cost within Australia) or +61 3 9415 4262 (from outside Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday during the Entitlement Offer Period or consult your stockbroker, solicitor, accountant or other professional adviser.

I thank you for your continued support of Transpacific and encourage you to consider carefully this investment opportunity.

Yours sincerely

GENE TILBROOK
Chairman

"TRANSPACIFIC IS AUSTRALIA'S AND NEW ZEALAND'S LEADING WASTE MANAGEMENT BUSINESS, WITH A COMPREHENSIVE RANGE OF WASTE MANAGEMENT AND INDUSTRIAL CLEANING SERVICES AND NATIONAL COVERAGE IN BOTH COUNTRIES. WE HAVE LONG-TERM CONTRACTS WITH MOST OF OUR CUSTOMERS, MANY OF WHICH ARE IN THE PUBLIC SECTOR, AND OUR SCALE, INFRASTRUCTURE AND TECHNICAL EXPERTISE GIVE US CONSIDERABLE COMPETITIVE ADVANTAGES."

[1] TERP is the theoretical price at which Shares should trade immediately after the ex-date for the Entitlement Offer. The theoretical ex-rights price is a theoretical calculation only and the actual price at which Shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the theoretical ex-rights price. TERP is calculated by reference to Transpacific's closing price of $0.69 on Tuesday, 25 October 2011, the day before the Entitlement Offer was announced.

KEY ENTITLEMENT OFFER INFORMATION AND DATES

KEY ENTITLEMENT OFFER INFORMATION

Offer Price	$0.50 per New Share
Offer ratio	9 New Shares for every 14 Existing Shares held as at the Record Date
Underwritten component of the Entitlement Offer	Approximately $260 million (representing the Institutional Entitlement Offer)
Total Entitlement Offer proceeds	Between approximately $260 million and approximately $309 million
Total number of New Shares to be issued under the Entitlement Offer	Between approximately 520 million and approximately 618 million New Shares, depending on the take up of Entitlements under the Retail Entitlement Offer

KEY DATES

Event	Date
Entitlement Offer announced	Wednesday, 26 October 2011
Pathfinder prospectus lodged with ASX	Wednesday, 26 October 2011
Institutional Entitlement Offer opened	Wednesday, 26 October 2011
Institutional Entitlement Offer closed	Thursday, 27 October 2011
Institutional Shortfall Bookbuild conducted	Friday, 28 October 2011
Announce completion and results of Institutional Entitlement Offer	Monday, 31 October 2011
Prospectus lodged with ASIC and ASX	Monday, 31 October 2011
Record Date for Entitlement Offer 7.00pm (Sydney time)	Monday, 31 October 2011
Retail Entitlement Offer opens	Tuesday, 1 November 2011
Prospectus despatched	Thursday, 3 November 2011
Institutional Settlement Date of the Institutional Entitlement Offer and the Institutional Shortfall Bookbuild	Monday, 7 November 2011
Despatch of confirmation of allotment statements under Institutional Entitlement Offer and Institutional Premium proceeds (if any)	Tuesday, 8 November 2011
Retail Entitlement Offer closes 5.00pm (Sydney time)	Friday, 18 November 2011
Retail Shortfall Bookbuild opens (after market close)	Wednesday, 23 November 2011
Retail Shortfall Bookbuild closes (before market open)	Thursday, 24 November 2011
Retail Settlement Date of the Retail Entitlement Offer and Retail Shortfall Bookbuild (if any)	Tuesday, 29 November 2011
Allotment of New Shares under the Retail Entitlement Offer and Retail Shortfall Bookbuild (if any)	Wednesday, 30 November 2011
New Shares issued under the Retail Entitlement Offer commence trading on ASX	Thursday, 1 December 2011
Despatch of Retail Premium (if any) in respect of renounced and ineligible Entitlements under the Retail Entitlement Offer	Tuesday, 6 December 2011

The above timetable is indicative only and subject to change. The commencement of quotation of New Shares is subject to confirmation from ASX. Transpacific, in conjunction with the Joint Lead Managers and subject to the Corporations Act, the ASX Listing Rules and other applicable laws, has the right to vary any of the above dates and times without notice. In particular, Transpacific reserves the right to extend the Retail Closing Date, to accept late Applications either generally, or in particular cases, or to withdraw all or part of the Entitlement Offer without prior notice. All times mentioned in the above table are references to Sydney time.

1. INVESTMENT OVERVIEW

Kate Valley Landfill is Canterbury's premier landfill following best practice landfill management techniques.

INVESTMENT OVERVIEW

Investment highlights	
Leading waste management business and vertically integrated operator	• Leading provider of integrated Total Waste Management solutions in Australia and New Zealand • 32 landfills, 48 resource recovery centres and 56 industrial treatment and disposal facilities • Combination of assets, know how and footprint are hard to duplicate • Scale of network and services across Australia and New Zealand generates significant cost efficiencies • Comprehensive waste management solution offered through a vertically integrated chain (collection, recycling, transfer, transport, disposal and sale) • Opportunity to leverage cross-selling across divisions
Exposed to stable long term industry growth dynamics	• Core Total Waste Management business (98% of FY2011A EBITDA) which achieved 6.9% year-on-year growth between FY2010A and FY2011A • Waste volume and revenue are generally resilient across the economic cycle • Demand for essential services is driven by population and economic growth • Municipal collection contracts typically awarded through multi-year contracts • Emergency response to natural and man-made disasters contributes significant one-off revenues
High quality management team and independent Board	• Senior management team strengthened following appointment of Kevin Campbell as Chief Executive Officer in January 2011 and Stewart Cummins as Chief Financial Officer in May 2011 • Majority of independent Non-Executive Directors (including independent Chairman) in line with ASX corporate governance guidelines
Clear strategic focus	• Culture and leadership through a streamlined and focused management structure • Market leadership with Total Waste Management strategy • Improved capital structure via the Entitlement Offer, Debt Refinance and working capital optimisation • Focus on return on capital through margin enhancement, asset utilisation and site rationalisation programs • Improve information through a roll-out of the new ERP system • Enhance operational health and safety compliance
Simplified and improved capital structure	• Resolution of Transpacific's 2012, 2013 and 2014 refinancing needs with a simplified and improved capital structure • Average debt tenor increases from 1.9 years to 4.1 years • Pro-forma net debt/FY2012F EBITDA of 2.5x • Reduced borrowing cost – annualised interest expense savings of between $21.8 million and $24.8 million in FY2012F and between $31.3 million and $34.3 million per annum over the medium term • Provides flexibility to redeem or repurchase the Convertible Notes at or before the December 2012 put date • Enhanced capacity to accelerate the resumption of dividend payments

Key risks associated with an investment in Transpacific		Section
Environmental regulations	Transpacific's operations are subject to extensive federal, state and local environmental laws and regulations in Australia and New Zealand. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for violation of such standards. A general increase in the community's environmental awareness and expectations of operations in the waste management industry may have the effect of increasing environmental laws and regulations or the severity of penalties for non-compliance. Significant liability could be imposed on Transpacific for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage (including in certain cases damage caused by previous owners of property acquired by Transpacific) or non-compliance with environmental laws or regulations. Major non-compliance with environmental laws or regulations may require Transpacific to incur significant costs and may have an adverse impact on Transpacific's reputation and capability to secure additional work, impacting financial performance and cashflows.	6.2.1
Planning regulations	Transpacific's operations are subject to extensive planning laws and regulations in Australia and New Zealand administered and regulated by local authorities and other government agencies. These laws, regulations and permits and licences granted by the relevant regulators establish various standards about the types of operations that can be undertaken and the manner in which they are undertaken. In the event that these laws, regulations and permit and licence conditions are not complied with, Transpacific faces the possibility of prosecution, fines and penalties. Further, there is the potential that operations cannot be continued on the relevant site, or that significant capital expenditure is required to ensure compliance with planning requirements, or a permit or licence is suspended, revoked, terminated or otherwise not renewed. If this were to occur it may result in significant adverse financial impacts for Transpacific.	6.2.2
ERP system implementation	Transpacific is in the process of implementing a new ERP system to consolidate a large number of legacy financial systems. Due to the complex nature of such an implementation, the timetable and approach has been revised several times during the implementation to date and the total cost of the project has been revised upwards. Any further delays with implementation are likely to result in additional costs being incurred. This may impact the timing of when Transpacific starts to generate cost savings and business benefits from the new system and may impact the financial condition of Transpacific.	6.2.3
Interest rates	As a significant borrower of funds, Transpacific is potentially exposed to adverse interest rate movements that may increase the financial risk inherent in its business. Changes may have an adverse effect on the business, cashflows, financial condition or results of operations of Transpacific.	6.2.4
Exchange rates	Transpacific has significant operations in New Zealand. Movements in the A$:NZ$ exchange rate can adversely affect the A$ translated financial performance of Transpacific in relation to its New Zealand operations. A $216 million A$:NZ$ dual currency tranche may be entered into as part of the New Syndicated Facility Agreement, which may provide a hedge against New Zealand income.	6.2.5

INVESTMENT OVERVIEW

Key risks associated with an investment in Transpacific		Section
Competition	The market share of the Company's competitors may increase or decrease as a result of various factors such as securing major new contracts, developing new technologies or adopting pricing strategies specifically designed to gain market share. These competitive actions may reduce the prices that Transpacific is able to charge for its services and products or may reduce Transpacific's activity levels, both of which would negatively impact the financial performance of Transpacific and its cashflows.	6.2.6
Suppliers and joint ventures	Transpacific has a number of suppliers and is involved in a number of joint ventures. If a contract counterparty, such as a major supplier or joint venture partner, terminates an agreement or fails to fulfil their obligations under an agreement, Transpacific may choose to or may be forced to lose the benefit of the agreement and may not be able to obtain similarly favourable terms upon entry into replacement agreements (if at all). This could have an adverse effect on Transpacific's financial performance and cashflows.	6.2.7
Legal claims	Transpacific is exposed to potential legal and other claims or disputes in the course of its businesses, including a potential class action, contractual disputes, property damage and personal liability claims, as well as governmental enquiries and investigations with respect to its operations.	6.2.8 and 9.10
Capital expenditure	Transpacific's forecasts are based on assumptions in relation to the level of capital expenditure required to improve, maintain or replace assets and cater for future business growth. Actual capital expenditure may vary from forecast. Unplanned capital expenditure may also be required as a result of changes in the environmental regulations that apply to Transpacific.	6.2.9
Gearing	The use of leverage may enhance shareholders' returns, but it may also increase the risk of loss. When economic conditions deteriorate, such as rising interest rates and/or margins, severe economic downturns, availability of credit or further deterioration in the condition of debt and equity markets, this may have a disproportionate affect on Transpacific compared to an issuer with lower levels of leverage.	6.2.10
Loss of key personnel	Transpacific's operations are dependent upon the continued performance, efforts, abilities and expertise of its key management personnel. The loss of services of such personnel could have an adverse effect on the operations of Transpacific as the Company may not be able to recruit suitable replacements for key personnel within a short timeframe.	6.2.11
Occupational health and safety	Transpacific's operations involve risk to both property and personnel. A health and safety incident may lead to a serious injury or death, which may result in reputational damage and ability to operate with consequential effects to Transpacific's financial performance and position.	6.2.12
Industrial disputes	Transpacific's operations are dependent upon a stable workforce. Transpacific is exposed to the risk of industrial disputes arising from claims for higher wages or better conditions which could disrupt parts of Transpacific's business and may have an adverse impact upon the Company's operating and financial performance and cashflows.	6.2.13

Key risks associated with an investment in Transpacific		Section
Manufacturing turnaround plan	The manufacturing division is currently subject to a major turnaround plan to rationalise products, operations and management structures, and improve quality controls (see Section 4.3.5). Management has announced a five point turnaround plan in respect of the manufacturing division, which is currently being implemented. If this plan is not able to be implemented as expected, the manufacturing division may have an adverse affect on the financial performance of Transpacific.	6.2.14 and 4.3.5
Impact of a price on carbon	On 12 October 2011, the Clean Energy Bill 2011 was passed by the House of Representatives. Based on this legislation, the potential incremental cost impact to Transpacific by way of increased input and other costs is not yet known. In addition, any change to the legislation or the interpretation of the legislation may have an adverse impact on the financial performance of Transpacific.	6.2.15
Tax	Any change to the current rate of company income tax in jurisdictions where Transpacific operates will impact on Shareholder returns. Any changes to the current rates of income tax applying to individuals and trusts will similarly impact on Shareholder returns.	6.2.16 and 8
Insurance	Transpacific currently has in place a number of insurance policies which allow it to transfer part of its risk to an insurer. Transpacific cannot guarantee that it will be able to maintain or renew the current insurance policies due to a number of reasons, which may include inappropriate pricing, policy terms or conditions. The occurrence of an event that is not fully covered, or covered at all, by insurance, may have an adverse effect on Transpacific's future financial performance and position.	6.2.17
Asset impairment and use	There is a risk that the current carrying value of past acquisitions in the accounts of Transpacific may need to be treated as impaired, in accordance with relevant accounting standards, if the carrying values do not reflect current valuations of those assets. If the carrying value of assets is assessed to be impaired, this may have an adverse effect on Transpacific's financial performance.	6.2.18
Macroeconomic factors	Transpacific sells its services and products to individuals, companies and government authorities in Australia and New Zealand. Changes in general macroeconomic factors may result in customers changing spending patterns or their level of consumption, which may have an adverse impact on the demand for Transpacific's services and products, operating and financial performance and cashflows.	6.2.19
Risks associated with the Entitlement Offer		**Section**
Dilution	If you do not participate in the Entitlement Offer, your percentage ownership in Transpacific will decrease.	6.3.1
Inability to complete the Entitlement Offer	A termination event of the Underwriting Agreement may be triggered prior to the Institutional Settlement Date. If a termination event is triggered and $260 million (representing the underwritten Institutional Entitlement Offer) is unable to be raised under the Entitlement Offer, Transpacific may be required to renegotiate the terms of the Debt Refinance.	6.3.2 and 9.5.4

General and other risks		**Section**
Share market fluctuations	The market price of Transpacific Shares may rise or fall due to a number of factors as outlined in Section 6.4.1. Such market fluctuations may have a material adverse effect on the market price of the Transpacific Shares.	6.4.1
Liquidity and realisation	Low levels of potential buyers or sellers of the Shares may affect or cause volatility in the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares.	6.4.2
Debt Refinance		**Section**
What is the Debt Refinance?	The Debt Refinance is the replacement of the $1,435 million Existing Syndicated Facility with the $1,525 million New Syndicated Facility and assist in the refinance of other outstanding debt elements.	9.6
What is the purpose of the Debt Refinance?	The Debt Refinance, together with the Entitlement Offer and other capital management initiatives, provides Transpacific with a simplified and improved capital structure. Furthermore it reduces the cost of funding and accelerates the resumption of dividend payments.	5.1
Entitlement Offer		**Section**
What is the Entitlement Offer?	The Entitlement Offer is an accelerated renounceable entitlement offer made to Eligible Shareholders on the basis of 9 New Shares for every 14 Existing Shares held as at the Record Date. The Entitlement Offer comprises four parts: 1. **the Institutional Entitlement Offer** – Eligible Institutional Shareholders were invited to take up all or part of their Entitlement; 2. **the Institutional Shortfall Bookbuild** – New Shares equivalent to the number not taken up by Eligible Institutional Shareholders, together with any New Shares which would have been offered to Ineligible Institutional Shareholders if they had been eligible to participate in the Institutional Entitlement Offer, were offered to Eligible Institutional Shareholders and to certain other Institutional Investors; 3. **the Retail Entitlement Offer** – Eligible Retail Shareholders will be sent this Prospectus together with a personalised Entitlement and Acceptance Form and are required to decide whether to take up all or some of their Entitlement, or take no action; and 4. **the Retail Shortfall Bookbuild** – New Shares equivalent to the number not taken up by Eligible Retail Shareholders, together with any New Shares which would have been offered to Ineligible Retail Shareholders if they had been eligible to participate in the Retail Entitlement Offer, are to be offered to Eligible Institutional Shareholders (other than Approved US Shareholders) and to certain other Institutional Investors.	2.3
How much will be raised through the Entitlement Offer?	The Institutional Entitlement Offer, which is fully underwritten by the Joint Lead Managers, will raise approximately $260 million. The Retail Entitlement Offer, which is not underwritten may raise up to an additional approximate $49 million.	2.3.2

Entitlement Offer		Section
What is the purpose of the Entitlement Offer?	The Entitlement Offer is being conducted to enable Transpacific to repay at least approximately $210 million of borrowings. The Entitlement Offer is part of Transpacific's refinancing to deliver a simplified and improved capital structure.	2.1
What are Warburg Pincus' intentions?	Warburg Pincus has committed to take up 100% of its Entitlement for its 33.9% direct holding of 204 million New Shares or $105 million, subject to the Entitlement Offer not being withdrawn and the Underwriting Agreement not being terminated. Warburg Pincus also intends to sub-underwrite $102 million of any shortfall of the Institutional Entitlement Offer.	9.11.2
What is the impact of the Offer on Warburg Pincus' shareholding?	Following the Entitlement Offer and depending on the take-up rate of the Retail Entitlement Offer, Warburg Pincus will own between 33.9% and 49.9% of the total Shares on issue.	9.11.2
What are the details of Warburg Pincus' sub-underwriting commitments?	Warburg Pincus and the Joint Lead Managers have entered into a Sub-Underwriting Agreement dated 26 October 2011. Under that agreement, Warburg Pincus has committed to subscribe for up to 203,553,806 New Shares of any shortfall under the Institutional Entitlement Offer at the Offer Price subject to a number of conditions. If Warburg Pincus acquires the maximum number of New Shares that may be issued or transferred to it under the Sub-Underwriting Agreement, its percentage shareholding in Transpacific after participation in the Institutional Entitlement Offer and satisfying its sub-underwriting obligations will be a maximum of 49.9%. This is based on no New Shares being taken up under the non underwritten Retail Entitlement Offer and Retail Shortfall Bookbuild. Further information in relation to the Sub-Underwriting Agreement and the effect of the Entitlement Offer and Sub-Underwriting Agreement on the voting power of Warburg Pincus is contained in Section 9.5.5 and 9.5.6 respectively.	9.5.5 and 9.5.6
Is the Entitlement Offer underwritten?	The Institutional Entitlement Offer is underwritten by the Joint Lead Managers (approximately $260 million) subject to the Entitlement Offer not being withdrawn and the Underwriting Agreement not being terminated. The Retail Entitlement Offer raising up to approximately $49 million is not underwritten.	9.5
What are the tax implications of investing in Shares?	Taxation implications will vary depending upon the specific circumstances of individual Shareholders. Investors should obtain their own professional advice as to the particular taxation treatments which will apply to them. As outlined in Section 8, there is some uncertainty regarding the tax treatment of the Retail Premium (if any) received in respect of renounced Entitlements.	8

Entitlement Offer		Section
Am I eligible to apply for New Shares?	You are eligible to participate in the Retail Entitlement Offer if you are an Eligible Retail Shareholder. Eligible Retail Shareholders are those persons who: • are registered as a holder of Shares as at 7.00pm (Sydney time) on the Record Date; • have a registered address in Australia or New Zealand; • are not in the United States and are subscribing for the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act); • are, in the opinion of Transpacific and the Joint Lead Managers, otherwise eligible under all applicable securities laws to receive an offer for New Shares under the Retail Entitlement Offer; and • are not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder. If you do not take up your Entitlement in full or you are an Ineligible Shareholder or you do nothing, your Entitlement will be offered for sale in the Retail Shortfall Bookbuild. There is no guarantee you will receive any Retail Premium from the Retail Shortfall Bookbuild.	2.5.2
What is my Entitlement?	Each Eligible Retail Shareholder is entitled to subscribe for 9 New Shares for every 14 Existing Shares held by them as at the Record Date. If you are an Eligible Retail Shareholder, your Entitlement is set out in the personalised Entitlement and Acceptance Form which accompanies this Prospectus.	Entitlement and Acceptance Form
What can I do with my Entitlement?	Eligible Retail Shareholders may do any of the following: • take up your Entitlement in full; • take up part of your Entitlement; or • do nothing. If you do not take up your Entitlement in full or you are an Ineligible Retail Shareholder or you do nothing, your Entitlement will be offered for sale in the Retail Shortfall Bookbuild. There is no guarantee you will receive any Retail Premium from the Retail Shortfall Bookbuild.	3.1
How can I apply?	There are two ways you can apply for your Entitlement if you are an Eligible Retail Shareholder: • submit your completed Entitlement and Acceptance Form together with a cheque, bank draft or money order; or • pay via BPAY® payment.	3.2
What are the key dates of the Retail Entitlement Offer?	The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 18 November 2011. The key dates, including the date by which you must return your personalised Entitlement and Acceptance Form (together with the Application Monies) or pay by BPAY® if you wish to take up your Entitlement, are set out on page 4. These dates are subject to change without notice as described on page 4.	Key Entitlement Offer information and dates on page 4

Entitlement Offer		Section
Can I trade my Entitlement?	No. Entitlements cannot be traded on ASX or any other exchange, nor can they be privately transferred.	2.9
Can I apply for additional New Shares above my Entitlement?	No. The number of New Shares offered to Eligible Retail Shareholders under the Retail Entitlement Offer is on a pro rata basis in respect of Existing Shares held.	N/A
What are the rights and liabilities attaching to New Shares under the Entitlement Offer?	New Shares offered under the Entitlement Offer will be fully paid and will rank equally with Existing Shares.	9.7
What are the key risks associated with an investment in New Shares?	A summary of some of the key risks associated with an investment in New Shares is in Section 6. Before making any investment decision, you should read the entire Prospectus and carefully consider these risk factors.	6
Who is the Share Registry?	The Share Registry is: Computershare Investor Services Pty Limited 117 Victoria Street West End QLD 4101.	Corporate directory
What happens if I am a Shareholder on the Record Date but not an Eligible Retail Shareholder?	You will not be entitled to subscribe for New Shares under the Retail Entitlement Offer. However, New Shares equal in number to the New Shares that would have been offered to you if you had been entitled to participate in the Retail Entitlement Offer will be offered to certain Institutional Investors under the Retail Shortfall Bookbuild. If the Clearing Price under the Retail Shortfall Bookbuild is greater than the Offer Price, you will receive a cash amount equal to the difference. As a result of not participating in the Entitlement Offer, your percentage shareholding in Transpacific will be diluted (i.e. it will be reduced).	2.5 and 2.7
What is my Entitlement if I become a Shareholder after the Record Date?	You have no Entitlement if you become a Shareholder after the Record Date.	2.5.2
What is the financial effect of the Debt Refinance and Entitlement Offer on Transpacific?	The financial effect of the Debt Refinance and Entitlement Offer on Transpacific is shown in the pro-forma Historical Consolidated Balance Sheet, pro-forma Forecast Consolidated Income Statement, pro-forma Forecast Consolidated Cash Flow Statement and other Financial Information contained in Section 5.	5

Other Information		Section
What are the fees and costs of the Debt Refinance and Entitlement Offer?	Fees and costs associated with the Debt Refinance and Entitlement Offer total approximately $50.1 million and will be paid out of the proceeds of the Debt Refinance and Entitlement Offer.	9.13
How can further information be obtained?	If you would like further information you can: • contact your stockbroker, solicitor, accountant or other professional adviser; or • call the Transpacific Shareholder Information Line on 1300 658 745 (local call cost within Australia) or +61 3 9415 4262 (from outside Australia) at any time from 8.30am to 5.00pm (Sydney time) Monday to Friday during the Entitlement Offer Period.	3.4

OPTIONS AVAILABLE TO ELIGIBLE RETAIL SHAREHOLDERS

AM I ELIGIBLE TO PARTICIPATE IN THE RETAIL ENTITLEMENT OFFER?

You are eligible to participate in the Retail Entitlement Offer if you are an Eligible Retail Shareholder.

Eligible Retail Shareholders are those persons who:

- are registered as a holder of Shares as at 7.00pm (Sydney time) on the Record Date;
- have a registered address in Australia or New Zealand;
- are not in the United States and are subscribing for the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act);
- are, in the opinion of Transpacific and the Joint Lead Managers, otherwise eligible under all applicable securities laws to receive an offer for New Shares under the Retail Entitlement Offer; and
- are not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.

I AM AN ELIGIBLE RETAIL SHAREHOLDER

I AM AN INELIGIBLE RETAIL SHAREHOLDER

	Take up your Entitlement in full	Take up part of your Entitlement	Do nothing
ACTION REQUIRED BY YOU	If you are an Eligible Retail Shareholder and you wish to take up all of your Entitlement, you have two options: **OPTION 1:** **Submit your completed Entitlement and Acceptance Form together with a cheque, bank draft or money order** See Section 3.2.1 for further information; or **OPTION 2:** **Pay by BPAY®.** See Section 3.2.1 for further information.	If you are an Eligible Retail Shareholder and you wish to take up part of your Entitlement, you have two options: **OPTION 1:** **Submit your completed Entitlement and Acceptance Form together with a cheque, bank draft or money order** See Section 3.2.1 for further information; or **OPTION 2:** **Pay by BPAY®.** See Section 3.2.1 for further information.	If you are an Eligible Retail Shareholder and choose not to take up any of your Entitlement or if you are an Ineligible Retail Shareholder, the New Shares attributable to your Entitlements will be offered to certain Institutional Investors under the Retail Shortfall Bookbuild. If the Clearing Price paid for New Shares under the Retail Shortfall Bookbuild is equal to the Offer Price, you will receive nothing. If the Clearing Price under the Retail Shortfall Bookbuild is above the Offer Price, you will receive a cash amount equal to the difference (less applicable withholding tax).
OUTCOME	**SHAREHOLDING NOT DILUTED** Eligible Retail Shareholders who take up their Entitlement in full will not have their percentage shareholding in Transpacific reduced by the Entitlement Offer. As the Retail Entitlement Offer is not underwritten, Eligible Retail Shareholders who take up their Entitlement in full may have their percentage shareholding in Transpacific increased if other Eligible Retail Shareholders do not take up their Entitlements and are not sold as part of the Retail Shortfall Bookbuild.	**SHAREHOLDING MAY BE DILUTED** Eligible Retail Shareholders who take up part of their Entitlement may be diluted by the Entitlement Offer and Retail Shortfall Bookbuild depending on the amount taken up by other Eligible Retail Shareholders and the total amount raised under the Retail Shortfall Bookbuild. The part of an Eligible Retail Shareholder's Entitlement that is not taken up will be offered to certain Institutional Investors under the Retail Shortfall Bookbuild. If the Clearing Price paid for New Shares under the Retail Shortfall Bookbuild is equal to the Offer Price, you will receive nothing. If the Clearing Price under the Retail Shortfall Bookbuild is above the Offer Price, you will receive a cash amount equal to the difference (less applicable withholding tax).	**SHAREHOLDING WILL BE DILUTED** Eligible Retail Shareholders who choose not to take up any of their Entitlement, as well as Ineligible Retail Shareholders, will be diluted by the Entitlement Offer.

2. DETAILS OF THE ENTITLEMENT OFFER

Cleanaway commercial and industrial front lift vehicle. The commercial and industrial fleet services over 65,000 customers.

DETAILS OF THE ENTITLEMENT OFFER

2.1 PURPOSE OF THE ENTITLEMENT OFFER

Following a review of the Company's capital structure, the Board has decided to undertake the following capital structure initiatives:

- a 9 for 14 accelerated renounceable entitlement offer to raise up to approximately $309 million ("Entitlement Offer"); and
- a $1,525 million New Syndicated Facility intended to replace the $1,435 million Existing Syndicated Facility and assist in the refinance of other outstanding debt elements ("Debt Refinance").

These initiatives provide Transpacific with a simplified and improved capital structure. With reduced costs of funding and an average debt tenor of 4.1 years, the Company will be better positioned to accelerate the resumption of dividend repayments. Additionally, it will provide flexibility to redeem or repurchase the Convertible Notes. The funds raised from the Entitlement Offer will be used to pay down borrowings, reducing the overall indebtedness of Transpacific.

2.3 STRUCTURE OF THE ENTITLEMENT OFFER

2.3.1 OVERVIEW

Approximately 618 million New Shares are being offered at an Offer Price of $0.50 per New Share. Each Eligible Retail Shareholder has the opportunity to subscribe for 9 New Shares for every 14 Existing Shares held on the Record Date.

The Entitlement Offer is intended to raise up to approximately $309 million. The Institutional Entitlement Offer is fully underwritten by the Joint Lead Managers and will raise approximately $260 million. The Retail Entitlement Offer is not underwritten, and depending on the level of take-up by Eligible Retail Shareholders and the outcome of the Retail Shortfall Bookbuild, may raise up to an additional amount of approximately $49 million.

The Entitlement Offer comprises four parts, which are set out below (parts 1 and 2 have already been conducted)

1. **the Institutional Entitlement Offer** – Eligible Institutional Shareholders were invited to take up all or part of their Entitlement (see Section 2.6 for further details);
2. **the Institutional Shortfall Bookbuild** – New Shares equivalent to the number of New Shares not taken up by Eligible Institutional Shareholders, together with any New Shares that would have been offered to Ineligible

2.2 SOURCES AND USES OF FUNDS

	Assuming the Entitlement Offer raises:	
	Underwritten Institutional Entitlement Offer $260 million	Underwritten Institutional Entitlement Offer and non-underwritten Retail Entitlement Offer $309 million
Sources of funds $ million (approximately)		
Institutional Entitlement Offer and Institutional Shortfall Bookbuild	260	260
Retail Entitlement Offer and Retail Shortfall Bookbuild	–	49
Total sources of funds	**260**	**309**
Uses of funds $ million (approximately)		
Senior debt repayment and costs of Debt Refinance	250	299
Costs of Entitlement Offer	10	10
Total uses of funds	**260**	**309**

Institutional Shareholders had they been Eligible Institutional Shareholders, were offered to certain Institutional Investors under a bookbuild managed by the Joint Lead Managers on Friday, 28 October 2011;

3. **the Retail Entitlement Offer** – Eligible Retail Shareholders will be sent this Prospectus together with a personalised Entitlement and Acceptance Form and are required to decide whether or not they will take up their Entitlement, in full or in part, or do nothing (see Section 2.5 for further details); and

4. **the Retail Shortfall Bookbuild** – New Shares equivalent to the number of New Shares not taken up by Eligible Retail Shareholders, together with any New Shares that would have been offered to Ineligible Retail Shareholders had they been entitled to participate in the Retail Entitlement Offer, are to be offered under a bookbuild to certain Institutional Investors, which may include Eligible Institutional Shareholders (other than Approved US Shareholders), whether or not they took up their full Entitlement under the Institutional Entitlement Offer. This second bookbuild will be managed by the Joint Lead Managers.

2.3.2 UNDERWRITING OF THE ENTITLEMENT OFFER

The Institutional Entitlement Offer has been underwritten by the Joint Lead Managers (approximately $260 million) pursuant to the Underwriting Agreement. Subject to the terms of the Underwriting Agreement, the Joint Lead Managers will subscribe at the Offer Price for any New Shares that are not subscribed for by Eligible Institutional Shareholders under the Institutional Entitlement Offer and not taken up by Institutional Investors under the Institutional Shortfall Bookbuild. The Retail Entitlement Offer to raise up to approximately $49 million is not underwritten.

A summary of the Underwriting Agreement is set out in Section 9.5, including the conditions to the underwriting and the circumstances under which the Joint Lead Managers are entitled to terminate their underwriting obligations.

For the results of the Institutional Entitlement Offer and Institutional Shortfall Bookbuild, see the ASX announcement "Successful Completion of Institutional Entitlement Offer" lodged with ASX on Monday, 31 October 2011.

2.4 ISSUED CAPITAL

The effect of the Entitlement Offer on the issued capital of Transpacific is set out in the table below:

	Assuming the Entitlement Offer raises:	
	Underwritten Institutional Entitlement Offer $260 million	Underwritten Institutional Entitlement Offer and non-underwritten Retail Entitlement Offer $309 million
	Number of Shares (million)[1]	Number of Shares (million)[1]
Before the Entitlement Offer (as at close of trading on Tuesday, 25 October 2011)	960.64	960.64
Institutional Entitlement Offer	520.04	520.04
Retail Entitlement Offer	–	97.51
Total Shares on issue	1,480.68	1,578.19

Note:

1. Due to rounding of Entitlements under the Entitlement Offer to shareholdings on the Record Date, among other things, the exact number of New Shares to be issued, and the number to be issued under each part of the Entitlement Offer, will not be known until completion of the Entitlement Offer. Also, this does not take into account the issue of any Top-Up Shares – see Section 2.10.

2.5 THE RETAIL ENTITLEMENT OFFER AND THE RETAIL SHORTFALL BOOKBUILD

2.5.1 WHAT IS THE RETAIL ENTITLEMENT OFFER?

The Retail Entitlement Offer will be conducted between Tuesday 1 November 2011 and Friday 18 November 2011. Under the Retail Entitlement Offer, Transpacific is offering Eligible Retail Shareholders the opportunity to subscribe for 9 New Shares for every 14 Existing Shares held at 7.00pm (Sydney time) on Monday, 31 October 2011 ("Record Date") at the Offer Price.

The ratio and the Offer Price for the New Shares you are entitled to subscribe for are equal to the ratio and Offer Price as under the Institutional Entitlement Offer. The Record Date is also the Record Date that applies to Eligible Institutional Shareholders under the Institutional Entitlement Offer.

The number of New Shares for which an Eligible Retail Shareholder is entitled to subscribe is shown on the personalised Entitlement and Acceptance Form that accompanies this Prospectus and which will be sent to each Eligible Retail Shareholder. Where fractions arise in the calculation of Entitlements, they will be rounded up to the next whole number of New Shares.

The Retail Entitlement Offer does not constitute an offer to any person who is not an Eligible Retail Shareholder, including:

- any Eligible Institutional Shareholder (whether or not it accepted the Institutional Entitlement Offer);
- any Ineligible Institutional Shareholder;
- any Ineligible Retail Shareholder; or
- a nominee for such a person, in respect of Shares held for such a Shareholder.

2.5.2 WHO IS ELIGIBLE TO PARTICIPATE IN THE RETAIL ENTITLEMENT OFFER?

The Retail Entitlement Offer is only open to Eligible Retail Shareholders.

Eligible Retail Shareholders are those persons who:

- are registered as Shareholders as at 7.00pm (Sydney time) on the Record Date;
- have a registered address in Australia or New Zealand;
- are not in the United States and are subscribing for the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act);
- are, in the opinion of Transpacific and the Joint Lead Managers, otherwise eligible under all applicable securities laws to receive an offer for New Shares under the Retail Entitlement Offer; and
- are not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.

If you have acquired Shares in a Post Ex-Date Transaction, those Shares will be disregarded in determining your Entitlement as described in this Section 2.5 and in Section 9.14.

Transpacific, in its absolute discretion, reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder and therefore able to participate in the Retail Entitlement Offer, or an Ineligible Retail Shareholder and therefore unable to participate in the Retail Entitlement Offer. Transpacific disclaims all liability to the maximum extent permitted by law in respect of the determination as to whether a Shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

The Retail Entitlement Offer is not being extended to any Shareholder whose registered address is outside Australia or New Zealand, or who is a person in the United States. See Section 2.16 for further details on the treatment of foreign Shareholders under the Retail Entitlement Offer.

It is the responsibility of each applicant to ensure compliance with the laws of any country relevant to their Application. Return of a completed Entitlement and Acceptance Form together with the payment by cheque, bank draft or money order or payment of any Application Monies by BPAY® will be taken by Transpacific to constitute a representation to Transpacific that there has been no breach of such laws, and that the applicant is an Eligible Retail Shareholder.

The foreign selling restrictions under the Retail Entitlement Offer summarised in Section 2.16.1 apply to the underlying beneficial holder.

Nominees, trustees or custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Retail Shareholder.

Accordingly, any Application made on the respective personalised Entitlement and Acceptance Forms by a nominee on behalf of a beneficiary must be in accordance with the Offer Documents. This would be the case where:

- the nominee has a registered address in Australia or New Zealand (irrespective of the registered address of the beneficiary); and
- the nominee is not holding shares on behalf of a beneficiary who is an Eligible Institutional Shareholder, Ineligible Institutional Shareholder or Ineligible Retail Shareholder; and
- the beneficiary is not in the United States and is subscribing for the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act); and
- the beneficiary is eligible under all applicable

securities laws to receive an offer under the Retail Entitlement Offer.

A nominee must not send any materials relating to the Entitlement Offer into the United States and must not submit an Application or otherwise accept the Retail Entitlement Offer on behalf of a person in the United States.

Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia are responsible for ensuring that accepting the Retail Entitlement Offer does not breach securities laws in the relevant overseas jurisdictions.

2.5.3 OFFER PRICE

The Offer Price is $0.50 per New Share. This is payable on taking up your Entitlement and is the same price to be paid for New Shares by Eligible Institutional Shareholders under the Institutional Entitlement Offer.

2.5.4 TAKING UP ENTITLEMENTS

Eligible Retail Shareholders may take up their Entitlement in full or in part by returning their Entitlement and Acceptance Form and payment of the full Application Monies (by cheque, bank draft or money order) to the Share Registry or by BPAY® payment instruction, so that it is received by no later than 5.00pm (Sydney time) on Friday, 18 November 2011 ("Retail Closing Date"). Transpacific reserves the right to extend the Retail Closing Date without notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

Returning a completed Entitlement and Acceptance Form or paying any Application Monies for New Shares using BPAY® will be taken to constitute a representation by the Eligible Retail Shareholder that they:

- have received a copy of this Prospectus accompanying the Entitlement and Acceptance Form and read it in full;
- declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® instruction is given, the Application may not be varied or withdrawn except as required by law; and
- agree to being issued the number of New Shares for which they submitted an Application.

New Shares are expected to be issued on Wednesday, 30 November 2011 to Eligible Retail Shareholders who return their Entitlement and Acceptance Form and payment of the full Application Monies (by cheque, bank draft or money order) to the Share Registry or make payment of full Application Monies by BPAY® so that it received by no later than 5.00pm (Sydney time) on the Retail Closing Date, as detailed in the Entitlement and Acceptance Form.

Once the Entitlement and Acceptance Form is returned or payment of Application Monies is made, it is irrevocable and may not be withdrawn, except as allowed by law.

2.5.5 ENTITLEMENTS NOT TAKEN UP

New Shares of an equivalent number to New Shares not taken up under the Retail Entitlement Offer will be automatically offered for subscription under the Retail Shortfall Bookbuild (see Section 2.5.6).

These New Shares will be offered for subscription together with New Shares that would have been offered to Ineligible Retail Shareholders had they been entitled to participate in the Retail Entitlement Offer.

2.5.6 WHAT IS THE RETAIL SHORTFALL BOOKBUILD?

The Retail Shortfall Bookbuild will be conducted by the Joint Lead Managers pursuant to a bookbuild sale process conducted outside market hours between Wednesday, 23 November 2011 and Thursday, 24 November 2011. Certain Institutional Investors will be invited by the Joint Lead Managers to participate in the Retail Shortfall Bookbuild. They will be invited to bid for the number of New Shares equal to the sum of New Shares:

- not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer; and
- that would have been offered to Ineligible Retail Shareholders had they been entitled to participate in the Retail Entitlement Offer.

2.5.7 RETAIL CLEARING PRICE OF THE RETAIL SHORTFALL BOOKBUILD

The Clearing Price under the Retail Shortfall Bookbuild may be equal to or above the Offer Price. If:

- there is insufficient demand to clear the Retail Entitlement Offer, or the Clearing Price is equal to the Offer Price, no cash will be payable to any Eligible Retail Shareholder or Ineligible Retail Shareholder; or
- the Clearing Price is above the Offer Price, the excess, being the Retail Premium, will be paid on a pro rata basis to each:
  - Eligible Retail Shareholder who did not take up their Entitlement in full (according to the number of New Shares they were entitled to take up but did not); and
  - Ineligible Retail Shareholder (according to the number of New Shares they would have been entitled to take up if they were an Eligible Retail Shareholder).

The ability to procure subscriptions for the New Shares under the Retail Shortfall Bookbuild and the ability to obtain any Retail Premium will depend on various factors, including market conditions. It is possible that the Clearing Price under the Retail Shortfall Bookbuild may be equal to the Offer Price, in which case no Retail Premium would be payable. The existence of any Institutional Premium is not an indication of whether there will be a Retail Premium or what the Retail Premium may be. There is no guarantee that any value will be received by Eligible Retail Shareholders who do not take up their Entitlement or by Ineligible Retail Shareholders for their Entitlement, through the Retail Shortfall Bookbuild, or that any value achieved for Entitlements in the Institutional Shortfall Bookbuild will be matched in the Retail Shortfall Bookbuild.

To the maximum extent permitted by law, none of Transpacific, the Joint Lead Managers, their respective related bodies corporate, the directors, officers, employees, agents or advisers of any of them, will bear liability, including for their negligence, for any failure to procure subscribers under the Retail Shortfall Bookbuild at a price equal to or in excess of the Offer Price.

Payment of any Retail Premium to any existing or former Shareholder will be made either by:

- cheque mailed to that person's address as last recorded in Transpacific's register of members; or
- direct credit, but only where that person has previously nominated to receive payment of dividends by direct credit and has not withdrawn that nomination.

In all cases, the payment method used will be at Transpacific's election.

2.6 THE INSTITUTIONAL ENTITLEMENT OFFER AND INSTITUTIONAL SHORTFALL BOOKBUILD

The Institutional Entitlement Offer and Institutional Shortfall Bookbuild was conducted on Friday, 28 October 2011 to raise approximately $260 million (representing the underwritten Institutional Entitlement Offer) through the issue of approximately 520 million New Shares.

Settlement of the Institutional Entitlement Offer and the Institutional Shortfall Bookbuild is expected to occur on Monday, 7 November 2011. Normal settlement trading of those New Shares is expected to commence on Tuesday, 8 November 2011.

2.6.1 WHAT WAS THE INSTITUTIONAL ENTITLEMENT OFFER?

Under the Institutional Entitlement Offer, Eligible Institutional Shareholders were invited to subscribe for 9 New Shares for every 14 Existing Shares held at the Record Date at the Offer Price of $0.50. The Institutional Entitlement Offer is the same offer as is being made to Eligible Retail Shareholders under this Prospectus.

For the results of the Institutional Entitlement Offer and Institutional Shortfall Bookbuild, see the ASX announcement "Successful Completion of Institutional Entitlement Offer" lodged with ASX on Monday, 31 October 2011.

2.6.2 WHAT WAS THE INSTITUTIONAL SHORTFALL BOOKBUILD?

Under the Institutional Shortfall Bookbuild, certain Institutional Investors were invited by the Joint Lead Managers to bid for a number of New Shares equal to the sum of New Shares:

- not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer; and
- that would have been offered to Ineligible Institutional Shareholders had they been entitled to participate in the Institutional Entitlement Offer.

The Clearing Price under the Institutional Shortfall Bookbuild is set out in the ASX announcement "Successful Completion of Institutional Entitlement Offer" lodged with ASX on Monday, 31 October 2011.

If the Clearing Price under the Institutional Shortfall Bookbuild was higher than the Offer Price, the excess ("Institutional Premium") will, following settlement of the Institutional Shortfall Bookbuild, be paid on a pro rata basis to each:

- Eligible Institutional Shareholder who did not take up their Entitlement in full (according to the number of New Shares they were entitled to take up but did not); and
- Ineligible Institutional Shareholder (according to the number of New Shares they would have been entitled to take up if they were an Eligible Institutional Shareholder).

If the Clearing Price under the Institutional Shortfall Bookbuild was equal to the Offer Price, there is no Institutional Premium and no cash will be payable to any Eligible Institutional Shareholder or Ineligible Institutional Shareholder.

The Offer Price per New Share issued under the Institutional Entitlement Offer and Institutional Shortfall Bookbuild will be received by Transpacific on the Institutional Settlement Date.

2.7 NO OFFER UNDER THE RETAIL ENTITLEMENT OFFER TO HOLDERS OF NEW SHARES

Any person allocated New Shares under the Institutional Entitlement Offer does not have any Entitlement to participate in the Retail Entitlement Offer in respect of those New Shares.

2.8 OTHER INFORMATION FOR NOMINEES

As a result of legal restrictions applicable to the Entitlement Offer, persons who act as nominees for Shareholders must not send copies of this Prospectus to any of their clients (or any other person) resident in the United States. By submitting an Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have made the representations and warranties, on behalf of yourself and any of your clients for whom you are acting as nominee, set out in Section 2.5.1 and 2.16.

2.9 NO TRADING OF ENTITLEMENTS

Entitlements cannot be traded on ASX or any other exchange or privately transferred.

However, New Shares equivalent to the number of New Shares not taken up under the Retail Entitlement Offer will be offered for subscription under the Retail Shortfall Bookbuild (described in Section 2.5). If you do not take up all of your Entitlement, you may be paid some cash (the Retail Premium) for that part of your Entitlement not taken up (see Sections 2.5.5, 2.5.6 and 2.5.7) or you may be paid nothing.

2.10 RECONCILIATION

Due to the structure of the Entitlement Offer, in some instances Shareholders may believe that they own more or fewer Shares than they ultimately did on the Record Date. This results in a need for a reconciliation.

If a reconciliation is required, it is possible that Transpacific may need to issue a small number of additional New Shares ("Top-Up Shares") to ensure all Eligible Shareholders receive their full Entitlement. The price at which any Top-Up Shares are issued is not known but would not be lower than the Offer Price.

Transpacific also reserves the right to reduce the number of New Shares or the amount of Institutional Premium or Retail Premium allocated to Eligible Shareholders (or persons claiming to be Eligible Shareholders) if their claims prove to be overstated or if they (or their nominees) fail to provide information requested to substantiate their claims. Any Top-Up Shares will be issued under this Prospectus and accordingly (without limiting other provisions of this Prospectus), the offers in this Prospectus remain open in respect of such New Shares until the issue of such Top-Up Shares.

2.11 RANKING OF NEW SHARES

New Shares will be issued as fully paid ordinary shares in Transpacific and will rank equally with Existing Shares from the date of allotment.

A summary of the rights and liabilities attaching to the New Shares is set out in Section 9.7.

2.12 ASX QUOTATION AND TRADING OF NEW SHARES

Transpacific will apply within seven days of the date of this Prospectus, for the official quotation of the New Shares.

Subject to approval being granted by ASX, it is expected that normal trading of New Shares issued under the:

- Institutional Entitlement Offer and Institutional Shortfall Bookbuild will commence on Tuesday, 8 November 2011; and
- Retail Entitlement Offer and Retail Shortfall Bookbuild will commence on Thursday, 1 December 2011.

Holding statements are expected to be despatched to successful applicants under the Retail Entitlement Offer on Thursday, 1 December 2011.

It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving their holding statement will do so at their own risk.

Transpacific and the Joint Lead Managers disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statement, whether on the basis of confirmation of the allocation provided by Transpacific, the Share Registry or the Joint Lead Managers.

2.13 CHESS

The New Shares will participate from the date of commencement of quotation in CHESS, operated by ASX Settlement Pty Ltd. The New Shares must be held in an uncertificated form (i.e. no share certificate will be issued) on the CHESS subregister under sponsorship of a sponsoring participant (usually a broker) or on the issuer-sponsored subregister.

Arrangements can be made at any subsequent time to convert your holding from the issuer-sponsored subregister to the CHESS subregister or vice versa, by contacting your sponsoring participant.

2.14 APPLICATION MONIES

All Application Monies will be held by Transpacific in a bank account on trust for applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to applicants. The bank account will be established and maintained by Transpacific solely for the purposes of depositing Application Monies and retaining those funds for as long as required under the Corporations Act.

Interest earned on the Application Monies will be for the benefit of, and will remain the property of, Transpacific and will be retained by Transpacific whether or not the allotment and issue of New Shares take place.

Any Application Monies received for more than your final allocation of New Shares will be refunded (except for where the amount is less that the Offer Price, in which case it will be retained by the Company).

If the New Shares are not issued to you, a cheque will be drawn and relevant Application Monies will be refunded as soon as practicable after the Retail Closing Date.

2.15 WITHDRAWAL OF THE ENTITLEMENT OFFER

Transpacific and the Directors reserve the right to withdraw all or part of the Entitlement Offer and this Prospectus at any time prior to the issue of New Shares on the allotment of the Retail Entitlement Offer and Retail Shortfall Bookbuild, in which case Transpacific will draw a cheque and refund Application Monies in relation to New Shares not already issued in accordance with the Corporations Act without any payment of interest to the applicant and as soon as is practicable.

2.16 TREATMENT OF FOREIGN RETAIL SHAREHOLDERS

2.16.1 GENERAL

Neither this Prospectus nor the Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any jurisdiction in which, or to any persons to whom, it would be unlawful to make such an offer or sale.

Eligible Shareholders who reside outside Australia and New Zealand should consult their professional advisers as to whether, in order to enable them to take up their Entitlement, any governmental or other consent is required or other formalities need to be observed.

This Prospectus does not constitute a prospectus or investment statement and has not been registered with, filed with or approved by any New Zealand regulatory authority under or in connection with the Securities Act 1978 (New Zealand). The New Shares are not being offered or sold to the public in New Zealand other than to existing Shareholders 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).

Eligible Retail Shareholders holding Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that taking up their Entitlement does not breach the laws and regulations in the relevant overseas jurisdiction. The making of an Application (whether by returning a completed Entitlement and Acceptance Form or making a payment by BPAY®) will constitute a representation and warranty that there has been no breach of such laws or regulations. Shareholders who are nominees are therefore advised to seek independent advice as to how they should proceed. Transpacific and the Joint Lead Managers reserve the right to reject any Application which they believe comes from a person who is not an Eligible Retail Shareholder.

Neither this Prospectus nor the Entitlement and Acceptance Form may be distributed to, or relied upon by, persons in the United States. Neither the Entitlements nor New Shares offered in the Entitlement Offer have been, or will be, registered under the US 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 US Securities Act and any other applicable securities laws. The New Shares to be offered and sold in the Entitlement Offer to which this Prospectus relates, may only be offered and sold to Eligible Shareholders in “offshore transactions” (as defined in Rule 902(h) of Regulation S under the US Securities Act) in compliance with Regulation S under the US Securities Act.

Each purchaser of New Shares under the Entitlement Offer will be deemed to have represented, warranted and agreed that you:

- understand that neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, or in any other jurisdiction outside Australia or New Zealand and that, therefore, the Entitlements may not be taken up, and the New Shares may not be offered, sold, pledged, transferred or otherwise disposed of without registration under the US Securities Act (which you acknowledge and agree that none of the Company or the Joint Lead Managers has any obligation to do or procure), or unless the New Shares are offered, sold, pledged, transferred or otherwise disposed of in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- are not in the United States, and you are subscribing for or purchasing New Shares in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act;
- are not purchasing the New Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) under the Securities Act); and
- have not, and will not, send any materials relating to the Entitlement Offer to any person in the United States.

2.16.2 INELIGIBLE RETAIL SHAREHOLDERS

Retail Shareholders who are not Eligible Shareholders are deemed to be Ineligible Retail Shareholders.

Transpacific is of the view that it is unreasonable to extend the Entitlement Offer to Ineligible Retail Shareholders, having regard to the:

- small number of Ineligible Retail Shareholders;
- small number and value of the New Shares which would be offered to Ineligible Retail Shareholders if they were Eligible Retail Shareholders; and
- cost of complying with the legal requirements, and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, the Retail Entitlement Offer is not being extended to any retail Shareholders outside Australia and New Zealand, unless, in the opinion of Transpacific and the Joint Lead Managers, that Shareholder would be eligible under all applicable securities laws to receive an offer for New Shares under the Retail Entitlement Offer. Transpacific will notify all Ineligible Retail Shareholders of the Entitlement Offer and advise that Transpacific is not extending the Retail Entitlement Offer to Ineligible Retail Shareholders.

The Entitlement to New Shares equivalent to the number that Ineligible Retail Shareholders would have been entitled to subscribe for had they been entitled to participate in the Retail Entitlement Offer will be offered to certain Institutional Investors under the Retail Shortfall Bookbuild.

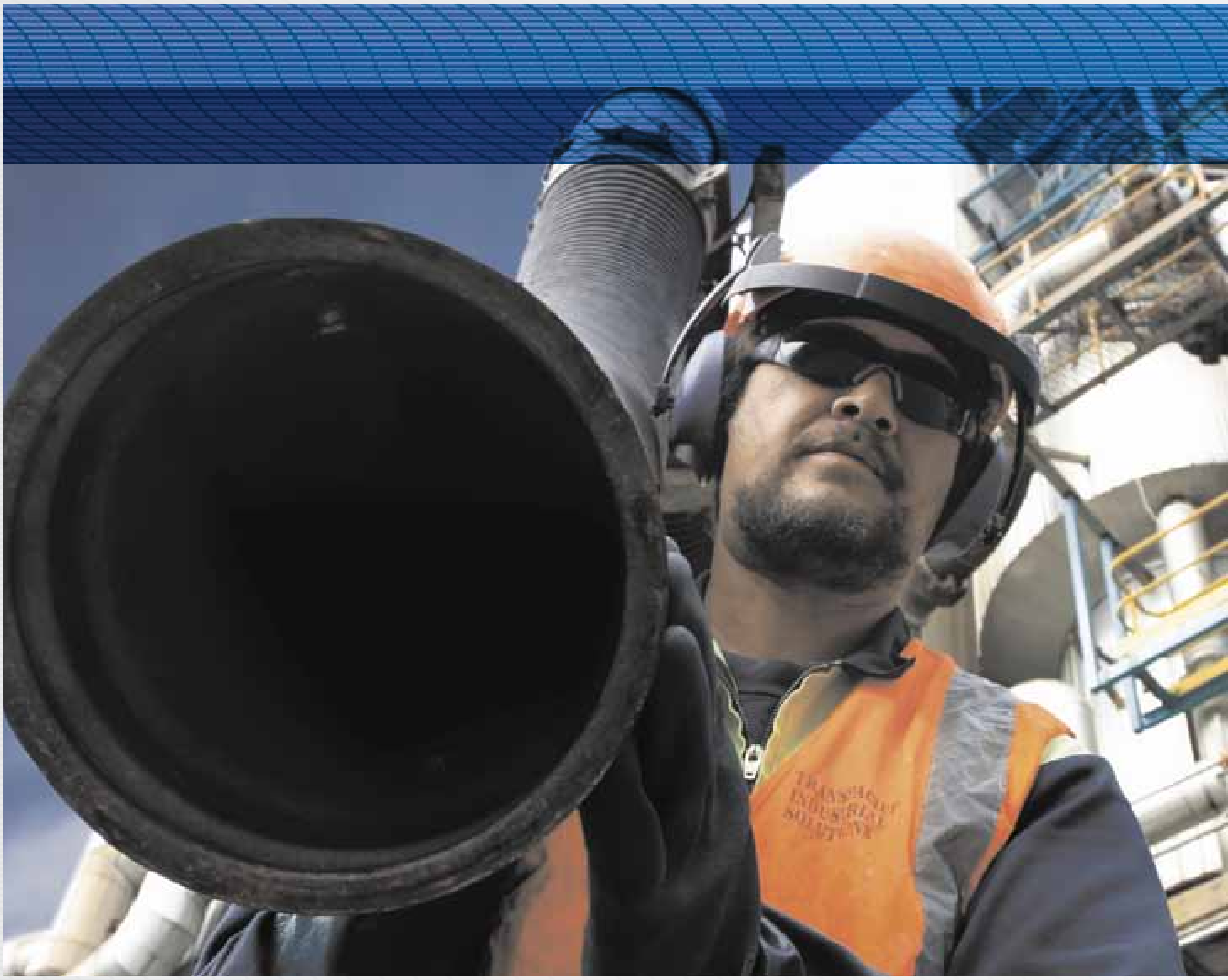
2.17 TAXATION IMPLICATIONS OF THE ENTITLEMENT OFFER

The taxation implications of the Entitlement Offer will vary depending upon the particular circumstances of each Shareholder.

Accordingly, all investors should obtain their own professional advice before concluding on the particular taxation treatment that will apply to them, whether or not those investors participate in the Entitlement Offer and apply for New Shares.

General tax implications in Australia for Eligible Retail Shareholders are discussed in further detail in Section 8.

3. HOW TO APPLY



Specialist industrial services equipment assisting government and heavy industry with facilities maintenance and total waste management solutions.

Before taking any action in relation to the Retail Entitlement Offer, Eligible Retail Shareholders should read this Prospectus in its entirety, including Section 6 which summarises key risk factors associated with an investment in New Shares and Transpacific.

Your Entitlement is set out in the personalised Entitlement and Acceptance Form. If you are an Eligible Retail Shareholder and you have not received a personalised Entitlement and Acceptance Form, you should contact the Transpacific Shareholder Information Line between 8.30am and 5.00pm (Sydney time) Monday to Friday during the Entitlement Offer Period on 1300 658 745 (local call cost within Australia) or +61 3 9415 4262 (from outside Australia).

3.1 OPTIONS AVAILABLE

Eligible Retail Shareholders may do any of the following:

- take up their full Entitlement under the Retail Entitlement Offer;
- partially take up their Entitlement; or
- do nothing.

The Retail Entitlement Offer is a pro rata offer to Eligible Retail Shareholders. Eligible Retail Shareholders who take up their Entitlements in full will not have their percentage shareholding in Transpacific (held at the Record Date) diluted by the Entitlement Offer. As the Retail Entitlement Offer is not underwritten, Eligible Retail Shareholders who take up their Entitlement in full may have their percentage shareholding in Transpacific (held at the Record Date) increased if other Eligible Retail Shareholders do not take up their rights and they are not sold as part of the Retail Shortfall Bookbuild.

The percentage shareholding in Transpacific (held at the Record Date) of Eligible Retail Shareholders who do not take up all of their Entitlements will be diluted (i.e. it will reduce). Ineligible Retail Shareholders who are not eligible to take up their Entitlements will also have their percentage shareholding in Transpacific (held at the Record Date) diluted.

3.2 ACCEPT THE RETAIL ENTITLEMENT OFFER IN FULL OR IN PART

3.2.1 WHAT YOU NEED TO DO

If you are an Eligible Retail Shareholder and you wish to take up all or part of your Entitlement, you have two options:

OPTION 1: Submit your completed Entitlement and Acceptance Form together with a cheque, bank draft or money order.

To follow this Option 1, you should:

- complete the personalised Entitlement and Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form, and indicate the number of New Shares for which you wish to subscribe (these may be all or part of your Entitlement as indicated on your personalised Entitlement and Acceptance Form); and
- return the Entitlement and Acceptance Form to the Share Registry (address details below) together with a cheque, bank draft or money order which must be:
  - — in respect of the full Application Monies (being \$0.50 per New Share multiplied by the number of New Shares for which you wish to subscribe and not being an amount for payment of New Shares in excess of your Entitlement);
  - — in Australian currency drawn on an Australian branch of a financial institution; and
  - — made payable to “Transpacific Entitlement Offer Account” and crossed “Not Negotiable”.

You should ensure that sufficient funds are held in relevant account(s) to cover the full Application Monies. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares for which you have applied in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your Entitlement and Acceptance Form). Alternatively, at the discretion of the Joint Lead Managers, in consultation with Transpacific, your Application may be rejected.

You need to ensure that your completed Entitlement and Acceptance Form and cheque, bank draft or money order is received at the Share Registry at the following address by no later than 5.00pm (Sydney time) on Friday, 18 November 2011 (subject to variation):

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001.

For the convenience of Eligible Retail Shareholders, a reply paid envelope addressed to the Share Registry has been enclosed with this Prospectus. If mailed in Australia, no postage stamp is required.

You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment. Cash payments will not be accepted. Receipts for payment will not be issued.

Entitlement and Acceptance Forms (and payments for Application Monies) may be accepted if received after the Retail Closing Date at the discretion of Transpacific and the Joint Lead Managers.

Entitlement and Acceptance Forms (and payments for Application Monies) will not be accepted at Transpacific’s registered or corporate offices. Further, persons who access the electronic version of this Prospectus should note that the electronic version of this Prospectus on the Transpacific website will not include an Entitlement and Acceptance Form; or

OPTION 2: Pay via BPAY® payment

To follow this Option 2, you should pay the full Application Monies (being $0.50 per New Share multiplied by the number of New Shares for which you wish to subscribe and not being an amount for payment of New Shares in excess of your Entitlement) via BPAY® payment in accordance with the instructions set out on the personalised Entitlement and Acceptance Form, which includes the biller code and your unique reference number. If you have multiple holdings, you will also have multiple customer reference numbers.

You must use the reference number shown on each Entitlement and Acceptance Form to pay for each holding separately. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution.

Please note that should you choose to pay by BPAY® payment, you;

- do not need to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form; and
- are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

You need to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Friday, 18 November 2011 (subject to variation).

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. It is the responsibility of the applicant to ensure that all Application Monies submitted through BPAY® are received by 5.00pm (Sydney time) on Friday, 18 November 2011 (subject to variation).

You may not apply for more than the Entitlement shown on your personalised Entitlement and Acceptance Form. The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of your actual Entitlement. Any Application Monies received for more than your total actual Entitlement are expected to be refunded on or around Tuesday, 6 December 2011.

In either case of OPTION 1 or OPTION 2, by taking up all or part of your Entitlement, you will be deemed to have made the representations set forth in Sections 2.5.1, 2.5.2 and 2.16.

3.2.2 NOTE FOR SHAREHOLDERS TAKING UP LESS THAN THEIR FULL ENTITLEMENT

If you do not take up your full Entitlement, you should note that the New Shares representing the part of your Entitlement that you do not take up will be sold through the Retail Shortfall Bookbuild and you will be paid cash if there is a Retail Premium (see Section 2.5.7) or you will be paid nothing if the Clearing Price for the Retail Shortfall Bookbuild is equal to the Offer Price.

You should also note that, if you do not take up all of your Entitlement, then – although you will continue to own the same number of Shares and may acquire some New Shares – your percentage shareholding in Transpacific (held at the Record Date) will be reduced.

3.3 IF YOU DO NOTHING

If you are an Eligible Retail Shareholder and you do nothing, then New Shares representing your Entitlement will be sold through the Retail Shortfall Bookbuild and you will be paid via cheque if there is a Retail Premium (see Section 2.5.5 and Section 2.5.7) or you will be paid nothing if the Clearing Price for the Retail Shortfall Bookbuild is equal to the Offer Price.

You should also note that, if you do not take up your Entitlement, then – although you will continue to own the same number of Existing Shares – your percentage shareholding in Transpacific (held at the Record Date) will be reduced.

3.4 FURTHER INFORMATION

This Prospectus is important and requires your immediate attention. You should read it carefully in its entirety. If you are in doubt as to the course you should follow, you should consult your stockbroker, solicitor, accountant or other professional adviser. If you have:

- questions in relation to the Existing Shares upon which your Entitlement has been calculated;
- questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- lost your Entitlement and Acceptance Form and would like a replacement form,

please call the Transpacific Shareholder Information Line on 1300 658 745 (local call cost within Australia) or +61 3 9415 4262 (from outside Australia) at any time from 8.30am to 5.00pm (Sydney time) Monday to Friday during the Entitlement Offer Period.

In advance of receiving your written confirmation of issue of New Shares, you can check the number of New Shares issued to you under the Retail Entitlement Offer by using the Computershare Investor Centre at www.investorcentre.com and following the security access instructions.

4. OVERVIEW OF TRANSPACIFIC

Wetherill Park NSW hydrocarbon used lubricating oil refinery and tank farm supplies feedstock to Transpacific's hydrogenation facility in Rutherford for re-refining into a base oil product.

OVERVIEW OF TRANSPACIFIC

4.1 GROUP OVERVIEW

Transpacific is Australia's and New Zealand's leading waste management business, with a comprehensive range of waste management and industrial cleaning services via our national coverage in both countries.

Transpacific's business model is based on providing clients with tailored and completely integrated environmental waste services and industrial solutions.

Transpacific takes pride in being able to recycle or reuse almost any material, including liquids, sludges and hazardous wastes generated by the agricultural, manufacturing, construction, mining and government sectors.

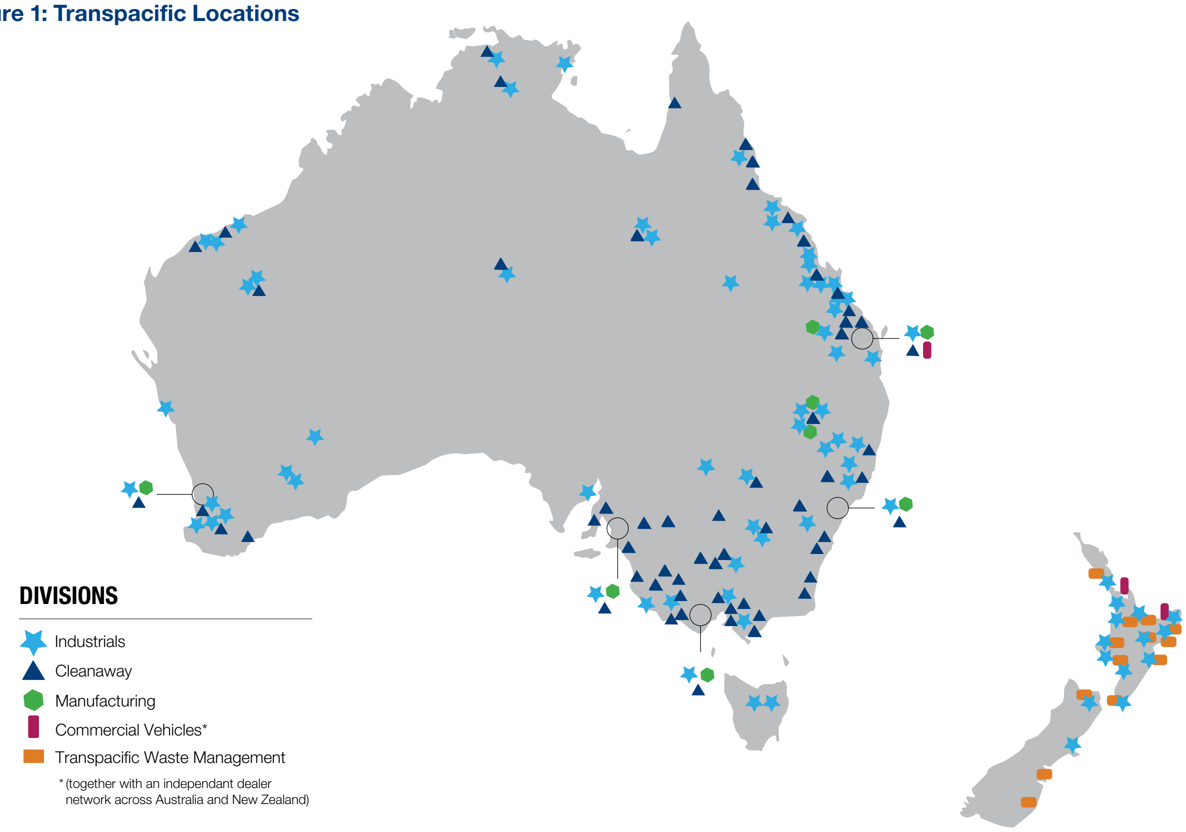
Transpacific operates a network of assets throughout Australia and New Zealand, including 32 landfills (including 15 managed sites), 48 resource recovery centres and 56 industrial treatment and disposal facilities. At the date of this Prospectus, Transpacific has over 6,800 employees. The scale of the Company's operations and the utilisation of a significant amount of internally generated intellectual property provide cost and competitive advantages.

In FY2011A, Transpacific recorded revenue of $2,179 million and EBITDA including associates before significant items of $425 million. Transpacific's FY2012F revenue and EBITDA including associates before significant items are anticipated to be $2,263 million and $452 million respectively. After the first quarter's trading, Transpacific is on track to meet this forecast. See Section 5 for further information.

Transpacific has a strong commitment to the safe and responsible management of waste, regulatory compliance, and the protection and enhancement of the environment. Transpacific's guiding philosophy is that all waste is a resource and our aim is to incorporate recovery, recycling and reuse strategies throughout our operations, and those of our customers. Tightening of environmental standards that Transpacific's customers must adhere to provides significant opportunities for the Company.

Also of paramount importance is Transpacific's commitment and philosophies towards workplace health and safety, and the wellbeing of our employees. Our people are our first and foremost consideration in everything we do, and our continuing programs aim to minimise workplace risk and facilitate the safety of our employees, customers and the community.

Figure 1: Transpacific Locations



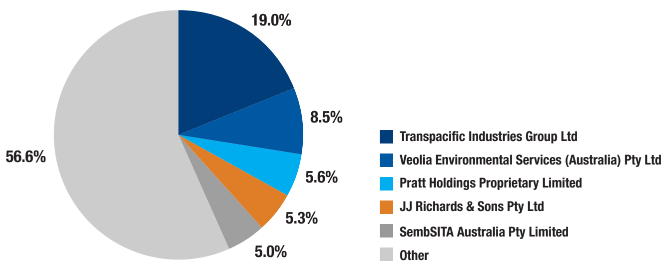
Transpacific is well positioned to benefit from favourable industry fundamentals, including:

- waste volume and revenue are generally resilient across a typical economic cycle;
- essential services (such as waste collection) are driven by population and economic growth;
- the businesses undertake substantial public sector work;
- government regulation, legislation and high cost of infrastructure for post collection and treatment facilities that are hard to replicate; and
- greater environmental concern and the belief in the benefits of recycling by the public, influencing governments and businesses to act, which in turn, creates rebates such as the product stewardship oil benefit paid to operators such as Transpacific.

Furthermore, some of the revenue streams within the waste industry are more cyclical, providing exposure to changing economic conditions. Some of these cyclical revenue streams relate to low level contaminated soils from the construction and demolition sector, specialised waste volumes (liquid) driven by activity in manufacturing and retail consumer demand industries such as the collection, treatment, processing and recycling of liquid and hazardous waste, including industrial waste, grease trap waste, oily waters and used cooking oils. Emergency response to natural and man-made disasters also contributes significant one-off revenues to the waste management industry.

Transpacific also has a number of ongoing projects which will support growth within the business. These ongoing projects provide additional presence in growth markets such as Western Australia (including the construction of a new facility at Karratha), Western Victoria (Bass Strait oil and gas), Queensland's Surat Basin (coal seam gas expansion) and in South East Queensland (new hydrocarbon facility).

Figure 2: Market Share – Waste Disposal Services



Source: IBISWorld 'Waste Disposal Services in Australia' report (June 2011). Note that this chart does not reflect overall market shares in the Australian waste sector. IBISWorld defines the Waste Disposal Services industry as the collection or disposal of waste, with activities including the management of municipal solid waste, commercial and industrial waste, and construction and demolition waste.

4.2 MANAGEMENT AND CORPORATE GOVERNANCE

Transpacific's board of directors brings a range of experience and strategic direction to the Company. The Board is chaired by Independent Non-Executive Chairman Gene Tilbrook and comprises a majority of independent non-executive directors.

Over the past year, Transpacific's management has undergone some significant changes.

The senior leadership team has been strengthened with the appointment of Chief Executive Officer Kevin Campbell in January 2011 and Chief Financial Officer Stewart Cummins in May 2011. Transpacific's operational management team remains in place, providing stability and depth of industry knowledge and experience.

4.2.1 OVERVIEW OF TRANSPACIFIC'S BOARD

GENE TILBROOK

- Independent Non-Executive Chairman
- Member of the Audit Committee
- Member of the Risk and Compliance Committee

Gene Tilbrook joined the Transpacific board in September 2009. He was appointed Chairman in June 2010.

Gene has significant management experience in corporate strategy, finance, investments and capital management.

Gene was Finance Director at Wesfarmers Limited until his retirement in May 2009, having joined Wesfarmers in 1985 and holding a number of positions in its Finance and Business Development Departments during this time.

Gene is a non-executive director of Fletcher Building Ltd (appointed September 2009), GPT Group (appointed May 2010), NBN Co Ltd (appointed August 2009) and QR National Limited (appointed April 2010).

Gene holds tertiary qualifications in science, computing science and business administration (MBA) and has completed the Advanced Management Program at Harvard Business School. He is a Fellow of the Australian Institute of Company Directors.

KEVIN CAMPBELL

- Chief Executive Officer
- Executive Director

Kevin Campbell joined Transpacific as Chief Financial Officer on 1 September 2010 and was appointed Chief Executive Officer and Executive Director on 27 January 2011.

Kevin has over 30 years of financial expertise and extensive strategic and operational leadership skills from his experiences with leading global and national organisations in the resources, retail, recycling and manufacturing industries.

Kevin was the former Global Director – Governance and Compliance, and Chief Financial Officer for Visy Industries Pty Ltd.

Kevin is a member of the Australian Institute of Company Directors and CPA Australia.

BRUCE BROWN

- Independent Non-Executive Director
- Member of the Audit Committee
- Acting Chairman of the Human Resources Committee

Bruce Brown joined the Transpacific board in March 2005.

Bruce has significant financial expertise, and experience with global business operations.

Bruce was Chief Executive Officer of Campbell Brothers Limited until his retirement in 2005, having held finance and senior management positions with that company since 1976.

Bruce is currently a non-executive director of Campbell Brothers Limited (appointed October 2005).

Bruce holds a tertiary qualification in commerce. He is a Fellow of the Australian Institute of Company Directors.

RAJIV GHATALIA

- Non-Executive Director
- Member of the Human Resources Committee

Rajiv Ghatalia joined the Transpacific board in September 2009.

Rajiv is a Managing Director of Warburg Pincus Asia LLC. He focuses on the firm's leveraged buy-out and special situations activities including financial services in Asia.

Rajiv is a director of Titan Group Investments Ltd (appointed June 2007).

Rajiv holds tertiary qualifications in economics and accounting from the University of Pennsylvania, and an MBA from Harvard Business School.

MARTIN HUDSON

- Independent Non-Executive Director
- Chairman of the Risk and Compliance Committee
- Member of the Audit Committee

Martin Hudson joined the Transpacific board in September 2009.

Martin has significant board and commercial experience in risk management, executive leadership, regulatory matters and strategic direction derived from his varying roles at Foster's Group Limited, Southcorp Limited, Pacific Dunlop Group of Companies and Freehills.

Martin was Senior Vice President Commercial Affairs and Chief Legal Counsel at Foster's Group Limited until his retirement in July 2009. Prior to that he held the Company Secretary and Chief General Counsel position with Southcorp Limited, was General Counsel to the Pacific Dunlop Group of Companies, and was also for over 20 years a partner of national law firm Freehills.

Martin is a non-executive director of NM Superannuation Pty Ltd (the trustee of AXA Asia Pacific Holdings Limited's public superannuation funds).

Martin holds tertiary qualifications in law. He is a Member of the Australian Institute of Company Directors.

RAY SMITH

- Independent Non-Executive Director
- Chairman of the Audit Committee
- Member of the Risk and Compliance Committee

Ray Smith joined the Transpacific board on 1 April 2011.

Ray has significant corporate and financial experience in the areas of strategy, acquisitions, treasury and capital raisings.

Ray was Chief Financial Officer of Smorgon Steel Group for 11 years (1996-2007). During that period Smorgon Steel Group was at the forefront of the rationalisation of the Australian steel industry.

He is a Non-Executive Director of WHK Group Limited (appointed May 2009) and K&S Corporation Ltd (appointed February 2008). He is a former director of Willmott Forests Limited (resigned March 2011). Ray is also a Trustee of the Melbourne and Olympic Parks Trust.

Ray holds tertiary qualifications in commerce. He is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors.

EMMA STEIN

- Independent Non-Executive Director
- Member of the Human Resources Committee

Emma Stein joined the Transpacific board on 1 August 2011.

Emma has significant corporate experience within industrial markets.

Emma was the UK Managing Director for French utility Gaz de France's energy retailing operations. Since moving to Australia in 2003, she has held board roles in energy utility and oil and gas exploration.

She currently serves on the boards of DUET Group (appointed June 2004), Programmed Maintenance Services Ltd (June 2010), Clough Limited (appointed July 2008) and Alumina Limited (appointed February 2011). She is a former director of Transfield Services Infrastructure Fund (resigned July 2011) and Arc Energy (resigned August 2008). She is also a member of the Board of Trustees for the University of Western Sydney.

Emma holds tertiary qualifications in science and business administration (MBA). She is a Fellow of the Australian Institute of Company Directors.

4.2.2 OVERVIEW OF TRANSPACIFIC'S SENIOR MANAGEMENT TEAM

STEWART CUMMINS

- Chief Financial Officer

Stewart Cummins joined Transpacific on 23 May 2011.

Stewart was the Finance Director at TNT Express in Australia, New Zealand and the Pacific Islands from 2005 to 2011, and has held senior financial roles with companies including Arthur Andersen, Caltex Australia, Dairy Farmers and Multiplex Group.

Stewart is a Fellow of The Institute of Chartered Accountants in Australia, a Graduate Member of the Australian Institute of Company Directors and holds a postgraduate Master of Management from the Macquarie Graduate School of Management.

NICK BADYK

- Chief Operating Officer, Cleanaway

Nick Badyk joined Transpacific in 2001. He was appointed Chief Operating Officer Cleanaway in October 2009. Prior to joining Transpacific Nick held positions with Chemtrans, Orica and Incitec Pivot. Nick has graduate and post graduate qualifications in business and administration with his key areas of expertise being in the strategic opportunity and operational cost management areas.

ANTHONY RODERICK

- Chief Operating Officer, Industrials

Tony Roderick joined Transpacific in December 2005 from the position of General Manager Nuplex Environmental Services Australia and New Zealand. He was appointed Chief Operating Officer Industrials in October 2009. Tony holds qualifications in Civil Engineering and Environmental Management, with over 20 years experience in the environment and waste management industry.

TOM NICKELS

- Managing Director, New Zealand

Tom Nickels joined Transpacific at the beginning of 2008 in his current role as Managing Director New Zealand. Prior to joining Transpacific Tom was the Managing Director of Chubb NZ and before that Chief Executive of Carter Holt Harvey Wood Products. Tom holds qualifications in engineering and business administration (MBA). His key areas of focus including Environment, Health & Safety, Customer Service and Operational Efficiency.

PAUL GLAVAC

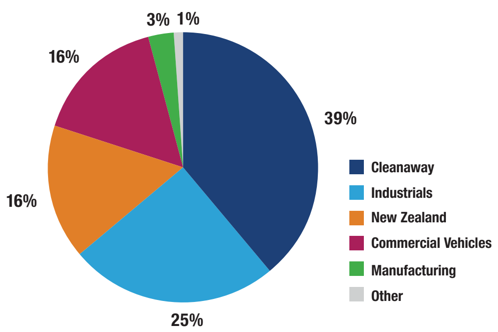
- Managing Director, Commercial Vehicles

Paul Glavac joined Transpacific in 2003. He was appointed Managing Director Commercial Vehicles in 2004. Prior to joining Transpacific Paul worked with Ateco Holdings Limited (Vehicle Import and Distribution and Heavy Supply and Modification) and later held senior positions at Brambles Industrial Services. Paul holds qualifications in business, business administration (MBA). He is a member of CPA Australia, and has 25 years experience in Vehicle importation and Distribution, together with the management and operations of large vehicle fleets.

4.3 BUSINESS DIVISIONS

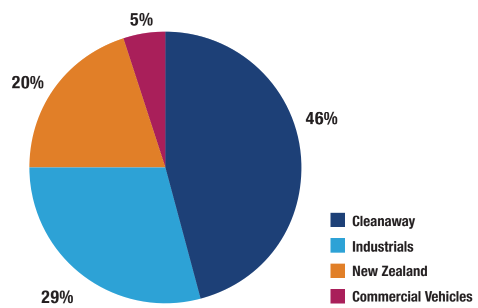
The divisions are outlined in further detail below.

Figure 4: FY2011A revenue



FY2011A revenue includes levies

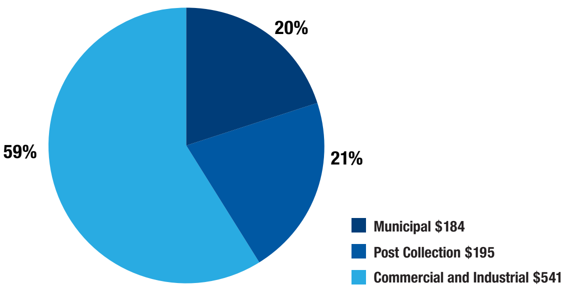
Figure 5: FY2011A EBITDA



FY2011A EBITDA chart excludes Manufacturing (loss of $8.4 million) and other (loss of $3.0 million)

4.3.1 CLEANAWAY

Figure 6: FY2011A revenue ($ million) (pre inter-company eliminations)



The Cleanaway division is the leading operator in the solid waste sector in Australia. Services provided include solid waste collection, recycling, landfill construction and operation, transfer station construction and operation, and alternative waste treatment plants. These services are provided using Transpacific's national network of strategically valuable waste management assets including landfills, transfer stations and processing facilities.

The Cleanaway division is an integrated operation comprising three complementary service streams:

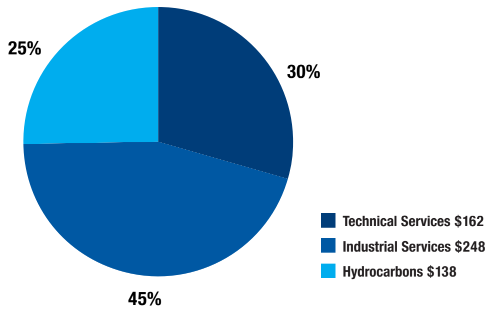
CLEANAWAY SERVICE STREAMS

Collections	Municipal, residential, commercial and industrial collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste and medical and washroom services.
Post Collections	Ownership and management of: • waste transfer stations and materials recovery facilities; and • advanced waste treatment, resource recovery and recycling, secure product destruction, quarantine treatment and landfill facilities.
Commodities Trading	Sale of recovered paper, cardboard, metals and plastics to the domestic and international marketplace, ensuring the long-term sustainability of limited natural resources.

Transpacific is dedicated to minimising the environmental impact of waste generated by its customers. This is achieved through the ownership and operation of a number of materials recycling facilities, the recycling of materials and diversion of waste from landfill wherever possible, the use of best practice technologies at landfills and the conversion of landfill gas to energy at several Transpacific sites.

4.3.2 INDUSTRIALS

Figure 7: FY2011A revenue ($ million)



Transpacific's Australian Industrials operations include:

- collection, treatment, recycling and disposal of liquid and hazardous waste;
- industrial cleaning and facilities management services;
- emergency spills response; and
- used mineral oil refining operations.

OVERVIEW OF TRANSPACIFIC

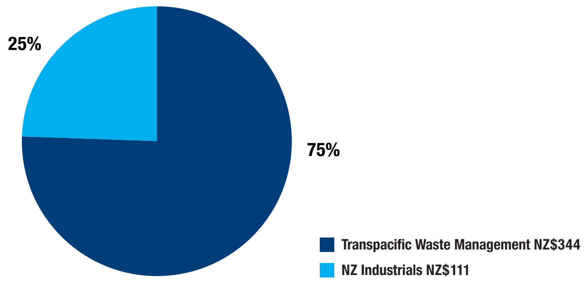
These services are provided to customers operating in a range of industries including manufacturing, mining and construction and various government sectors:

INDUSTRIALS SERVICE STREAMS

Technical Services	Collection, treatment, processing, recycling and disposal of liquid and hazardous waste, including industrial waste, grease trap waste, oily waters and used cooking oils. Liquid waste is collected and transported in purpose built, environmentally compliant vehicles equipped to manage the waste streams. Collection operations are generally centred on Transpacific's network of 38 processing, treatment and disposal facilities located throughout Australia.
Industrial Services	Services include industrial cleaning, emergency spills response, vacuum loading, site remediation, sludge management, parts washing, concrete remediation, corrosion protection, asbestos removal, hydro evacuation and catalyst services.
Hydrocarbons	Collection, refining and recycling of used mineral oils to produce fuel oils and base oils. Manufacturing of bituminous based applications and coatings. The division operates a large fleet of specialist vehicles to collect used oil, grease, filters, oily rags and contaminated fuel from over 40,000 collection points in Australia. The used oil is then recycled through one of six refineries to produce fuel oil for use in power generation, or re-refined through the hydrogenation facility in Rutherford, NSW to produce a base oil product for sale both domestically and internationally.

4.3.3 NEW ZEALAND

Figure 8: FY2011A revenue (NZ$ million)



Transpacific's New Zealand operations include solid waste management, and industrials operations.

The solid waste operation (Transpacific Waste Management) is New Zealand's leading provider of waste services, offering a full range of collection, processing and disposal services. Strategically located post-collection assets provide coverage across key markets in New Zealand.

The industrials operations provide a broad range of value-add services including the operation of specialist facilities, waste stream management services, liquid and hazardous waste management and treatment and emergency response services.

Recycling is also a significant focus for the New Zealand division, and the Redvale Energy Park, located north of Auckland, has the capacity to generate up to 12MW of electricity at its peak.

Transpacific's New Zealand capabilities include:

NEW ZEALAND SERVICE STREAMS

Collections	Municipal, residential, commercial and industrial collection services for all types of solid waste streams, including general waste, recyclables, construction and demolition waste.
Post Collections	Waste transfer stations and material recovery facilities, electricity generation, landfills and recycling.
Technical Services	Collection, treatment, processing and recycling of liquid and hazardous waste, including industrial waste, grease trap waste, oily waters, used hydrocarbon oil and used cooking oils.
Industrial Services	Services include industrial cleaning, vacuum loading, site remediation, sludge management, parts washing, concrete remediation, protective coatings, asbestos removal and catalyst services.

4.3.4 COMMERCIAL VEHICLES

The Commercial Vehicles division is the exclusive importer and distributor of Western Star trucks, MAN trucks, MAN buses and Dennis Eagle trucks for Australia and New Zealand. In addition, Western Star and MAN have distribution rights for selected other markets. It is also the exclusive importer and distributor of Foton truck chassis for Australia.

The division operates dealerships in South East Queensland, Auckland and Tauranga, and has developed a specialised network of 77 independent dealers and service facilities throughout Australia and New Zealand, with a full service Western Star dealer also located in the Philippines and Papua New Guinea. Bus chassis are distributed directly by Transpacific to customers.

The division also has a significant parts distribution business, acting as the exclusive distributor for Western Star, MAN, Dennis Eagle and Foton parts in the same markets covered by the product range agreement. This allows Transpacific to take advantage of brand loyalty and demand for quality parts and after-sale service.

4.3.5 MANUFACTURING

The Manufacturing operations include the manufacture and servicing of vehicle bodies, parts washers, plastic and steel waste bins, and waste compaction units to support the Company's solid waste operations as well as those of the waste industry.

The primary manufacturing plants are located in Melbourne, Tamworth and Bundaberg.

The Manufacturing division is currently subject to a major turnaround plan to rationalise products, operations and management structures, and improve quality controls:

- product range is being rationalised;
- product costing and pricing models are being overhauled;
- opportunities to amalgamate or close sites are being investigated;
- quality control improvement actions are being implemented; and
- management and overhead structures are being streamlined.

5. FINANCIAL INFORMATION

Industrials – Technical Services on site laboratories are used to test and neutralise chemical waste prior to treatment and disposal.

5.1 INTRODUCTION

This Section 5 contains a summary of relevant Historical, pro-forma and Forecast Financial Information for Transpacific ("Financial Information").

CAPITAL STRUCTURE INITIATIVES

The Financial Information is prepared based on the following capital structure initiatives comprising;

- the Entitlement Offer; and
- a Debt Refinance (the replacement of the $1,435 million Existing Syndicated Facility with the $1,525 million New Syndicated Facility); and
- USPP Repayment and Convertible Notes Redemption (see Sections 9.6.1, 9.6.2 and 9.6.3).

The tables in this section assume that $260 million is raised under the Entitlement Offer (representing the underwritten Institutional Entitlement Offer).

On the basis of a $260 million Entitlement Offer, these initiatives will result in the Company reducing its total debt by at least $210 million and reducing its annual interest expense by at least $31 million on a pro-forma basis assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had occurred on 30 June 2011.

If all of the shares under the Retail Entitlement Offer are taken up resulting in a total equity raising of $309 million, these initiatives will result in the Company reducing its total debt by at least $259 million and reducing its annual interest expense by at least $34 million on a pro-forma basis assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had occurred on 30 June 2011.

Refer to the risk factors in Section 6.3.2 "Inability to complete the Entitlement Offer" and Section 9.6 for further information on the New Syndicated Facility.

POST DEBT REFINANCE FACILITIES

Following the repayment of the Existing Syndicated Facility, Transpacific will have commitments from the lenders under the New Syndicated Facility of $1,525 million in several tranches which are outlined in the table below:

Tranche	Existing Syndicated Facility $m	New Syndicated Facility $m	Maturity	Type	Purpose
Existing Syndicated Facility					
A	$422	–	July 2014	Working capital	
E	$601	–	July 2013	Term/revolver	
F	$412	–	July 2014	Revolver	
Total	**$1,435**	–			
New Syndicated Facility					
A	–	$350	November 2016	Working capital	Refinance of existing working capital facility
B	–	$510	November 2015	Revolver	Refinance of existing term loans
C	–	$400	November 2014	Term loan	Refinance of existing Convertible Notes and 5 year USPP (December 2012) tranche only
D[1]	–	$216	November 2016	Term loan	Refinance of existing term loans
E	–	US$48	November 2016	Term loan	Refinance of the USPP (December 2017) tranche only
Total	–	**~$1,525**			

1. As part of the New Syndicated Facility Agreement, tranche D may be entered into as a A$:NZ$ dual currency tranche.

Other debt facilities of Transpacific that will remain in place post the Debt Refinance include the following. As outlined above, the New Syndicated Facility tranches C and E are dedicated to the refinance of these facilities in the event that they mature or are put, redeemed or repurchased, on or prior to December 2012.

Facility	Current total value $m	Value post Debt Refinance $m	Put/ redemption	Final maturity	Post debt refinance
USPP – 5 year tenor	$115[1]	$115	September 2012[2]	December 2012	No change
USPP – 10 year tenor	$54[1]	$54	September 2012[2]	December 2017	No change
Convertible Notes	$309	$309	December 2012[3]	December 2014	No change
Total	**$478**	**$478**			

1. USPP debt is included at A$ hedged rate.
2. USPP lenders have the right to put the December 2012 and December 2017 debt as at September 2012.
3. On 7 December 2012, holders of Convertible Notes have the right to request redemption (as shown above). However, the final maturity date of the Convertible Notes is 7 December 2014. See Section 9.6.3 for more information.

GEARING

Post the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption, Transpacific's gearing metrics will improve as follows:

	FY2010A	FY2011A	FY2012PF
Net debt/EBITDA	3.7x	3.3x	2.5x
EBITDA/interest cover	2.4x	2.4x	3.3x
Net debt/(net debt + equity)	41.5%	43.3%	34.2%

The figures in the above table assume $260 million is raised under the Entitlement Offer (representing the underwritten Institutional Entitlement Offer).

PRO-FORMA ADJUSTMENTS

The pro-forma Financial Information has been adjusted to show the impact of the following transactions as though they had occurred on 30 June 2011:

- Entitlement Offer;
- Debt Refinance;
- USPP Repayment;
  - assuming that the $115 million USPP – 5 year tenor (with respect to which the lenders have a right to put to the Company in September 2012 or allow it to mature in December 2012) is repaid by drawing down on tranche C of the New Syndicated Facility ("USPP Repayment"); and
  - assuming that the $54 million USPP – 10 year tenor (with respect to which the lenders have a right to put to the Company in September 2012 or allow it to mature in December 2017) remains outstanding as at 30 June 2011; and
- Convertible Notes Redemption:
  - assuming that the $309 million Convertible Notes – 5 year tenor (with respect to which the lenders have a right to request redemption at face value by the Company in December 2012 or allow it to mature in December 2014) is redeemed by drawing down on tranche C of the New Syndicated Facility ("Convertible Notes Redemption").

The Financial Information comprises:

HISTORICAL AND PRO-FORMA HISTORICAL FINANCIAL INFORMATION

- Historical Consolidated Income Statement for the financial years ended 30 June 2010 ("FY2010A") and 30 June 2011 ("FY2011A");
- Historical Consolidated Statement of Cash Flows for the financial years ended 30 June 2010 ("FY2010A") and 30 June 2011 ("FY2011A");

- Historical Consolidated Statement of Financial Position as at 30 June 2011 ("FY2011A"); and
- pro-forma Historical Consolidated Statement of Financial Position as at 30 June 2011 derived from the Historical Consolidated Statement of Financial Position as at 30 June 2011 as though the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had been completed on that date.

FORECAST FINANCIAL INFORMATION

- Forecast Consolidated Income Statement for the financial year ending 30 June 2012 ("FY2012F");
- pro-forma Forecast Consolidated Income Statement for the financial year ending 30 June 2012 ("FY2012PF") derived from the Forecast Consolidated Income Statement for the financial year ending 30 June 2012 as though the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had been completed on 30 June 2011;
- Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012 ("FY2012F");
- pro-forma Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012 ("FY2012PF") assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had been completed on 30 June 2011; and
- pro-forma impact of the Debt Refinance and Entitlement Offer on Transpacific's debt maturity profile.

The Forecast and pro-forma Forecast Financial Information has been prepared on the basis that $260 million is raised under the Entitlement Offer (representing the underwritten Institutional Entitlement Offer).

The Forecast Financial Information should be read together with the notes and assumptions accompanying the Financial Information in this Section 5 and the risk factors set out in Section 6.

5.2 INVESTIGATING ACCOUNTANT'S REPORT

The Investigating Accountant has reviewed the Financial Information as set out in the Investigating Accountant's Report in Section 7. Shareholders should note the comments made in relation to the scope and limitations of the review.

5.3 BASIS OF PREPARATION

5.3.1 HISTORICAL FINANCIAL INFORMATION

Transpacific prepares its financial reports in accordance with AAS. The Financial Information in this Section 5 should be read in conjunction with the significant accounting policies outlined in Transpacific's FY2011A audited financial report which specify the basis of preparation. A copy of the FY2011A financial report can be downloaded from Transpacific's website at www.transpacific.com.au.

The Financial Information contained in this Section 5 is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

Investors should refer to financial reports for the full year ended 30 June 2011 and the half year ended 31 December 2010 and related announcements on ASX's website www.asx.com.au should they wish to obtain more detailed financial disclosure and commentary on Historical Financial Information in relation to Transpacific.

5.3.2 FORECAST FINANCIAL INFORMATION

The Forecast Financial Information is based on a number of estimates and assumptions concerning future events, including the general and specific best estimate assumptions set out in Section 5.6. The Directors consider the information and assumptions taken as a whole used to prepare the Forecast Financial Information to be appropriate and reasonable at the time of preparation.

However, future matters are subject to significant uncertainties, many of which are outside the control of the Directors and the Company and may also not be capable of being foreseen or accurately predicted. As a result, no assurance can be given that the forecasts will be achieved. Shareholders must review the information detailed in this Section 5, including assumptions, and make their own independent assessment of the future performance and prospects of Transpacific.

The pro-forma Forecast Consolidated Income Statement for FY2012PF, the pro-forma Forecast Statement of Cash Flows for FY2012PF and the pro-forma Historical Consolidated Statement of Financial Position as at 30 June 2011 have been prepared to show the impact of the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption as though these transactions had taken place on 30 June 2011.

5.3.3 PRO-FORMA HISTORICAL FINANCIAL INFORMATION

The pro-forma Financial Information has been prepared for illustrative purposes to show the impact of the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption on Transpacific's Consolidated Income Statement, Consolidated Statement of Cash Flows and Consolidated Statement of Financial Position.

The pro-forma Financial Information should be read together with the assumptions set out in Section 5.6, the risk factors set out in Section 6, the Investigating Accountant's Report in Section 7 and other information in this Prospectus.

5.4 CONSOLIDATED INCOME STATEMENTS

The following table sets out Transpacific's:

- Historical Consolidated Income Statement for FY2010A and FY2011A;
- Forecast Consolidated Income Statement for FY2012F; and
- pro-forma Forecast Consolidated Income Statement for the financial year ending 30 June 2012 assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption occurred on 30 June 2011 ("FY2012PF").

The Forecast Financial Information in the table below assumes that $260 million is raised under the Entitlement Offer (representing the underwritten Institutional Entitlement Offer):

	Historical[1]		Forecast	
	FY2010A $m	FY2011A $m	FY2012F $m	FY2012PF $m
Revenue excluding interest income	**2,071.4**	**2,179.2**	**2,263.0**	**2,263.0**
EBITDA	**420.9**	**419.5**	**447.0**	**447.0**
Income from associates	**1.4**	**5.0**	**5.0**	**5.0**
EBITDA (including income from associates)	**422.3**	**424.5**	**452.0**	**452.0**
Depreciation and amortisation	(168.6)	(174.7)	(178.0)	(178.0)
EBIT (including income from associates)	**253.7**	**249.8**	**274.0**	**274.0**
Interest revenue	2.6	2.8	1.7	1.7
Interest expense	(176.0)	(179.8)	(157.1)	(138.5)
Profit before tax and significant items	**80.3**	**72.8**	**118.6**	**137.2**
Tax expense (excluding significant items)	(12.8)	(13.1)	(27.1)	(34.0)
Profit after tax (before significant items)	**67.5**	**59.7**	**91.5**	**103.2**
Significant items after tax[2]	5.2	(340.2)	(32.3)	–
NPAT from ordinary operations	**72.7**	**(280.5)**	**59.2**	**103.2**
Minority interests	(1.6)	(1.3)	(2.0)	(2.0)
SPS distributions	(12.1)	(14.7)	(16.7)	(16.7)
NPAT attributable to Transpacific Shareholders	**59.0**	**(296.5)**	**40.5**	**84.5**

1. Some items have been reclassified in order to present consistently with forecasts.
2. See Section 5.5.7 for details.

On the basis that the Entitlement Offer raises $260 million (representing the underwritten Institutional Entitlement Offer), these initiatives will result in the Company reducing its total debt by at least $210 million and reducing its annual interest expense by at least $31 million on a pro-forma basis assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had occurred on 30 June 2011.

If the Entitlement Offer raises the full $309 million, these initiatives will result in the Company reducing its total debt by approximately $260 million and reducing its annual interest expense by at least $34 million on a pro-forma basis assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had occurred on 30 June 2011.

The FY2012F interest expense includes $12.7 million of interest expense savings related to the impact of the Debt Refinance and Entitlement Offer from 30 November 2011 to 30 June 2012. On an annualised basis these interest expense savings equate to $21.8 million.

The additional $18.6 million of pro-forma interest expense savings in FY2012PF compared to FY2012F comprises:

- $9.1 million assuming the Debt Refinance and Entitlement Offer occurred on 30 June 2011;
- $5.3 million assuming the USPP Repayment occurred on 30 June 2011; and
- $4.2 million assuming the Convertible Notes were redeemed on 30 June 2011.

These interest expense savings are based on the current 90 day BBSY of 4.80% per annum and an A$:US$ exchange rate of 1.00.

5.5 MANAGEMENT DISCUSSION AND ANALYSIS OF CONSOLIDATED INCOME STATEMENTS

5.5.1 FY2010A AND FY2011A HISTORICAL CONSOLIDATED INCOME STATEMENTS

Transpacific's FY2010A EBITDA includes that of Transwaste Canterbury Ltd ("TCL"), a company registered in New Zealand, as a consolidated entity. On 1 July 2010, TCL was de-consolidated and Transpacific is now equity accounting for it as an associate. The net impact of this change on FY2010A had it occurred on 1 July 2009 is a reduction in EBITDA of $5.4 million.

Transpacific's FY2011A total revenue, excluding interest income, increased 5.2% to $2,179.2 million on FY2010A. EBITDA including associates before significant items was $424.5 million, up 0.5% on FY2010A.

FY2011A results were driven by strong performances in Transpacific's Total Waste Management businesses with revenues and volumes across all business streams having remained steady or increasing from FY2010A. EBITDA was negatively impacted by a lower total heavy duty truck market in the Commercial Vehicles division and underperformance in the Manufacturing division.

FY2011A profit before tax and significant items was $72.8 million, 9% down on FY2010A. FY2011A NPAT attributable to Shareholders of ($296.5) million was impacted by non-cash significant items totalling ($340.2) million after tax (see Section 5.5.6 for further information).

5.5.2 FY2012F FORECAST CONSOLIDATED INCOME STATEMENT

Based on current economic trends for the sector in Australia and New Zealand, Transpacific remains positive about the outlook for its various businesses in FY2012F. The fundamentals of the Company's Total Waste Management businesses remain sound, with good prospects for growth. The Commercial Vehicles division has a solid order book and we anticipate improved results. The turnaround plan for the Manufacturing division is well advanced, and the Company is committed to taking decisive actions to improve the division's performance. A new strategic procurement function has been established to drive further cost savings for the businesses.

Transpacific's total revenue in FY2012F is forecast to increase to between $2,231 million and $2,295 million and EBITDA including associates is forecast to increase to between $445 million and $459 million.

FY2012F profit before tax and significant items is forecast to be $118.6 million, 63% up from $72.8 million in FY2011A.

NPAT attributable to Shareholders is forecast to be $40.5 million in FY2012F, after allowing for significant items totalling ($32.3) million associated with curtailing existing debt facilities (see Section 5.5.7 for detail).

5.5.3 FY2012F REVENUE BY DIVISION

The Forecast Financial Information set out in Section 5.4 is based on certain economic and business assumptions about future events that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Transpacific, the Directors and management.

Transpacific's earnings are considered to be sensitive to movements in a number of key assumptions. Set out in the below table is a range of the sensitivity of the Forecast Financial Information, and in particular the revenue and EBITDA to variations in a number of key assumptions for FY2012F.

The changes in the key assumptions set out below are not intended to be indicative of the complete range of variations that may occur and are not intended as any indication of potential changes considered likely by Transpacific.

Care should be taken in interpreting these ranges. The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables over the full year. In practice, changes in variables may offset each other or may be cumulative, and it is likely that Transpacific's management would respond to any adverse change in one variable by taking action to minimise the net effect on Transpacific's earnings.

Movements in one assumption may have offsetting or compounding effects on other variables, the effects of which are not reflected in the following ranges. In addition, it is possible that more than one assumption may move at any one point in time, giving rise to cumulative effects, which also are not reflected in this analysis.

A breakdown of the revenue by operating division is shown below. See Section 4.3 for a more detailed description of each division.

	Historical		Forecast
Revenue	**FY2010A $m**	**FY2011A $m**	**FY2012F $m**
Cleanaway	767.1	853.3	892 – 912
Industrials[1]	515.1	547.2	549 – 559
New Zealand	335.6	348.8	353 – 361
Total Waste Management	**1,617.8**	**1,749.3**	**1,794 – 1,832**
Commercial Vehicles	374.7	353.2	364 – 384
Manufacturing	73.0	67.7	67 – 73
Other revenue	5.9	9.0	6
Total revenue[2]	**2,071.4**	**2,179.2**	**2,231 – 2,295**

1. Includes product stewardship oil benefits.
2. Excludes interest revenue.

5.5.4 FY2012F EBITDA BY DIVISION

A breakdown of the EBITDA by operating division is shown below. See Section 4.3 for a more detailed description of each division.

	Historical		Forecast
EBITDA	**FY2010A $m**	**FY2011A $m**	**FY2012F $m**
Cleanaway	186.5	200.4	210 – 214
Industrials	116.8	129.0	131 – 134
New Zealand	85.2	82.5	82 – 86
Associate income	1.4	5.0	5
Total Waste Management	**389.9**	**416.9**	**428 – 439**
Commercial Vehicles	27.3	19.6	22 – 25
Manufacturing	6.9	(8.4)	–
Other	(1.8)	(3.6)	(5)
Total EBITDA	**422.3**	**424.5**	**445 – 459**

5.5.5 FY2012F EBITDA MARGIN BY DIVISION

A breakdown of the EBITDA margin by operating division is shown below. See Section 4.3 for a more detailed description of each division.

	Historical		Forecast
EBITDA margin by division	**FY2010A $m**	**FY2011A $m**	**FY2012F $m**
Cleanaway	24.3%	23.5%	23% – 24%
Industrials	22.7%	23.6%	23% – 24%
New Zealand	25.4%	23.6%	23% – 24%
Total Waste Management	**24.1%**	**23.8%**	**23% – 24%**
Commercial Vehicles	7.3%	5.5%	6% – 7%
Manufacturing	9.5%	(12.4%)	0%
Total EBITDA margin	**20.4%**	**19.5%**	**20%**

5.5.6 DIVISIONAL OUTLOOK

Cleanaway

In FY2011A, volumes and revenues in key collection systems and post-collection systems showed solid growth year-on-year. The Cleanaway division maintained its market share during the period.

Several key Municipal and Commercial and Industrial contract wins late in FY2011 will phase in over FY2012F and FY2013 and the pipeline of opportunities remains positive. Transpacific expects this division to achieve annual growth of real GDP growth plus CPI.

Industrials

The focus on building the Industrials division's emergency response capability delivered good results in FY2011A, and the Industrials division is now recognised as an industry leader in this area. Improved asset utilisation and labour productivity delivered margin benefits in FY2011A which are expected to continue into FY2012F.

Continuing growth in the resources sector and tightening of environmental standards is expected to provide significant opportunities, despite difficult market conditions elsewhere, particularly in the traditional manufacturing and industrial sectors.

New Zealand

Market leadership was maintained in New Zealand in FY2011A. The Christchurch earthquakes response resulted in an uplift in volume at most points along the supply chain which is expected to continue into FY2012F and beyond due to the enormity of the clean-up work.

After three years of soft economic activity in New Zealand, the level of economic activity is improving. The New Zealand division is well placed to capitalise on any improved conditions.

Commercial Vehicles

The Commercial Vehicles division retained a relative position in the Australian truck market in FY2011A, with Western Star and MAN holding a combined market share of 11.5%. The second half of the year was stronger than the first half, underpinned by improved demand for heavy trucks. In addition, new products (including Dennis Eagle and Foton) were launched.

The Commercial Vehicles division order book and market intelligence suggests FY2012F market position should equal or exceed that achieved in FY2011A.

Manufacturing

The Manufacturing division had a difficult year in FY2011A with trading impacted by an adverse sales mix of fewer truck bodies and relatively more plastic and steel bins. The final trading result was worse than expected due to inventory adjustments and write-downs relating to bad debts, credit notes, warranty and re-work provisions.

A major turnaround plan has been introduced to rationalise products, overhaul product costing and pricing models, explore location efficiencies, improve quality control and streamline management and overheads.

5.5.7 SIGNIFICANT ITEMS

Transpacific is currently expecting to report a loss of approximately $37.5 million in significant items before tax in FY2012F. The major categories of these significant items are shown in the following table:

	Historical		Forecast
Significant items	**FY2010A $m**	**FY2011A $m**	**FY2012F $m**
impairment - New Zealand division	–	(181.5)	–
impairment - Victorian landfills	–	(95.2)	–
impairment - Manufacturing division	–	(60.4)	–
impairment - Baxter Recyclers and other	–	(4.6)	–
impairment - available for sale assets	–	(5.2)	–
Change in fair value of derivative financial instruments and warrants	11.7	2.1	–
Write-off of borrowing costs associated with existing debt facilities	–	–	(15.7)
Accelerated amortisation of Convertible Notes and redemption costs	–	–	(21.8)
Significant items (before tax)	**11.7**	**(344.8)**	**(37.5)**
Tax on significant items	(6.5)	4.6	5.2
Significant items (after tax)	**5.2**	**(340.2)**	**(32.3)**

Significant items discussed below are separately presented because of their size and expected infrequent occurrence:

The FY2010A significant items (before tax) comprised:

- a net positive mark-to-market for change in the fair value of derivative financial instruments and warrants of $11.7 million, being $21.7 million mark-to-market value of interest rate swaps, offset by $10 million in mark-to-market of the warrants on issue to Warburg Pincus (see Section 9.8 for detail).

The FY2011A significant items (before tax) included:

- Impairment - New Zealand division: this impairment of non-current assets arose from a reduction in the expected future growth rate of the New Zealand division given the difficulties facing the New Zealand economy, both generally and as a consequence of its recent natural disasters. This write-down does not reflect on the New Zealand division's FY2012 year to date business performance, which is in line with budget;
- Impairment - Victorian landfills (excluding Tullamarine): this impairment of non-current assets arose from lower than expected valuations on industrial properties which may affect future sales of Transpacific's Victorian landfill sites and a change in realisation assumptions. This write-down does not reflect on the FY2012 year to date performance of this business; and
- Impairment - Manufacturing division: this impairment of non-current assets was necessitated by the poor financial performance of this cash generating unit in FY2011A and followed a three year history of declining profitability. A turnaround plan is currently being implemented. See Section 4.3.5 for details.

The FY2012F significant items (before tax) comprises:

- a write-off of $15.7 million of borrowing costs relating to the Existing Syndicated Facility and Convertible Notes Redemption which on completion of the Debt Refinance and Convertible Note Redemption, will no longer provide any future benefit to the Company; and
- $21.8 million relating to the accelerated amortisation of the Convertible Notes to their face value of $309.1 million and the associated cost of redemption and/or repurchase as the Company expects that it will redeem or repurchase the Convertible Notes on or before the December 2012 redemption date.

The significant items for the FY2012F will depend on a number of factors including valuation assumptions, interest rates and the outlook for market conditions during that year. As a result, the actual financial results may vary from the Forecast Financial Information and any variation may be materially positive or negative.

5.5.8 FY2012PF PRO-FORMA CONSOLIDATED INCOME STATEMENT

FY2012PF adjustments to reflect the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption having occurred on 30 June 2011 include:

- no further amortisation of capitalised establishment costs of the Existing Syndicated Facility, which for the pro-forma Consolidated Income Statement are considered to have been written off at 30 June 2011;

- a full year of amortisation of $9.8 million of the capitalised establishment costs of the New Syndicated Facility, which total $38.9 million and will be amortised over a period of up to five years;
- a full year of interest expense at the lower interest rates with a reduction of debt under the New Syndicated Facility, reflecting a full year saving of $21.8 million; and
- $9.5 million reduction in interest expense as a result of the USPP Repayment and the Convertible Notes Redemption.

Assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had been completed on 30 June 2011, Transpacific's profit before tax and significant items is forecast to be $137.2 million for FY2012PF, up 88.5% from $72.8 million in FY2011A.

5.6 PREPARATION OF THE FORECAST FINANCIAL INFORMATION

The Forecast Financial Information has been prepared using the following key assumptions, which should be read in conjunction with the Investigating Accountant's Report in Section 7 and the risk factors set out in Section 6:

5.6.1 GENERAL ASSUMPTIONS

- No specific change in the current economic conditions prevailing in Australia and New Zealand.
- No significant force majeure events take place.
- Exchange rate assumptions are based on actual exchange rates observed in the three months to 30 September 2011, and assume current exchange rates remain constant for the balance of FY2012F.
- Interest rate assumptions are based on actual interest rates observed in the three months to 30 September 2011, and assumes current 90 day BBSY rates remain constant for the balance of FY2012F.
- No fair value adjustments for derivative instruments have been forecast for FY2012F.
- No material industrial strikes or other disturbances, environmental costs or legal claims occur.
- No significant change in the legislative regimes (including in relation to tax) and regulatory environment in the jurisdictions in which Transpacific or its key customers or suppliers operate which will materially impact on the forecast Financial Information.
- Retention of key personnel.
- No material acquisitions or disposals.
- No changes in accounting standards or other mandatory professional reporting requirements or the Corporations Act which would have a material effect on Transpacific's financial performance, cashflows or financial position.
- No material benefit or adverse effects arising from the actions of competitors.
- No change in the Company's capital structure other than as set out in, or contemplated by, this Prospectus.
- No material amendment to any material agreement or arrangement relating to Transpacific's businesses. The parties to those agreements and arrangements are assumed to continue to comply with the terms of all material agreements and arrangements.

5.6.2 SPECIFIC ASSUMPTIONS

Net financing costs

FY2012F and FY2012PF financing costs assume that $260 million is raised under the Entitlement Offer, (representing the underwritten Institutional Entitlement Offer).

FY2012F financing costs are based on existing funding arrangements until 30 November 2011, and the banking arrangements as summarised in Section 9.6 for the remainder of the financial year. These arrangements have been renegotiated as part of the Debt Refinance and Entitlement Offer process. The impact of these arrangements on financing costs is illustrated in the FY2012F Forecast Consolidated Income Statement.

The current 90 day BBSY of 4.8% per annum has been used to forecast interest expense for the remainder of FY2012F.

FY2012PF financing costs have been based on currently prevailing interest rates being assumed to have been paid for the entire FY2012 period and margins payable under the new banking arrangements.

The financing costs in the FY2012PF Forecast Consolidated Income Statement include non-cash capitalised establishment costs for the New Syndicated Facility of $9.8 million and time value adjustments on provisions of $5.0 million.

FY2012F and FY2012PF do not include any expense or cash outflow for any payments that may result from certain variables other than movements in base rates and foreign exchange rates contained in the New Syndicated Facility Agreement. The effect of these variables on annualised interest expense is unlikely to exceed $3 million.

Tax

The assumed effective tax rate applying to operating earnings in FY2012F is 23% and FY2012PF is 25%.

Significant items, borrowing costs and pro-forma adjustments to the Consolidated Statement of Financial Position are assumed to be taxed at 30%, excluding items where no tax effect has been recorded.

Business restructuring

Excluded from FY2012F is any one-off business restructure costs and the associated benefits of on-going cost savings that may flow from a potential business restructure in FY2012.

Fair value of derivative financial instruments

Excluded from FY2012F is any impact of fair value adjustments of derivative financial instruments as the value of these adjustments (which may be favourable or unfavourable) cannot be determined with certainty at this point in time.

5.7 CONSOLIDATED STATEMENTS OF CASH FLOWS

The following table sets out Transpacific's:

- Historical Consolidated Statements of Cash Flows for FY2010A and FY2011A;
- Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012 ("FY2012F"); and
- pro-forma Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012 assuming the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption occurred on 30 June 2011 ("FY2012PF").

The Forecast Financial Information in the table assumes that $260 million is raised under the Entitlement Offer, (representing the underwritten Institutional Entitlement Offer).

	Historical		Forecast	
	FY2010A $m	**FY2011A $m**	**FY2012F $m**	**FY2012 PF $m**
EBITDA (before income from associates)	420.9	419.5	447.0	447.0
Interest earned	2.6	2.8	1.7	1.7
Interest paid	(158.2)	(160.9)	(140.6)	(123.6)
Change in operating assets and liabilities	56.9	0.1	10.0	10.0
Payment for remediation of landfills	(10.5)	(19.6)	(21.0)	(21.0)
Tax (paid)/refunded	(21.9)	12.1	(5.1)	(5.1)
Operating cashflow	**289.8**	**254.0**	**292.0**	**309.0**
Capital expenditure	(134.4)	(148.6)	(170.0)	(170.0)
Net acquisitions of businesses	(4.9)	(4.2)	(0.8)	(0.8)
Other investing items	11.9	20.4	10.0	10.0
Investing cashflow	**(127.4)**	**(132.4)**	**(160.8)**	**(160.8)**
Proceeds from issue of equity	801.1	–	260.0	–
Repayment of debt facilities, including trade finance	(777.4)	(125.0)	(940.1)	(472.0)
Drawdown on refinance	–	–	730.2	472.0
Payment of debt and equity raising costs	(48.7)	(1.2)	(50.1)	–
Repayment of lease liabilities	(27.4)	(36.4)	(31.4)	(31.4)
Repayment of hedges	(29.2)	–	–	–
SPS distributions	(12.1)	(14.7)	(16.7)	(16.7)
Other financing items	1.6	4.3	2.6	2.6
Financing cashflow	**(92.1)**	**(173.0)**	**(45.5)**	**(45.5)**
Net increase/(decrease) in cash held	**70.3**	**(51.4)**	**85.7**	**102.7**
Available cash for debt repayment	–	–	(85.7)	(102.7)

In FY2012F, Transpacific expects to generate $85.7 million of cash, which will be available to pay down debt. This excludes the starting cash at 30 June 2011 of $88.7 million.

FY2012PF shows the full year impact of the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption, with cash interest savings of $10.2 million from the Debt Refinance and Entitlement Offer, and with further cash interest savings from the USPP Repayment and Convertible Notes Redemption of $6.8 million increasing cash available for debt repayment by an additional $17.0 million.

If the Entitlement Offer raises the full $309 million, FY2012F would show proceeds from the issue of equity of $309 million, the repayment of debt facilities of $940.1 million, the drawdown on refinance of $681.2 million. In addition, interest paid would reduce to $138.8 million. A corresponding reduction in interest paid would also be shown for FY2012PF resulting in interest paid of $120.5 million.

5.8 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The Historical Consolidated and pro-forma Historical Consolidated Statements of Financial Position of Transpacific have been prepared as at 30 June 2011 on the basis described in Section 5.3.

The table below assumes that $260 million is raised under the Entitlement Offer, (representing the underwritten Institutional Entitlement Offer).

	FY2011A $m	Adjustment 1: Net proceeds of Entitlement Offer $m	Adjustment 2: Debt repayment/ write-off of borrowing costs $m	Adjustment 3: Convertible Notes Redemption $m	Adjustment 4: USPP Repayment $m	FY2011PF $m
Assets						
Current assets						
Cash and cash equivalents	88.7	209.9	(209.9)	–	–	88.7
Trade and other receivables	310.9	–	–	–	–	310.9
Current tax assets	0.7	0.5	7.9	0.6	–	9.7
Inventories	131.6	–	–	–	–	131.6
Derivative financial instruments	0.1	–	–	–	–	0.1
Other assets	13.7	–	–	–	–	13.7
Total current assets	**545.7**	**210.4**	**(202.0)**	**0.6**	**–**	**554.7**
Non-current assets						
Investments accounted for using the equity method	28.1	–	–	–	–	28.1
Other financial assets	6.8	–	–	–	–	6.8
Property, plant and equipment	1,029.4	–	–	–	–	1,029.4
Land held for sale	9.6	–	–	–	–	9.6
Intangible assets	2,062.0	–	–	–	–	2,062.0
Deferred tax assets	34.3	2.8	(3.3)	0.4	–	34.2
Total non-current assets	**3,170.2**	**2.8**	**(3.3)**	**0.4**	**–**	**3,170.1**
Total assets	**3,715.9**	**213.2**	**(205.3)**	**1.0**	**–**	**3,724.8**
Current liabilities						
Trade and other payables	230.3	–	–	–	–	230.3
Borrowings	85.2	–	(50.0)	–	–	35.2
Employee benefits	46.8	–	–	–	–	46.8
Provisions	25.4	–	–	–	–	25.4
Derivative financial instruments	55.8	–	–	–	(19.8)	36.0
Other	21.3	–	–	–	–	21.3
Total current liabilities	**464.8**	**–**	**(50.0)**	**–**	**(19.8)**	**395.0**
Non-current liabilities						
Borrowings	1,405.5	(38.9)	(144.5)	26.1	19.8	1,268.0
Employee benefits	8.3	–	–	–	–	8.3
Deferred government grants	1.0	–	–	–	–	1.0
Total non-current liabilities	**1,414.8**	**(38.9)**	**(144.5)**	**26.1**	**19.8**	**1,277.3**
Total liabilities	**1,879.6**	**(38.9)**	**(194.5)**	**26.1**	**–**	**1,672.3**
Net assets	**1,836.3**	**252.1**	**(10.8)**	**(25.1)**	**–**	**2,052.5**
Equity						
Issued capital	1,821.6	253.3	–	–	–	2,074.9
Reserves	(5.2)	–	–	–	–	(5.2)
Retained earnings	(231.7)	(1.2)	(10.8)	(25.1)	–	(268.8)
Parent entity interest	**1,584.7**	**252.1**	**(10.8)**	**(25.1)**	–	**1,800.9**
Non-controlling interest	1.8	–	–	–	–	1.8
SPS	249.8	–	–	–	–	249.8
Total equity	**1,836.3**	**252.1**	**(10.8)**	**(25.1)**	**–**	**2,052.5**

If the Entitlement Offer raises the full $309 million, FY2011PF would show non-current borrowings of $1,219.0 million and total issued equity of $2,123.9 million. Assumes excess cash is used to prepay debt.

5.9 NOTES

Adjustment 1: Net proceeds of the Entitlement Offer

The net proceeds of the Entitlement Offer column is based on proceeds of $260 million from the Entitlement Offer (representing the underwritten Institutional Entitlement Offer) referred to in Section 2, after the payment of costs associated with the Debt Refinance and Entitlement Offer with applicable tax benefits recorded. The table below outlines the gross proceeds and deduction of these costs.

As part of the Debt Refinance and Entitlement Offer, $38.9 million in borrowing costs have been capitalised to interest bearing liabilities and a $1.7 million expense is forecast in relation to the Convertible Notes Redemption and/or repurchase. While these costs relate to the Debt Refinance and the Convertible Note Redemption and/or repurchase, they are presented in the following table to reflect the net allocation of all proceeds from the Debt Refinance and Entitlement Offer:

	$m
Entitlement Offer proceeds	260.0
Gross proceeds[1]	**260.0**
Cost of Entitlement Offer	(9.5)
Debt Refinance costs and Convertible Notes Redemption	(40.6)
Net proceeds	**209.9**

1. Net issued capital recorded for accounting purposes of $253.3 million represents gross proceeds of $260 million net of Entitlement Offer costs after tax of $6.7 million.

A current tax asset of $0.5 million has been recorded for tax deductions associated with the Convertible Notes Redemption costs of ($1.7) million, for a net adverse effect to retained earnings of ($1.2) million.

A deferred tax asset of $2.8 million has been recorded for future tax deductions associated with Entitlement Offer costs of $9.5 million, for a net adverse effect of ($6.7) million in issued capital.

Adjustment 2: Debt repayment/write-off of borrowing costs

Borrowing repayments are based on the repayment of $209.9 million of the Existing Syndicated Facility. The adjustment also reflects a write-off of $15.4 million of capitalised borrowing costs relating to the Existing Syndicated Facility which no longer provide any future benefit to the Company, and associated tax benefits.

$50.0 million of borrowings has been reclassified from current to non-current in accordance with the terms of the New Syndicated Facility.

The reduction to the non-current borrowings is the repayment of $209.9 million minus the $50 million of current borrowings that has been reclassified to non-current borrowings and the $15.4 million write-off of the capitalised borrowing costs. A deferred tax asset of $3.3 million has been transferred to an increase in current tax assets as the write-off of $15.4 million in borrowing costs will allow an immediate deduction.

The adverse adjustment to retained earnings of $10.8 million is the after-tax amount of the capitalised borrowing costs written off. The write-off has also reduced the deferred tax asset by $3.3 million and increased the current tax receivable by $7.9 million.

Adjustment 3: Convertible Notes Redemption

The balance of the Convertible Notes at 30 June 2011 of $286.3 million have been amortised by $22.8 million to face value of $309.1 million as the Company expects that it will redeem or repurchase the Convertible Notes. The adjustment of $26.1 million also reflects a write-off of $3.3 million borrowing costs relating to the Convertible Notes offering which no longer provides any future benefit to the Company, and associated tax benefits.

The adverse adjustment to retained earnings of $25.1 million includes the accelerated amortisation of $22.8 million noted above, as well as the write-off of borrowing costs of $2.3 million (after tax).

The reduction of the tax base of the borrowing costs would create an increase to the current tax receivable of $0.6 million and an add-back to deferred tax assets of $0.4 million.

Adjustment 4: USPP Repayment

The USPP – 5 year tenure is recognised in non-current borrowings at spot rate. Transpacific has entered into a cross-currency swap to fix the US$ into A$ fixed rate debt. Derivative financial instruments liabilities have been decreased by $19.8 million and non-current borrowings have been increased by the same amount.

5.10 MANAGEMENT DISCUSSION AND ANALYSIS OF HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Inventories primarily consist of commercial vehicles, manufacturing work in progress and recycled oil.

Investments accounted for using the equity method primarily consists of associates in Australia and New Zealand in which the Company holds a 50% interest, including TCL which was de-consolidated from 1 July 2010.

Property, plant and equipment consist of:

- $222.1 million of landfill land and unamortised cell development assets;
- ($106.1) million provision for remediation in respect of the above;
- a further $274.3 million of land and buildings valued at fair value by an independent valuer;
- $568.8 million of leasehold improvements and plant and equipment including motor vehicles. In FY2011A, impairment of $17.6 million was recognised in respect of the plant and equipment of the Manufacturing division; and
- $70.2 million of capital work in progress.

Intangible assets consist largely of goodwill of $1,892.1 million. Other intangible assets comprise landfill airspace of $64.4 million and other intangible assets including brand names and customer contracts of $105.4 million.

5.11 PRO-FORMA DEBT MATURITY PROFILE

The table below illustrates the estimated impact of Transpacific's debt maturity profile as if the Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Note Redemption occurred on 30 June 2011, assuming $260 million is raised under the Entitlement Offer, (representing the underwritten Institutional Entitlement Offer).

As at 30 June 2011 $m	Actual	Pro-forma adjustment for Entitlement Offer	Pro-forma adjustment for Debt Refinance	Pro-forma post Debt Refinance and Entitlement Offer
Less than 12 months	50.0	(50.0)	–	–
One year to two years	424.4[1]	–	(424.4)	–
Two years to three years	1,385.0	(159.9)	(1,225.1)	–
Three years to four years	–	–	400.0	400.0
Four years to five years	–	–	510.0	510.0
Five years to six years	–	–	615.0	615.0
More than six years	53.9[1]	–	–	53.9
Total facilities	**1,913.3**	**(209.9)**	**(124.5)**	**1,578.9**
Less US$48.0 million (facility E) only available for USPP – 10 year tenure repayment	–	–	(US$48.0)	(US$48.0)
Total facilities available	**1,913.3**	**(209.9)**	**~(173.5)**	**~1,529.9**
Total utilised	(1,672.3)	209.9	–	~(1,462.4)
Facilities available	**241.0**	**–**	**~(173.5)**	**~67.5**

Note:

1. USPP debt is included at A$ hedged rate.
2. Pro-forma post Debt Refinance and Entitlement Offer at 30 June 2011 assumes new facility E not drawn and USPP – 10 year tenure still in place.
3. If the Entitlement Offer raises the full $309 million, the total facilities available will remain at $1,578.9 million as the excess proceeds are intended to be used to reduce revolving facility – this will result in the total utilised debt amount to be ~$1,413.4 million and the facilities available to be ~$116.5 million.

5.12 DIVIDEND POLICY

An objective of Transpacific's simplified and improved capital structure is to accelerate the Company's ability to return to providing a cash return to ordinary Shareholders in the form of a dividend. There are certain restrictions in relation to the payment of dividends under the New Syndicated Facility (see Section 9.6.1). While no dividend payment on ordinary Shares is expected to be announced in FY2012, the Directors will continue to assess the Company's borrowing levels, its internal growth capital requirements and broader market conditions in determining the dividend policy.

6. KEY RISK FACTORS

Transpacific manufactures vehicle bodies, parts washers, plastic and steel waste bins, and waste compaction units to support its own operations as well as those of the broader waste industry.

6.1 INTRODUCTION

This Section 6 identifies the areas that are believed to be the major risks associated with an investment in Transpacific Shares. Prospective investors should note that this list of risks is not exhaustive.

There are a number of risks specific to an investment in Transpacific Shares and Transpacific itself as well as other general investment risks which may materially affect the performance and value of Transpacific Shares. Many of these risks are difficult to predict and are outside the control of Transpacific and its Directors. There can be no guarantee that Transpacific will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate. This may have an adverse effect on the value of Transpacific Shares.

An investment in Transpacific Shares should be considered in light of these risks, both specific and general. Each of the risks set out below could, if they eventuate, have an adverse impact on Transpacific and the value of Transpacific Shares.

The risks and uncertainties described below are not the only ones facing Transpacific. Additional risks and uncertainties of which Transpacific is unaware, or that it currently considers to be immaterial, may also become important factors that adversely affect Transpacific's business, financial condition and results of operations. Accordingly, no assurances or guarantees of future performance, profitability, distributions or return on capital are given in respect of Transpacific.

Prior to making an investment decision, prospective investors should read the entire Prospectus and carefully consider the following risk factors. Investors should have regard to their own investment objectives and financial circumstances and should seek professional guidance from their stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest.

6.2 RISKS ASSOCIATED WITH TRANSPACIFIC

6.2.1 ENVIRONMENTAL REGULATIONS

Transpacific's operations are subject to extensive federal, state and local environmental laws and regulations in Australia and New Zealand. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for violation of such standards. Additionally, there is a general increase in communities' environmental awareness and expectations of operations in the waste management industry.

Transpacific is subject to all the hazards, risks and potential liabilities normally incidental to the industries in which it operates, being the solid, liquid and hazardous waste industries and industrial solutions industries, as described in this Prospectus. This includes licensed landfills in most states of Australia and New Zealand. These landfill sites include prescribed contaminated waste landfills with stringent environmental and site licence conditions imposed by the relevant environmental and local authorities.

Non-compliance with or breach of licence conditions may lead to severe penalties and/or the revocation of a licence. Breach of licence conditions, revocation of a licence or other non-compliance with a licence could lead to a significant liability to Transpacific.

Separately, a number of state and local governments have imposed landfill levies, payable on the dumping of waste into landfills. These costs are passed on to customers; however, were these costs to escalate, the volume of waste that Transpacific collects and processes may be affected. The Company has taken steps to develop alternate waste processing and treatment businesses, including recycling and reprocessing, to mitigate this impact.

Significant liability could be imposed on Transpacific for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage (including in certain cases damage caused by previous owners of property acquired by Transpacific) or non-compliance with environmental laws. Major non-compliance with environmental laws or regulations or the revocation of any of Transpacific's environmental licences may require Transpacific to incur significant costs and may have an adverse impact on Transpacific's reputation and capability to secure additional work, impacting its financial performance and cashflows.

6.2.2 PLANNING REGULATIONS

Transpacific's operations are subject to extensive planning laws and regulations in Australia and New Zealand administered and regulated by local authorities and other government agencies. These laws, regulations and permits and licences granted by the relevant regulators establish various standards about the types of operations that can be undertaken and the manner in which they are undertaken. In the event that these laws, regulations and permit and licence conditions are not complied with, Transpacific faces the possibility of prosecution, fines and penalties. Further, there is the potential that operations cannot be continued on the relevant site, or that capital expenditure is required to ensure compliance with planning requirements, or a permit or licence is suspended, revoked, terminated or otherwise not renewed. If this were to occur it may result in significant adverse financial impacts for Transpacific.

Transpacific companies own or are contracted to manage four sites where there are ongoing processes and discussions with the relevant regulatory authorities to regularise the permit or licence conditions required for continued operations at those sites. The sites are: Willawong (recycling and associated operations) and New

Chum (landfill) in Queensland, Buronga (landfill which a Group company is contracted to manage for the local authority) in Victoria and Neales Road (hazardous waste receival operation) in New Zealand. If these matters are not successfully resolved, there is a risk that certain activities will need to cease at these sites. On the basis of dealings with the regulators to date, it is anticipated that there will be appropriate resolutions.

Further, a Group company has brought proceedings in the Victorian Civil and Administrative Tribunal ("VCAT") for a review of the decision by the Kingston City Council ("KCC") to reject an application by that Group company for an extension of time to its planning permit to continue its putrescible waste operations at its Fraser Road landfill site in Melbourne. A hearing before VCAT has been set down for 6-9 February 2012 although the company and the KCC will participate in a mediation process on 28 October 2011 in an attempt to resolve the proceedings. If this matter is not successfully resolved in the mediation or the subsequent VCAT proceedings, there is a risk that certain operations at that site will cease or be subject to additional planning permit conditions and/or fine limits and this may have a material financial impact on Transpacific. Transpacific believes that it has an arguable position that the putrescible waste operations could be allowed to continue and this will need to be reviewed as the steps in the proceedings continue.

6.2.3 ERP SYSTEM IMPLEMENTATION RISK

Transpacific is in the process of implementing a new ERP system to consolidate a large number of legacy financial systems. Due to the complex nature of such an implementation, the timetable and approach has been revised several times during the implementation to date and the total cost of the project has been revised upwards. Any further delays with implementation are likely to result in additional costs being incurred. This may impact the timing of when Transpacific starts to generate cost savings and business benefits from the new system.

6.2.4 INTEREST RATES

As a significant borrower of funds, Transpacific is potentially exposed to adverse interest rate movements that may increase the financial risk inherent in its business. Changes may have an adverse effect on the business, cashflows, financial condition or results of operations of Transpacific.

6.2.5 EXCHANGE RATES

Transpacific has significant operations in New Zealand. Movements in the A$:NZ$ exchange rate can adversely affect the A$ translated financial performance of Transpacific in relation to its New Zealand operations. A $216 million A$:NZ$ dual currency tranche may be entered into as part of the New Syndicated Facility Agreement, which may provide a hedge against New Zealand income.

Adverse movements in exchange rates, in particular A$:US$, A$:NZ$, A$:€ and A$:£, relating to either finished product or raw material costs or increased price competitiveness in response to movements in exchange rates, may have an adverse impact on the operational and financial performance and cashflows of Transpacific across its businesses.

6.2.6 COMPETITION

A number of entities compete with Transpacific in the solid, liquid and hazardous waste industries and industrial solutions, energy and manufacturing industries.

The market share of the Company's competitors may increase or decrease as a result of various factors such as securing major new contracts (including local council contracts) or developing new technologies and adopting pricing strategies specifically designed to gain market share. These competitive actions may reduce the prices that Transpacific is able to charge for its services and products or reduce Transpacific's activity levels, both of which would negatively impact the financial performance of Transpacific and its cashflows.

6.2.7 SUPPLIERS AND JOINT VENTURES

As in any contractual relationship, the exercise of Transpacific's rights under its contracts is dependent upon Transpacific's ability to comply with its obligations, and the relevant counterparty complying with its contractual obligations. Transpacific has major supplier agreements for its commercial vehicles division, including agreements with the MAN and Western Star Trucks divisions. The agreement with MAN is currently being renegotiated. Furthermore, Transpacific is involved in a number of joint ventures.

If a counterparty, such as a major supplier or joint venture partner, terminates an agreement or fails to fulfil its obligations under an agreement, Transpacific may choose to or may be forced to lose the benefit of the agreement and may not be able to obtain similarly favourable terms upon entry into replacement agreements (if at all). In some circumstances, replacement agreements may not be a feasible alternative.

If an agreement ceases or is terminated for any reason or any other party does not comply with its obligations under the agreements, or the MAN agreement negotiations do not proceed in line with the company's expectations, this could have an adverse effect on Transpacific's financial performance and cashflows.

6.2.8 LEGAL CLAIMS

Transpacific is exposed to potential legal and other claims or disputes in the course of its businesses, including a potential securities class action, contractual disputes, property damage and personal liability claims and governmental enquiries and investigations, with respect to its operations. In relation to governmental enquiries and investigations, these may be initiated by, among others, the ACCC, the Commerce Commission (New Zealand), the ATO, Inland Revenue (New Zealand), environmental protection agencies (at a state or federal level), Comcare, ASIC, ASX and other federal and state government authorities or regulators.

A summary of current material claims against the Group is set out in more detail in Section 9.10.

6.2.9 CAPITAL EXPENDITURE

Transpacific's forecasts are based on assumptions in relation to the level of capital expenditure required to improve, maintain or replace assets and cater for future business growth. If the level of capital expenditure required is higher or is needed sooner than anticipated (for example, early replacement of vehicles in the truck fleet) or if capital expenditure required to generate forecast earnings is not undertaken or if there is a significant operational failure requiring unplanned capital expenditure, the financial performance of Transpacific may be adversely affected. Actual capital expenditure may vary from forecast. Unplanned capital expenditure may also be required as a result of changes in the environmental regulations that apply to Transpacific.

6.2.10 GEARING

The use of leverage may enhance shareholders' returns, but it may also increase the risk of loss. When economic conditions deteriorate such as rising interest rates and/or margins, severe economic downturns, availability of credit or further deterioration in the condition of debt and equity markets, this may have a disproportionate affect on Transpacific compared to an issuer with lower levels of leverage.

6.2.11 LOSS OF KEY PERSONNEL

Transpacific's operations are dependent upon the continued performance, efforts, abilities and expertise of its key management personnel. The loss of services of such personnel could have an adverse effect on the operations of Transpacific as Transpacific may not be able to recruit suitable replacements for key personnel within a short timeframe.

6.2.12 OCCUPATIONAL HEALTH AND SAFETY

Transpacific's operations involve risk to both property and personnel. A health and safety incident may lead to a serious injury or death which may result in an adverse effect on Transpacific's future financial performance and position. Additionally, such an incident may cause reputational damage towards Transpacific which may have flow-on effects, such as an inability to win or renew new and existing contracts.

Transpacific has an occupational health and safety policy that strives to ensure best practice. Notwithstanding the existence of the policy and the best efforts to enforce the policy, there remains a risk of a breach which could give rise to penalties, prosecutions and compensation claims which could have an adverse effect on Transpacific's financial performance and cashflows.

6.2.13 INDUSTRIAL DISPUTES

Transpacific's operations are dependent upon a stable workforce. Transpacific is exposed to the risk of industrial disputes arising from claims for higher wages or better conditions which could disrupt parts of Transpacific's business which may have an adverse impact upon the Company's operating and financial performance and cashflows.

Transpacific has a number of collective agreements with employees, the majority of which are registered and the balance unregistered. The further negotiation of the unregistered collective agreements or the renegotiation of registered collective agreements on their expiry may result in industrial disputation and/or future wage and remuneration increases. This may have an adverse impact on Transpacific's operating and financial performance and cashflows.

6.2.14 MANUFACTURING TURNAROUND PLAN

Transpacific's manufacturing division recorded an EBITDA loss of $8.4 million in FY2011A. This loss included inventory adjustments of $4 million and $2 million relating to bad debts, credit notes, warranty and re-work provisions.

The manufacturing division is currently subject to a major turnaround plan to rationalise products, operations and management structures, and improve quality controls (see Section 4.3.5). Management has announced a five point turnaround plan in respect of the manufacturing division which is currently being implemented.

If this plan is not able to be implemented as expected, or even if the plan is implemented successfully, the manufacturing division may have an adverse affect on the financial performance of Transpacific. The Company may elect to exit the manufacturing business but may not be able to successfully do so; this may have an adverse effect on Transpacific's financial performance and cashflows.

6.2.15 IMPACT OF A PRICE ON CARBON

On 13 September 2011, the Australian Government introduced legislation to implement the policy set out in "Securing a clean energy future: The Australian Government's Climate Change Plan". On 12 October 2011, the Clean Energy Bill 2011 was passed by the House of Representatives.

Based on this legislation, the potential level of payment by Transpacific in Australia for purchasing permits is not expected to be significant. In particular, legacy landfill gas emissions (emission from tonnes disposed of pre 1 July 2012) have been excluded from the scheme.

However, the potential incremental cost impact to Transpacific by way of increased input and other costs is not yet known. In addition, any change to the legislation or the interpretation of the legislation may have an adverse impact on the financial performance of Transpacific. In the event that input and other costs increase management believe that the Company may be able to pass any price increase on to customers. However, if management are not be able to successfully achieve this it may have a material impact on the financial performance of Transpacific.

Transpacific's New Zealand business is currently subject to an Emissions Trading Scheme and which in future years, beyond the forecast period, will be extended to impose a tax on landfill gas emissions. Transpacific currently manages its carbon footprint through landfill gas capture and conversion or destruction and other techniques. If Transpacific cannot successfully offset the impact of such a tax through its current practices or pass any cost increases on to customers, it may have an adverse effect on Transpacific's financial performance and cashflows.

6.2.16 TAX

Any change to the current rate of company income tax in jurisdictions where Transpacific operates will impact on Shareholder returns. Any changes to the current rates of income tax applying to individuals and trusts will similarly impact on Shareholder returns.

The Taxation authorities in Australia and New Zealand are currently undertaking reviews of the Group's tax position in both countries. In respect to a particular New Zealand tax matter, the regulator has provided a Notice of Proposed Adjustment which the Company is considering for its required response. It is too early to identify if, for this matter and the other matter under review, a material adjustment will arise, (if any).

As outlined in Section 8 there is some uncertainty regarding the tax treatment of a Premium (if any) received in respect of renounced Entitlements.

6.2.17 INSURANCE

Transpacific currently has in place a number of insurance policies which allow it to transfer part of its risk to an insurer. Transpacific cannot guarantee that it will be able to maintain or renew the current insurances due to a number of reasons, which may include inappropriate pricing, policy terms or conditions. The occurrence of an event that is not fully covered, or covered at all, by insurance, may have an adverse effect on Transpacific's future financial performance and position. Transpacific self-insures its motor vehicle fleet (excluding third party personal injury and property damage) and environmental risks. Transpacific is also self-insured for workers' compensation in Australia through the Comcare licensing arrangements under the Safety, Rehabilitation and Compensation Act 1988 (Cth).

6.2.18 ASSET IMPAIRMENT AND USE

There is a risk that the current carrying value of past acquisitions in the accounts of Transpacific may need to be treated as impaired, in accordance with relevant accounting standards, if the carrying values do not reflect current valuations of those assets. If the carrying value of assets is assessed to be impaired, this may have an adverse effect on Transpacific's financial performance.

Transpacific holds land assets for particular purposes. If the authorised use changed for these assets, this may have an adverse effect on Transpacific's financial performance.

6.2.19 MACROECONOMIC FACTORS

Transpacific sells its services and products to individuals, companies and government authorities in Australia and New Zealand. Factors which may impact on the ability to sell Transpacific's services and products in Australia and New Zealand include:

- economic conditions influencing the level of disposable income that customers have to pay for those services and products;
- economic conditions influencing the level of activity for businesses and disposable income for households, in turn impacting the amount of waste they dispose of;
- economic conditions influencing customers' ability to pay their debts when they fall due;
- Australian and New Zealand general economic conditions and the outlook for growth;
- the ability to source appropriate staff in a cost effective manner;

- fluctuations in economic conditions affecting the size of the heavy duty truck market and the volume of waste produced by the mining, manufacturing, housing, construction and other industries which are serviced by Transpacific;
- fluctuations in markets for recycled materials (e.g. metals, plastic, cardboard, paper etc.) and petroleum products affecting the level and volatility of earnings, in particular in the solid waste division;
- government policy and enforcement of responsible waste management and other environmental concerns, including increased regulatory compliance burdens;
- government spend on commercial vehicles supplied by Transpacific, such as buses;
- interest rates and housing prices and any other economic and household disposable income factors affecting the financial circumstances of purchasers; and
- government policies and external events affecting trade, including natural disasters.

Changes in general macroeconomic factors may result in customers changing spending patterns or their level of consumption, which may have an adverse impact on the demand for Transpacific's services and products and a consequent adverse impact upon Transpacific's operating and financial performance and cashflows.

6.3 RISKS ASSOCIATED WITH THE ENTITLEMENT OFFER

6.3.1 DILUTION

The Entitlement Offer will result in the issue of up to approximately 618 million New Shares. If you do not participate in the Entitlement Offer, your percentage holding in Transpacific (held at the Record Date) will be reduced. You may receive value for your Entitlement through the Institutional Shortfall Bookbuild or the Retail Shortfall Bookbuild; however, this cannot be assured and no value may be received.

6.3.2 INABILITY TO COMPLETE THE ENTITLEMENT OFFER

The institutional component of the Entitlement Offer was underwritten by the Joint Lead Managers. Key conditions and termination events under the Underwriting Agreement for the period prior to and including the Institutional Settlement Date are detailed in Section 9.5.4.

The Retail Entitlement Offer is not underwritten.

The New Syndicated Facility proposal is conditional upon Transpacific raising $260 million of equity, (being the underwritten Institutional Entitlement Offer) that will settle on the Institutional Settlement Date. If the Underwriting Agreement is terminated prior to the Institutional Settlement Date and Transpacific is unable to raise $260 million, Transpacific may be required to renegotiate the terms of any refinance under the New Syndicated Facility.

6.4 GENERAL RISKS

6.4.1 SHARE MARKET FLUCTUATIONS

As with any share investment, the market price of Transpacific Shares may rise or fall due to numerous factors including:

- general economic conditions, including inflation rates and interest rates;
- variations in the local and global markets for listed shares in general or for Transpacific's Shares in particular;
- changes to government policy, legislation or regulation;
- inclusion in or removal from major market indices;
- the announcement of new technologies;
- the level of success in winning new contracts and extending or renewing existing contracts;
- investor sentiment in the local or international stock markets;
- the nature of competition in the industries in which Transpacific operates; and
- general operational and business risks.

In particular, the share prices for many companies have in recent times been subject to wide fluctuations, which in many cases may reflect a diverse range of non company specific influences such as global hostilities and tensions, acts of terrorism and the general state of the economy. Such market fluctuations may have an adverse effect on the market price of the Shares.

The price of Transpacific's Shares could be adversely affected by any such market fluctuations or factors. None of Transpacific, its Directors or any other person guarantees the price of the Company's Shares and there is no guarantee that the New Shares will trade at or above the Offer Price.

6.4.2 LIQUIDITY AND REALISATION

There may be relatively few or many potential buyers or sellers of the Shares on ASX at any time. This may affect or cause volatility in the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price that Shareholders paid.

7. INVESTIGATING ACCOUNTANT'S REPORT

Cleanaway's premier comingled front lift recycling service recycles paper, cardboard, plastic film and polystyrene. Bins manufactured by Superior Pak.

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26 October 2011

The Board of Directors
Transpacific Industries Group Ltd
Level 1, 159 Coronation Drive
Milton, QLD 4064

Dear Directors

Part 1 - Investigating Accountant's Report on Historical, Pro-Forma and Forecast Financial Information

1. Introduction

We have prepared this Investigating Accountant's Report (the "Report") on the historical, pro-forma and forecast financial information of Transpacific Industries Group Ltd ("TPI") for inclusion in the Prospectus to be dated on or about 26 October 2011 ("Prospectus"), and to be issued by TPI, in respect of the offer of up to $309 million in ordinary shares through a rights issue in Transpacific Industries Group Ltd ("the Entitlement Offer" or "the Transaction").

Expressions defined in the Prospectus have the same meaning in this Report.

Ernst & Young Transaction Advisory Services Limited ("Ernst & Young Transaction Advisory Services") holds an Australian Financial Services Licence (AFS Licence Number 240585). Anne-Maree Keane is a Director and Representative of Ernst & Young Transaction Advisory Services. We have included our Financial Services Guide as Part 2 of this Report.

2. Scope

Ernst & Young Transaction Advisory Services has been requested to prepare this Report to cover the following financial information:

Historical Financial Information

The historical financial information, as set out in sections 5.4, 5.7 and 5.8 of the Prospectus comprises:

- the Historical Consolidated Income Statement for the financial years ended 30 June 2010 and 2011;
- the Historical Consolidated Statement of Financial Position as at 30 June 2011; and
- the Historical Consolidated Statement of Cash Flows for the financial years ended 30 June 2010 and 2011.

(Hereafter the "Historical Financial Information").

The Historical Financial Information for the years ended 30 June 2010 and 2011 has been extracted from the audited statutory financial statements, which were audited by Ernst & Young and on which unqualified audit opinions were issued.

Pro-Forma Historical Financial Information

► The pro-forma historical financial information as set out in section 5.8 of the Prospectus comprises the Pro-forma Historical Consolidated Statement of Financial Position as at 30 June 2011, which assumes completion of the proposed Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had occurred as at 30 June 2011.

(Hereafter the "Pro-Forma Historical Financial Information").

The Pro-Forma Historical Financial Information assumes completion of the proposed transactions ("Pro-Forma Transactions") outlined in section 5.1 of the Prospectus.

Forecast Financial Information

The forecast financial information as set out in sections 5.4 and 5.7 of the Prospectus comprises:

► the Forecast Consolidated Income Statement for the financial year ending 30 June 2012; and

► the pro-forma Forecast Consolidated Income Statement for the financial year ending 30 June 2012 which assumes completion of the proposed Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes Redemption had occurred as at 30 June 2011;

► the Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012; and

► the pro-forma Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012, which assumes completion of the proposed Debt Refinance, Entitlement Offer, USPP Repayment and Convertible Notes redemption had occurred as at 30 June 2011.

(Hereafter "the Forecast Financial Information").

(Collectively, the "Financial Information").

The Forecast Financial Information is based on the assumptions outlined in section 5.6 of the Prospectus.

The Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports.

3. Directors' Responsibility for the Financial Information

The Directors of TPI have prepared and are responsible for the preparation and presentation of the Financial Information. The Directors are also responsible for the determination of the best-estimate assumptions and proposed transactions as set out in sections 5.1 and 5.6 of the Prospectus.

4. Our Responsibility

Historical and Pro-Forma Historical Financial Information

Our responsibility is to express a conclusion on the Historical and Pro-Forma Historical Financial Information based on our review.

We have conducted an independent review of the Historical and Pro-Forma Historical Financial Information in order to state whether on the basis of the procedures described, anything has come to our attention that would cause us to believe that:

a. The Historical Financial Information does not present fairly:

   ► the Historical Consolidated Income Statement for the financial years ended 30 June 2010 and 2011;

   ► the Historical Consolidated Statement of Financial Position as at 30 June 2011; and

   ► the Historical Consolidated Statement of Cash Flows for the financial years ended 30 June 2010 and 2011 in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia;

b. The Pro-Forma Transactions do not provide a reasonable basis for the Pro-Forma Historical Financial Information;

c. The Pro-Forma Historical Financial Information has not been prepared on the basis of the transactions set out in section 5.1 of the Prospectus;

d. The Pro-Forma Historical Financial Information does not present fairly the Pro-forma Historical Consolidated Statement of Financial Position as at 30 June 2011

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia as if the Pro-Forma Transactions set out in section 5.1 of the Prospectus had occurred at 30 June 2011.

Our independent review of the Historical and Pro-Forma Historical Financial Information has been conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. Our procedures consist of reading of relevant Board minutes, reading of relevant contracts and other legal documents, inquiries of management personnel and the Directors of TPI, and analytical and other procedures applied to TPI's accounting records. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Historical and Pro-Forma Historical Financial Information.

Forecast Financial Information

Our responsibility is to express a conclusion on the Forecast Financial Information based on our review.

We have conducted an independent review of the Forecast Financial Information in order to state whether on the basis of the procedures described, anything has come to our attention that would cause us to believe that:

a. The Directors' best-estimate assumptions do not provide a reasonable basis for the preparation of the Forecast Financial Information;

b. The Forecast Financial Information was not prepared on the basis of the best-estimate assumptions;

c. The Forecast Financial Information does not present fairly:

► the Forecast Consolidated Income Statement for the financial year ending 30 June 2012;

► the pro-forma Forecast Consolidated Income Statement for the financial year ending 30 June 2012;

► the Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012; and

► the pro-forma Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012

in accordance with the recognition and measurement requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia; and

d. The Forecast Financial Information is unreasonable.

The Forecast Financial Information has been prepared by the Directors to provide investors with a guide to TPI's potential future financial performance based upon the achievement of certain economic, operating, developmental and trading assumptions about future events and actions that have not yet occurred and

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may not necessarily occur. There is a considerable degree of subjective judgement involved in the preparation of the Forecast Financial Information. Actual results may vary materially from this Forecast Financial Information and the variation may be materially positive or negative. Accordingly, investors should have regard to the Risk Factors set out in section 6 of the Prospectus.

Our independent review of the Forecast Financial Information has been conducted in accordance with Australian Auditing and Assurance Standards applicable to review engagements. Our procedures consist of reading of relevant Board minutes, reading of relevant contracts and other legal documents, inquiries of management personnel and the Directors of TPI, and analytical and other procedures applied to TPI's accounting records. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Forecast Financial Information.

5. Conclusion

Review conclusion on Historical and Pro-Forma Historical Financial Information

Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that:

a. The Historical Financial Information does not present fairly:

- the Historical Consolidated Income Statement for the financial years ended 30 June 2010 and 2011;
- the Historical Consolidated Statement of Financial Position as at 30 June 2011; and
- the Historical Consolidated Statement of Cash Flows for the financial years ended 30 June 2010 and 2011

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia;

b. The Pro-Forma Transactions do not provide a reasonable basis for the Pro-Forma Historical Financial Information;

c. The Pro-Forma Historical Financial Information has not been prepared on the basis of the transactions out in section 5.1 of the Prospectus;

d. The Pro-Forma Historical Financial Information does not present fairly the Pro-forma Historical Consolidated Statement of Financial Position as at 30 June 2011

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia as if the proposed transactions set out in section 5.1 of the Prospectus had occurred at 30 June 2011.

Review conclusion on Forecast Financial Information

Based on our review of the Forecast Financial Information, which is not an audit, and based on an investigation of the reasonableness of the Directors' best-estimate assumptions giving rise to the prospective financial information, nothing has come to our attention which causes us to believe that:

a. the Directors' best-estimate assumptions do not provide a reasonable basis for the preparation of the Forecast Financial Information;

b. the Forecast Financial Information was not prepared on the basis of the best-estimate assumptions;

c. the Forecast Financial Information does not present fairly:

- the Forecast Consolidated Income Statement for the financial year ending 30 June 2012;

- the pro-forma Forecast Consolidated Income Statement for the financial year ending 30 June 2012;
- the Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012; and
- the pro-forma Forecast Consolidated Statement of Cash Flows for the financial year ending 30 June 2012

in accordance with the recognition and measurement requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia; and

d. the Forecast Financial Information is unreasonable.

The best-estimate assumptions, set out in section 5.6 of the Prospectus, are subject to significant uncertainties and contingencies often outside the control of TPI and the Directors. If events do not occur as assumed, actual results achieved and distributions provided by TPI may vary significantly from the Forecast Financial Information. Accordingly, we do not confirm or guarantee the achievement of the Forecast Financial Information, as future events, by their very nature, are not capable of independent substantiation.

We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which this Report relates for any purposes other than the purpose for which it was prepared. This Report should be read in conjunction with the Prospectus.

6. Subsequent Events

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief, no material transactions or events outside of the ordinary business of TPI have come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Independence or Disclosure of Interest

Ernst & Young Transaction Advisory Services does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Ernst & Young provides audit and other advisory services to TPI, and Ernst & Young Transaction Advisory Services will receive a professional fee for the preparation of this Report. Consent to the inclusion of the Investigating Accountant's Report in the Prospectus in the form and context in which it appears, has been given. At the date of this Report, this consent has not been withdrawn.

Yours faithfully

Anne-Maree Keane
Director and Representative
Ernst & Young Transaction Advisory Services Limited

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26 October 2011

THIS FINANCIAL SERVICES GUIDE FORMS PART OF THE INVESTIGATING ACCOUNTANT'S REPORT

PART 2 – FINANCIAL SERVICES GUIDE

1. Ernst & Young Transaction Advisory Services

Ernst & Young Transaction Advisory Services Limited ("Ernst & Young Transaction Advisory Services" or "we," or "us" or "our") has been engaged to provide general financial product advice in the form of an Independent Accountant's Report ("Report") in connection with a financial product of another person. The Report is to be included in documentation being sent to you by that person.

2. Financial Services Guide

This Financial Services Guide ("FSG") provides important information to help retail clients make a decision as to their use of the general financial product advice in a Report, information about us, the financial services we offer, our dispute resolution process and how we are remunerated.

3. Financial services we offer

We hold an Australian Financial Services Licence which authorises us to provide the following services:

- financial product advice in relation to securities, derivatives, general insurance, life insurance, managed investments, superannuation, and government debentures, stocks and bonds; and
- arranging to deal in securities.

4. General financial product advice

In our Report we provide general financial product advice. The advice in a Report does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of a Report having regard to your own objectives, financial situation and needs before you act on the advice in a Report. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain an offer document relating to the financial product and consider that document before making any decision about whether to acquire the financial product.

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Ernst & Young Transaction Advisory Services Limited, ABN 87 003 599 844
Australian Financial Services Licence No. 240585

We have been engaged to issue a Report in connection with a financial product of another person. Our Report will include a description of the circumstances of our engagement and identify the person who has engaged us. Although you have not engaged us directly, a copy of the Report will be provided to you as a retail client because of your connection to the matters on which we have been engaged to report.

5. Remuneration for our services

We charge fees for providing Reports. These fees have been agreed with, and will be paid by, the person who engaged us to provide a Report. Our fees for Reports are based on a time cost or fixed fee basis. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority. The estimated fee for this Report is $33,000 (inclusive of GST).

Ernst & Young Transaction Advisory Services is ultimately owned by Ernst & Young, which is a professional advisory and accounting practice. Ernst & Young may provide professional services, including audit, tax and financial advisory services, to the person who engaged us and receive fees for those services.

Except for the fees and benefits referred to above, Ernst & Young Transaction Advisory Services, including any of its directors, employees or associated entities should not receive any fees or other benefits, directly or indirectly, for or in connection with the provision of a Report.

6. Associations with product issuers

Ernst & Young Transaction Advisory Services and any of its associated entities may at any time provide professional services to financial product issuers in the ordinary course of business.

7. Responsibility

The liability of Ernst & Young Transaction Advisory Services is limited to the contents of this Financial Services Guide and the Report.

8. Complaints process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial services. All complaints must be in writing and addressed to the AFS Compliance Manager or the Chief Complaints Officer and sent to the address below. We will make every effort to resolve a complaint within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service Limited.

9. Compensation Arrangements

The Company and its related entities hold Professional Indemnity insurance for the purpose of compensation should this become relevant. Representatives who have left the Company's employment are covered by our insurances in respect of events occurring during their employment. These arrangements and the level of cover held by the Company satisfy the requirements of section 912B of the Corporations Act 2001.

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Contacting Ernst & Young Transaction Advisory Services	Contacting the Independent Dispute Resolution Scheme:
AFS Compliance Manager Ernst & Young 680 George Street Sydney NSW 2000 Telephone: (02) 9248 5555	Financial Ombudsman Service Limited PO Box 3 Melbourne VIC 3001 Telephone: 1300 78 08 08

This Financial Services Guide has been issued in accordance with ASIC Class Order CO 04/1572.

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8. AUSTRALIAN TAXATION IMPLICATIONS

Western Star Prime Mover, one of the most recognised heavy duty truck brands in Australia.

8.1 AUSTRALIAN TAXATION IMPLICATIONS FOR ELIGIBLE RETAIL SHAREHOLDERS

Set out below is a summary of the Australian tax implications, in particular the application of Australian Capital Gains Tax (CGT) of the Retail Entitlement Offer for Eligible Retail Shareholders who are residents of Australia for tax purposes and who hold their Transpacific Shares as capital assets.

The summary below does not necessarily apply to Eligible Retail Shareholders who hold their Transpacific Shares as assets used in carrying on a business, or who may carry on the business of share trading, banking or investment. The summary below does not necessarily apply to Eligible Retail Shareholders whose Transpacific Shares are held through an employee share plan.

The Taxation of Financial Arrangements (TOFA) regime in Division 230 of the Income Tax Assessment Act 1997 (Cth), (the ITAA 1997) prescribes the tax treatment of gains and losses arising from financial arrangements. Where the TOFA regime is applicable to an Eligible Retail Shareholder, the taxation outcomes described below may not apply. The TOFA regime is complex and may apply differently to different taxpayers depending upon whether they have made certain elections within the TOFA regime.

The summary below also does not take account of any individual circumstances of any particular Eligible Retail Shareholder; Eligible Retail Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers.

The summary below is based on the law in effect as at the date of this Prospectus.

The summary does not take into account any future changes in income tax law or future judicial interpretations of law, nor does it take into account the application of tax legislation in foreign jurisdictions.

8.2 GRANTING OF ENTITLEMENTS

As a result of amendments to made to the ITAA 1997 in 2008, for shares held on capital account, no amount should be included in the assessable income of a Shareholder in a company as a result of being issued, by the company, entitlements to acquire shares in that company. The amendments will apply to any entitlements acquired on or after 1 July 2001.

These amendments should accordingly ensure that the value of the Entitlements is not included in the assessable income of Eligible Retail Shareholders at the time they are granted.

8.3 EXERCISE OF ENTITLEMENTS

Where Eligible Retail Shareholders exercise their Entitlements and subscribe for New Shares, the:

- Entitlements will cease to exist and a CGT event will occur. Any capital gain or loss made on the exercise of the Entitlements should, however, be disregarded for income tax purposes;
- New Shares acquired as a result of exercising the Entitlements will be treated for CGT purposes as having been acquired on the day on which Eligible Retail Shareholders exercise their Entitlements; and
- New Shares will have a cost base for CGT purposes equal to the Offer Price paid for the acquisition of the New Shares, plus any non-deductible incidental costs incurred in acquiring the New Shares.

8.4 RENOUNCING THE ENTITLEMENTS BY NOT TAKING UP THE ENTITLEMENTS, OR ALLOWING ENTITLEMENTS TO LAPSE

Under the Entitlement Offer, the Entitlements of Eligible Shareholders to subscribe for New Shares are not tradeable and may not be assigned. An Eligible Shareholder's Entitlements may lapse by the Eligible Shareholder not taking them up through inaction, but Eligible Shareholders may otherwise not dispose of their Entitlements. Lapsed Entitlements will be known as Unexercised Entitlements. In circumstances where the Entitlements lapse, the Eligible Shareholders will not acquire any New Shares under the Offer.

Where Entitlements have lapsed, the New Shares will be placed in the Retail Shortfall Bookbuild and sold to Institutional Investors. For each New Share you do not subscribe for under the Entitlement Offer, you will be paid the excess (if any) of the Clearing Price achieved through the Retail Shortfall Bookbuild above the Offer Price per New Share and any such excess paid will be known as a Retail Premium.

The Australian Taxation Office (ATO) on 8 December 2010 released Draft Taxation Ruling TR 2010/D8 which sets out the ATO's current view on Retail Premiums paid on unexercised share entitlements. The ATO holds the view that Retail Premiums should be treated as unfrankable dividends or in the alternative, as ordinary income and taxed as such; and that Retail Premiums should not be treated as capital gains. The Shareholders are strongly recommended to seek advice on the taxation of Retail Premiums from their tax advisers.

8.5 NEW SHARES

Eligible Retail Shareholders who exercise their Entitlements will acquire New Shares. Any future dividends or other distributions made in respect of those New Shares will be subject to the same taxation treatment as dividends or other distributions made on Existing Shares held in the same circumstances (note that the actual date of acquisition of the New Shares will be relevant for the application of certain integrity rules that are based on ownership periods such as the "45 day holding period" rule).

On any future disposal of New Shares, Eligible Retail Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Shares. The cost base of those New Shares is described in Section 8.3 above.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Retail Shareholder exercised the Entitlement to subscribe for them. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those New Shares, they must have been held for at least 12 months after the date of exercise before the disposal occurs.

8.6 OTHER AUSTRALIAN TAXES

No Goods and Services Tax ("GST") or stamp duty is payable in respect of the grant or exercise of the Entitlements or the acquisition of New Shares.

9. ADDITIONAL INFORMATION

Cleanaway provides residential collection services to the City of Joondalup in WA, utilising the Dennis Eagle single step chassis fitted with a Superior Pak body.

9.1 INTRODUCTION

Prospective investors should be aware of a number of other matters that have not been discussed in detail elsewhere in this Prospectus.

These matters are included in this Section and include a summary of other important documents, the consents of experts whose statements have been included in this Prospectus and the disclosure of Directors' interests.

Prospective investors should read this Section in detail before making an investment decision.

9.2 NATURE OF THIS PROSPECTUS

This Prospectus is a prospectus to which the special content rules under section 713 of the Corporations Act apply.

That provision allows the issue of a more concise prospectus in relation to offers of securities in a class which has been continuously quoted by ASX for the three months prior to the date of this Prospectus.

9.3 REPORTING AND DISCLOSURE OBLIGATIONS

Transpacific is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

These obligations require ASX to be continuously notified of information about specific events and matters as they arise for the purpose of ASX making the information available to the financial market operated by ASX.

In particular, Transpacific has an obligation under the ASX Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information concerning Transpacific and the Group, of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of Transpacific's securities. Transpacific is also required to prepare and lodge with ASIC and ASX both yearly and half-yearly financial statements accompanied by a Directors' declaration and report, and an audit or review report.

9.4 DOCUMENTS INCORPORATED BY REFERENCE AND AVAILABILITY OF OTHER DOCUMENTS

9.4.1 DOCUMENTS INCORPORATED BY REFERENCE – RESULTS OF INSTITUTIONAL ENTITLEMENT OFFER

The ASX announcement "Successful Completion of Institutional Entitlement Offer" lodged with ASIC and ASX by Transpacific on Monday, 31 October 2011 is incorporated by reference in this Prospectus under section 712 of the Corporations Act. The announcement includes:

- the results of the Institutional Entitlement Offer and Institutional Shortfall Bookbuild;
- any shortfall from the Institutional Shortfall Bookbuild;
- the Clearing Price for the Institutional Shortfall Bookbuild.

9.4.2 COPIES OF DOCUMENTS

ASIC maintains records in respect of documents lodged with it by Transpacific, and these may be obtained from or inspected at any office of ASIC.

Transpacific will provide a copy of any of the following documents, free of charge, to any person who requests a copy during the application period for this Prospectus:

- the annual financial report lodged with ASIC by Transpacific for the year ended 30 June 2011;
- the ASX announcement "Successful Completion of Institutional Entitlement Offer" lodged with ASIC and ASX by Transpacific on Monday, 31 October 2011; and
- any other document used to notify ASX of information relating to Transpacific under the continuous disclosure provisions of the ASX Listing Rules and the Corporations Act after the date of lodgement with ASIC of the annual financial report referred to above and before lodgement with ASIC of this Prospectus.

9.5 UNDERWRITING AGREEMENT

This Section contains a summary of the fee, warranty, indemnity, conditions and termination provisions of the Underwriting Agreement.

The conditions and termination event provisions under the Underwriting Agreement are different for the period on or before the Institutional Settlement Date and after the Institutional Settlement Date.

Transpacific and the Joint Lead Managers entered into the Underwriting Agreement on 26 October 2011. Under the Underwriting Agreement, Transpacific appointed Macquarie and CBA as Joint Lead Managers of the Entitlement Offer and underwriters to the Institutional Entitlement Offer. The Joint Lead Managers have agreed to underwrite any shortfall under the Institutional Entitlement Offer. The Retail Entitlement Offer is not underwritten.

9.5.1 FEES AND EXPENSES

The Joint Lead Managers will receive the following total fees under the Underwriting Agreement:

a) a management and underwriting fee of 2.25% of the gross proceeds of the Institutional Entitlement Offer excluding funds raised from Warburg Pincus' participation in the Entitlement Offer;

b) an advisory fee of 1.25% of the gross amount raised from Warburg Pincus under the Institutional Entitlement Offer excluding funds raised from Warburg Pincus' participation in the Entitlement Offer;

c) a structuring fee of 0.75% of the gross proceeds of the Institutional Entitlement Offer;

d) a management fee of 1.25% of the gross amount of the Retail Entitlement Offer; and

e) a discretionary fee of 0.90% for the proceeds raised under each of the Institutional Entitlement Offer and the Retail Entitlement Offer.

Transpacific's obligations to pay the Joint Lead Managers is reduced in certain circumstances set out in the Underwriting Agreement.

Transpacific must also pay to the Joint Lead Managers their reasonable expenses including legal and out-of-pocket expenses incurred by the Joint Lead Managers in relation to the Entitlement Offer.

9.5.2 WARRANTIES AND INDEMNITIES

Customary and usual representations and warranties are given by the parties in relation to matters such as power to enter into the Underwriting Agreement, corporate authority and approvals and Transpacific's compliance with the Corporations Act and ASX Listing Rules in relation to the Entitlement Offer.

Transpacific gives a number of further representations and warranties to the Joint Lead Managers, including that this Prospectus and related public documents and information do not contain any material statements that are misleading or deceptive and that none of the information supplied to the Joint Lead Managers is misleading or deceptive in a material respect, together with warranties regarding financial information and accounts, due diligence, the New Shares, no material adverse effect or prescribed occurrence, no event of insolvency, contracts and authorisations, ownership and title of assets, labour disputes, compliance with environmental laws, environmental liabilities, tax returns, litigation and other matters concerning the Entitlement Offer and affairs of Transpacific.

Transpacific indemnifies the Joint Lead Managesr and persons associated with the Joint Lead Managers in respect of certain loss that may be suffered in connection with the Entitlement Offer.

9.5.3 CONDITIONS

Institutional Entitlement Offer

The obligations of the Joint Lead Managers to underwrite the Institutional Entitlement Offer and manage the Entitlement Offer after the Institutional Settlement Date are subject to the fulfilment or waiver of certain conditions by the time specified in the Underwriting Agreement on the Institutional Settlement Date including:

- (**Announcement Conditions**) satisfaction or waiver of each of the announcement conditions set out in the Underwriting Agreement;
- (**Pre-commitments**) the pre-commitment of Warburg Pincus to take up 100% of its Entitlement remains on foot as at the Institutional Settlement Date, no material event has occurred in respect of such pre-commitment, and as at the Institutional Settlement Date such pre-commitments have been performed in accordance with their terms;
- (**Regulatory**) ASX having granted the necessary ASX Listing Rule waivers and ASIC relief on or before the opening date for the Institutional Entitlement Offer, and not withdrawing or modifying them (except where immediately replaced or without a material adverse effect);
- (**Certificate**) the Joint Lead Managers receiving the certificate required to be furnished by Transpacific under the Underwriting Agreement confirming that the relevant conditions in connection with the Entitlement Offer have been fulfilled or waived.
- (**US counsel opinion**) Transpacific has obtained an opinion from US legal counsel addressed to the Joint Lead Managers which opines on certain aspects of US law in connection with the Institutional Entitlement Offer and the Institutional Shortfall Bookbuild; and

9.5.4 TERMINATION EVENTS

On or before the Institutional Settlement Date

The Joint Lead Managers may terminate any of its obligations under the Underwriting Agreement if any of certain specified events occur on or before the time specified in the Underwriting Agreement on the Institutional Settlement Date or as otherwise specified in the description of the event.

The following are specified events:

Company and Securities Matters:

- (**Warburg Pincus**) in the event:

a) Warburg Pincus fails to provide, or provides but subsequently withdraws, amends or varies without the consent of the Joint Lead Managers (acting reasonably) its written undertaking to Transpacific to subscribe under the Institutional Entitlement Offer for at least 209,459,638 New Shares of Warburg Pincus' Entitlement;

b) Warburg Pincus fails to apply under the Institutional Entitlement Offer for 209,459,638 New Shares of

Warburg Pincus' Entitlement or fails to pay for such New Shares; or

c) Warburg Pincus applies under the Institutional Entitlement Offer for more than 209,459,638 New Shares of Warburg Pincus' Entitlement;

- (**listing**) Transpacific ceases to be admitted to the official list of ASX or the Shares are suspended from trading on, or cease to be quoted on ASX. This does not include the existing suspension of the Shares or any extension of that suspension up until the opening date of the Retail Entitlement Offer;
- (**withdrawal**) Transpacific withdraws part or all of an Offer Document or the Entitlement Offer;
- (**unable to issue securities under Entitlement Offer**) Transpacific is prevented from allotting and issuing the New Shares in accordance with this Prospectus, under the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government authority;
- (**certificates**) the certificate required by the Underwriting Agreement is not given by Transpacific, or, if given, a statement in the certificate is untrue or incorrect, or misleading or deceptive;
- (**prosecution**) in the event:

a) a Director is charged with a criminal offence relating to any financial or corporate matter or any government authority commences any public action against a Director in their capacity as a Director, or announces that it intends to take such action;

b) a Director is disqualified from managing a corporation under sections 206B, 206C, 206D, 206E, 206F or 205G of the Corporations Act or equivalent laws of another jurisdiction; or

- (**misleading or deceptive conduct**) civil or criminal proceedings are brought against Transpacific or a Director of Transpacific in relation to any fraudulent, misleading or deceptive conduct in connection with the Offer or any Offer Document;
- (**failure to comply**) Transpacific (or any material subsidiary) fails to comply with a provision of its Constitution, any applicable law or a requirement, order or binding request, made by or on behalf of ASIC, ASX, or any other specified government authority;
- (**key executive changes**) there is a change in the person holding office as either the Chief Executive Officer or the Chief Financial Officer;
- (**debt refinancing**): if the Debt Refinance is:

a) withdrawn, terminated, materially breached, rescinded or amended in a material respect without the Joint Lead Managers' consent; or

b) an event occurs which entitles a party to terminate the Debt Refinance or it is found to be void or voidable or a condition becomes incapable of being satisfied; or

c) an event of default or a review event occurs in relation to the Debt Refinance;

(**market fall**) on any Business Day between the date the Entitlement offer is announced on ASX and the day Shares re-commence normal trading on the ASX following the end of the trading halt made on such date, or suspension as applicable, and after completion of the Institutional Shortfall Bookbuild, the S&P/ASX 200 Index closes lower than 90% of the level of that index as at the close of normal trading on ASX on the Business Day immediately preceding the date of this Agreement.

No specified event below will entitle an Underwriter to exercise its rights to terminate its obligations under the Underwriting Agreement unless, in the reasonable opinion of that Underwriter:

(a) the event has, or will have, a material adverse effect on:

(i) the pricing of the Entitlement Offer;

(ii) the success of the Entitlement Offer; or

(iii) the ability of the Underwriter to market or promote or settle the Entitlement Offer; or

(b) there is a reasonable possibility that the Underwriter will contravene, be involved in a contravention of, or incur a liability under the Corporations Act or any other applicable law as a result of the event.

Offer Document matters:

- (**lodgement**) Transpacific fails to lodge the Prospectus with ASIC on or before the date specified in the Underwriting Agreement (or such later date as the Joint Lead Managers may agree in writing);
- (**consent**) any person whose consent to the issue of the Offer Document is required by section 720 of the Corporations Act who has previously consented withdraws such consent or any person otherwise named in an Offer Document with their consent (other than the Joint Lead Managers) withdraws such consent;
- (**Offer Documents**):

a) an Offer Document, or any statement, report, representation, matter or thing contained therein is or becomes misleading or deceptive or is likely to mislead or deceive (including misleading within the meaning in section 728(2) of the Corporations Act);

b) there is an omission from an Offer Document of material required to be included by the Corporations Act or any other applicable law; or

c) a new circumstance has arisen since an Offer Document was issued or lodged which would have been required by the Corporations Act to be included in the Prospectus if the matter had arisen before the Offer Document was issued or lodged.

Regulator matters and approvals:

- (**ASIC notifications**) ASIC makes or applies for certain orders (including interim orders), commences certain proceedings or investigates (or gives notice of its intention to investigate or prosecute) matters relating to the Entitlement Offer or an Offer Document, unless the matter does not become public and is withdrawn within 2 business days after it is commenced or where it occurs less than 2 business days before the Institutional Settlement Date, is withdrawn by the Institutional Settlement Date;
- (**ASX approval**): ASX approval for the quotation of the New Shares is refused, not granted or withdrawn by the time required in the Underwriting Agreement or ASX makes an official statement to any person or indicates in writing to Transpacific or the Joint Lead Managers that official quotation of the New Shares will be refused;
- (**ASX waivers**) ASX withdraws or revokes any of the ASX Listing Rule waivers necessary to make the Entitlement Offer and issue the New Shares (without immediately replacing those waivers) or amends those waivers and those amendments, in the Joint Lead Managers' reasonable opinion, would have or be likely to have a material adverse effect on the success of the Entitlement Offer or the ability of the Joint Lead Managers to market, promote or settle the Entitlement Offer or any part of it;
- (**ASIC Modification**) any relief granted by ASIC in order to facilitate the Entitlement Offer is withdrawn or modified; or
- (**Takeovers Panel**) the Takeovers Panel makes a declaration of unacceptable circumstances or an order in relation to the Entitlement Offer.

Other Matters:

- (**timetable**) any event specified in the timetable for the Entitlement Offer is delayed (and in the case of the any post announcement timing, the timetable confirmed immediately prior to the announcement) for more than 5 business days without the prior written approval of the Joint Lead Managers;
- (**Event of insolvency**)

a) Transpacific becomes insolvent or there is an act or omission which is likely to result in it becoming insolvent; or

b) any of its material subsidiaries becomes insolvent.

Company Matters:

- (**unauthorised alterations**) there is an alteration in the composition of Transpacific's Board, its share capital or its Constitution (except in a manner expressly contemplated in the Prospectus);
- (**material adverse effect**) there is an adverse change or effect, in or affecting the business, operations, prospects, management, financial position, earnings position or shareholder's equity of the Group (taken as a whole) from the position disclosed in the Prospectus or announced to the ASX before the date of the Underwriting Agreement; or
- (**information supplied**) the due diligence committee's report or any other information supplied by or on behalf of Transpacific or any of its subsidiaries to the Joint Lead Managers in respect of the Entitlement Offer, Transpacific or its subsidiaries is false or misleading or deceptive or likely to mislead or deceive whether by act or omission.

Other document matters

- (**future matters**) any statement or estimate in an Offer Document which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Joint Lead Managers, unlikely to be met in the projected timeframe; or
- (**forecasts**) there are not or there ceases to be reasonable grounds in the reasonable opinion of the Underwriters for any statement by Transpacific in the Offer Document which relates to future matters (including financial forecasts).

Legal matters

- (**change in laws**) there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia, a law or prospective law, or any new regulation is made under any statute, or a government authority adopts a policy, or there is any announcement that such a law, prospective law or regulation may be introduced or policy may be adopted (except where such law or prospective law or new regulation is announced or generally known to the market prior to the date of the Underwriting Agreement), any of which does or is likely to prohibit or regulate the Entitlement Offer, capital issues or stock markets or materially adversely affect the success or outcome of the Entitlement Offer.

Market matters

- (**trading on ASX**) trading of Transpacific Shares is suspended or there is a material limitation in trading in any of those securities on ASX or ASX ceases to quote any of those securities or removes or suspends Transpacific from the official list; or
- (**trading of securities**) trading of securities quoted on ASX, the London Stock Exchange or the New York Stock Exchange is suspended, or there is a material limitation in trading, for more than one business day on which that exchange is open for trading, which in the reasonable judgment of a Joint Lead Manager, makes it impracticable to proceed with the Entitlement Offer or the issue or delivery of the New Shares on the Institutional Settlement Date on the terms and in the manner contemplated in the Offer Documents.

Other matters

- (**warranties**) a representation or warranty given or made by Transpacific in the Underwriting Agreement is, or becomes, misleading or deceptive or is, or becomes, false or incorrect;
- (**default**) Transpacific is in default of any of the terms and conditions of the Underwriting Agreement;
- (**other events**) there is

a) an outbreak or a major escalation of hostilities (whether war is declared or not) involving any one or more of Australia, New Zealand, the United States, the United Kingdom, any member of the European Union, North Korea or China or the declaration by any of these countries of a national emergency or war, or a major terrorist attack is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries;

b) a general moratorium on commercial banking activities in Australia, New Zealand, Singapore, Hong Kong, the United Kingdom or the United States is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement, payment or clearance services in any of those countries; or

c) an occurrence of any other calamity or crisis or any disruption or change in financial, political or economic conditions, financial markets or currency exchange rates or controls in Australia, New Zealand, Singapore, Hong Kong, the United States, or the United Kingdom,

which in the reasonable judgment of the Joint Lead Managers, makes it impracticable to proceed with the Entitlement Offer or the issue or delivery of the New Shares on the terms and in the manner contemplated in the Offer Documents.

9.5.5 SUB-UNDERWRITING AGREEMENT

Warburg Pincus and the Joint Lead Managers have entered into a Sub-Underwriting Agreement dated 26 October 2011 (**"Sub-Underwriting Agreement"**). Under that agreement, Warburg Pincus has committed to subscribe for up to 203,553,806 New Shares of any shortfall under the Institutional Entitlement Offer at the Offer Price (**"Sub-Underwritten Shares"**).

The ability of Warburg Pincus to subscribe for Shares under the Sub-Underwriting Agreement is subject to a number of conditions. These conditions include the execution of the Sub-Underwriting Agreement, and the Entitlement Offer completes. As a foreign person, Warburg Pincus requires the approval of the Foreign Investment Review Board (**"FIRB"**) under the Foreign Acquisitions and Takeovers Act 1975 (Cth) before it acquires New Shares in accordance with the Sub-Underwriting Agreement. Its current FIRB approval allows it to acquire New Shares equivalent to an increase of up to 3% from its relevant interest in Transpacific prior to the Entitlement Offer. Warburg Pincus has applied for another FIRB approval to cover all of the Sub-Underwritten Shares.

New Shares subscribed for in accordance with the Sub-Underwriting Agreement are to be issued at the same time as the New Shares issued to Institutional Investors under the Institutional Entitlement Offer.

Under the Sub-Underwriting Agreement, if Warburg Pincus has not obtained the necessary additional FIRB approval to acquire the remainder of Sub-Underwritten Shares before the day one business day before the Institutional Settlement Date (i.e. Monday, 7 November 2011) then it will still be required to contribute the Offer Price multiplied by the relevant number of Sub-Underwritten Shares to a Macquarie related entity and the Macquarie related entity will subscribe for those Sub-Underwritten Shares. The Macquarie related entity will hold those Sub-Underwritten Shares on escrow until such time as it receives a request from Warburg Pincus to transfer those Shares to it or its nominee (consistent with a FIRB statement of no objection). Warburg Pincus must make such a request as soon as it obtains the necessary FIRB approval.

If FIRB approval is not obtained, and to the extent the Sub-Underwritten Shares have not otherwise been transferred to Warburg Pincus or as it directs within 3 years from the date they were issued, the Macquarie related entity must (unless early divestiture has been required for regulatory purposes) transfer all of the remaining Sub-Underwritten Shares to Warburg Pincus or as directed by Warburg Pincus or use reasonable endeavours to sell the remaining Sub-Underwritten Shares into the market for the highest price.

Warburg Pincus' sub-underwriting rights will lapse if:

(a) the Joint Lead Managers terminate their underwriting obligations under the Underwriting Agreement; or

(b) at the Joint Lead Managers' discretion, Warburg Pincus fails to comply with the material terms of the Sub-Underwriting Agreement.

Warburg Pincus may not assign, transfer or otherwise deal with its rights or obligations under the Sub-Underwriting Agreement or otherwise lay off or sub-syndicate its participation without the Joint Lead Managers' agreement.

Warburg Pincus has elected not to receive a fee in respect of any sub-underwriting, the amount which would have been paid to Warburg Pincus as a fee will be set off against Transpacific's obligation to pay the Joint Lead Managers these – see Section 9.5.1.

Under this arrangement, Warburg Pincus will not be able to exercise any voting rights in respect of the relevant Sub-underwritten Shares held in escrow by the Macquarie related entity, but any distributions or returns paid on the Sub-Underwritten Shares will be held in escrow by the Macquarie related entity until such time as the Sub-underwritten Shares are transferred or sold on market.

9.5.6 POTENTIAL EFFECT OF THE ENTITLEMENT OFFER AND SUB-UNDERWRITING AGREEMENT ON THE VOTING POWER OF WARBURG PINCUS

Warburg Pincus has committed to take up 100% of its Entitlement under the Institutional Entitlement Offer and to subscribe for up to 203,553,806 New Shares of any shortfall under the Institutional Entitlement Offer at the Entitlement Offer Price under the Sub-Underwriting Agreement.

As at the date of this Prospectus, Warburg Pincus holds 33.92% voting power in Transpacific. Warburg Pincus may significantly increase its voting power in Transpacific as a result of the Sub-Underwriting Agreement in conjunction with taking up all of its Entitlements. The extent of any increase in voting power resulting from the Sub-Underwriting Agreement will depend on the amount of any New Shares that are not taken up under the Institutional Entitlement Offer and Institutional Shortfall Bookbuild and the amount of New Shares taken up under the Retail Entitlement Offer and Retail Shortfall Bookbuild.

If Warburg Pincus acquires the maximum number of New Shares that may be issued or transferred to it under the Sub-Underwriting Agreement, its percentage shareholding in Transpacific after participation in the Institutional Entitlement Offer and satisfying its sub-underwriting obligations will be approximately 49.9%. This is based on no New Shares being taken up under the Retail Entitlement Offer and Retail Shortfall Bookbuild.

The Sub-Underwritten Shares will only flow through to the Joint Lead Managers and any sub-underwriter (including Warburg Pincus) to the extent that they are not taken up by participating Institutional Investors under the Institutional Shortfall Bookbuild. The Underwriters have an obligation to use their reasonable endeavours to source Institutional Investors to participate in the Institutional Shortfall Bookbuild. This will present both Eligible Institutional Shareholders and other Institutional Investors with an opportunity to acquire such Shares in preference to the Joint Lead Managers and any sub-underwriters (including Warburg Pincus to the extent it is acting as a sub-underwriter).

The following table sets out the effect of Warburg Pincus' voting power in Transpacific assuming a shortfall after completion of the Institutional Shortfall Bookbuild and the subsequent completion of the Retail Entitlement Offer and Retail Shortfall Bookbuild.

The table below shows the Entitlement Offer on Warburg Pincus' shareholding:

	Entitlement Offer raises $260 million		Entitlement Offer raises $309 million	
	Minimum	Maximum	Minimum	Maximum
Percentage of total issue capital pre Entitlement Offer	33.9%	33.9%	33.9%	33.9%
New Shares through participation in the Institutional Entitlement Offer	209	209	209	209
New Shares through sub-underwriting $101.8 million of the Institutional Entitlement Offer	0	204	0	204
Total New Shares acquired under the Entitlement Offer	**209**	**413**	**209**	**413**
Percentage of total issued capital post Entitlement Offer	**36.2%**	**49.9%**	**33.9%**	**46.8%**

9.6 DEBT FACILITIES

9.6.1 REFINANCING OF FACILITY AGREEMENT

On 14 December 2007, the Company and various subsidiaries entered into the Existing Syndicated Facility Agreement with a syndicate of financiers. The Existing Syndicated Facility Agreement was amended and restated on 28 March 2008 and further amended on 26 August 2008 and 25 June 2009.

The Company has entered into a New Syndicated Facility Agreement (comprising a binding commitment letter and finalised terms of a new syndicated facility agreement) with various existing and new lenders (**"Mandated Lead Arranger, Underwriters and Bookrunners"** or **"MLAUBs"**) for the purposes of agreeing the terms and conditions to apply to a refinancing of its Existing Syndicated Facility.

Following successful documentation of the new syndicated facility agreement as set out in the New Syndicated Facility Agreement, it is intended to provide the following facilities:

- Facility A, being a $350 million multioption working capital facility repayable 5 years from the signing of the New Syndicated Facility Agreement. Its purpose is to fund general corporate funding requirements of the Company and its subsidiaries;
- Facility B, being a $510 million revolving loan facility repayable 4 years from the signing of the New Syndicated Facility Agreement. Its purpose is to refinance existing indebtedness of the Company and its subsidiaries, and then to fund general corporate debt requirements; and certain acquisitions permitted under the New Syndicated Facility Agreement;
- Facility C, being a $400 million term loan facility repayable 3 years from the signing of the New Syndicated Facility Agreement. Its purpose is solely to finance the redemption proceeds of the existing Convertible Notes and certain tranches under the existing US Note Purchase Agreement (as defined in Section 9.6.2);
- Facility D, being a $216 million term loan facility repayable 5 years from the signing of the New Syndicated Facility Agreement. Its purpose is solely for the refinancing of existing Company and group debt; and
- Facility E, being a US$48 million term loan facility repayable 5 years from the signing of the New Syndicated Facility Agreement. Its purpose is solely for the refinancing of a certain tranche under the existing US Note Purchase Agreement.

The New Syndicated Facility Agreement is subject to a condition precedent of at least $260 million of equity being raised (representing the underwritten Institutional Entitlement Offer).

The New Syndicated Facility Agreement contains representations, covenants and events of defaults that are usual for a facility of this nature or required by the lenders having regard to the nature of the Company's business. The Company and the lenders have agreed revised financial covenants under the New Syndicated Facility Agreement.

The New Syndicated Facility Agreement will be secured. The Company has agreed, as a condition subsequent to execution of the New Syndicated Facility Agreement, to provide security by way of registered charges of the Company and each guarantor under the New Syndicated Facility Agreement. This condition is to be satisfied on or before 28 February 2012.

Under the New Syndicated Facility Agreement, the Company has agreed not to pay dividends except in certain prescribed circumstances including where:

- the ratio of net debt (including amounts owing under the Convertible Notes) to Adjusted EBITDA is less than or equal to 2.75x; or
- the ratio of net debt (including amounts owing under the Convertible Notes) to Adjusted EBITDA for the previous 12 month period is less than 3.00x and, where the ratio of net debt (including amounts owing under the Convertible Notes) is greater than 2.75x and less than 3.00x, the distributions do not exceed 30% of NPAT; or
- the distribution is made pursuant to a fully underwritten dividend reinvestment plan.

These restrictions do not apply to any dividends to be made with respect to the TPI SPS unless an event of default is subsisting under the agreement.

The Company must procure that the issuer of the TPI SPS does not redeem, repurchase, retire or repay any of the TPI SPS except by way of an issuance of Shares and, otherwise, that it will not and it will procure that the issuer of the TPI SPS does not redeem the TPI SPS for cash on a "Step-Up Date" (as defined for the purposes of the TPI SPS) unless it funds such redemption with the proceeds of an issue of Shares sourced from third parties.

The Company must ensure that its capital expenditure for each financial year does not exceed by more than 20% the capital expenditure forecast in the budget for capital expenditure for that financial year. However, this obligation will cease to apply when the ratio of net debt (including amounts owing under the Convertible Notes) to Adjusted EBITDA is less than 3.00x for the immediately preceding period of 12 months.

The Company is restricted from acquiring, establishing or investing in any business or acquiring any shares or interest in any entity except in certain prescribed circumstances. Subject to certain requirements, this restricts the Company from making acquisitions with an individual value of greater than $20 million or aggregate value in excess of $50 million in any 12 month period, unless otherwise approved by the majority of the lenders.

9.6.2 UNITED STATES NOTE PURCHASE AGREEMENT

The Company entered into a note purchase agreement with note purchasers named therein on 17 December 2007 ("Note Purchase Agreement"). The agreement provides for the issue and sale of the following notes ("Notes"):

- US$80,000,000 Series A Notes due 17 December 2012;
- US$7,000,000 variable rate Series B Notes due 17 December 2012;
- C$15,000,000 Series C Notes due 17 December 2012; and
- US$48,000,000 Series D Notes due 17 December 2017.

This agreement was amended by the First Amendment and Waiver Agreement dated 25 June 2009. After that document was entered into the interest rate with respect to each existing series of fixed rate Notes increased by 2.00% per annum and the one existing series of floating rate notes was converted to fixed rate notes.

Notwithstanding the above due dates, the Note Purchase Agreement contains a put option which enables each noteholder, on 1 September 2012, after good faith discussions with the Company and by written notice, to require the Company to repurchase all or any of the Notes held by it on 17 September 2012 at a price of par plus accrued interest up until that date.

The Note Purchase Agreement contains representations, covenants and events of defaults that are usual for a facility of this nature or required by the noteholders. The Notes are currently unsecured but will become secured on a pari passu basis at the time the security required pursuant to the New Syndicated Facility Agreement is implemented.

If a change of control of the Company occurs, the Company is to give notice to the noteholders within five days of the change offering to prepay the notes at par plus accrued interest (and without premium) between 30 and 60 days after the notice. Each noteholder shall notify the Company of their acceptance or rejection of the offer within 10 days prior to the date for payment. If a noteholder fails to respond to a notice of prepayment, they are deemed to have rejected the offer to prepay. Change of control means: any person and its Associates other than Warburg Pincus and its Associates and Related Entities and the Peabody Family and any of its Associates and Related Entities acquires a Relevant Interest (as defined by the relevant Australian or New Zealand corporations law or code as required) exceeding 50% or more of the Shares.

Although the financial covenants in the Note Purchase Agreement and the New Syndicated Facility Agreement are closely aligned, they are not identical. For instance, the Note Purchase Agreement has two debt to EBITDA covenants – one that treats the subordinated Convertible Notes as debt and one that treats the subordinated Convertible Notes as equity.

9.6.3 CONVERTIBLE NOTES

On 7 and 18 December 2007, the Company issued $347.5 million in aggregate principal amount of Convertible Notes which are due for redemption upon their maturity on 7 December 2014. In the event of a winding up of the Company, the convertible notes are subordinated to the claims of specified senior creditors in respect of certain senior financial indebtedness owed to them in accordance with the trust deed dated 7 December 2007 between the Company and The Bank of New York, London Branch ("Convertible Notes Trust Deed") and bear interest at a rate of 6.75% per annum and are listed on the SGX-ST.

Noteholders have the right to convert their Convertible Notes into Shares at any time after 17 January 2008 or to require the Company to redeem their convertible notes in certain circumstances. This includes an option for all or some of the Convertible Notes to be redeemed on 7 December 2012 at their principal amount together with accrued but unpaid interest as at that date. On 30 September 2008 and 14 and 17 November 2008, the Company redeemed and cancelled $38.4 million in aggregate principal amount of the Convertible Notes.

As at 30 June 2011, the aggregate principal amount of the Convertible Notes outstanding was $309.1 million and the prevailing conversion price was $14.6519. Assuming a conversion date of 30 June 2011 and that all holders of the Convertible Notes had exercised their conversion rights, the number of Shares to be issued on conversion of the Convertible Notes would have been 21,096,240, subject to rounding. The Convertible Notes Trust Deed provides for an adjustment to be made to the conversion price upon the occurrence of certain events relating to the share capital of the Company. The issue of Shares under the Entitlement Offer constitutes an event giving rise to an adjustment under the terms of the Convertible Notes Trust Deed.

The adjusted conversion price, the number of Shares that will fall to be issued on conversion of each Convertible Note and the date that the adjusted conversion price will take effect will be announced to the noteholders and be published on the ASX and the SGX-ST as soon as reasonably practicable after completion of the Entitlement Offer.

9.6.4 OTHER FACILITIES

The Company and its subsidiaries have also entered into:

- various hedging facilities;
- various leases pursuant to a master lease agreement; and
- various hire purchase agreements pursuant to a master hire purchase agreement.

9.7 RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

The New Shares will be issued fully paid and will rank equally with Existing Shares.

The rights and liabilities attaching to Shares are set out in the Constitution and the Corporations Act and are subject to the ASX Listing Rules, the ASX Settlement Operating Rules and the general law.

The principal rights and liabilities of the Shareholders as set out in the Constitution are summarised below. The summary is not a definitive statement of those matters, which can involve complex questions arising from the interaction of the Constitution, statutes, common law and the ASX Listing Rules requirements. To obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, investors should seek their own advice.

9.7.1 VOTING

At a general meeting, every Shareholder present in person or by proxy, attorney or representative has one vote on a show of hands and one vote on a poll for each fully paid share held. Voting at any meeting of Shareholders is by a show of hands unless a poll is demanded. A poll may be demanded by at least five Shareholders entitled to vote on the resolution, Shareholders with at least 5% of the votes that may be cast on the resolution on the poll, or the Chairman.

9.7.2 DIVIDENDS

The Directors may from time to time pay dividends to Shareholders out of the profits of Transpacific. The Directors may pay any interim and final dividends as, in their judgement, the financial position of Transpacific justifies. The Directors may fix the amount and the method of payment of the dividends. The payment of a dividend does not require any confirmation by a general meeting. Subject to any special rights attaching to shares with special dividend rights, of which none are currently on issue, all dividends must be paid equally on all Shares and in proportion to the number of, and the amounts paid on, the Shares held.

9.7.3 ISSUE OF FURTHER SHARES

The Directors may (subject to the restrictions on the issue of shares imposed by the Constitution, the ASX Listing Rules and the Corporations Act) issue, grant options in respect of, or otherwise dispose of further shares on terms and conditions (including preferential, deferred or special rights, privileges or conditions, or restrictions) as they see fit.

Under the terms of the Process Deed, while Warburg Pincus and its affiliates hold more than 15% of issued Shares, Warburg Pincus' consent will be required to undertake non-pro rata entitlement offers, subject to certain exceptions. See Section 9.7.15 for more detail.

9.7.4 VARIATION OF CLASS RIGHTS

Subject to the Corporations Act and their terms of issue, the rights attaching to any class of shares may be varied by a special resolution of the Company and with either the written consent of at least 75% of the holders of shares in the class or a special resolution passed at a separate meeting of the holders of shares of the class. In either case, the holders of not less than 10% of the votes in the class of shares whose rights have been varied or cancelled may apply to a court of competent jurisdiction to exercise its discretion to set aside such variation or cancellation. The creation or issue of further shares ranking equally with a class of shares already on issue is not a variation of class rights.

9.7.5 TRANSFER OF SHARES

Shareholders may transfer Shares by a written transfer instrument in the usual form or any form approved by the Directors or by a proper transfer effected in accordance with the ASX Settlement Operating Rules and ASX requirements. All transfers must comply with the Constitution, the ASX Listing Rules, the ASX Settlement Operating Rules and the Corporations Act. The Directors may refuse to register a transfer of Shares, including in circumstances where the transfer is not in registrable form, or the refusal to register the transfer is permitted by the ASX Listing Rules or ASX. The Directors must refuse to register a transfer of Shares where required to do so by the ASX Listing Rules. If the Directors decline to register a transfer, Transpacific must give notice of the refusal and the reasons for the refusal as required by the Corporations Act and the ASX Listing Rules. Subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, the Directors may suspend the registration of transfers at such times and for such periods as they determine.

9.7.6 SHARE BUY BACKS

Transpacific may buy back Shares in itself in accordance with the provisions of the Corporations Act.

9.7.7 GENERAL MEETING AND NOTICES

Each Shareholder is entitled to receive notice of, and except in certain circumstances, attend and vote at general meetings of Transpacific and receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution or the Corporations Act.

9.7.8 WINDING UP

Subject to any special resolution or rights or restrictions attaching to any class or classes of shares, shareholders will be entitled on a winding up to a share in any surplus assets of Transpacific in proportion to the shares held by them.

9.7.9 SALE OF NON-MARKETABLE PARCELS

The Constitution provides that the Directors may cause Transpacific to sell a Shareholder's Shares, if that Shareholder holds less than a marketable parcel of Shares, provided that the procedures set out in the Constitution are followed. A marketable parcel of Shares is defined in the ASX Operating Rules Procedures and is, generally, a holding of Shares with a market value of not less than $500.

9.7.10 DIRECTORS – APPOINTMENT AND REMOVAL

The minimum number of Directors is three and the maximum is 10, unless the Shareholders pass a resolution altering the maximum or minimum number. Directors are elected at annual general meetings of Transpacific. Retirement will occur on a rotational basis so that generally one third of the Directors plus any Director who has held office no later than the longer of the third annual general meeting or three years following that Director's last election or appointment (excluding the Managing Director), must retire at each annual general meeting of Transpacific. A Director retiring by rotation may, subject to certain restrictions, offer themselves for re-election. The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who will then hold office until the next annual general meeting of Transpacific.

Under the terms of the Process Deed, while Warburg Pincus and its affiliates hold more than 15% of issued Shares, Warburg Pincus is entitled to nominate one Director to the Board and participate in the selection of two other persons to be appointed as independent Non-Executive Directors.

9.7.11 DIRECTORS – VOTING

Questions arising at a meeting of Directors will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. The Chairman does not currently have a casting vote.

9.7.12 DIRECTORS – REMUNERATION

The Non-Executive Directors are entitled to be paid fees for their services as a Director as the Directors decide, but the total amount provided to all Directors for such services must not exceed in aggregate in any financial year the maximum aggregate sum as may be approved from time to time by a general meeting of Transpacific. The current maximum aggregate sum is $1,200,000. Any change to that aggregate sum needs to be approved by Shareholders. At present, there are no retirement benefits payable to a Non-Executive Director upon their retirement. The Constitution also makes provision for Transpacific to pay all reasonable expenses of Directors in attending meetings and carrying out their duties.

9.7.13 DIRECTORS' AND OFFICERS' INDEMNITY

Under the Constitution, Transpacific must, on a full indemnity basis and to the full extent permitted by law, indemnify each person who is or has been a director or secretary of Transpacific, against any liability (including costs and expenses) incurred by that person. To the extent permitted by law, Transpacific may insure a Director or secretary against any liability incurred by that person and may also enter into an agreement or deed with a director, secretary or person who is, or has been an officer of Transpacific (or a subsidiary of Transpacific), requiring Transpacific to:

- allow that person access to the books of Transpacific;
- indemnify that person against any liability;
- make a payment in respect of the legal costs of that person; or
- keep that person insured in respect of any act or omission by that person while an officer of Transpacific (or a subsidiary of Transpacific).

Transpacific has entered into a deed of access, indemnity and insurance with each Director, which confirms the Director's right of access to Board papers and requires Transpacific to indemnify the Director for liability incurred as an officer and promoter of Transpacific, subject to the restrictions imposed by the Corporations Act and the terms of the Constitution.

9.7.14 AMENDMENT

The Constitution may be amended only by a special resolution passed by at least three quarters of the votes cast by Shareholders entitled to vote on the resolution. Currently, the Corporations Act requires at least 28 days written notice specifying the intention to propose the resolution to be given.

9.7.15 PROCESS DEED

Transpacific and Warburg Pincus entered into a Process Deed dated 9 June 2009 which provides for various matters relating to the governance of Transpacific.

Appointment of Directors: For so long as Warburg Pincus and its affiliates hold more than 15% of issued Shares Warburg Pincus is entitled to:

- nominate one person to be appointed as a Director and member of the Board's nomination and remuneration committee; and
- participate in the selection of two other persons to be appointed as independent non-executive Directors. If Transpacific and Warburg Pincus cannot agree on two persons to be so appointed Warburg Pincus may choose the two persons to be appointed provided they are not associated directly with Warburg Pincus.

The Board must unanimously recommend that Shareholders vote in favour of the re-election of the Directors appointed by the Board pursuant to the foregoing requirements unless the Board has written legal advice that their fiduciary duties as directors require them to not recommend the re-election.

Limitations on the conduct of Transpacific: For so long as Warburg Pincus and its affiliates hold more than 15% of issued Shares, Transpacific must not, without the approval of Warburg Pincus, which must be given reasonably and in the best interests of Transpacific:

- conduct any further non pro rata equity raisings;
- acquire or dispose of any asset or business with a value or for consideration of more than $20 million;
- buy back any of its Shares or reduce its capital;
- do anything (including but not limited to declaring a dividend) that would result in a breach of any of its financing documents; or
- raise new financial indebtedness that would result in Transpacific exceeding specified debt covenant ratios.

Transpacific's obligation to consult: Also, for so long as Warburg Pincus holds more than 15% of issued Shares, Transpacific must endeavour in good faith to consult with Warburg Pincus before taking any of the following actions:

- appointing, removing or materially changing the terms of employment of Transpacific's chief executive officer, chief financial officer or the heads of operating divisions;
- appoint any person by casual appointment to the Board;
- adopt Transpacific's annual business plan and budget, or exceed by more than 15% the amount of expenditure or financial indebtedness included in the budget;
- commence or settle any new litigation or other proceeding involving more than $3 million; or
- repurchase, convert or redeem any debt or equity securities.

Action to be taken by Transpacific: The Process Deed also requires Transpacific to:

- appoint a person to the role of internal auditor;
- implement policies regarding the provision of loans and other benefits to Directors and senior managers, and requiring Board approval for the entry into margin loans by Directors, senior managers and certain employees in respect of Shares; and
- consult with Warburg Pincus regarding the formulation of resources, capital and debt plans and communication of such plans to the market.

9.8 WARRANTS

Transpacific Sustain Pty Ltd (ACN 137 370 015) ("Transpacific Sustain") issued 71,637,326 warrants ("Warrants") to Warburg Pincus on 5 August 2009 on the terms and conditions of an equity warrant deed entered into between Transpacific Sustain, Warburg Pincus and the Company on 5 August 2009 ("Equity Warrant Deed"). The monetary obligations of Transpacific Sustain in connection with the Warrants are guaranteed by the Company.

The Warrants consist of three tranches:

- 23,879,109 Warrants exercisable from 5 August 2010;
- 23,879,109 Warrants exercisable from 1 July 2011; and
- 23,879,108 Warrants exercisable from 1 July 2012.

Any unexercised Warrants expire on 30 June 2014 ("Expiry Date"), unless the Expiry Date is brought forward by the occurrence of a takeover event, insolvency event or a delisting of the Company's shares. Exercise of the Warrants is subject to exercise restrictions relating to blackout periods and a capped number of exercise notices per calendar quarter.

If Warrants are exercised, Warburg Pincus (or any subsequent transferee of the Warrants) is entitled to receive from Transpacific Sustain the applicable "warrant settlement amount", being an amount which is equal to the number of Warrants exercised multiplied by the underlying entitlement (being initially one, but subject to adjustment) multiplied by the product of the current market value of the Company's ordinary shares (based on the 20 day volume weighted average price of the shares prior to the exercise of the Warrants) minus the exercise price per Warrant (being initially $1.20, but subject to adjustment). If the exercise price is greater than the 20 day volume weighted average price of the ordinary shares prior to the relevant exercise date, the amount payable by Transpacific Sustain will be zero.

At Transpacific's 2009 Annual General Meeting, the Company approved scrip settlement of the Warrants. By virtue of this approval, Transpacific Sustain is required to settle each Warrant by transferring or procuring the issue or transfer of Shares to Warburg Pincus (or any subsequent transferee).

The exercise price for the Warrants is currently $1.20 per Warrant ("Exercise Price"). However, the terms and conditions of the Warrants contain provisions for the adjustment of the Exercise Price, the underlying entitlement and other terms of the Warrants upon the occurrence of certain dilutive events. Those dilutive events include, among others, share subdivisions or consolidations or, stock dividends, rights offerings and equity issuances at less than the prevailing market price, bonus issues and other analogous dilutive events. The Entitlement Offer is such a dilutive event.

Subsequent to the Entitlement Offer and based on the number of New Shares to be issued under the Institutional Entitlement Offer only (which is underwritten), the adjusted Exercise Price is $1.08 per Warrant. The adjusted Exercise Price will be different if New Shares are issued under the Retail Entitlement Offer.

The adjusted Exercise Price must be notified to Warburg Pincus. After receiving such notice, if Warburg Pincus believes that the adjustment does not preserve the economic value of the Warrants, Warburg Pincus may require that an independent investment bank (acting in good faith) determine:

- what adjustment should be made to the Exercise Price, Underlying Entitlement or any other terms of the Warrants or Equity Warrant Deed; and
- the effective date of the adjustments,

in order to ensure that the Offer does not adversely affect the economic value of the Warrants.

9.9 OWNERSHIP RESTRICTIONS

The sale and purchase of Shares are regulated by a number of laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section contains a general description of these laws.

9.9.1 FOREIGN ACQUISITIONS AND TAKEOVERS ACT 1975 (CTH)

Generally, the Foreign Acquisitions and Takeovers Act 1975 (Cth) applies to acquisitions of shares and voting power in a company of 15% or more by a single foreign person and its associates ("substantial interest"), or 40% or more by two or more unassociated foreign persons and their associates ("aggregate substantial interest"). Where an acquisition of a substantial interest meets certain criteria, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either stated that there is no objection to the proposed acquisition in terms of the Federal Government's "Foreign Investment Policy" or a statutory period has expired without the Federal Treasurer objecting. An acquisition of a substantial interest or an aggregate substantial interest meeting certain criteria may also lead to divestment orders unless a process of notification, and either a statement of non-objection or expiry of a statutory period without objection, has occurred.

9.9.2 CORPORATIONS ACT

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in companies such as Transpacific.

9.10 LEGAL CLAIMS

Transpacific is not otherwise a defendant party to any current material litigation and the Directors have no knowledge of any potential material litigation against the Company, with the exception of the following:

1. Transpacific has been invited to enter into discussions regarding a proposed securities class action by certain investors who acquired Transpacific Shares in the period between 29 August 2007 and 16 February 2009. If any proceedings are commenced with respect to this matter, the Company will vigorously defend them. The financial effect, if any, is unable to be quantified at this time.
2. Transpacific is investigating a potential claim from a customer arising out of alleged non-performance of a legacy contract to remove and dispose of contaminated material. It appears that this material may not yet have been effectively disposed of and Transpacific is considering the best means by which this may now be achieved. The cost impact on Transpacific is not presently able to be determined.
3. Fraser Road land fill site – refer to description of proceedings in the Victoria Civil and Administrative Tribunal in Section 6.2.2.

9.11 INTERESTS OF DIRECTORS

9.11.1 INTERESTS

Except as set out in this Prospectus, no Director or proposed director of Transpacific holds, at the time of lodgement of this

Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of Transpacific;
- the Entitlement Offer; or
- any property acquired or proposed to be acquired by Transpacific in connection with the formation or promotion of Transpacific or the Entitlement Offer,

other than in their capacity as a Shareholder.

Except as set out in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit, to any Director or proposed director of Transpacific:

- to induce that person to become, or qualify as, a Director; or
- for services provided by that person in connection with the formation or promotion of Transpacific or the Entitlement Offer.

9.11.2 HOLDINGS OF TRANSPACIFIC SHARES AND OPTIONS

The Directors in office at the date of this Prospectus are listed below together with details of their relevant interests in Transpacific securities at that date.

Director	Number of Shares
Gene Tilbrook – Independent Non-Executive Chairman[1]	150,000
Kevin Campbell – Chief Executive Officer, Executive Director	0[2]
Bruce Brown – Independent Non-Executive Director[3]	200,000
Rajiv Ghatalia – Non-Executive Director	0
Martin Hudson – Independent Non-Executive Director[4]	20,000
Ray Smith – Independent Non-Executive Director[5]	40,000
Emma Stein – Independent Non-Executive Director	0

Notes:

1. Relevant interests shown as being held by Gene Tilbrook are held by Gene Tilbrook as trustee for the GT Tilbrook Family Trust.
2. Kevin Campbell holds 2,020,746 performance rights with zero exercise price issued under certain Transpacific executive incentive plans. These performance rights will vest subject to certain performance hurdles being met. 1,238,158 of these performance rights are due to be approved by Shareholders at the Company's next annual general meeting.
3. Relevant interests shown as being held by Bruce Brown are held by BBEB Pty Ltd, as trustee for The Brown Superannuation Fund.
4. Relevant interests shown as being held by Martin Hudson are held by Martin M Hudson Pty, as trustee for the MM Hudson Superannuation Fund.
5. Relevant interests shown as being held by Ray Smith are held jointly by Ray Smith and Kaylene Smith as trustee for the Ray Kaye Superannuation Fund.

Intentions of Directors

Each Director will be entitled to participate in the Entitlement Offer to the extent that the Director holds Shares at the Record Date. Each Director currently intends to participate in the Entitlement Offer to the extent of subscribing for their Entitlement.

Intentions of Warburg Pincus

Warburg Pincus including its associates currently intend to participate in the Entitlement Offer to the extent of subscribing for approximately 209 million New Shares under the Institutional Entitlement Offer. For more information regarding Warburg Pincus' Sub-Underwriting Agreement, see Section 9.5.5.

9.12 INTERESTS OF EXPERTS AND ADVISERS

Except as set out in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of Transpacific; or
- broker or underwriter to the Entitlement Offer,

(each a "relevant person") holds, at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of Transpacific;
- the Entitlement Offer; or
- any property acquired or proposed to be acquired by Transpacific in connection with the formation or promotion of Transpacific or the Entitlement Offer.

Except as set out in this Prospectus, no one has paid or agreed to pay any amount or given or agreed to give any benefit for services provided by a relevant person in connection with the formation or promotion of Transpacific or the Entitlement Offer. The amounts below are exclusive of GST.

Macquarie and CBA have acted as Joint Lead Managers to the Entitlement Offer, in respect of which they will receive the fees described in Section 9.5.1. Related bodies corporate of the Joint Lead Managers who hold Transpacific Shares may be entitled to participate in the Entitlement Offer by virtue of their shareholdings.

Clayton Utz has acted as Australian legal adviser to Transpacific in connection with the Entitlement Offer. In aggregate, Transpacific has paid or agreed to pay Clayton Utz approximately $250,000 (excluding disbursements and GST) for these services to the date of this Prospectus. Further amounts may be paid to Clayton Utz in accordance with its normal time-based charges.

Ernst & Young is entitled to receive professional fees of approximately $270,000 in connection with the financial due diligence undertaken in connection with the Entitlement Offer. It may be entitled to further professional fees for this work based on its usual hourly charge out rates.

Ernst & Young Transaction Advisory Services Limited is entitled to receive professional fees of approximately $30,000 in connection with the preparation of the Investigating Accountant's Report (as contained in Section 7 above). It may be entitled to further professional fees for this work based on its usual hourly charge out rates.

9.13 EXPENSES OF THE ENTITLEMENT OFFER

The total expenses of the Entitlement Offer, including underwriting, advisory, legal, accounting, tax, marketing and administrative fees as well as printing, advertising and other expenses related to this Prospectus and the Entitlement Offer, together with the fees and costs associated with the Debt Refinancing are currently estimated to be approximately $50 million. These expenses will be paid by Transpacific from the proceeds of the Entitlement Offer.

9.14 REGULATORY MATTERS

ASX WAIVERS

ASX has granted waivers of ASX Listing Rules 3.20.2 and 7.40 to the extent necessary to permit the Entitlement Offer to proceed on the timetable described in this Prospectus.

In connection with the Entitlement Offer, ASX has granted to Transpacific waivers from ASX Listing Rules 7.1 and 10.11 to the extent necessary to:

- permit Transpacific to make the Entitlement Offer in the manner described in this Prospectus without the requirement to obtain Shareholder approval; and
- permit related parties of Transpacific to participate in the Entitlement Offer on the same terms as other Shareholders without the requirement to obtain Shareholder approval.

The ASX Listing Rule 7.1 waiver is subject to the following conditions;

- on or before the Record Date, Eligible Institutional Shareholders may be invited by Transpacific or the Joint Lead Managers to subscribe for a number of Shares equal to their pro rata allocation of the Entitlement Offer;
- Entitlements not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer, and Entitlements which would have been offered to Ineligible Institutional Shareholders, may be offered to certain Institutional Investors via the Institutional Shortfall Bookbuild conducted and completed on or before the Record Date;
- Institutional Shareholders and Ineligible Institutional Investors who sell down their holdings before the Record Date have their pro rata allocations reduced accordingly;
- Eligible Retail Shareholders are offered a number of Shares at least equal to their pro rata allocation of the Retail Entitlement Offer;
- Entitlements not taken up in the Retail Entitlement Offer, and Entitlements which would have been offered to Ineligible Retail Shareholders, are offered to Institutional Investors (other than Approved US Shareholders) via the Retail Shortfall Bookbuild; and
- New Shares are offered under the Institutional Entitlement Offer and the Retail Entitlement Offer at the same price.

The ASX Listing Rule 10.11 waiver permits related parties of Transpacific to participate in the Entitlement Offer on the same terms as other Eligible Shareholders without a requirement to obtain Shareholder approval. The waiver is subject to the same conditions imposed in relation to the waiver from ASX Listing Rule 7.1. Additionally, it is a condition of this waiver that the related parties only participate in the Entitlement Offer up to the extent of their pro rata Entitlement, unless they do so pursuant to a bona fide underwriting or sub-underwriting arrangement disclosed in the Prospectus.

The waivers set out the arrangements for dealing with holdings registered in the names of nominees. In particular, a nominee Shareholder is treated as a separate holder in respect of securities held for each of one or more Eligible Retail Shareholders and Eligible Institutional Shareholders (and accordingly, may receive offers under both the Institutional Entitlement Offer and the Retail Entitlement Offer in respect of Shares held as nominee for other persons). Offers under the Institutional Entitlement Offer will be treated as being made to the nominee, and therefore to an Eligible Institutional Shareholder, even where made directly to the Eligible Institutional Shareholder for whom the nominee holds shares.

The waivers also allow Transpacific to ignore, for the purposes of determining those entitled to receive Entitlements (both under the Institutional Entitlement Offer and the Retail Entitlement Offer), Share transactions occurring after the imposition of the trading halt in the Shares and announcement to the market on Wednesday, 26 October 2011 (other than registrations of ASX Trade transactions which were effected before the announcement) ("Post Ex-Date Transactions"). Transactions ignored under this provision are to be ignored in determining holders and registered holders, and holdings and registered holdings, of Shares at the Record Date, and references to such holders, registered holders, holdings and registered holdings are to be read accordingly. Therefore, if you have acquired Shares in a Post Ex-Date Transaction you will not be entitled to receive an Entitlement in respect of those Shares.

ASIC RELIEF

Transpacific is not relying upon any ASIC modifications of, or exemptions from, the operation of the provisions in Chapter 6 or 6D of the Corporations Act in relation to the Entitlement Offer.

However, Transpacific has received ASIC approval for the purpose of section 615 of the Corporations Act for Belike Nominees Pty Ltd ACN 008 604 966 (AFSL 238164) to act as the nominee (Nominee) for Ineligible Retail Shareholders that are resident outside of Australia and New Zealand. The Nominee will sell the rights of such Ineligible Retail Shareholders to acquire New Shares and then remit to each such Ineligible Shareholder their proportion of the sale proceeds net of expenses.

9.15 WITHDRAWAL OF THE ENTITLEMENT OFFER

Transpacific and the Directors reserve the right to withdraw all or part of the Entitlement Offer and this Prospectus at any time prior to the issue of New Shares to applicants under the Retail Entitlement Offer and Retail Shortfall Bookbuild, in which case Transpacific will refund Application Monies as soon as practicable in relation to New Shares not already issued to Eligible Retail Shareholders in accordance with the Corporations Act and without any payment of interest.

9.16 CONSENTS

Each of the parties referred to as "consenting parties" who are named below:

- has not made any statement in this Prospectus or any statement on which a statement made in this Prospectus is based, other than as specified in this Section 9.16;
- does not cause or authorise the issue of this Prospectus and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus or any statements in or omissions from this Prospectus, other than the reference to its name and a statement included in this Prospectus with the consent of that person as specified in this Section 9.16;
- has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named; and
- in the case of Ernst & Young Transaction Advisory Services Limited, has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its consent for the inclusion of the Investigating Accountant's Report in Section 7 in the form and context in which the report is included.

Role	Consenting party
Joint Lead Managers and Underwriters	Macquarie Capital (Australia) Limited and CBA Equities Limited
Australian legal adviser	Clayton Utz
Investigating Accountant	Ernst & Young Transaction Advisory Services Limited
Auditor	Ernst & Young
Share Registry	Computershare Investor Services Pty Limited

9.17 PRIVACY

As a Shareholder, Transpacific and the Share Registry have already collected certain personal information from you. If you apply for New Shares, Transpacific and the Share Registry may update that personal information or collect additional personal information. Such information will be used to assess your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

Company and tax law requires some of the information to be collected. If you do not provide the information requested, your Application may not be able to be processed efficiently, if at all.

Transpacific and the Share Registry may disclose your personal information for purposes related to your shareholding to their agents and service providers, including those listed below or otherwise authorised under the Privacy Act:

- the Joint Lead Managers in order to assess your Application;

- the Share Registry for administration of the Entitlement Offer and ongoing administration of the Transpacific share register; and
- printers and mailing houses for the purposes of preparation and distribution of Shareholder statements and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) Transpacific or the Share Registry. You can request access to your personal information by contacting the Share Registry as follows:

Computershare Investor Services Pty Limited
117 Victoria Street
West End QLD 4101

1300 552 270 (local call cost within Australia), or
+61 3 9415 4000 (from outside Australia).

If Transpacific's or the Share Registry's record of your personal information is incorrect or out of date, it is important that you contact the Share Registry so that your records can be corrected.

9.18 CONSENTS TO LODGEMENT

Each Director has given, and has not withdrawn, their consent to the issue of this Prospectus and to its lodgement with ASIC under the Corporations Act.

9.19 GOVERNING LAW

This Prospectus, the Retail Entitlement Offer and the contracts formed on acceptance of Applications are governed by the laws applicable in Queensland, Australia. Each applicant for New Shares submits to the exclusive jurisdiction of the courts of Queensland, Australia.

GLOSSARY

The Redvale Energy Park landfill gas capture system has the capacity to produce up to 12MW of electricity at its peak

GLOSSARY

In this Prospectus and the Entitlement and Acceptance Form, terms and abbreviations have the following meanings unless the context otherwise requires:

Terms and abbreviations	Meaning
$ or A$	Australian dollars.
AAS	Australian Accounting Standards.
ACCC	Australian Competition and Consumer Commission.
Adjusted EBITDA	EBITDA adjusted to: • include share of associates' NPAT distributed to Transpacific; • include the annualised EBITDA from acquisitions made during the period; • exclude the EBITDA attributable to assets disposed of during the period; and • exclude mark-to-market movements in relation to hedging transactions and available for sale assets.
Application	An application to subscribe for New Shares pursuant to the Retail Entitlement Offer.
Application Monies	Monies received from applicants in respect of their Applications.
Approved US Shareholder	A Shareholder as at the Record Date that is located in the United States that the Company and the Joint Lead Managers have determined to be either: • a "qualified institutional buyer" (as defined in Rule 144A under the US Securities Act) ("QIB") that is acting for its own account or for the account or benefit of other QIBs; • a dealer or other professional fiduciary organised, incorporated or (if an individual) resident in the United States that (i) is acting for an account (other than an estate or trust) held for the benefit or account of persons that are not US Persons for which it has and is exercising investment discretion within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act, and (ii) satisfies the definition of a QIB except that one or more of the accounts for which it has and is exercising investment discretion may not be a QIB; or • Warburg Pincus, and in each case whose participation in the US Private Placement the Company and the Joint Lead Managers have expressly approved.
ASIC	Australian Securities and Investments Commission.
Associate	As defined in Chapter 6 of the Corporations Act, or as defined in the New Zealand Takeovers Code 2000, as applicable.
ASX	ASX Limited (ABN 98 008 624 691) or the financial market operated by that entity known as the Australian Securities Exchange.
ASX Listing Rules	The official listing rules of ASX, as amended or replaced from time to time except to the extent of any written waiver granted by ASX.
ASX Settlement Operating Rules	The settlement operating rules of ASX Settlement Pty Ltd (ABN 49 008 504 532) from time to time.
BBSY	Australian bank bill swap bid rate.

Terms and abbreviations	Meaning
Board	The board of directors of Transpacific.
CAGR	Compound annual growth rate.
CBA	CBA Equities Limited (ABN 76 003 485 952).
CGT	Australian capital gains tax.
CHESS	Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited.
Cleanaway	Those businesses within the Group which provide services to the solid waste industry in Australia.
Clearing Price	The amount payable per New Share in respect of: • the Institutional Shortfall Bookbuild, through the Institutional Shortfall Bookbuild process, as set out in the ASX announcement of "Successful Completion of Institutional Entitlement Offer" lodged with ASX on Monday, 31 October 2011; or • the Retail Shortfall Bookbuild process, which may be equal to or above the Offer Price. The Clearing Price in respect of the Institutional Shortfall Bookbuild may differ from the Clearing Price in respect of the Retail Shortfall Bookbuild.
Company or Transpacific	Transpacific Industries Group Limited (ABN 74 101 155 220).
Constitution	The constitution of Transpacific.
Convertible Notes	The Convertible Notes issued by Transpacific in accordance with the Convertible Notes Trust Deed.
Convertible Notes Redemption	Repurchase of Convertible Notes at the time of or ahead of their scheduled maturity date.
Convertible Notes Trust Deed	The trust deed dated 7 December 2007 between the Company and The Bank of New York, London Branch, as described in Section 9.6.3.
Corporations Act	Corporations Act 2001 (Cth) and its regulations.
CPI	Consumer price index.
Debt Refinance	The New Syndicated Facility entered into to replace the Existing Syndicated Facility and assist in the refinance of other outstanding debt elements.
Director	A director of Transpacific.
EBIT	Earnings before interest and tax.
€ or Euro	The Euro, the common currency of those members of the European Union who are also members of European Economic Community.
EBITDA	Earnings before interest, tax, depreciation and amortisation.

GLOSSARY

Terms and abbreviations	Meaning
Eligible Institutional Shareholder	An Institutional Shareholder to whom the Joint Lead Managers make an offer on behalf of Transpacific under the Institutional Entitlement Offer, and whom the Joint Lead Managers determine has successfully received that offer.
Eligible Retail Shareholders	Eligible Retail Shareholders are those persons who: • are registered as a holder of Shares as at 7.00pm (Sydney time) on the Record Date; • have a registered address in Australia or New Zealand; • are not in the United States and are subscribing for the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act); • are, in the opinion of Transpacific and the Joint Lead Managers, otherwise eligible under all applicable securities laws to receive an offer for New Shares under the Retail Entitlement Offer; and • are not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.
Eligible Shareholder	A person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder.
Entitlement	The number of New Shares for which an: • Eligible Institutional Shareholder is entitled to subscribe for under the Institutional Entitlement Offer; and • Eligible Retail Shareholder is entitled to subscribe for under the Retail Entitlement Offer, in each case being 9 New Shares for every 14 Existing Shares held on the Record Date.
Entitlement and Acceptance Form	Each personalised Entitlement and Acceptance Form accompanying this Prospectus upon which an Application may be made.
Entitlement Offer or Offer	The offer of approximately 618 million New Shares to Eligible Shareholders in the proportion of 9 New Shares for every 14 Existing Shares held on the Record Date. The Entitlement Offer comprises four parts: the Institutional Entitlement Offer, the Institutional Shortfall Bookbuild, the Retail Entitlement Offer and the Retail Shortfall Bookbuild.
Entitlement Offer Period	The period commencing on the opening date of the Retail Entitlement Offer, as specified in the "Key dates" Section, and ending on the Retail Closing Date.
Equity Warrant Deed	The equity warrant deed entered into between Transpacific, Transpacific Sustain and Warburg Pincus as described in Section 9.8.
Exercise Price	The exercise price of the Warrants as described in Section 9.8.
Existing Share	A Share on issue on or before the Record Date.
Existing Syndicated Facility	Transpacific's existing $1,435 million syndicated bank facility entered into under the Existing Syndicated Facility Agreement.
Existing Syndicated Facility Agreement	The amended and restated Existing Syndicated Facility entered into between Transpacific and certain of its syndicated financiers on 25 June 2009, as described in Section 9.6.1.
Financial Information	As defined in Section 5.1.
FY	The financial year ended or ending 30 June as the context requires.

Terms and abbreviations	Meaning
GDP	Gross domestic product.
Group	Transpacific and all its subsidiaries, associates and joint ventures or the subsidiary company and its associates and joint ventures as the context requires.
GST	Australian goods and services tax.
Ineligible Institutional Shareholder	A Shareholder (or a beneficial owner of Transpacific Shares) on the Record Date who is not an Eligible Institutional Shareholder and whom Transpacific and the Joint Lead Managers agree: • although an Institutional Investor, should not receive an offer under the Institutional Entitlement Offer in accordance with ASX Listing Rule 7.7.1(a); or • although not an Institutional Investor, is a person to whom offers and issues of New Shares could lawfully be made in Australia without the need for disclosure under Chapter 6D of the Corporations Act if that Shareholder had received the offer in Australia, and who should be treated as an Ineligible Institutional Shareholder for the purposes of the Institutional Entitlement Offer.
Ineligible Retail Shareholder	A Shareholder on the Record Date who is not an: • Eligible Institutional Shareholder; • Ineligible Institutional Shareholder; or • Eligible Retail Shareholder.
Institutional Closing Date	The date at which the Institutional Entitlement Offer closes, being Thursday, 27 October 2011.
Institutional Entitlement Offer	The offer of New Shares to Eligible Institutional Shareholders under the Entitlement Offer as described in Section 2.6.
Institutional Investor	A person to whom an offer of New Shares may be made: • in Australia, without a disclosure document (as defined in the Corporations Act) on the basis that such a person is exempt from the disclosure requirements of Part 6D.2 of the Corporations Act in accordance with section 708(8) or 708(11) of the Corporations Act; or • outside Australia, without registration, lodgement or approval with or by a government authority or agency (except to the extent to which Transpacific is willing to comply with such requirements) and who is not in the United States, unless such a person is an Approved US Shareholder participating in the US Private Placement.
Institutional Premium	The amount per New Share calculated as the Clearing Price of the Institutional Shortfall Bookbuild less the Offer Price, as described in Section 2.6.2.
Institutional Settlement Date	Monday, 7 November 2011, being the date for settlement of the Institutional Entitlement Offer and the Institutional Shortfall Bookbuild.
Institutional Shareholder	A Shareholder on the Record Date who is an Institutional Investor.
Institutional Shortfall Bookbuild	The first bookbuild conducted in respect of the Entitlement Offer, being in respect of the Institutional Entitlement Offer, as described in Section 2.6.2.
Institutional Shortfall Shares	New Shares not acquired by Institutional Investors pursuant to the Institutional Shortfall Bookbuild.

GLOSSARY

Terms and abbreviations	Meaning
Investigating Accountant	Ernst & Young Transaction Advisory Services Limited.
Joint Lead Managers	Macquarie and CBA.
Macquarie	Macquarie Capital (Australia) Limited (ABN 79 123 199 548).
Manufacturing Turnaround Plan	The current Transpacific management plan to rationalise products, operations and management structures, and improve quality controls.
New Share	A Share to be issued under the Entitlement Offer.
New Syndicated Facility	The $1,525 million facility to be entered into between Transpacific and certain of its syndicated financiers, as described in Section 9.6.1.
New Syndicated Facility Agreement	The commitment letter with attached final draft form of Syndicated Facility Agreement entered into by the Company with various existing and new lenders for the purposes of agreeing the terms and conditions to apply to a refinance of its Existing Syndicated Facility, as described in Section 9.6.1.
Non-Executive Director	Non-executive director of Transpacific.
NPAT	Net profit after tax.
NZ$	New Zealand dollars.
Offer Documents	This Prospectus, the ASX announcements for the Institutional Entitlement Offer and Retail Entitlement Offer, and certain offer documentation for the Institutional Entitlement Offer.
Offer Price	The price payable for each New Share under the Entitlement Offer, being $0.50.
Peabody Family	The family of Terry Peabody and any of their respective associates (as defined in the Corporations Act), including for the purposes of this Prospectus, Tandom Pty Ltd (ACN 075 855 113), Brenzil Pty Ltd (ACN 051 348 353) and Filmore Limited (a company registered in Malaysia).
Post Ex-Date Transaction	As defined in Section 9.14.
Privacy Act	Privacy Act 1988 (Cth).
Process Deed	The process deed between Transpacific and Warburg Pincus dated 9 June 2009, as described in Section 9.7.15.
Prospectus	This prospectus dated Monday, 31 October 2011 and lodged with ASIC on that date.
Record Date	The time and date for determining Entitlements under the Retail Entitlement Offer, being 7.00pm (Sydney time) on Monday, 31 October 2011.
Registry or Share Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277).
Regulation S	Regulation S promulgated under the US Securities Act.

Terms and abbreviations	Meaning
Relevant Interest	As defined in Chapter 6 of the Corporations Act, or as defined in the New Zealand Securities Markets Act 1988, as applicable.
Retail Closing Date	5.00pm (Sydney time) on Friday, 18 November 2011, being the latest time and date by which Entitlement and Acceptance Forms (and accompanying payment of Application Monies) and BPAY® payments of Application Monies will be accepted under the Retail Entitlement Offer (subject to variation).
Retail Entitlement Offer	The offer under this Prospectus of New Shares to Eligible Retail Shareholders under the Entitlement Offer, as described in Section 2.5.
Retail Premium	The amount per New Share calculated as the Clearing Price of the Retail Shortfall Bookbuild less the Offer Price, as described in Section 2.5.
Retail Settlement Date	Tuesday, 29 November 2011, being the date for settlement of the Retail Entitlement Offer and the Retail Shortfall Bookbuild (if any).
Retail Shortfall Bookbuild	The second bookbuild to be conducted in connection with the Entitlement Offer, being in respect of the Retail Entitlement Offer, as described in Sections 2.5.5, 2.5.6 and 2.5.7.
Section	A section in this Prospectus.
SGX-ST	Singapore Exchange Securities Trading Limited.
Share or Transpacific Share	A fully paid ordinary share in the capital of Transpacific.
Shareholder	The registered holder of a Share.
SPS	The Transpacific Step-Up Preference Securities issued by Permanent Investment Management Limited as responsible entity for the Transpacific SPS Trust pursuant to the terms of issue contained in the product disclosure statement dated 4 July 2006.
Sub-Underwriting Agreement	As defined in Sections 9.5.5 and 9.5.6.
Supplementary Offer Document	Any document which supplements or replaces an Offer Document in the form approved by Transpacific including a supplementary or replacement prospectus.
Takeover Event	Either: • an offer is made, or a person announces an intention to make an offer to all (or as nearly all as may be practicable) Shareholders, or all (or as nearly all as may be practicable) Shareholders other than the offeror and/or any associate of the offeror, to acquire the whole or any part of the issued share capital of Transpacific; or • any person proposes a scheme of arrangement involving a person acquiring the whole of any part of the issued share capital of Transpacific, and upon the successful consummation of such offer or scheme, the right to cast more than 50% of the votes which may ordinarily be cast on a poll at a general meeting of Transpacific would be vested in the offeror and/or such associates or an event occurs which has a like or similar effect.

GLOSSARY

Terms and abbreviations	Meaning
TCL	Transwaste Canterbury Limited.
TERP	The theoretical price at which Shares should trade immediately after the ex-date for the Entitlement Offer.
Top-Up Shares	As defined in Section 2.10.
Transpacific Shareholder Information Line	The telephone line to enquire about the Entitlement Offer, being 1300 658 745 (local call cost within Australia) or +61 3 9415 4262 (from outside Australia).
Transpacific Sustain	Transpacific Sustain Pty Ltd (ACN 137 370 015), the issuer of the Warrants, as described in Section 9.8.
Underlying Entitlement	The number of Shares in respect of which a Warrant is exercisable, being initially one Share unless subsequently adjusted in accordance with the terms of the Equity Warrant Deed.
Underwriters	Macquarie and CBA.
Underwriting Agreement	The underwriting agreement between Transpacific and the Joint Lead Managers dated Wednesday, 26 October 2011, as described in Section 9.5.
Unexercised Entitlements	An Eligible Shareholder's Entitlements that have lapsed.
USPP	The issuance and sale of debt securities in a United States private placement by Transpacific pursuant to the note purchase agreement dated 17 December 2007, as described in Section 9.6.2.
US Private Placement	The offer and sale of New Shares in the United States by the Company to Approved US Shareholders as part of the (a) Institutional Entitlement Offer and (b) Institutional Shortfall Bookbuild, in each case that is pursuant to an exemption from the registration requirements of the US Securities Act.
US$	United States dollars.
US Person	The meaning given in Rule 902(k) of Regulation S.
US Securities Act	The United States Securities Act of 1933.
USPP Repayment	Repayment of the 5 year tranche of the USPP.
Warburg Pincus	WPX Holdings B.V., a company registered in the Netherlands.
Warrants	Equity warrants issued by Transpacific Sustain and potentially exercisable for 71,637,326 Shares, as described in Section 9.8.

INTERPRETATION

In this Prospectus, unless the context requires otherwise:

- the singular includes the plural, and vice versa;
- words importing one gender include the other gender;
- a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances or by-laws issued under that statute;
- a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- a reference to a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- a reference to a body (including an institute, association or authority), whether statutory or not:
  - that ceases to exist; or
  - the powers or functions of which are transferred to another body,
- is a reference to the body that replaces it or substantially succeeds to its powers or functions;
- other grammatical forms of a word or phrase defined in this Prospectus have a corresponding meaning; and
- a reference to a Section is a reference to a section of this Prospectus.

CORPORATE DIRECTORY

Transpacific Industries Group Limited

Corporate Head Office
Level 1
159 Coronation Drive
Milton QLD 4064

Website
www.transpacific.com.au

Transpacific Shareholder Information Line:
1300 658 745 (local call cost within Australia) or
+61 3 9415 4262 (from outside Australia)

Open 8.30am to 5.00pm (Sydney time) Monday to Friday during the Entitlement Offer Period.

Joint Lead Managers and Underwriters

Macquarie Capital (Australia) Limited

Level 23
101 Collins Street
Melbourne VIC 3000

CBA Equities Limited

Ground Floor, Tower 1
201 Sussex Street
Sydney NSW 2000

Australian legal adviser

Clayton Utz
Level 28
Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

Investigating Accountant

Ernst & Young Transaction Advisory Services Limited
1 Eagle Street
Brisbane QLD 4000

Auditor

Ernst & Young
1 Eagle Street
Brisbane QLD 4000

Share Registry

Computershare Investor Services Pty Limited
117 Victoria Street
West End QLD 4101

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