



Annual General Meeting

27 November 2013

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Disclaimer

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All dollar values are in Australian dollars (A\$) and financial data is presented within the financial year end of 30 June unless otherwise stated.

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Agenda

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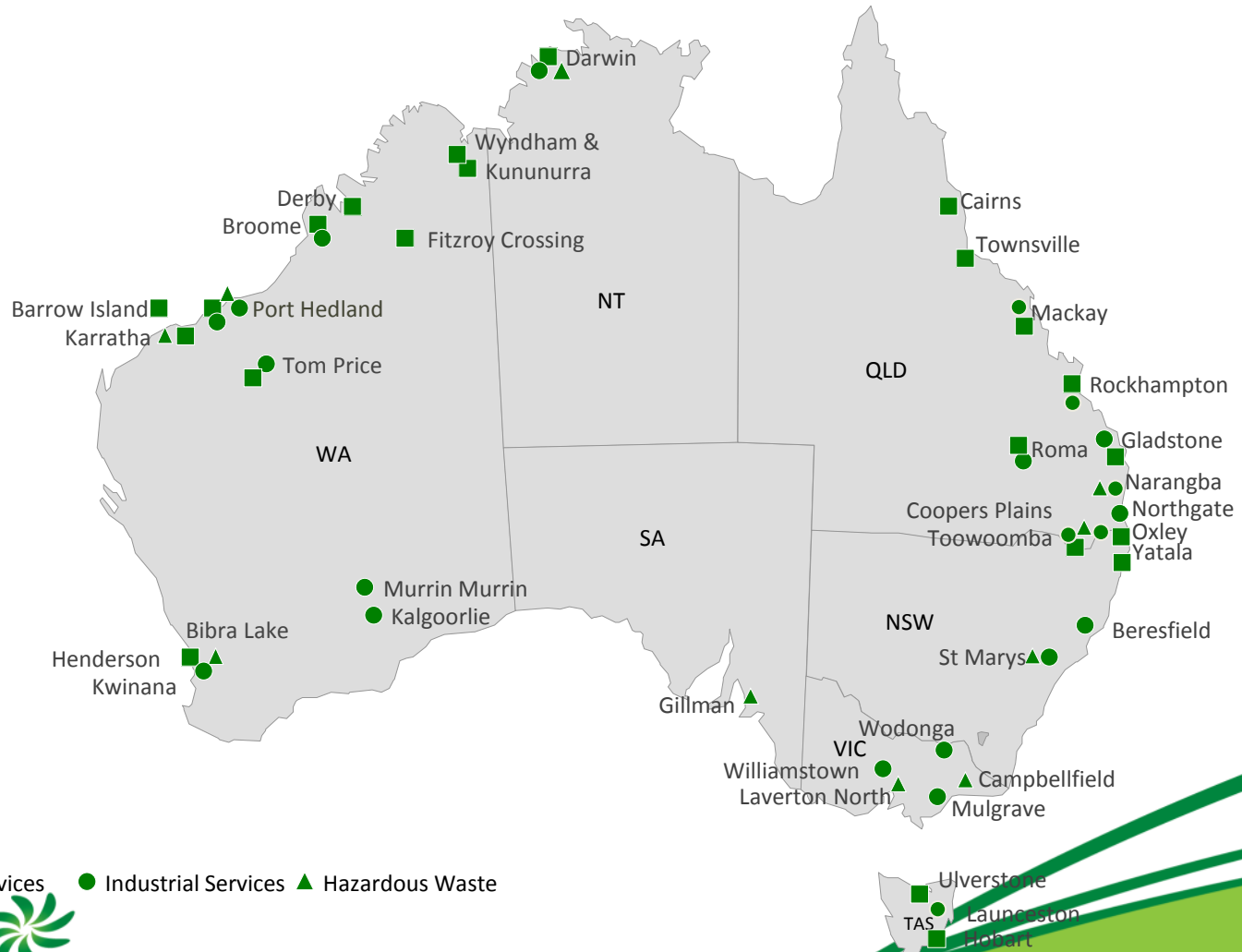
Toxfree

- One of the largest industrial service and waste management businesses in Australia
- 56 strategically located operations throughout Australia
- Employs over 1000 people nationally
- Diverse range of industrial and waste services to all market sectors
- Growth - via strategic acquisition, green field development and organic



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Vision – Australia's leading waste management and industrial services company



Corporate Strategy

Hazardous and Industrial Waste

Leader in Hazardous and Industrial Waste Management Nationally

- Innovation, best practice, low operating cost technologies, centres of excellence
- Unique and Strategic Licences throughout Australia
- High barriers to entry
- Servicing all industry sectors and government

Total Waste Management

Provide all waste services in all regional hubs of Australia

- Regional focus - WA, QLD, Tas and NT
- Total waste management services
- Municipal
- Commercial
- Industrial / Construction

Industrial services

Leader in provision of industrial services throughout Australia

- Producing assets
- Regional resource hubs
- Long term contracts
- Blue chip clients
- Mining, Oil and Gas, Infrastructure

Market Trends

- Total Australian waste market is estimated at \$12 Bn pa and growing at 5% pa
– Toxfree's immediate target market is estimated at \$5 Bn pa
- Australia is the 2nd highest producer of waste per capita behind USA at 2.1 tonnes per head p.a.
- Increasing government landfill levies and disposal costs will continue to drive recycling and divert waste from landfill
- Government regulation and environmental sustainability is driving the transition from landfill to recycling and recovery
- Large clients are aggregating procurement and increasingly seek a "One Stop Shop" solution
- Resource sector spending for major capital projects has reduced but the market to service producing assets is large and growing post the capex cycle



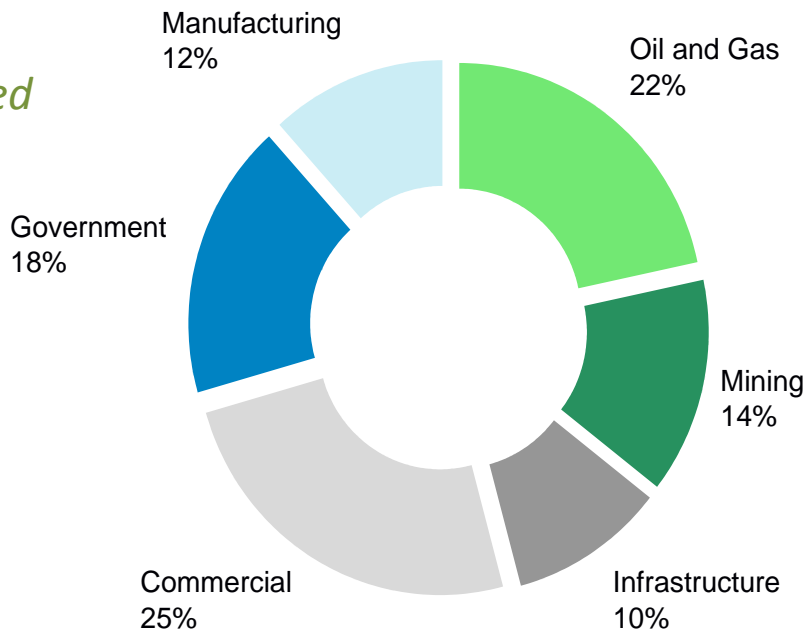
Source: IBIS Waste Report 2012

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A Diversified Business – Revenue by Market Sector

Estimated Industry Segmentation of FY2014 revenue

Less than 1% of revenue is generated from mining construction activities

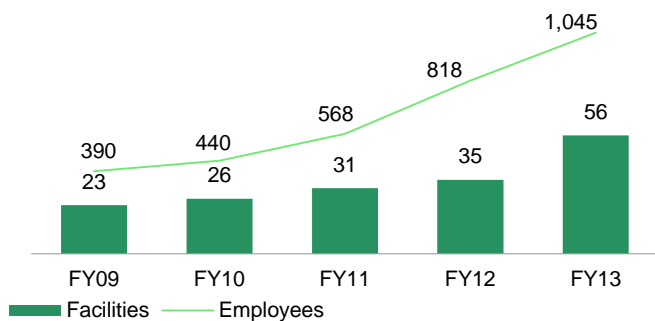


Over 40% of revenue is leveraged to the broader Australian Economy

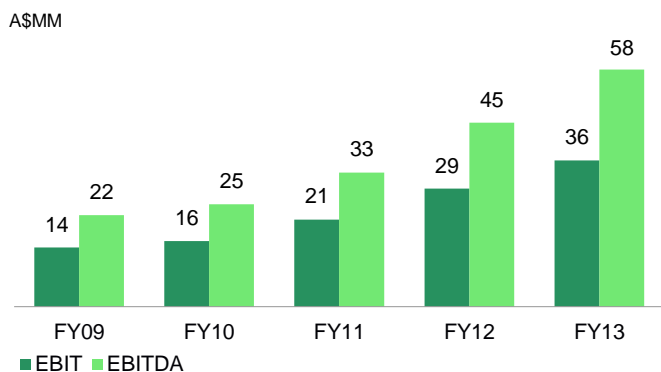
Note
1. Includes retail, agriculture, hospitality & leisure, hospitals, education, and other waste companies

Our Track Record

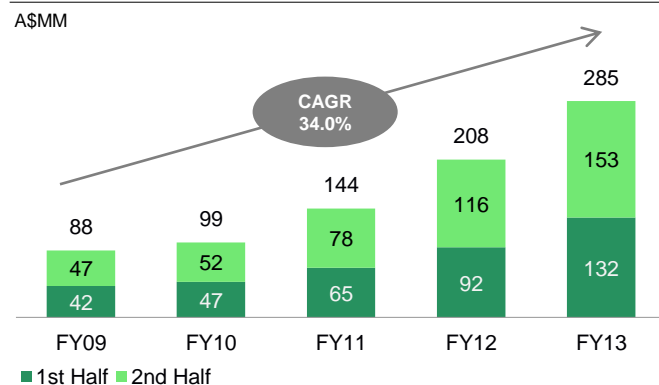
Facilities and Employees



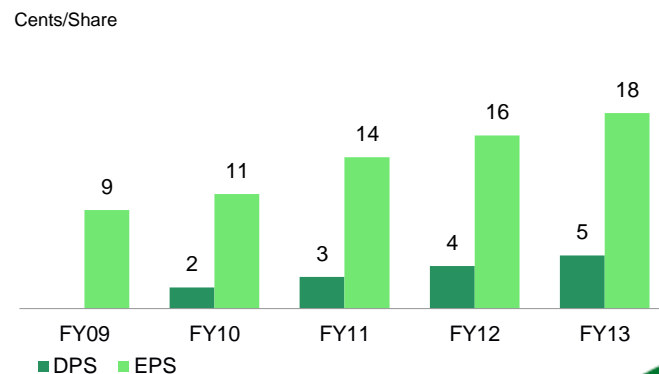
Underlying EBITDA* and EBIT*



Revenue



Underlying EPS* and DPS*



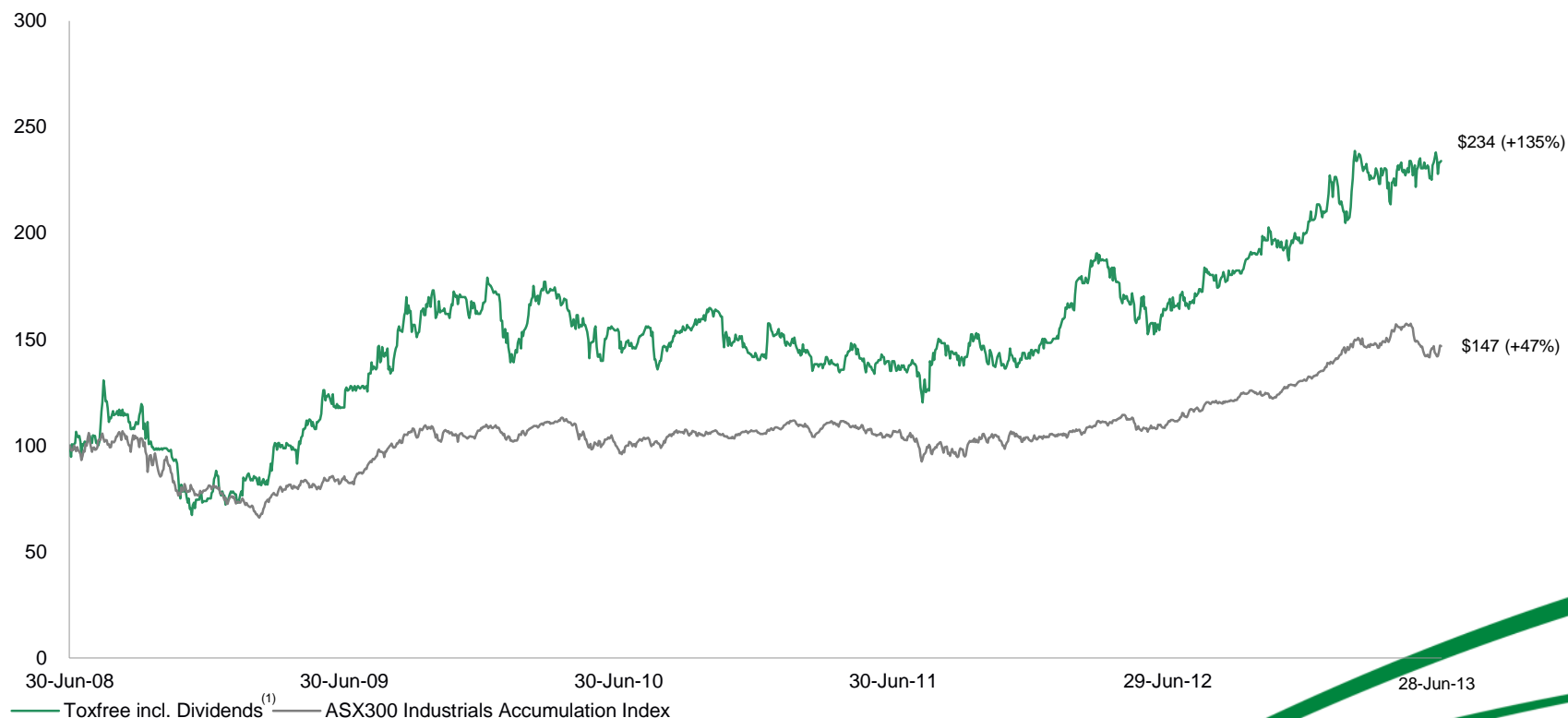
*Non-IFRS Financial Information including Wanless Acquisition costs

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Total Shareholder Return

Toxfree vs. ASX300 Industrials Accumulation Index – Last 5 Years

A\$100 invested as at 30 June 2008



Note

1. Assumes all dividends are reinvested when received

FY2013

Year in review



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FY13 – Safety, the environment and our people

- Our safety mantra is Harmfree – We have a zero tolerance to injuries and believe all injuries can be prevented
- Reduction in the All Injury Frequency Rate of 35% from prior year
- Toxfree supports diversity – 16.7% of our employees are female and growing
- Toxfree have an endorsed Reconciliation Action Plan
- Significant increase in Indigenous employment – 5.2% of our Western Australian employees are Indigenous Australians
- Winner in the prestigious Environmental Sustainability category of “The Australian Business Awards 2013”
- Finalists in the 2013 APPEA Health & Safety Awards for safety innovation for the development of Confined Space i-Watch-Surveillance



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FY13 - Financial Highlights

- Revenue up 37% to \$284.7M (FY12 = \$207.9M)
- Underlying EBITDA up 29% to \$58.0M* (FY12 = \$45.0M)
- Underlying EBIT up 24% to \$35.7M* (FY12 = \$28.9M)
- Underlying NPAT up 26% to \$21.7M* (FY12 = \$17.2M)
- Statutory NPAT of \$13.6 (FY12 = 15.7M)
- Underlying EPS up 13% to 18.41* cents (FY12 = 16.3cents)
- Dividend increased by 25% to 5 cents per share

**Non-IFRS Financial Information including Wanless Acquisition costs*



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FY13 - Highlights

Waste Services

- Significant expansion of services within Queensland and Western Australia
- Major contracts and operations linked to the resource sector performed well
- Acquisition of Wanless Enviro Services and Racelog in Queensland - complementing Toxfree's Total Waste Management Strategy
- Expansion of services with acquisition of Jones Enviro Services in Tasmania and Smart Skip in Queensland

Industrial Services

- Rapid Growth of Industrial Services in the Surat Basin and Gladstone, Qld
- Acquisition of Absolute Liquid Waste in Toowoomba – servicing Coal Seam Gas (CSG)
- Award of an industrial services contract with Queensland Alumina approximate revenue of \$30 million over three years
- Expansion of services in Western Australia to the oil and gas, mining and commercial sector

Technical and Environmental Services

- Integration of DMX assets - Creating Toxfree “Centres of Excellence” – low cost treatment solutions
- Retention of household hazardous waste contracts with Sustainability Victoria and NSW Department of Environment and Conservation.



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Wanless update - background

- Acquisition of Wanless, a leading Queensland and Tasmanian waste services business in May 2013 for \$85 M
- Specialist provider of waste services to customers within the commercial and industrial sector
- Pro forma revenue for FY13 of \$62 M and EBITDA of \$14.6M**
- Strong market share in South East Queensland industrial growth corridor and key regional hubs
- Platform to enable Toxfree to expand its total waste services offering
- Highly complementary to Toxfree's strategy and existing Queensland operations and its regional growth strategy
- Diversification of Toxfree earnings and significant increase in addressable market opportunity
- Highly experienced management team and an excellent cultural fit



**Adjusted for non recurring and private group items. Excludes rebranding costs

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Wanless – Integration update

- Meeting financial expectations
- Operational integration with Toxfree Waste Services complete
- Employee morale is very positive
- Rebranding to Toxfree has commenced
- Systems integration to continue over the next 12 months
- Specialist provider of waste services to customers within the commercial and industrial sector
- Cross selling of services being realised
- Expansion plans being developed



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FY14 – New contract awards

- Award of Total Waste Management contract with Chevron Australia – 5 year contract + 5 year option, estimated at \$170 m over the initial 5 year term
- Award of waste and industrial services contract with Cement Australia for Tasmanian, Brisbane and Gladstone operations - demonstrates Total Waste Management strategy through Wanless acquisition is working
- QAL contract awarded in June 2013 is performing well meeting company and client expectations
- Over 50% of group revenue secured by long term contracts
- High tender activity - A number of contracts pending award / renewal

Q1 FY14 - Operational update

- First quarter trading is meeting budget expectations across all service lines
- Central Queensland, Kimberley and Pilbara regions performing solidly
- Waste volumes in our Technical and Environmental Services division are improving
- All injury frequency rate continues to trend down
- Wanless trading in line with expectations
- New Executive appointments
 - Nick Badyk, General Manager Business Development – Nick is a very experienced Executive having held the previous positions of COO of Cleanaway and Transpacific Industrial Solutions for the last 11 years
 - Josh Bovell (ex BHPB), Chief Information Officer to focus on Enterprise Resource Planning efficiencies and technology development

Outlook

- Organic growth and revenue synergies being developed as Wanless and Toxfree services align in Queensland and Tasmania – full year addition of earnings in FY14
- Queensland - Surat basin expected to continue to perform strongly – CSG drilling activity expected to peak in 2020
- Gladstone – commenced services at QAL, approximate \$30 m revenue over 3 years, outlook very positive
- Hazardous waste volumes are improving.
- New waste to energy incinerator progressing for the Pilbara – ceased operating old incinerator in June 2013. Waste diverted to other Toxfree facilities in the interim
- Available waste market is large and Toxfree is confident on continuing to build its market share through organic growth, contract award and strategic acquisition
- Contracted Waste Services to the mining sector is expected to be approximately 8-10% of group revenue in FY14, all from Tier 1 producing assets.

Questions

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