

23 November 2009

ASX Limited

**BY ELECTRONIC LODGEMENT**

Dear Sirs,

Attached is a copy of a Share Purchase Plan letter today sent to shareholders.

Yours faithfully

A handwritten signature in black ink that reads "D McArthur".

David McArthur  
Company Secretary



23 November 2009

Dear Shareholder,

#### **OFFER OF NEW TOX FREE SHARES UNDER A SHARE PURCHASE PLAN**

The directors of Tox Free Solutions Limited (“**Company**” or “**Tox Free**”) are pleased to extend an invitation to each Tox Free shareholder registered as at 5:00pm Perth Time on 18 November 2009 (“**Record Date**”) with a registered address in Australia or New Zealand (“**Eligible Shareholder**”) to subscribe for additional fully paid ordinary shares in Tox Free (“**Shares**”) under the terms and the conditions of Tox Free’s share purchase plan set out in Annexure “A” to this letter (“**Share Purchase Plan**”).

Eligible Shareholders may subscribe for up to \$5,000 worth of Shares under the Share Purchase Plan, free of brokerage and commission, at a price of \$ 2.30 per Share. This is the same price as the price paid under the recent placement announced on 17 November 2009, and represents a 7.1% discount to the volume weighted average trading price of Shares on ASX during the 5 trading days immediately prior to the date of announcement of this offer.

Funds raised by the Share Purchase Plan will be used to supplement the funds raised from the recent placement to ensure that Tox Free has available funding for its significant pipeline of contracts and other growth prospects, including the recent award of the Toll / Gorgon Barrow Island contract. The Company is currently tendering for a number of other contracts – the proceeds of the capital raising will reinforce Tox Free’s ability to service the requirements of the contracts in question.

If you currently hold an unmarketable parcel of shares (being less than \$500 worth of Shares), participation in the Share Purchase Plan will enable you to top up your shareholding to a marketable parcel.

**Participation in this offer is optional.** This offer to acquire Shares is not a recommendation. If you are in doubt about this offer, whether you should participate in the Share Purchase Plan or how participation will affect you (particularly given the current volatility in financial markets), you should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept this offer.

The offer under the Share Purchase Plan is non-renounceable. This means that you cannot transfer your right to subscribe for Shares under the Share Purchase Plan to anyone else.

You are eligible to participate in the Share Purchase Plan as you were a registered holder of Shares on the Record Date with a registered address in either Australia or New Zealand.

### How Much Can You Invest?

As an Eligible Shareholder, you are entitled to subscribe for Shares up to a maximum value of \$5,000. **You may select only 1 of the following alternatives to subscribe for Shares under the Share Purchase Plan:**

	Dollar Value of Shares	Number of Shares
<b>Offer A</b>	\$2,000	<b>870</b>
<b>Offer B</b>	\$3,500	<b>1522</b>
<b>Offer C</b>	\$5,000	<b>2174</b>

The Company reserves the right, in its absolute discretion, to cap the amount raised under the Share Purchase Plan at approximately \$ 5 million.

### Subscription Price

The subscription price for Shares under the Share Purchase Plan is A\$2.30 per Share ("**Subscription Price**").

The market price of Shares in Tox Free may rise or fall between the date of this offer and the date that the Shares are issued to you under the Share Purchase Plan. This means that the subscription price you pay for Shares pursuant to this offer may be either higher or lower than the market price of Shares at the time the Shares are issued to you under this offer.

We recommend that you monitor price movements of shares in Tox Free prior to applying for Shares under this offer. Tox Free's Share price can be found on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: TOX) and in the financial pages of major Australian metropolitan newspapers.

### Closing Date

The closing date for receipt of applications is 5.00pm Perth Time Tuesday 15 December 2009.

### How Many Shares Will You Receive?

The number of Shares that will be issued to you will depend on the amount of your application monies divided by A\$ 2.30 (\$2,000= 870 Shares, \$3,500 = 1522 Shares or \$5,000 = 2,174 Shares), any scale back applied by Tox Free and the terms of this Share Purchase Plan.

Tox Free reserves the absolute discretion regarding the amount raised under the Share Purchase Plan and the exercise of its right to scale back applications. The Company reserves the right, in its absolute discretion, to cap the amount raised under the Share Purchase Plan at approximately \$5 million and the right to scale back applications.

Should a scale back apply, you may be allocated Shares to a value that is less than the parcel of Shares you applied for, in which case the difference will be refunded to you.

## How Do You Apply For Shares Under This Offer?

To apply for Shares under the Share Purchase Plan, you must:

- (a) carefully read the terms and conditions of the Share Purchase Plan (refer to Annexure "A"); and
- (b) complete the enclosed Application Form in accordance with the instructions on the Application Form and return it together with a cheque made payable to Tox Free Solutions Limited – SPP A/C and crossed Not Negotiable to Tox Free's Registry in the envelope provided (New Zealand shareholders will need to affix the appropriate postage stamp). Alternatively, shareholders with an Australian registered address can participate using BPAY (refer to the reverse of the enclosed Application Form for further details).

Application Forms must be received by Tox Free's Registry by no later than 5:00pm Perth time on Tuesday 15 December 2009.

If you are unsure about any aspect of this offer, Tox Free Limited recommends you seek professional advice.

Please contact the Company Secretary, David McArthur, on (08) 9389 8799 or by email to [info@toxfree.com.au](mailto:info@toxfree.com.au) if you have any queries in relation to this offer or how to accept it.

Yours sincerely,



**Steve Gostlow**  
**Managing Director**

## IMPORTANT NOTICE

The Share Purchase Plan does not take into account your individual investment objectives, financial situation or particular needs. If you are in any doubt about the action you should take, please consult your financial, taxation or other adviser accordingly.

These materials do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")) ("U.S. Person"). The Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account of benefit of, U.S. Persons absent registration or in transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws.

## **Annexure “A”**

### **Terms and Conditions of the Share Purchase Plan of Tox Free Solutions Limited**

#### **Purpose**

The purpose of Tox Free Solutions Limited’s (“**Tox Free**”) share purchase plan (the “**Share Purchase Plan**”) is to offer eligible shareholders of Tox Free the opportunity to acquire additional fully paid ordinary shares in Tox Free (“**Shares**”) without the need to pay brokerage costs or the need for Tox Free to issue a prospectus or other disclosure document.

#### **Shareholders eligible to participate**

All persons registered as holders of Shares as at 5:00pm Perth Time on 18 November 2009 (“**Record Date**”) with a registered address in Australia or New Zealand (“**Eligible Shareholders**”) may participate in the Share Purchase Plan except those who are, or are acting for the account or benefit of, a U.S. Person as defined in Regulation S under the US Securities Act of 1933, as amended (“**Securities Act**”) (a “**U.S. Person**”).

Tox Free has determined that it is not practical for holders of Shares with addresses on Tox Free’s share register in other jurisdictions to participate in the Share Purchase Plan. Further, in order to comply with relevant securities laws, the Shares to be issued under the Share Purchase Plan may not be offered to shareholders located in the “United States” or to shareholders who are, or who are acting for the account or benefit of, U.S. Persons. As used herein, the term “United States” is as defined in Regulation S under the Securities Act.

Because of these legal restrictions, you must not send copies of this document or any other material relating to the Share Purchase Plan to any person resident in the United States or who is, or is acting for the account or benefit of, U.S. Persons. The Shares to be issued under the Share Purchase Plan have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States.

#### **Participation is optional**

Participation in the Share Purchase Plan is, subject to the eligibility criteria set out above, entirely optional and is subject to these terms and conditions. Offers made under the Share Purchase Plan are not renounceable (ie. eligible shareholders may not transfer their rights to any Shares offered under the Share Purchase Plan).

#### **Price of Shares**

The price of Shares to be issued under the Share Purchase Plan is A\$ 2.30 per Share.

## How much can you invest?

Subject to the terms applicable to custodians, trustees and nominees outlined below, under the Share Purchase Plan, you may subscribe for A\$2,000, A\$3,500 or A\$5,000 of Shares. This limitation applies even if you receive more than one Application Form or if you hold shares in Tox Free in more than one capacity, e.g. if you are both a sole and joint holder of shares in Tox Free. Please refer to the information in the table below.

Single Holders	If you are the only registered holder of a holding of Tox Free shares, but you receive more than one offer under the Share Purchase Plan (for example, due to multiple registered holdings), you may only apply for one maximum parcel of Shares.
Joint Holders	If you are recorded with one or more other persons as the joint holder of a holding of Tox Free shares, that joint holding is considered to be a single registered holding for the purpose of the Share Purchase Plan, and the joint holders are entitled to participate in the Share Purchase Plan in respect of that single holding only. If the same joint holders receive more than one offer under the Share Purchase Plan due to multiple registered holdings, the joint holders may only apply for one maximum parcel of Shares.
Custodians, Trustees and Nominees	<p>If you are a custodian, trustee or nominee within the definition of “custodian” in ASIC Class Order [CO 09/425] (“<b>Custodian</b>”) and hold Tox Free shares on behalf of one or more persons (each a “<b>Participating Beneficiary</b>”), you may apply for up to a maximum of A\$5,000 worth of Shares for each Participating Beneficiary, subject to providing a notice in writing to Tox Free (“<b>Custodian Certificate</b>”) certifying the following:</p> <ul style="list-style-type: none"> <li>(a) That you hold Shares on behalf of Participating Beneficiaries who have instructed you to apply for the Shares on their behalf under the Share Purchase Plan;</li> <li>(b) The number of Participating Beneficiaries;</li> <li>(c) The name and address of each Participating Beneficiary;</li> <li>(d) The number of Shares in the class that the Custodian holds on behalf of each Participating Beneficiary;</li> <li>(e) The number or dollar amount of Shares which each Participating Beneficiary has instructed you to apply for on their behalf;</li> <li>(f) That there are no Participating Beneficiaries in respect of which the total of the application price exceeds A\$5,000 worth of Shares, calculated by reference to Shares applied for by you as Custodian on their behalf under: <ul style="list-style-type: none"> <li>• the Share Purchase Plan; and</li> <li>• any other Shares issued to you as Custodian in the 12 months before your application under an arrangement similar to the Share Purchase Plan,</li> </ul> <p>In each case, as a result of an instruction given by them to you as Custodian to apply for Shares on their behalf.</p> </li> </ul> <p>For the purposes of ASIC Class Order [CO 09/425] you are a “custodian” if you are a registered holder that:</p> <ul style="list-style-type: none"> <li>(a) Holds an Australian financial services license that: <ul style="list-style-type: none"> <li>• covers the provisions of a “custodial or depository service” (as defined in section 766E of the Corporations Act); or</li> <li>• includes a condition requiring the holder to comply with ASIC Class Order [CO 02/294],</li> </ul> </li> </ul>

	<p>(b) Is exempt under:</p> <ul style="list-style-type: none"> <li>• Paragraph 7.6.01(1)k of the Corporations Regulations 2001; or</li> <li>• Under ASIC Class Order [CO 05/1270] to the extent that it related to ASIC Class Order [CO 03/184], from the requirement to hold an Australian financial services license for the provision of a custodial or depository service.</li> </ul> <p>If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.</p> <p>Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you like further information on how to apply, you should contact the Company Secretary on 08 9389 8799 (within Australia) or +61 8 9389 8799 (from outside Australia) between 8.30am and 5.00pm Perth time Monday to Friday.</p>
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### How to apply

The Share Purchase Plan opens on 24 November 2009. If you would like to apply for Shares under the Share Purchase Plan, you can either:

- (a) complete the enclosed Application Form and return it together with your cheque, bank draft or money order made payable to “Tox Free Solutions Limited – SPP A/C” drawn on an Australian bank and in Australia dollars for the correct amount, in the enclosed reply-paid envelope (New Zealand shareholders will need to affix the appropriate postage stamp) so that it is received by Tox Free’s Registry prior to the close of the offer at 5.00pm Perth time on 15 December 2009 at:

Tox Free Solutions Limited  
Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 8060

Or

- (b) Make a BPAY payment by using the personalized reference number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY you do not need to return your Application Form (Note: New Zealand shareholders will not be able to make a payment using BPAY.) Your payment must be received by Tox Free’s Registry no later than 3.00pm Perth time on Tuesday 15 December 2009.

Do not forward cash. Receipts for payment will not be issued. Tox Free reserves the right not to accept BPAY payments received after 3.00pm Perth time or Application Forms received after 5.00pm Perth time on Tuesday 15 December 2009.

Applications may only be made for parcels of Shares in the amounts designated on the Application Form. If the amount of the payment tendered with your Application Form or your BPAY payment is:

- (a) Less than A\$2,000 – Tox Free will not allot any Shares to you and will refund your application money to you;
- (b) Greater than A\$5,000 – subject to scale back and the terms of the Share Purchase Plan, Tox Free will allot \$5,000 of Shares to you and will refund the excess application money to you; or
- (c) An amount between A\$2,000 and A\$5,000 that is not the Tox Free designated amounts – subject to scale back and the terms of the Share Purchase Plan, Tox Free will allot to you the number of Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your cheque or BPAY payment, and will refund the excess application money to you.

Application Forms and BPAY payments under the Share Purchase Plan may not be withdrawn once they have been received by Tox Free or Tox Free's Registry. No interest will be payable on application money held by Tox Free. Please read the enclosed Application Form for further details of how to apply for Shares under the Share Purchase Plan.

### **Applications may be scaled back**

Tox Free reserves an absolute discretion regarding the amount raised under the Share Purchase Plan, including the right to scale back applications.

If there is a scale back, you may not receive the full parcel of Shares for which you have applied. If a scale back produces a fractional number when applied to your parcel, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares.

In the event of a scale back, the difference between the value of the Shares allotted (calculated at the offer price of A\$2.30 per Share) and the application money received will be refunded to you by Tox Free without interest, following allotment. Amounts will be refunded by direct credit to your nominated account for the payment of Tox Free dividends or by cheque mailed to your address as shown on Tox Free's Register in the days following allotment.

### **Certification by applicant**

By completing and submitting the Application Form (together with a cheque, bank draft or money order) or making a BPAY payment, you certify that:

- (a) The aggregate of the application price paid by you for the following does not exceed A\$5,000:
  - The shares the subject of such Application Form or BPAY payment; and
  - Any other Shares applied by you under the Share Purchase Plan or any similar arrangement operated by Tox Free in the 12 months prior to the date of submission of the Application Form or BPAY payment; and
  - Any other Share which you have instructed a Custodian to acquire on your behalf under the Share Purchase Plan; and
  - Any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Tox Free shares on your behalf under an arrangement similar to the Share Purchase Plan;
- (b) You are an Eligible Shareholder;

- (c) You acknowledge that the Shares have not, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption form, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- (d) You have not and will not send any materials relating to the Share Purchase Plan to any person in the United States or that is, or is acting for the benefit of, a U.S. Person;
- (e) You represent that you are in compliance with all relevant laws and regulations (including, without limitation, sections 1043A of the Corporations Act (insider trading) and laws and regulations designed to restrict terrorism financing and/or money laundering); and
- (f) You represent that you are not a “designated person” or “designated entity” (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions.

The A\$5,000 limit applies irrespective of the number of Shares you hold on the Record Date. Tox Free reserves the right to reject any application for Shares under the Share Purchase Plan (in whole or in part), including where it considers that the application (whether alone or in conjunction with other applications) does not comply with these or any other legal requirements.

### **Issue of Shares**

Shares to be issued under the Share Purchase Plan are expected to be issued on 21 December 2009 and commence trading on ASX on or about 21 December 2009.

Tox Free will, promptly after issue of Shares under the Share Purchase Plan, make application for those Shares to be admitted to quotation on ASX. You should confirm your holding before trading in any Share you believe you have been allotted to you under the Share Purchase Plan.

Shares issued under the Share Purchase Plan will rank equally in all respects with, and therefore carry the same voting rights and other entitlements as, all other fully paid ordinary shares in Tox Free from the date of issue.

Shareholding statements will be issued in respect of all Shares issued under the Share Purchase Plan on or about 21 December 2009.

### **Cost of Participation**

No brokerage, commission, or other transaction costs will be payable by participants in respect of the application for, and issue of, Shares under the Share Purchase Plan.

### **Class Order [CO 09/425] Compliance**

This offer of Shares under the Share Purchase Plan is made in accordance with the requirements of ASIC Class Order [CO 09/425]. That Class Order grants relief from the requirements to prepare a prospectus for the offer of shares under the Share Purchase Plan.

### **Binding Terms**

By accepting the offer to purchase Shares under the Share Purchase Plan, you agree to be bound by these terms and conditions and Tox Free’s constitution.

### **Modification and Termination of the Share Purchase Plan**

Tox Free may modify or terminate the Share Purchase Plan at any time before allotment of the Shares under the Share Purchase Plan. If Tox Free does this, it will notify the ASX. The omission to give notice of any modification to, or termination of, the Share Purchase Plan or the failure of ASX to receive such notice, will not invalidate the modification or termination.

Without limiting the above, Tox Free may issue to any person fewer Shares than the person applied for under the Share Purchase Plan if the issue of the Shares applied for would contravene any applicable law or the Listing Rules of ASX.

### **Dispute Resolution**

Tox Free may settle in any manner it thinks fit any difficulties, anomalies or disputes which may arise in connection with or by reason for the operation of the Share Purchase Plan whether generally or in relation to any participant, application for Shares and the decision of Tox Free will be conclusive and binding on all shareholders and other persons to whom that determination related.

Tox Free reserves the right to waive strict compliance with any provision of these conditions. The powers of Tox Free under these conditions may be exercised by the Directors of Tox Free or any delegate of the Directors of Tox Free.

### **Governing Law**

This offer is governed by the law in force in Western Australia. By accepting this offer, you submit to the non exclusive jurisdiction of the courts of Western Australia.

### **Underwriting**

The Share Purchase Plan will not be underwritten.



