



TOX FREE SOLUTIONS LIMITED

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ASX Limited

- **Tox Free successfully completes \$13 million placement**
- **Acquisition of Greenchip Recycling - Victorian Waste Management Facility**
- **Successful integration of Barry Bros – on track to achieve FY09 business plan**

The board of Tox Free Solutions Ltd (Tox Free) is pleased to announce the acquisition of Greenchip Recycling (Greenchip), subject to due diligence. The acquisition is expected to take effect from 1 December 2008.

The board is also pleased to announce the Company has successfully completed an institutional placement to raise approximately \$13 million. The proceeds will be used to fund the acquisition of Greenchip and be available for drawdown to fund additional capital expenditure for earnings accretive opportunities not included in Tox Free's FY09 guidance.

Details of the Greenchip acquisition and placement are provided below.

Acquisition of Greenchip

Greenchip operate a licensed waste management facility located in Wodonga Victoria. The facility is licensed to treat a broad range of industrial and biological liquid wastes. The facility also manufactures compost by recycling green waste and other biological liquid wastes.

Greenchip has been in operation since 1996 and is the largest waste management facility in the region. The acquisition significantly complements Barry Bros services in the region and provides Tox Free with expertise in the management of organic wastes and compost manufacture.

Mr Glen Nichols, the Director of Greenchip will continue employment with Tox Free. Glen has significant experience in organic waste management and will assist Tox Free in expanding organic waste treatment throughout the rest of the Tox Free group of companies.

The purchase price for the business assets is \$1.5 million. The acquisition will be funded by a combination of cash and shares in Tox Free. For the 2008 financial year Greenchip achieved Earnings Before Interest and Taxes (EBIT) of \$400,000. The value of Greenchip's assets is approximately \$1.3 million. Tox Free expect to improve the financial performance of the business through synergies with Barry Bros in Victoria.

Placement to raise \$13 million

The Company is presently tendering on a number of large waste management and industrial service contracts in the North West of Western Australia. The successful award of the contracts will have a positive impact on earnings for the Tox Free group over and above FY09 forecasts.

The funds raised will be used to demonstrate Tox Free's financial capacity to service these contracts (if awarded), expedite the completion of Tox Free's Karratha facility and be available to fund potential complementary acquisitions the Company continues to assess.

The board are of the belief a strong balance sheet with available cash reserves will ensure the Company is in a position to effectively take advantage of opportunities as they are presented, without the need to raise further finance or place additional capital.

The shares were placed with a number of Institutional shareholders who are long term supporters of the Company. The placement is priced at \$1.40 per share, a 6.6% discount to the 5 day VWAP and will result in the issue of 9.3 million new ordinary shares which will rank pari passu with existing ordinary shares.

Integration of Barry Bros

The Company is also pleased to advise the better than expected integration of Barry Bros into the group. The first quarter results have been very encouraging and at this time Barry Bros are on target to achieve their FY09 business plan. All other divisions are trading on budget for this time of year and at this stage the group is tracking well to achieve its guidance.

Yours faithfully

TOX FREE SOLUTIONS LIMITED

About Tox Free Solutions Ltd (ASX code: TOX)

Tox Free Solutions Ltd (Tox Free) is one of the largest integrated waste management and environmental services businesses in Australia. The Company offers a full range of waste management services including industrial and hazardous waste treatment, contaminated site remediation and solid and liquid waste management. The Company also provides complementary industrial services such as vacuum loading, high pressure cleaning and asset maintenance.

The Company's strategically located facilities, unique licenses, best practice technologies and specialised services enable Tox Free to provide a broad range of waste management and industrial services throughout Australia.

Further information about Tox Free can be found by visiting the Company's website at www.toxfree.com.au