



BOARD SECURITIES TRADING POLICY

RELATED POLICIES AND DOCUMENTS:

<p>Board Code of Conduct Policy</p> <p>Board Communications Policy</p> <p>Board Corporate and Social Responsibility Policy</p> <p>Board Director's Conflict of Interest Policy</p> <p>Board Diversity Policy</p> <p>Board Equal Opportunity Policy</p> <p>Board Market Disclosure Policy</p> <p>Board Whistle Blower Policy</p>

Overview

The Stock Exchange (“ASX”) Listing Rules requires all companies listed on ASX to adopt and apply a securities policy which meets the minimum requirements set out in ASX Listing Rule 12.12. This policy responds to that requirement.

Scope

This policy relates to Key Management Personnel (KMP) of the Tox Free Solutions Limited (Toxfree or Company) group of companies including wholly owned subsidiaries.

For the purpose of this policy, “Key Management Personnel” are defined as:

- Any director;
- any first line reports of the Managing Director and their direct reports;
- any other person designated by the Managing Director as key management personnel on the basis that they have authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly.

The Policy applies where any KMP of the Company wish to deal in securities of the Company.

The following also constitute dealing in the Company’s securities for the purpose of this Policy:

- dealings between directors and / or certain employees of the Company;
- off market dealings;
- transfers of shares for no consideration (other than transfers where the beneficial interest in the shares is retained); and
- to, or to procure another person to, apply for, acquire, or dispose of, the Company’s securities, or enter into an agreement to apply for, acquire, or dispose of, the Company’s securities.



Objectives

The objective of this policy is to ensure KMP are able to trade in securities in accordance with ethical and legal obligations in accordance with Company policies.

RESPONSIBILITIES

KMP will be required to follow the procedures set out in this Policy and obtain consent from the Company before dealing or trading in the Company's securities.

The provisions of this Policy mean that KMP cannot deal in the Company's securities without first obtaining consent.

Any suggestion that the policy has been breached could have a significant impact on personal and Company reputation. An actual breach of either the Policy or the statutory prohibitions on insider dealings and insider trading may result in legal proceedings and/or disciplinary action including, where appropriate, dismissal.

KMP must notify the Company immediately after any dealing or trading in the Company's securities.

This Policy will be interpreted strictly as an absolute requirement.

REGULATORY REGIME

Prohibition

Insider trading is a criminal offence under Australian law and may also result in civil liability. In broad terms, a person will be engaged in insider trading if:

- a person ("the Insider") possesses information which is information not generally available, and if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities ("Inside Information"); and
- the Insider knows, or ought reasonably to know that the information is;
 - information which is information not generally available; and
 - if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities,
- and the Insider (whether as principal or agent):
 - applies for, acquires, or disposes of, the Company's securities, or enters into an agreement to apply for, acquire, or dispose of, the Company's securities; or
 - procures another person to apply for, acquire, or dispose of, the Company's securities, or enter into an agreement to apply for, acquire, or dispose of, the Company's securities; or
 - the Insider, directly or indirectly, communicates the Inside Information, or causes the Inside Information to be communicated, to another person if the Insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - apply for, acquire, or dispose of, the Company's securities, or enters into an agreement to apply for, acquire, or dispose of, the Company's securities; or



- procure another person to apply for, acquire, or dispose of, the Company's securities, or enter into an agreement to apply for, acquire, or dispose of, the Company's securities.

How KMP become aware of the Inside Information is irrelevant

It is irrelevant how or in what capacity the person came into possession of the Inside Information. The Prohibition applies to any KMP who acquires Inside Information in relation to the Company's securities, no matter in which capacity and is prohibited dealing in those securities.

It does not matter how or where the person obtains the Inside Information and it does not have to be obtained from the Company to constitute Inside Information.

Information which might affect price or value

The Prohibition also includes unpublished information which, if generally available, might materially impact the price or value of the Company's securities.

What does information include?

"Information" includes matters of supposition or speculation and matters relating to the intentions or likely intentions of a person.

What information might materially affect price or value?

This means information that a reasonable person would expect to have a material effect on the price or value of the Company's securities. A reasonable person would be taken to expect information to have a material effect on price or value of the Company's securities if the information would be likely to influence persons who commonly invest in securities whether or not to do so.

Examples of this type of information which might affect the price or value of the Company's securities include:

- proposed changes in the capital structure, capital returns and buy backs of the Company's securities;
- information relating to TOXFREE's consolidated financial results;
- a material acquisition, divestment or realisation of assets;
- proposed dividends and share issues;
- changes to the Board;
- events which could have a material impact on profits (negatively or positively);
- proposed changes in the nature of the business of TOXFREE;
- notification to TOXFREE of a substantial shareholding; and
- any information required to be announced to the market pursuant to ASX Listing Rule 3.1.

What does "unpublished" mean?

"Unpublished" for this purpose means that the information is not generally available. Information is generally available if it consists of readily observable matter, or it has been disseminated in a manner likely to bring it to the attention of investors and a reasonable period has elapsed. The Company publishes information to the market by releasing Company announcements to ASX. All



announcements by the Company are available on the ASX website www.asx.com.au and the Company's website www.toxfree.com.au

DEALING BY KMP

Dealing

KMP must not deal in, or procure another to deal in, the Company's securities on considerations of a short term nature (for example, to make a quick profit). KMP must also take reasonable steps to prevent any person connected with KMP (including immediate family) from doing the same.

There is to be no Short Selling of the Company's securities at any time, and no KMP shall enter into any form of hedging transaction or margin lending (or any other secured financing arrangement) in relation to the Company's securities.

Closed periods

KMP must not deal in, or procure another to deal in, the Company's securities during a closed period.

A closed period is:

- the period from year end until after the release of the Companies annual results.; and
- the period from half year end until after the release of the Companies half yearly results; and
- the period of two weeks immediately prior to the release of a disclosure document offering securities in the Company.

The Company may at its discretion vary this rule in relation to a particular Closed Period by general announcement to all KMP either before or during the Closed Period. However, if KMP are in possession of Inside Information which is not generally available to the market, then they must not deal in the Company's securities at **any** time.

If KMP have a pressing financial commitment that cannot be satisfied other than by selling securities, KMP should talk to the person who is the Chair of the Company.

KMP may be issued securities under the Company LTI Plan within a Closed Period. Note that KMP will not be allowed to sell the shares KMP receive during the closed period.

Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses Inside Information. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.



CLEARANCE TO DEAL

KMP must not deal in any of the Company's securities without advising the Chair of the Company (or if the Chair is not available, the chair of the Audit Committee) in advance and until clearance has been obtained. In their own case, the Chair must advise the Board and receive clearance from the Board.

The Chair may consult with other Board member and the Company Secretary in making his or her decision.

Clearance to Deal – Tox Free Employee Share Trust

Any transfer of funds and subsequent acquisition of shares on market or through the issue of shares by the Company by the Employee Share Trust must first receive the approval of the Chair of the Remuneration Committee, who shall advise the Board accordingly. In the absence of the Remuneration Committee Chair, approval of the Board Chair is required.

Circumstances for refusal

KMP will not be given clearance to deal in any of the Company's securities during a period, which is:

- any Closed Period; or
- any period when there exists any matter which constitutes Inside Information in relation to the Company's securities (whether or not KMP have knowledge of such matter) and the proposed dealing would (if permitted) take place after the time when it has become reasonably probable that an announcement will be required in relation to that matter; or
- any period when the person responsible for the clearance otherwise has reason to believe that the proposed dealing is in breach of this Policy.

A written record will be maintained by the Company of the receipt of any request received from KMP and of any clearance given. Written confirmation from the Company that such request and clearance have been recorded will also be provided to KMP.

Clearance during a prohibited period due to exceptional circumstances

KMP who are not in possession of Inside Information in relation to the Company, may apply for, and may be granted, clearance by the Chair (in his or her discretion) to sell or otherwise dispose of Company securities during a prohibited period where the person is in severe financial hardship or where there are other exceptional circumstances that, in the Chair's opinion, necessitate clearance.

Acting as trustee

If KMP are a sole trustee (other than a bare trustee), the provisions of this Policy will apply, as if KMP are dealing on their own account. If KMP are a co-trustee (other than a bare trustee), KMP must advise their co-trustees of the name of the Company. If KMP are not a beneficiary, a dealing in the Company's securities undertaken by that trust will not be regarded as a dealing by KMP for the purposes of this Policy, where the decision to deal is taken by the other trustees acting independently of KMP or by investment managers on behalf of the trustees. The other trustees or the investment managers will be assumed to have acted independently of KMP for this purpose where they:

- have taken the decision to deal without consultation with, or other involvement of KMP; or
- if they have delegated the decision making to a committee of which KMP are not a member.



Dealings by Connected Persons and Investment Managers

KMP must (so far as is consistent with their duties of confidentiality to the Company) seek to prohibit (by taking the steps set out in this Policy) any dealing in the Company's securities during a Closed Period or at a time when KMP are in possession of Inside Information in relation to those securities and would be prohibited from dealing under this Policy:

- by or on behalf of any person connected with KMP under Australian law (includes nominees, agent and other associates, such as family members, family trusts and family companies); or
- by an investment manager on their behalf or on behalf of any person connected with KMP where either KMP or any person connected with KMP has funds under management with that investment manager, whether or not discretionary, other than acting as a trustee above.

For the purposes of dealing with connected persons and investment managers, KMP must advise all such connected persons and investment managers:

- of the name of the Company;
- of the Closed Periods which they cannot deal in the Company's securities;
- of any other periods when KMP know KMP are not themselves free to deal in the Company's securities under the provisions of this Policy unless their duty of confidentiality to the Company prohibits KMP from disclosing such periods; and
- that they must advise KMP immediately after they have dealt in Company's securities (save as provided when acting as trustee).

Procedure to be followed before and after dealing

KMP must obtain specific approval from the Company before dealing in the Company's securities. Complete a Clearance Request Form (see Attachment) and send it via the Company Secretary to the person responsible for giving clearance to deal.

KMP will be notified of the decision by the return of their Clearance Request Form duly completed. KMP must not deal in the Company's securities until this has been returned saying their request has been approved. Any refusal is final and binding. If approval is given for dealing KMP should deal within seven days of receipt of such approval.

Each person must obtain consent individually. KMP may not assume that if one person has obtained consent to deal that KMP may rely on that consent. The Prohibitions on dealings in this policy also apply to persons connected with KMP under Australian Law.. These include husbands and wives, children under 18 and associated companies and trusts. KMP must seek to prohibit these people from dealing when KMP themselves are not allowed to deal. KMP must obtain consent for dealings by these people and report their dealings as KMP do their own.

KMP must notify the Company Secretary in writing immediately after dealing in the Company's securities. KMP must not wait to receive their contract note before notifying the Company Secretary.

DEALINGS WHICH ARE NOT SUBJECT TO THE POLICY

The following trading or dealings in the Company's securities are NOT subject to the Policy.

- undertakings or elections to take up, taking up or allowing to lapse entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);



- selling enough entitlements nil-paid to allow KMP to take up the balance of entitlements under a rights issue (unless during a closed period);
- undertaking to accept or accepting a takeover offer.
- transfers of securities between a KMP and someone closely related to the KMP (such as a spouse, minor child, family company or family trust) or by a KMP to their superannuation fund.
- Acquisitions as a result of an employee incentive scheme.

EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with this Policy does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

Review of Policy

This policy shall be reviewed by the Board on a regular basis and if required be amended to suit the requirements of the Company and adherence to the law.

Bob McKinnon
Chair
TOX FREE SOLUTIONS LIMITED

Date

Document Control Information:

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Attachment
Clearance Request Form

Personal Details	
Name:	Address:
	postcode:
Position (e.g. consultant):	
Proposed dealing	
Number of shares/warrants/options:	Nature of transaction - (e.g. buying/selling)
When KMP intend to deal (assuming KMP receive clearance to do so)?	Do KMP know anything about the Group or which relates to the Group which, if it were made public, would lead to a substantial movement in the Company's share price?

If the dealing is to be done by someone other than the above-named director or employee, please give details (director's or employee's spouse / children / trust / private company):

KMP must disclose to one of the directors responsible for dealing any additional material facts which may affect the decision as to whether the dealing should be permitted or not.
 I..... of
 declare that the information above is true and that I have read the rules as set out in the Policy. I understand that the information above may be referred to in the event of a suspected breach of this Policy. I will inform promptly the directors responsible for dealing if there is a change in any of the above circumstances. If the dealing is approved, I will instruct a broker to carry out the transaction and will immediately notify the Company Secretary in writing when the dealing has been effected.

Signature Date.....

ON COMPLETION, THIS FORM IS TO BE HANDED TO THE COMPANY SECRETARY

Request authorised/refused* by Date.....
 (*Delete whichever is not applicable)