NOTICE OF ANNUAL GENERAL MEETING

DATE OF MEETING
28 November 2014

TIME OF MEETING
10.30 am (WST)

PLACE OF MEETING
Rendezvous Grand Hotel Scarborough
The Esplanade, Scarborough, Perth WA
Vincent Room
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Tax Free Solutions Limited ("Company") will be held at 10.30 am (WST) on Friday 28 November 2014 at Rendezvous Grand Hotel Scarborough, Perth Western Australia.

In order to determine voting entitlements, the register of Shareholders will be closed at 5.00pm (Sydney time) on 26 November 2014. An Explanatory Memorandum containing information in relation to each of the Resolutions to be put to the meeting accompanies this Notice.

AGENDA

To consider and, if thought fit, to pass the following Resolutions.

ORDINARY BUSINESS

2014 Accounts
To receive and consider the annual financial report, the Directors’ report and the Auditor’s report for the financial year ended 30 June 2014 and the Directors’ declaration on the accounts.

Non-binding Ordinary Resolution 1:
Directors’ Remuneration Report
To receive and consider the Directors Remuneration Report for the year ended 30 June 2014 and, if thought fit, to pass, with or without amendment, the following Resolution as a non-binding Resolution: "That, pursuant to and in accordance with section 250R(2) of the Corporations Act, the Directors’ Remuneration Report contained within the Directors’ Report for the financial year ended 30 June 2014 be adopted."

Ordinary Resolution 2:
Re-Election of Richard Allen as a Director
To consider and, if thought fit, to pass, with or without amendment, as an ordinary Resolution: "That Richard Allen, who retires by rotation in accordance with rule 13.2 of the Company’s constitution, and being eligible, be re-elected as a Director."

Ordinary Resolution 3:
Re-Election of Michael Humphris as a Director
To consider and, if thought fit, to pass, with or without amendment, as an ordinary Resolution: "That Michael Humphris, who retires by rotation in accordance with rule 13.2 of the Company’s constitution, and being eligible, be re-elected as a Director."

Ordinary Resolution 4:
Issue of Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow
To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary Resolution: "That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the Directors to grant 60,276 Performance Rights and 280,594 Share Appreciation Rights to Mr Stephen Gostlow and to allot and issue Shares on the vesting of the Performance Rights and Share Appreciation Rights in accordance with the terms of the Executive LTI Plan, as detailed in the Explanatory Memorandum.”

Voting Exclusion Statement:
The Company will disregard any votes cast on this Resolution 4 by Mr Gostlow and any of his associates.

However, the Company need not disregard a vote on this Resolution if: – it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or – it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy directs.

Ordinary Resolution 5:
Re-Election of Richard Allen as a Director
Clause 13.2 of the Company’s Constitution requires that at every Annual General Meeting of the Company one-third of the Directors (rounded up to the nearest whole number) shall retire from office. The Directors to retire are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

Accordingly, Richard Allen retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Information about Mr Allen is set out in the Company’s 2014 Annual Report.

Recommendation
The directors (other than Mr Allen because of his interest in this Resolution) recommend that Shareholders vote in favour of Resolution 2.

ORDINARY RESOLUTION 3:
Re-Election of Michael Humphris as a Director
Clause 13.2 of the Company’s Constitution requires that at every Annual General Meeting of the Company one-third of the Directors (rounded up to the nearest whole number) shall retire from office. The Directors to retire are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

Accordingly, Michael Humphris retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Information about Mr Humphris is set out in the Company’s 2014 Annual Report.

Recommendation
The directors (other than Mr Humphris because of his interest in this Resolution) recommend that Shareholders vote in favour of Resolution 3.

ORDINARY RESOLUTION 4:
Issue of Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow
Resolution 4 seeks approval to issue Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow under the Executive LTI Plan.

Mr Stephen Gostlow is the Managing Director of the Company.

The structure of Mr Gostlow’s remuneration package has been brought into line with market practice, whereby LTI forms a key component of his total annual remuneration. A significant portion of his total annual remuneration has been placed at-risk to better align his interests with those of Shareholders, to encourage the production of long-term sustainable growth, and to assist with retention.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting ("Notice") of the Company.

The Directors of the Company ("Directors") recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report, the Directors’ report and the auditor’s report for the financial year ended 30 June 2014 and the Directors’ declaration on the accounts.

A copy of the Company’s 2014 Annual Report is available on the Company’s ASX platform (ASX: TFX) and on the website www.taxfreesolutions.com.au. Alternatively, a hard copy will be made available upon request.

NON-BINDING ORDINARY RESOLUTION 1:
Directors’ Remuneration Report

The Corporations Act requires that at a listed company’s annual general meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company’s remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors’ report contained in the annual financial report of the Company for the financial year ending 30 June 2014.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s Directors (other than the Managing Director) must stand for re-election. Less than 25% of shareholders voted against the remuneration report at the 2013 Annual General Meeting.

Proxy restrictions
Shareholders appointing a proxy for Resolution 1 should note the following:

(a) If you appoint a member of the Key Management Personnel (other than the Chair) as your proxy

(b) If you appoint any other person as your proxy

You do not need to direct your proxy how to vote.

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Ordinary Resolution 2: Re-election of Richard Allen as a Director

Ordinary Resolution 3: Re-election of Michael Humphris as a Director

Ordinary Resolution 4: Issue of Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow

Resolution 4 seeks approval to issue Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow under the Executive LTI Plan.

Mr Stephen Gostlow is the Managing Director of the Company.

The structure of Mr Gostlow’s remuneration package has been brought into line with market practice, whereby LTI forms a key component of his total annual remuneration. A significant portion of his total annual remuneration has been placed at-risk to better align his interests with those of Shareholders, to encourage the production of long-term sustainable growth, and to assist with retention.

By order of the Board
D M McARTHUR
Company Secretary
Dated: 7 October 2014

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Quantum
The appropriate LTI grant quantum to be issued to Mr Gostlow for the financial year ending 30 June 2015 (“FY15”) has been determined with reference to current market practice. For FY15, the dollar value of the LTI grant will be determined as 60% of Mr Gostlow’s FY15 base salary ($150,000 x 50%) on a pro-rata basis. The LTI grant has increased from 50% of Mr Gostlow’s base salary in 2013 to 60% of his base salary in 2014 to bring total remuneration into line with that of peer companies.

The Board’s preference is to make adjustments to total remuneration (which comprises base salary, STI and LTI components) by increasing the at risk long term component to create better alignment with long term shareholder value creation.

Half of the LTI grant to Mr Gostlow will be granted as Performance Rights and the other half will be granted as Share Appreciation Rights ($150,000 worth of Performance Rights and $150,000 worth of Share Appreciation Rights).

Allocation methodology and number of instruments
In determining the number of Performance Rights and Share Appreciation Rights to be granted, the LTI quantum is divided by the fair value (“FV”) of one Performance Right/Share Appreciation Right (as determined by an independent valuer) as follows:

\[
\text{Number of Performance Rights/Share Appreciation Rights to be granted} = \frac{\text{FV of one Performance Right/Share Appreciation Right}}{\text{LTI quantum (d)}}
\]

Performance Rights allocation
- 50% of the Performance Rights are measured against the relative total shareholder return (“Relative TSR”) hurdle – with the FV for reward allocation purposes determined to be $2.04 per Performance Right.
  - ($150,000 x 50%) / $2.04 = 36,765 Performance Rights
- The remaining 50% of the Performance Rights are measured against the absolute earnings per Share (“Absolute EPS”) hurdle – with the FV for allocation purposes determined to be $3.19 per Performance Right.
  - ($150,000 x 50%) / $3.19 = 23,511 Performance Rights

Therefore, the total number of Performance Rights to be granted = 60,276

Share Appreciation Rights allocation
- 50% of the Share Appreciation Rights are measured against the Relative TSR hurdle – with the FV for reward allocation purposes determined to be $0.55 per Share Appreciation Right.
  - ($150,000 x 50%) / $0.55 = 144,320 Share Appreciation Rights
- The remaining 50% of the Share Appreciation Rights are measured against the Absolute EPS hurdle – with the FV for allocation purposes determined to be $0.55 per Share Appreciation Right.
  - ($150,000 x 50%) / $0.55 = 136,364 Share Appreciation Rights

Therefore, the total number of Share Appreciation Rights to be granted = 280,594

Performance period
The FY15 LTI grant will be performance tested from 1 July 2014 through to 30 June 2017. Performance is tested over the whole 3-year period to ensure that sustainable Shareholder growth has been created. A 3-year performance and vesting period is typical of ASX listed companies.

Vesting conditions and performance hurdles
The FY15 LTI grant to be made to Mr Gostlow under the Executive LTI Plan will vest subject to satisfaction of Relative TSR (50% of the grant) and Absolute EPS (50% of the grant) hurdles. These performance hurdles are mutually exclusive so that if only one of the hurdles is satisfied, vesting will still occur for that portion of the grant but not the other if the other hurdles are not met. Relative TSR performance will be assessed against the performance of the ASX 300, excluding companies within the metals and mining, financial services, infrastructure, investment and property sectors. The Relative TSR portion of the FY15 LTI grant will become performance-qualified as follows:

<table>
<thead>
<tr>
<th>Relative TSR performance</th>
<th>Vesting outcome (for the Relative TSR portion of the grant)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 50th percentile</td>
<td>nil</td>
</tr>
<tr>
<td>At the 50th percentile</td>
<td>50% of the relevant grant will become performance-qualified</td>
</tr>
<tr>
<td>Between the 50th and 75th percentile</td>
<td>For each percentile over the 50th, an additional 2% of the relevant grant will become performance-qualified</td>
</tr>
<tr>
<td>At or above the 75th percentile</td>
<td>100% vesting</td>
</tr>
</tbody>
</table>

Absolute EPS performance will be assessed against compound annual growth rate targets set by the Board. The target set for FY15 LTI grant is 10% compound average growth rate.

The Absolute EPS portion of the FY15 LTI grant will become 100% performance-qualified if the compound average growth rate over the 3-year performance period is 10% or greater. Where the compound annual growth rate over the 3-year period does not reach 10% per annum, performance vesting is staggered in the following manner:

<table>
<thead>
<tr>
<th>EPS PERFORMANCE – CAGR (%)</th>
<th>PERFORMANCE VESTING OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% to &lt; 5%</td>
<td>No vest</td>
</tr>
<tr>
<td>5% &lt; 8%</td>
<td>50% vest</td>
</tr>
<tr>
<td>8% &lt; 12%</td>
<td>70% vest</td>
</tr>
<tr>
<td>12% &lt; 16%</td>
<td>90% vest</td>
</tr>
<tr>
<td>16% &lt; 20%</td>
<td>100% vest</td>
</tr>
<tr>
<td>20% and greater</td>
<td>100% vest</td>
</tr>
</tbody>
</table>

ASX Listing Rule requirements
ASX Listing Rule 10.14 provides that a company must not permit a director to acquire securities under an employee incentive scheme (such as the Executive LTI Plan) without the prior approval of holders of ordinary securities. Accordingly, under Resolution 4, approval is sought for the issue of the Performance Rights and Share Appreciation Rights, and Shares upon the vesting of the Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow.

ASX Listing Rule 10.15 requires the following information to be included in this Notice:
- The Performance Rights and Share Appreciation Rights will be granted to Mr Gostlow (the Managing Director of the Company).
- Subject to Shareholder approval being obtained, the number of Performance Rights and Share Appreciation Rights granted to Mr Gostlow will be determined by the allocation methodology formula as outlined above, with a maximum of 60,276 Performance Rights and a maximum of 280,594 Share Appreciation Rights being available for grant to Mr Gostlow.
- No consideration is payable by Mr Gostlow at the time of grant of the Performance Rights or Share Appreciation Rights or upon the allocation of Shares to which he may become entitled to on the vesting of some or all of the Performance Rights and/or Share Appreciation Rights.
- Since the Executive LTI Plan was approved on 24 November 2011 being the date the last approval was sought in accordance with ASX Listing Rules 10.14 and 10.15, 103 Performance Rights and 633,336 Share Appreciation Rights have been granted under the Executive LTI Plan, to Mr Gostlow.
- Mr Gostlow is the only person referred to in ASX Listing Rule 10.14 for the purposes of the LTI Plan.
- The initial grant of Performance Rights and Share Appreciation Rights made to Mr Gostlow under the Executive LTI Plan will be distributed as follows:
  - 103 Performance Rights
  - 633,336 Share Appreciation Rights

Corporations Act requirements
Under Chapter 2E of the Corporations Act, a public company cannot give a “financial benefit” to a “Related Party” unless one of the statutory exceptions applies or shareholders have a general meeting approved the giving of that financial benefit.

Mr Gostlow is a “Related Party” of the Company as defined in the Corporations Act because he is a Director of the Company and the issue of Performance Rights and Share Appreciation Rights to him constitutes the giving of a “financial benefit”.

The Performance Rights and Share Appreciation Rights are being issued to Mr Gostlow as part of his remuneration package in respect of services provided to the Company and to be provided to the Company. The Executive LTI Plan forms an important part of the Company’s long term incentive strategy.

Section 211 of the Corporations Act provides an exception to the need to obtain shareholder approval to the giving of a financial benefit to a Related Party where the financial benefit is remuneration to an officer of a public company and giving the remuneration would be reasonable given the respective circumstances of the public company and Related Party (including the responsibilities involved in the office or employment).

The Board (with the exception of Mr Gostlow) considers that the grant of the Performance Rights and Share Appreciation Rights to Mr Gostlow is reasonable given the circumstances of the Company and Mr Gostlow. Accordingly, the Company will not seek approval of the issue of the Performance Rights and Share Appreciation Rights pursuant to Chapter 2E of the Corporations Act.

Recommendation
The Board (excluding Mr Gostlow) recommends that Shareholders vote in favour of this Resolution 4 to approve the grant of Performance Rights and Share Appreciation Rights under the Executive LTI Plan to Mr Gostlow.

Mr Gostlow is interested in the outcome of this Resolution and therefore does not consider it appropriate to make a recommendation to Shareholders.

In setting the CAGR that determines vesting, the Remuneration Committee review the returns of a comparable index and reviews industry growth rates.
GLOSSARY OF TERMS

The following terms and abbreviations used in the Notice of Annual General Meeting and this Explanatory Memorandum have the following meanings:

$ means Australian dollars.
Absolute EPS means absolute earnings per share.
Acquisition has the meaning given to it under Special Resolution 4 in the Explanatory Memorandum.
Annual General Meeting means the meeting of Shareholders convened by this Notice.
ASIC means Australian Securities and Investments Commission.
ASX means ASX Limited ACN 008 624 691 trading as the Australian Securities Exchange.
ASX Listing Rules means the Listing Rules of the ASX.
Board means the board of directors of the Company.
Closely Related Party of a member of the Key Management Personnel means:
(a) a spouse or child of the member; or
(b) a child of the member’s spouse; or
(c) a dependent of the member or the member’s spouse; or
(d) anyone else who is one of the member’s family and may be expected to influence the member, or be influenced by the member, in the member’s dealing with the entity; or
(e) a company the member controls; or
(f) a person prescribed by the Corporations Regulations 2001 (Cth).
Company means Tox Free Solutions Limited ABN 27 058 596 124.
Constitution means the constitution of the Company as amended from time to time.
Corporations Act means the Corporations Act 2001 (Cth) as amended from time to time.
Directors means the directors of the Company, from time to time.
Executive LTI Plan or LTI means the Tox Free Solutions Executive Long-Term Incentive Plan as amended from time to time.
Explanatory Memorandum means this explanatory memorandum.
Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company.
Notice means the notice of Annual General Meeting of the Company.
Performance Rights means an entitlement granted to a participant in the Executive LTI Plan to receive one Share subject to the satisfaction of any applicable vesting conditions, performance hurdles and/or exercise conditions.
Proxy Forms means the proxy form attached to the Notice.
Relative TSR means relative total shareholder return.
Remuneration Report means the remuneration report set out in the Directors’ report section of the Company’s annual financial report for the year ended 30 June 2014.
Resolution means a resolution contained in the Notice.
Share means a fully paid ordinary share in the capital of the Company.
Share Appreciation Rights means a right granted to a participant in the Executive LTI Plan to receive a future payment equal to the positive difference between the market value of a Share at the grant date or other time determined by the Board and the market value of a Share upon exercise of the Share Appreciation Right.
Shareholder means a registered holder of Shares.
WST means Australian Western Standard Time.

PROXY FORM

APPOINTMENT OF PROXY

TOX FREE SOLUTIONS LIMITED
ABN 27 058 596 124
ANNUAL GENERAL MEETING

I/We ________ being a Member of Tox Free Solutions Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint Name of proxy (Please note: Leave blank if you have selected the Chair of the Annual General Meeting as your proxy.)
or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair’s nominee,

to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 10.30 am (WST) on Friday 28 November 2014 at Rendezvous Grand Hotel Scarborough, Perth Western Australia, and at any adjournment of that meeting.

Voting on Business of the Annual General Meeting

<table>
<thead>
<tr>
<th>Resolution</th>
<th>FOR</th>
<th>AGAINST</th>
<th>ABSTAIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Adoption of Remuneration Report</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>2 – Re-election of Director – Richard Allen</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>3 – Re-election of Director – Michael Humphris</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>4 – Issue of Performance Rights and Share Appreciation Rights to Mr Stephen Gostlow</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
</tbody>
</table>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is ____%.

Signature of Member(s)

Individual or Member 1 ________________ Member 2 ________________ Member 3 ________________

Sole Director/Company Secretary ________________ Director ________________ Director/Company Secretary ________________

Contact Name: ________________ Contact Ph (daytime): ________________ Date: ________________