

TRANSPACIFIC INDUSTRIES GROUP LTD
6th ANNUAL GENERAL MEETING
Wednesday 3 November 2010
(commencing at 10am Brisbane time)

CHAIRMAN'S ADDRESS

Good Morning Ladies and Gentlemen, and welcome to the 6th Annual General Meeting of Transpacific Industries Group Ltd.

As it is 10am and there clearly is a quorum present I declare the meeting open.

I am Gene Tilbrook and I am pleased to be here today at my first AGM as Chairman of Transpacific and also as Chairman of the meeting.

I'd like now to re-introduce you to my fellow directors: - on my left we have my fellow non-executive directors Bruce Brown, Graham Mulligan, Bruce Allan, Martin Hudson and Rajiv Ghatalia.

As you are aware we have resolutions today regarding re-election of Graham Mulligan and Bruce Allan. On the proxies we have received it is unlikely that they will be re-elected. Whatever the outcome, I'd like to pay tribute to the contribution of each to this Board.

Graham joined the Board in 2004, and Bruce in 2006, and they have contributed to a period of rapid growth, as well as assisting with the refinancing last year. They have both been instrumental in implementing new Board structures and providing guidance to management through a period of great change. I thank both Graham and Bruce for their commitment to this Company on behalf of shareholders. I will miss their knowledge and friendship.

To my right is our CEO Trevor Coonan. Trevor is joined by Kevin Campbell, who we welcome as our new Chief Financial Officer; and Kellie Smith, our Company Secretary.

Also in the audience today are many of Transpacific's senior executives, and on behalf of you, the shareholders, I welcome them and thank them for their efforts during the year.

The Company's auditor, Ernst & Young is also here today, and is represented by Mr Mike Reid, a partner with the firm.

The notice of meeting is dated 1 October 2010, and has been sent to all shareholders. If there is no objection, I propose to take the Notice of meeting as read. Extra copies are available in the registration area should you need a copy.

As you'd be aware from the Notice, there are 7 main items of business to be discussed when we move into the formal part of the meeting.

But before that I'll spend some time providing an overview of what is happening in our company and the industries in which Transpacific operates, and what lies ahead for the company.

Trevor Coonan will then comment in more specific terms on the company's business activities, after which I will return to open the formal proceedings.

There will be an opportunity for you all to ask questions on the resolutions as they arise.

Shareholders were also given the opportunity to submit their written questions prior to the meeting, and these will be addressed through the course of our addresses this morning.

CHAIRMAN'S ADDRESS

FY10 was very much a year of consolidation, refinancing and positioning Transpacific to take advantage of future opportunities. These changes show the ongoing commitment of the Company to strengthening its business and governance processes.

During the year we streamlined our operating structure, reorganising our divisions into three segments:

- Transpacific Cleanaway and Transpacific Waste Management, which are the solid waste operations in Australia and NZ;
- Transpacific Industrials, which provides the liquid waste, organics, energy and industrial services offerings; and
- Commercial Vehicles and Manufacturing, which provides internal and external products and services.

Our Board and Committee structure is now within ASX guidelines. We are actively searching for a further Non-Executive Director.

We have four Board Committees:

- Audit;
- Risk and Compliance;
- Human Resources
- Nomination.

There has been an increased emphasis on risk management, through the appointment of a Chief Risk Officer in March 2010, and the establishment of an internal audit function in July 2010 focused on:

- OH&S
- Environment
- Financial and general control matters (outsourced to KPMG)

A major ERP project is in progress to standardise all our systems and is expected to complete next year. This is a pre-requisite to rationalising and integrating business processes across the group.

In April we completed a new corporate plan, and we are about to commence the annual review and update. Transpacific is now focused on the strategic objectives of organic growth, improved products and new offerings to our customers; aimed at enhancing our position as the leading provider of integrated total waste management solutions through comprehensive resource recovery, waste management and transport solutions.

Following the market downturn in late 2008, we are seeing signs of recovery in some of our markets. We are benefiting from increased mining activity but demand from the manufacturing and construction and demolition sectors remains flat.

We are also seeing changes in the dynamics of the waste industry itself.

Waste is an inevitable by-product of modern society. The challenge for waste management companies is to address this issue effectively for the benefit of all stakeholders, and the environment. Recovery of waste for re-use becomes increasingly important.

The Australian waste market is forecast to grow significantly in the years ahead –driven by population growth and consumption; the government estimates that Australia is producing 50 million tonnes of waste per annum growing to some 70 million tonnes per annum by 2020. With an integrated network of infrastructure, technologies and capabilities throughout Australia and New Zealand, Transpacific is strategically placed to take advantage of this opportunity and protect the environment.

Major change is driven by community demands to protect the environment; this is represented by government waste diversion targets, an increasing emphasis on recycling, increasing Landfill Levies and an increased requirement from customers for green and sustainable solutions. Existing landfill capacity is decreasing, and permitting of new landfills is becoming harder.

Governments continue to be under pressure to implement measures to reduce CO2 emissions – another strong driver of opportunity and innovation for Transpacific.

This set of dynamics will continue to lead the industry towards alternatives to traditional disposal methods like landfill and towards Material Recovery Facilities and Advanced Waste Treatment plants capable of recovering both resources and renewable energy from waste.

There is increasing evidence that customers are forming alliances for waste management contracts. Such tenders are increasingly favouring contractors with strong 'green' credentials. As an example; alliances are emerging between groupings of smaller councils seeking economies of scale and increasing their ability to procure long term sustainable advanced waste solutions.

This is requiring all industry participants to review their service offerings, and look for alternative waste technologies.

All of this gives rise to opportunities for your Company, and is leading us to pursue, and invest in, new technologies and innovation and seek strategic alliances.

TPI is introducing new technologies into the treatment of liquid waste streams, focused on waste minimisation and resource recovery. Investments in these technologies are supported by the relevant environmental authorities. In particular Victorian government authorities have granted funds to Transpacific to invest in new technologies for the treatment of liquid waste, reducing the need for landfilling residues from this process.

The growth of the oil and gas industries in Australia is providing opportunities for our Industrials division, and we have acted on a number of these already opening up new areas of operation for our business both on and off shore. Our work in these sectors also provides the group with access to new technologies.

Priority is also being maintained on our oil recovery operations with new long term agreements secured for waste oil collections, which should realise better utilisation rates through our refineries. Partnering arrangements together with the identification of new technologies are also being vigorously pursued to ensure the best utilisation of our existing assets.

The investment in alternate waste treatment technologies is on a case by case basis, having regard to the composition of material, volume of waste, and weighing this up against existing disposal costs. That is, how much is a customer willing to pay for a “green solution”. At this time, Transpacific continues to develop its capabilities in this area, and respond to opportunities in the market as they arise.

There will be operational benefits and efficiencies to come for Transpacific from the November 2009 organisational restructure, forthcoming improved systems, and from the industry and the individual Transpacific opportunities outlined above.

We are managing our balance sheet carefully, and will continue to focus on generating cash flows which will be used to repay debt. The cash flows will be generated from –

- Operations and improved working capital management
- Rationalisation and sale of sites
- Realising proceeds from the sale of listed investments and retired landfill sites following remediation.
- Improving existing asset utilisation thus reducing capital expenditure.

Capital investments we are making on strategic objectives are typically small and incremental, aimed at generating strong cash flows.

The opportunities for Transpacific are encouraging. Together, the Board and the management team are committed to growing your company, by satisfying consumer and community demands, taking advantage of new opportunities that are emerging in the industries, investing in new technologies and

innovation, and delivering sustainable outcomes and long term value for our customers and shareholders.

I would like to thank all our investors for their continued support, and the Board and Transpacific management team lead by Trevor Coonan for their dedication and hard work.

I'll now hand over to Trevor.

CEO's ADDRESS

Thank you Gene.

Good morning everyone.

As mentioned by Gene, our business has stabilised due to an improved operating environment and the resilience and support of our customers and our people.

Within FY10 H2 EBITDA of \$223 million exceeded H1 (\$201 million) which continued the growth of FY09 H2 (\$192 million).

We continue to strive for business and cost improvements across all parts of the business, and the streamlining of our operating divisions has delivered real savings.

Operating cash flow for FY10 of \$290 million was an improvement on the prior corresponding period of \$202 million. We continue to focus on working capital management and increased business discipline, and the repayment of debt. Net debt reduced by \$823 million during FY10, with financing costs reduced by 11%.

Our balance sheet was significantly strengthened following the restructure and equity raising in August 2009. Our banking facilities within Australia were extended into 4 and 5 year tranches. There is now no required renewal or refinancing until FY13 and we are actively pursuing the Company's five year plan.

Lets take a look at each of the operating segments separately, their results for FY10, and the opportunities for the future.

Our solid waste businesses, Transpacific Cleanaway in Australia, and Transpacific Waste Management in New Zealand, delivered encouraging performances for FY10. Commodity prices are improving, albeit not to the levels seen pre the global downturn. Our municipal business continues to perform strongly, with net contract wins.

We continue to see changes in the solid waste markets. With Australia's waste volumes predicted to increase from 50 million to some 70 million tonnes per annum over the next 10 years, our focus is on capturing more volume and identifying appropriate alternate waste technologies to divert waste from landfill to create renewable energy. There are many different technologies in use throughout Europe, and we continue to review these to find the best fit for the Australian climate, population and volumes. Government actions are leading industry players down this path as well, with increasing landfill levies, which will soon make alternate technologies more viable in the Australian market.

You will see from our Annual Report, a project being undertaken at our Redvale landfill in New Zealand. Currently this landfill generates 9MW of electricity for the local grid. We are looking at alternatives to this process, and the current project seeks to demonstrate the potential for biogas technology to produce an output which can be used as a vehicle fuel, providing a greater global environmental benefit.

Transpacific Industrials, consisting of our technical services, hydrocarbons and industrial services businesses, continued to operate under relatively subdued market conditions in FY10. The division saw slight activity improvement stem from the resources sector, however volumes of waste from manufacturing customers remained subdued.

Our Industrials businesses continue to look for new and innovative ways to deal with waste, and to improve and expand our service offerings to customers. Our focus is on new treatment processes that will further reduce waste-to-landfill, energy and water usage, waste processing costs and the impact on the environment.

Our Technical Services team has identified a new treatment process which enables the extraction of particular heavy metal contaminants which were historically treated and landfilled, to now be recovered from the waste stream and re-used as recovered metals, thus diverting waste from landfill and reducing our costs. It will also place us in a position to re-use the liquid waste streams that the metals have been recovered from. The Victorian government has made funding available for this project on the achievement of certain milestones.

Our Industrial Services business has been nominated as preferred supplier for a large international salvage group. We have carried out a number of projects for them, including assisting with the clean up of the Great Barrier Reef oil leak. This relationship brings to the group access to new technologies.

In addition, Transpacific's services were welcomed in Christchurch following the devastating earthquake. Our staff worked tirelessly to assist with the clean up and Transpacific donated to the Mayor's Public Fund and seed funded a company-wide appeal for our staff who were personally affected by the earthquake.

The Commercial Vehicles and Manufacturing division earnings have historically been, and continue to be “lumpy”. These earnings are principally driven by the size of the heavy duty truck market, which in turn is determined by customer attitudes to capital expenditure on new vehicles, and their internal decisions on investing in new vehicles and equipment versus maintaining existing assets. At this time there is continued softness in the heavy duty truck market.

The attitude and timing of government bodies also adds to the lumpiness of our business, with tax incentives assisting results in H210, and at times when they change the emission standards legislation.

Transpacific is broadening our product offerings, through the introduction of two new brands of commercial vehicle which will give us new markets – the medium and light duty truck markets. A light commercial vehicle from China will be the first Foton model introduced, and this will open new markets to Transpacific as neither the MAN nor Western Star brands compete in this market.

We have also searched the globe for the very best refuse collection vehicle to service both our own needs, as well as those of the broader refuse industry, and will commence importing Dennis Eagles from the UK in the current year.

We also continue to expand on the product offerings of our other brands.

Safety of our workforce and our commitment to the environment is fundamental to the way in which we operate. All of our people are encouraged to embrace a culture in which Zero Harm is a priority. Our recently developed safety leadership training course reinforces this.

The Group’s lost-time incident frequency rate continues to trend downwards to a rate of 2.51 - a 16% improvement from FY09. This reduction is a reflection of the concerted efforts of our team to minimise work place risk. These efforts have been rewarded through the extension of our licence under the Comcare self-insurance scheme for Australian employees for a further 4 years.

Our inhouse team of environmental experts continue to provide us with the best skills and experience the industry has to offer.

A recent reorganisation of these teams is expected to deliver further improvements to the quality of these functions.

Transpacific is committed to sustainability in everything that we do – through our commitment to minimising our own waste, and practicing environmental best practice; and through providing sustainable solutions to our customers waste and environmental needs.

We live by, and practice “Recover Recycle Re-use” – from the collection and re-refining of waste oil, through to the collection and sorting of recyclables such as paper, cardboard, plastic and steel, through our waste to energy facilities at landfills, through organics processing and through our food waste to energy plant in Sydney.

We are always researching and developing new waste minimisation and environmentally efficient treatment products and processes for both our own business and for our customers. An example of this is where we advised Westfield on ways to minimise their waste by employing greater recycling efforts.

We recently introduced our own Green Office guide internally, which encourages our staff to make changes to reduce the impact of our offices on the environment by improving energy and resource efficiency and decreasing greenhouse gases, whilst cutting operating costs

Transpacific Cleanaway has staff dedicated to educating school children, residential and commercial customers to ensure that as much waste as possible is recycled, and waste to landfill is minimised.

We continue to partner with leading industry groups to promote environmental best practice and sustainability in the waste industry. Such associations enable us to continue to meet our customers growing needs for sustainable solutions.

As you can see, Transpacific has, and is continuing to work hard to position ourselves to capitalise on exciting future opportunities. The market environment is showing signs of recovery, and we are pursuing modest incremental growth via investment opportunities and contracts. Our existing infrastructure also has capacity to handle higher volumes as the economy strengthens. However, as mentioned earlier, there is continued softness in the heavy duty truck market.

There are still operational benefits and efficiencies to come from our recent restructures and improved systems, and our focus remains on cash flow generation for application to debt.

I would like to take this opportunity to thank the Board for their support, and would also like to thank you for your support of our Company. I look forward to leading the Company in pursuit of its objectives in FY11.

I will now hand back to Gene for the formal resolutions.