Transpacific Industries Group Ltd
A.C.N. 101 155 220
A.B.N. 74 101 155 220

19 December 2006

Transpacific Offer for Baxter
Early Payment to Baxter Shareholders

Transpacific Waste Management Pty Ltd ("**Transpacific**"), a wholly owned subsidiary of Transpacific Industries Group Limited, today announced accelerated payment terms for those Baxter shareholders that provide their acceptance to Transpacific's off-market takeover bid ("**Offer**") by 6pm (Melbourne time) on 22 December 2006.

Transpacific is conscious of Baxter shareholders' desire to have their acceptances settled as quickly as possible and trusts this arrangement will be attractive to those shareholders that are currently considering the Offer. Given the Offer is now also unconditional, Baxter shareholders have the benefit of a highly attractive and certain Offer, which has been accepted by all of Baxter's Directors and substantial shareholders.[1] Transpacific currently has a relevant interest in 62.2% of Baxter's shares and, following processing of all substantial shareholder acceptances, Transpacific will have a relevant interest in more than 70% of Baxter's shares.

Baxter's Directors have also unanimously recommended that Baxter shareholders accept the Offer as soon as possible.

To accept the Offer, Baxter shareholders should follow the instructions on the Acceptance Form sent to them with Transpacific's Bidder's Statement and mailed again last Friday.

Accelerated Payment Timing

Baxter shareholders that provide their acceptance to Transpacific by 6pm (Melbourne time) on 22 December 2006 will have their **acceptances settled on 3 January 2007**.

In the absence of the above arrangement, Transpacific would provide Baxter shareholders with their consideration within the earlier of one month of acceptance and 21 days after the Offer closes. Transpacific's intention is that this standard settlement timing will continue to apply to Baxter shareholders whose acceptance is received after 6pm (Melbourne time) on 22 December 2006.

Delisting of Baxter

In its Bidder's Statement, Transpacific set out its intentions in the event it held more than 50% of Baxter's shares as will be the case from 3 January 2007. As indicated in the Bidder's Statement, Transpacific will monitor whether Baxter continues to meet the ASX requirements for maintaining a listing and if this is no longer the case Transpacific intends to apply to the ASX to have Baxter delisted.

[1] Note that certain of these substantial shareholders acceptances are currently being processed.

Offer Terms and Benefits to Baxter Shareholders

For further information, Baxter shareholders should review Transpacific's announcement in relation to the Offer dated 2 November 2006 and Transpacific's Bidder's Statement.

Offer Period

Given Transpacific's voting power in Baxter increased above 50% yesterday (ie within the last seven days of the Offer period), the Offer period has automatically extended by 14 days. The Offer now closes at 6pm (Melbourne time) on 2 January 2007 (Transpacific reserves the right to extend the Offer period).

For further information in relation to the Offer or to be sent an Acceptance Form, Baxter shareholders should call the Transpacific Offer Information Line on 1800 686 307 (callers inside Australia) or +61 2 8256 3395 (callers outside Australia).

Contact Details

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