Transpacific Industries Group Ltd
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2 July 2007

UPDATE REGARDING ENVIROWASTE

Further to our announcement on 30 May 2007, The NZ Commerce Commission's written report regarding TPI's purchase application for parts of Envirowaste was published on Friday.

Although certain facets of the decision are unclear, it is clear that TPI can –

- increase its 50% ownership in Canterbury Waste Services Limited to 100%. This entity -
  - owns a Christchurch transfer station,
  - owns 50% of Transwaste Limited (Kate Valley landfill),
  - has rights to transport waste to the Kate Valley landfill and
  - has rights to operate the Kate Valley landfill.
- by virtue of uplifting TPI's ownership in Canterbury Waste Services, TPI's ownership in Kate Valley landfill effectively lifts from 25% to 50%, and
- purchase the Dunedin landfill and transfer station operations.

Under the agreement with Ironbridge, these will cost approximately NZD 63 million and represent about half the total purchase application. FY08 forecast annualised EBITDA (including synergies) from these businesses approximates NZD 7.9m.

In respect of the other half, TPI intends to seek clarity from the Commerce Commission and, depending on the outcome, may appeal the decision.

TPI Executive Chairman Terry Peabody stated "We are pleased that we can top up our ownership of Canterbury Waste Services (and Transwaste), and can acquire the Dunedin landfill and transfer station. Kate Valley is a unique asset – it is the largest landfill in the South Island, centrally located, is new and built with state of the art technology, has a life in excess of 35 years and operates as a successful private/public partnership with the other 50% being owned by 6 regionally based councils. The Dunedin landfill is complimentary as it is a well established operating landfill in the south of the island with at least 10 years remaining life."

He also said, "TPI will continue to seek ownership of more of the assets and we are confident that we will enhance the current position."

TPI and Ironbridge could complete the acquisition of Canterbury Waste Services and the Dunedin businesses now however NZ Overseas Investment Office approval remains outstanding. TPI will continue to follow up the OIO and will update the market once a decision is made.

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About Transpacific Industries Group (ASX: TPI)

Transpacific is the leading Australasian provider of integrated total waste management solutions with operations in both solid and liquid waste management. The company also provides integrated industrial cleaning services, has a growing energy business comprising the refining of used oil into fuel and an established heavy-duty commercial vehicles business.