



22 January 2008

Companies Announcement Office
Australian Securities Exchange

ISSUE OF SHARES AND OPTIONS

Aeris Environmental Ltd (ASX Code: AEI) advises that it has issued 49,012 ordinary shares and 210,000 five-year options. Of these options 60,000 have an exercise price of \$0.52 and 150,000 have an exercise price of \$0.50. All 210,000 options expire if not exercised on 28 December 2012. The options vest in three equal installments on 28 December 2008, 28 December 2009 and 28 December 2010.

On 28 February 2007 the Company advised that it had appointed Ronald J Bacskai as Executive Vice-President of its USA operations. The shares and options have been issued as part of Ron Bacskai's remuneration package and as payment for a performance bonus in the first period of his employment.

Attached is an Appendix 3B for the issue of the shares and options.

Notice Under Section 708A(5)(e)

Aeris advises that on 22 January 2008 the Company issued 49,012 ordinary shares with terms as set out above.

The Company gives notice that:

- (1) this notice is being given under section 708A(5)(e) of the Corporations Act 2001 (Corporations Act);
- (2) the Company issued the securities without disclosure to investors under Part 6D.2 of the Corporations Act;
- (3) as at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of the Corporations Act; and
- (4) except as may be set out in this notice, there is no other information that is excluded information as at the date of this notice which is required to be set out in this notice under section 708A(6)(e) of the Corporations Act.

Aeris Environmental Ltd

Robert J Waring
Company Secretary



Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available.

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Aeris Environmental Ltd

ABN

ABN 19 093 977 336

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares and options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 49,012 shares and 210,000 options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Exercise price of 60,000 options is 52 cents and expiry date is 28 December 2012
Exercise price of 150,000 options is 50 cents and expiry date is 28 December 2012 |

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

New shares rank equally with existing shares.

There are no quoted options.

Options can participate in any future dividends if exercised into fully paid ordinary shares.

5 Issue price or consideration

Shares and options issued as set out in announcement.

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

Set out in attached announcement.

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

23 January 2007

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
96,806,576	Fully Paid Ordinary Shares

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
535,000	Options – ESOP expire 19 January 2010 with an exercise price of 79 cents
641,250	Options – ESOP expire 19 January 2010 with an exercise price of 68 cents
30,000	Options – Expire 30 September 2008 with an exercise price of 54 cents
30,000	Options – Expire 30 September 2008 with an exercise price of 62 cents
30,000	Options – Expire 30 September 2008 with an exercise price of 77 cents
30,000	Options – Expire 30 September 2008 with an exercise price of 62 cents
30,000	Options – Expire 30 September 2009 with an exercise price of 60 cents
30,000	Options – Expire 30 September 2009 with an exercise price of 63 cents
30,000	Options – Expire 30 September 2009 with an exercise price of 54 cents
60,000	Options – Expire 31 December 2008 with an exercise price of 68 cents
250,000	Options – Expire 6 May 2010 with an exercise price of 47 cents
150,000	Options – Expire 31 March 2011 with an exercise price of 62 cents
3,080,000	Options – Expire 21 December 2010 with an exercise price of 30 cents
1,500,000	Options – Expire 21 November 2012 with an exercise price of 65 cents, 75 cents and \$1 (3 x 500,000)
540,563	Options – Expire 7 May 2012 with an exercise price of 57 cents
60,000	Options – Expire 28 December 2012 with an exercise price of 52 cents
150,000	Options – Expire 28 December 2012 with an exercise price of 50 cents
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Options can participate in dividends if exercised into Fully Paid Ordinary Shares.

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval
to required?
33

Questions 11 to 33 are not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities

(tick one)

- (a) Securities described in Part 1
- (b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which
to +quotation is sought
42

Questions 38 to 42 are not applicable

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

R J Waring

Date:

22 January 2008

~~(Director/~~Company Secretary)

Print name:

R J Waring