



31 March 2011

Companies Announcement Office  
Australian Securities Exchange

### ISSUE OF OPTIONS

Attached is an Appendix 3B for the issue of 50,000 options as payment for advisory consulting services provided to the Company. These options have been issued for no cash consideration and have an exercise price of 50 cents and expire on 17 March 2016.

### Secondary Trading Exemption

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, a sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- a) the Company issued the Securities without disclosure to investors under Part 6D.2 of the Act;
- b) the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- c) there is no information:
  - i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - B) the rights and liabilities attaching to the Securities.

**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, 24/10/2005

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  | <b>Options</b>  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | <b>50,000 options</b>   |
| 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) | <b>The options have an exercise price of 50 cents and will expire on 17 March 2016.</b> |

- 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
- There are no quoted options.  
Options can participate in any future dividends if exercised into fully paid ordinary shares.**

- 5 Issue price or consideration
- Options issued for no cash consideration and have an exercise price of 50 cents.**

- 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
- 31 March 2011**

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<b>99,255,798</b>	<b>Fully Paid Ordinary Shares</b>

	<u>Number</u>	<u>+Class</u>
9		Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)
	150,000	Options – Expire 31 March 2011 with an exercise price of 62 cents
	75,000	Options – Expire 1 July 2011 with an exercise price of 51 cents
	1,500,000	Options – Expire 21 November 2012 with an exercise price of 65 cents, 75 cents and \$1 (3 x 500,000)
	1,002,000	Options – Expire 8 December 2012 with an exercise price of 30 cents
	307,500	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
	1,000,000	Options – Expire 1 September 2013 with an exercise price of 25 cents (500,000) and 40 cents (500,000)
	25,000	Options – Expire 31 March 2012 with an exercise price of 18.5 cents
	515,000	Options – Expire 29 June 2014 with an exercise price of 20 cents
	1,250,000	Options – Expire 30 June 2012 with an exercise price of 20 cents
	12,500,000	Convertible Notes – conversion price 20 cents and maturity date 31 December 2012
	275,000	Options – Expire 9 January 2016 with an exercise price of 25 cents
50,000	Options – Expire 17 March 2016 with an exercise price of 50 cents	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	<b>Options can participate in dividends if exercised into Fully Paid Ordinary Shares.</b>

### 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.
  - 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:

*Robert J Waring*Date: **31 March 2011**


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 (~~Director~~/Company Secretary)

Print name:

**Robert J Waring**