



14 July 2006

Companies Announcement Office
Australian Stock Exchange Limited

Aeris Technologies Ltd
ABN: 19 093 977 336
Level 1, 5/26-34 Dunning Ave
Rosebery NSW 2018

Tel: 1300 557 481
Tel: +61 2 8344 1315
Fax: +61 2 9697 0944

ISSUE OF OPTIONS

On the 15 November 2004 Aeris Technologies Ltd advised that Professor Kerryn Phelps had agreed to extend her role as an Advisor on health related issues with Aeris for a further two years and will be very active in a media campaign promoting the AerisGuard Total Air Care Park in Australia.

In recognition for the valuable contribution being made by Professor Phelps Aeris has issued 30,000 options to a company associated with Professor Phelps. These options have been issued for no cash consideration, have an exercise price of 63 cents and expire on 30 September 2009.

Notice Under Section 708A(5)(e)

Aeris advises that on 13 July 2006 it issued 30,000 options with an exercise price of 63 cents and expiry date of 30 September 2009 (New Options).

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.

Yours faithfully
Aeris Technologies 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 Technologies 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 | Options |
| 2 | Number of ⁺ securities issued or to be issued (if known) or maximum number which may be issued | 30,000 |
| 3 | Principal terms of the ⁺ securities (eg, 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 63 cents and expiry date of 30 September 2009 |

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	<p>No – there are no quoted options.</p> <p>Options can participate in any future dividends if exercised into fully paid ordinary shares.</p>				
<p>5 Issue price or consideration</p>	<p>The options have been issued for services provided as set out in attached announcement.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The options have been issued for services provided as set out in attached announcement.</p>				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>13 July 2006</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="702 1310 917 1355">Number</th> <th data-bbox="917 1310 1356 1355">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="702 1355 917 1444">87,517,564</td> <td data-bbox="917 1355 1356 1444">Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	⁺ Class	87,517,564	Fully Paid Ordinary Shares
Number	⁺ Class				
87,517,564	Fully Paid Ordinary Shares				

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

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Rank equally with existing options and can participate in dividend 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
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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

(~~Director~~ Company Secretary)

Date:

14 July 2006

Print name:

R J Waring