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## NOTICE OF THE 2017 ANNUAL GENERAL MEETING

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NOTICE IS HEREBY GIVEN that the 2017 Annual General Meeting of the members of **Aeris Environmental Ltd** (Aeris or the Company) will be held at the offices of DibbsBarker Lawyers, Level 8, Angel Place, 123 Pitt Street, Sydney on Wednesday, 29 November 2017 commencing at 11:00am.

### BUSINESS

#### ORDINARY BUSINESS

**1. To Consider the Financial Report**

To consider the Reports of the Directors and the Auditor, and the Financial Statements of the Company for the year ended 30 June 2017.

**2. Resolution 1 – To Elect a Director – Mr Bernard Stang**

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

That, pursuant to the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Bernard Stang, who retires by rotation as a Director, and, being eligible, offers himself for re-election, be elected a Director of the Company.

**3. Resolution 2 – To Adopt the Remuneration Report**

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

That the Company's Remuneration Report for the financial year ended 30 June 2017, as set out in the Directors' Report in the Company's 2017 Annual Report, be received, approved and adopted.

*Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.*

**4. To transact any other business brought forward in accordance with the Company's Constitution.**

Further information in relation to these Resolutions is set out in the attached Explanatory Notes.

#### VOTING EXCLUSION STATEMENTS

In respect of **Resolution 2**, the Company will disregard any votes cast (in any capacity) by or on behalf of any person who is a member of the key management personnel (KMP), whose remuneration details are included in the Remuneration Report, or a closely-related party of such a member. The prohibition in the Corporations Act on members of the Company's KMP voting does not apply to the Chairman of the AGM as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the AGM to vote. However, the Company need not disregard any vote by any such persons if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form.

#### PROXIES

To be effective, Proxy Forms must be received by the Company at its registered office at least 48 hours before the time for holding the Meeting.

**By hand delivery:**

Unit 5, 26-34 Dunning Avenue,  
Rosebery NSW

**By facsimile:**

(02) 9697 0944

**By postal delivery:**

PO Box 324,  
Crows Nest, NSW 1585

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the Register of Shareholders as at 11:00am (Sydney time) on Monday, 27 November 2017. Share transfers registered after that time will be disregarded in determining entitlements to vote at the AGM. In addition, Australian legal requirements limit the eligibility of certain people to vote on some items of business to be considered at the AGM. This voting exclusion is designed to limit the capacity of people who stand to benefit from a Resolution to influence whether or not the Resolution is passed.

A member entitled to attend and vote at the AGM is entitled to appoint not more than two persons as his / her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Unless under Power of Attorney (which should have been noted by the Company), a Proxy Form by a corporation should be executed under its common seal or in accordance with the Corporations Act 2001.

If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting on that Resolution as they think fit. Should any resolution, other than those specified in the Notice of AGM, be proposed at the AGM, a proxy may vote on that resolution as they think fit. If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on any poll that may take place and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction on how to vote, but do not nominate the identity of their proxy, will be taken to have appointed the Chairman of the AGM as their proxy to vote on their behalf. If a Proxy Form is returned, but the nominated proxy does not attend the AGM, or does not vote on the Resolution, the Chairman of the AGM will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the AGM, the Company Secretary or any Director that do not contain a direction on how to vote will be used where possible to support each of the Resolutions proposed in the Notice of AGM.

Dated in Rosebery on this 25th day of October 2017.

**BY ORDER OF THE BOARD**

**Robert J Waring**  
Company Secretary

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## EXPLANATORY NOTES

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These **Explanatory Notes** set out information in connection with the business to be considered at the 2017 Aeris Environmental Ltd Annual General Meeting.

### ORDINARY BUSINESS

The following items of ordinary business will be considered at the AGM.

#### To Consider the Financial Report

This item of business relates to the consideration of the Company's Financial Statements, including the related Directors' and Auditor's Reports, for the year ended 30 June 2017 as required by the Corporations Act, and gives the Shareholders the opportunity to ask questions or to make comments concerning the Financial Report during the AGM. Shareholders who elected to do so will have received a printed or email version of the Company's Annual Report, and a copy is available on the ASX website, as well as the Company's website at [www.aeris.com.au](http://www.aeris.com.au). A copy of the 2017 Annual Report may also be requested from the Company Secretary. There is no requirement for a formal resolution on this item.

#### General Explanatory Note Applying to Resolution 1

The Company undertakes appropriate checks before appointing a person, or putting forward to security holders a candidate, for election as a director and provides security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director. These include checks as to the person's character, experience, education, criminal record and bankruptcy history. Candidates for appointment or election as Non-Executive Directors provide the Board with the information above and a consent for the Company to conduct any background or other checks the Company would ordinarily conduct. The candidate also provides details of his or her other commitments and an indication of time involved, and specifically acknowledges to the Company that he or she will have sufficient time to fulfil his or her responsibilities as a director. A candidate for election as a Director of Aeris discloses to the Company all interests, positions, associations and relationships that may bear on his or her independence.

#### Resolution 1

##### To Elect a Director – Mr Bernard Stang

Non-Executive Director Mr B Stang (B.Arch) is a Co-Founder and Director of the Regional Health Care Group of companies. He serves as the Chief Executive Officer of Stangcorp Pty Ltd, Stoneville Ltd and Brunswick Property Pty Ltd, which are key property entities in the Stang Group. Mr B Stang manages a broad portfolio of investments in the private and listed sectors, and has enjoyed over 40 years of operational leadership in successful healthcare businesses. He serves as a Director of Novapharm Research. Mr B Stang is a Director of Weizmann Australia, which represents the Weizmann Institute of Science in Australia, and the Institute has recently established the Garvan-Weizmann Centre of Cellular Genomics in Sydney, in joint venture with the Garvan Institute. He served as a Non-Executive Director of Nanosonics Limited (ASX:NAN) until 2007.

Under the Company's Constitution, whereby at least one third of Directors must retire (and may seek re-election) at each AGM, Mr B Stang retires by rotation and, being eligible, wishes to stand for re-election. During the year, the Board oversaw a review of the performance of all Directors, which was designed to assess the effectiveness of each Director. All Directors contributed to that review. The Board has also reviewed the skills, backgrounds, knowledge, experience, and diversity of gender and nationality represented on the Board. On the basis of these reviews, the Board considers that Mr B Stang continues to make a valuable contribution to the Board, particularly on general business and financial matters, and that the Board as a whole has an appropriate mix of skills, backgrounds, knowledge, experience and diversity to operate effectively at its current stage of development. Mr B Stang is a substantial shareholder in the Company and, accordingly, is not considered to be an independent Director of Aeris.

*Appointed to the Board:* Director since 24 July 2002 (i.e. a term of office currently served as a Director of 15 years and three months).

*Directorships of other listed companies held in the last three years:* Non-Executive Director of Vectus Biosystems Limited (ASX:VBS) from December 2005 until October 2016.

*Directors' recommendation:* The Directors (except Mr Bernard Stang) recommend that Shareholders vote in favour of Resolution 1.

## **Resolution 2**

### **To Adopt the Remuneration Report**

The Corporations Act requires that a resolution be put to members to adopt the Remuneration Report for the year ended 30 June 2017, as disclosed in the Directors' Report in the Company's Annual Report. The vote on this Resolution is advisory only and non-binding. The Resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the AGM. Under the Corporations Act, if 25% or more of votes that are cast vote against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a spill resolution) that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

The Company encourages all Shareholders to cast their votes on Resolution 2.

In accordance with section 250R(4) of the Corporations Act, the Company will disregard votes cast on Resolution 2 by any member of the Company's key management personnel (KMP) whose remuneration details are included in the Remuneration Report, or any closely-related parties of such a member, unless the vote is cast:

- (a) as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form; or
- (b) by the Chairman of the AGM as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

KMP of the Company are the Directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's KMP for the financial year to 30 June 2017. The KMP closely-related parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 2 by marking either "For", "Against" or "Abstain" on the Proxy Form for this item of business.

*Directors' recommendation:* The Directors recommend that Shareholders vote in favour of Resolution 2.

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## PROXY FORM

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**Return Proxy Form:**

- by mail to: PO Box 324, Crows Nest, NSW 1585;
- by hand delivery to: Unit 5, 26-34 Dunning Avenue, Rosebery NSW; or
- by facsimile to: (02) 9697 0944.

I / We

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*(full name in block letters)*

of

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*(address)*

being a shareholder of Aeris Environmental Ltd (the Company), and being entitled to attend and vote at the Company's Annual General Meeting (AGM), hereby appoint:

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*(the name of the person (or body corporate) you are appointing if this person is someone other than the Chairman of the AGM)*

of

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*(address)*

or, failing that person:

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*(the name of the person (or body corporate) you are appointing if this person is someone other than the Chairman of the AGM)*

of

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*(address)*

or, failing that person, **the Chairman of the Meeting**, as my / our proxy / proxies to vote for me / us and on my / our behalf at the AGM of the Company to be held at the offices of DibbsBarker Lawyers, Level 8, Angel Place, 123 Pitt Street, Sydney on Wednesday, 29 November 2017 commencing at 11:00am and at any adjournment thereof.

**Proxy Voting Instructions**

**Exercise of Proxy by Chairman:** For undirected proxies, the Chairman intends to vote in favour of each of the Resolutions.

**Chairman authorised to exercise undirected proxies on remuneration-related Resolutions:** Where I / we have appointed the Chairman of the AGM as my / our proxy (or the Chairman becomes my / our proxy by default), I / we expressly authorise the Chairman to exercise my / our proxy on Resolution 2 (except where I / we have indicated a different voting intention below) even though Resolution 2 is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 2 by marking the appropriate box below.

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**Signature of shareholder** (This section **MUST** be signed to enable your directions to be implemented. Companies are to execute under seal or director's signature if appropriate.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017

If you desire to direct your proxy / proxies how to vote (or to abstain from voting) on any Resolution, please insert an **X** in the appropriate box. If you do not direct your proxy / proxies, the proxy holder may vote as they think fit or may abstain from voting.

**ORDINARY BUSINESS**

	<b>For</b>	<b>Against</b>	<b>Abstain</b>
Resolution 1 – To Elect a Director – Mr Bernard Stang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## General Information

To be effective, the Proxy Form and the Power of Attorney or other authority (if any) under which each is signed (or a copy of that Power or authority certified in a manner acceptable to the Directors of the Company) must be received at least 48 hours prior to the AGM (i.e. not later than 11:00am on Monday, 27 November 2017), or to any adjourned meeting, at the Company's office being:

**By mail:** PO Box 324, Crows Nest, NSW 1585  
**By hand delivery:** Unit 5, 26-34 Dunning Avenue, Rosebery NSW  
**By facsimile:** (02) 9697 0944

Additional Proxy Forms will be supplied on request. A body corporate may appoint a representative to attend, vote at and otherwise act for it at the AGM in accordance with section 250D of the Corporations Act 2001.

A Shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in their place. A proxy need not be a Shareholder of the Company.

When more than one proxy is appointed, each proxy must be appointed to represent a specified number of shares held by the Shareholder. Neither proxy may then vote by a show of hands.

Proxies must be appointed in writing under the hand of the Shareholder or the Shareholder's attorney, or if the Shareholder is a company under its common seal or the hand of a duly authorised attorney and in accordance with the Corporations Act.

## Signing Instructions

You **must** sign this Proxy Form, in the spaces provided, as follows:

**Individual:** Where the holding is in one name, the holder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.

**Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this Proxy Form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this Proxy Form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by completing the information in the appropriate place.

If a representative of a company shareholder or a company proxy is to attend the AGM the appropriate Appointment of Corporate Representative Certificate should be produced prior to admission. This form may be obtained from the Company.