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Companies Announcements Office
Australian Stock Exchange Limited

- **Acquisition of food storage hygiene company**
- **New direct service subsidiary formed**

Aeris Technologies (Aeris) is pleased to announce today that its new direct service subsidiary, Aeris Hygiene Services Pty Ltd (AHS), has completed the acquisition of the operating business (including client base, agreements and work in progress) of Steriair Coolroom Cleaning Service Pty Ltd (Steriair).

Aeris Hygiene Services (AHS) was specifically formed to focus on the supply and application of the Company's unique AerisGuard Bioactive hygiene protection technology to cool-room refrigeration systems in Australia and New Zealand.

Steriair commenced operations in 2005 and entered into an MOU (memorandum of understanding) with Aeris in November 2005 for the application of the AerisGuard system in the substantial refrigerated food market. A series of highly successful commercial trials in cool storage facilities at Flemington Market in Sydney demonstrated that the unique AerisGuard Bioactive solutions cleaned and protected the refrigeration systems and the cool-room environment from biofilm and mould contamination and provided the cool-room operators with measurable efficiency improvements in the equipment.

Steriair brings management with a depth of experience and contacts in the Australasian and South East Asian fresh produce markets and has start-up annualised sales of approximately \$200,000.



The acquisition of SteriAir will be satisfied with the issue of Aeris Technologies Ltd share options and this will not have a material dilutionary impact on the issued capital of the Company.

The purpose of the SteriAir acquisition is to rapidly grow AHS in the food safety and storage market in Australia and New Zealand by targeting major corporations who require a safe refrigeration environment from producer to retailer, and to then expand into Aeris' established export markets.

Significantly, the acquisition also heralds the Company's intention to utilise a direct sales and service approach in markets where no 3rd party distribution channel currently exists.

AHS market research has highlighted that whilst a significant number of cool-room refrigeration systems in Australia are contaminated with mould and bacteria, most are not cleaned. This contamination, as well as being a hazard to food hygiene, also significantly reduces the efficiency of the cooling equipment leading to poor temperature and humidity control - potentially reducing the shelf-life of the foodstuff.

Importantly for AHS, this hygiene issue is commonly in plain view with mould growing on the refrigeration system and the surrounding walls and ceiling. As food hygiene requirements become ever more stringent for food producers, processors and retailers, the total opportunity for cool-room refrigeration hygiene services in Australia is estimated to be in excess of \$100 million per year and includes the fresh produce, meat, seafood, food retail, hospitality, refrigerated transport and pharmaceutical industries.

AHS will be commercially fully operational by 1st July 2006, and will be targeting a rapid growing business in Australia and then expanding the foot print into the Company's export markets.

Huw Jones
Chief Executive Officer

About Aeris Technologies

The AerisGuard Bioactive Hygiene Solutions range of products cleans and protects air-conditioning and refrigeration systems from commonly occurring biofilm and mould contamination problems. Systems protected by AerisGuard provide significant human health, equipment efficiency and asset management benefits.

Aeris Technologies Ltd is an industrial technology company focusing on the environmental hygiene and protection market. The Company has three core patented technologies centered on multi-enzyme biofilm removal solutions, residual anti-microbial coatings and corrosion protection coatings. Aeris has developed products for application in air-conditioning and refrigeration systems (both at time of manufacturing and post-installation) and also for biofilm removal in large water treatment facilities. The Company has a number of distribution partnerships around the world including 3M in Japan and Trane in Indochina.