

AEERIS LIMITED and its controlled entities
Appendix 4D Half Year Report

Results for announcement to the market

	31 Dec 2016 \$	31 Dec 2015 \$	%
Revenue from Ordinary activities	554,900	682,931	(19%)
Profit/(Loss) from ordinary activities after tax attributable to members	78,477	(8,447)	1,029%
Net Profit/(Loss) attributable to members	78,477	(8,447)	1,029%

The Company does not propose to pay a dividend.

Net tangible assets	31 Dec 2016 \$	31 Dec 2015 \$
Net tangible assets per ordinary shares	0.03	0.04

The further information required by the Listing Rule 4.2A.3 is included in the accompanying Financial Report.

Please refer to the Directors' Report for an explanation of the operational and financial results for the Group.

Kerry Plowright
Chairman

24 February 2017

Aeeris Limited

**ABN 18 166 705 595
and Controlled Entities**

Consolidated Financial Report **For the period ended 31 December 2016**

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Aeeris Limited
ABN 18 166 705 595
and Controlled Entities

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Aeris Limited

ABN 18 166 705 595
and Controlled Entities

Directors Report for the Half Year Ended 31 December 2016

Your Directors present their report together with the Consolidated Financial Statements of Aeris Limited ('the Company') for the half year ended 31 December 2016.

Directors

The names of the directors in office during and since the end of the financial period, unless otherwise stated, are as follows:

Mr Kerry Maurice Plowright
Mr Ben Loiterton
Mr Bryce Reynolds

Review and results of operations and financial position

The Company recorded a consolidated profit of \$78,477 for the period ended 31 December 2016 (2015 Loss: \$8,447).

Subsequent Events

The directors are not aware of any significant events since the end of the interim period.

Auditors' independence declaration

The lead auditors' independence declaration in accordance with section 307C of the Corporations Act 2001, for the period ended 31 December 2016 has been received and can be found on page 4.

Signed in accordance with a resolution of the Board of Directors:



Director:

Mr Kerry Maurice Plowright

Dated this 24th day of February 2017



**AERIS LIMITED ABN 18 166 705 595
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS
ACT 2001
TO THE DIRECTORS OF AERIS LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2016 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney

Dated this 24th day of February 2017

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated Half Year Ended 31 Dec 2016 \$	Consolidated Half Year Ended 31 Dec 2015 \$
Revenue	2	554,900	682,931
Other income	2	11,810	30,990
R & D refund		589,057	413,842
Total income		1,155,767	1,127,763
SMS Communication		(38,643)	(103,270)
Weather reports		(44,603)	(34,977)
Depreciation and Amortisation		(124,955)	(45,974)
Licence fees		(47,141)	(61,265)
Subcontractors		(73,410)	(110,557)
Consulting fees		(247,197)	(315,749)
Employee benefits expense		(280,734)	(190,935)
IT costs		(47,861)	(37,228)
Other expenses from ordinary activities	3	(172,746)	(236,255)
Profit/(Loss) Before Income Tax		78,477	(8,447)
Income tax expense		-	-
Profit/(Loss) for the Period		78,477	(8,447)
Earnings per Share			
From continuing and discontinued operations:			
- Basic earnings/(loss) per share (cents)	11	0.14	(0.02)
- Diluted earnings/(loss) per share (cents)	11	0.14	(0.02)

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	Consolidated As at 31 Dec 2016 \$	Consolidated As at 30 Jun 2016 \$
Current Assets			
Cash & cash equivalents		1,287,658	1,734,348
Trade & other receivables		88,809	149,578
Total Current Assets		<u>1,376,467</u>	<u>1,883,926</u>
Non Current Assets			
Property, plant & equipment		48,681	55,031
Intangibles	4	1,471,613	1,064,061
Other assets		15,000	15,000
Total Non Current Assets		<u>1,535,294</u>	<u>1,134,092</u>
Total Assets		<u>2,911,761</u>	<u>3,018,018</u>
Current Liabilities			
Trade & other payables		70,097	243,965
Provisions		39,490	50,356
Total Current Liabilities		<u>109,587</u>	<u>294,321</u>
Total Liabilities		<u>109,587</u>	<u>294,321</u>
Net Assets		<u>2,802,174</u>	<u>2,723,697</u>
Equity			
Issued capital	5	4,921,017	4,921,017
Options reserve		94,967	94,967
Accumulated losses		(2,213,810)	(2,292,287)
Total Equity		<u>2,802,174</u>	<u>2,723,697</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Notes	Accumulated Losses \$	Options Reserve \$	Issued Capital \$	Total \$
Consolidated Group					
Balance as at 1 July 2015		(826,329)	94,967	4,904,442	4,173,080
Loss for the financial period		(8,447)	-	-	(8,447)
Issue of options		-	1,936	-	1,936
Balance as at 31 December 2015		(834,776)	96,903	4,904,442	4,166,569
Balance as at 1 July 2016		(2,292,287)	94,967	4,921,017	2,723,697
Profit for the financial period		78,477	-	-	78,477
Balance as at 31 December 2016		(2,213,810)	94,967	4,921,017	2,802,174

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Consolidated Half Year Ended 31-Dec- 2016 \$	Consolidated Half Year Ended 31-Dec- 2015 \$
Cash flow from operating activities		
Receipts from customers	499,171	585,276
Interest received	11,810	30,990
R & D refund received	589,057	413,842
Payments to suppliers & employees	(1,033,644)	(1,105,406)
Net cash provided by/(used in) operating activities	<u>66,394</u>	<u>(75,298)</u>
Cash flow from investing activities		
Purchases of property, plant & equipment	(4,906)	(11,011)
Payments for intangibles	(508,178)	(411,906)
Net cash used in investing activities	<u>(513,084)</u>	<u>(422,917)</u>
Cash flow from financing activities		
Proceeds from the issue of shares	-	-
Fund raising expenses	-	-
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net decrease in cash held	(446,690)	(498,215)
Cash & cash equivalents at the beginning of the period	1,734,348	3,073,819
Cash & cash equivalents at the end of the period	<u><u>1,287,658</u></u>	<u><u>2,575,604</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

NOTE 1. Statement of Significant Accounting Policies

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2016 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Aeeris Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2016, together with any public announcements made during the following half-year.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The company has considered the implications of new or Amended Standards, but determined that their application to the financial statements is either not relevant or not material.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Judgements`

Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the company expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the amounts expected to be paid to employees when the obligations are settled.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Consolidated Half Year Ended 31 Dec 2016 \$	Consolidated Half Year Ended 31 Dec 2015 \$
NOTE 2. Revenue and Other Income		
Revenue from ordinary activities		
Sales revenue:		
Subscription income	554,900	682,931
	<u>554,900</u>	<u>682,931</u>
Other revenue:		
Interest received	11,810	30,990
R&D refund	589,057	413,842
	<u>600,867</u>	<u>444,832</u>
NOTE 3. Other Expenses		
Expenses		
Cleaning	6,871	6,123
Secretarial fee	19,800	19,800
Insurance	7,419	8,042
Rent	39,919	36,887
Travelling & accommodation	24,867	43,055
Registry services	6,987	8,863
Bad debts expense	23,784	-
Other operating expenses	43,099	113,485
	<u>172,746</u>	<u>236,255</u>
	Consolidated As at 31 Dec 2016 \$	Consolidated As at 30 Jun 2016 \$
NOTE 4. Intangible Assets		
Goodwill		
Opening Balance	252,716	530,825
Movements during the period	-	-
Impairment Losses	-	(278,109)
Closing Balance	<u>252,716</u>	<u>252,716</u>
Directors test goodwill annually for impairment.		
EWN Development Expenditure		
Opening Balance	811,345	602,397
Movements during the period	521,251	1,014,127
Amortisation	(113,699)	(805,179)
Closing Balance	<u>1,218,897</u>	<u>811,345</u>
Total Intangibles	<u>1,471,613</u>	<u>1,064,061</u>

AERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Consolidated As at 31 Dec 2016 \$	Consolidated As at 30 Jun 2016 \$
NOTE 5. Issued Capital		
Fully Paid Ordinary Shares	5,561,374	5,561,374
Capital Raising Costs	(640,357)	(640,357)
Closing balance	<u>4,921,017</u>	<u>4,921,017</u>
Ordinary Shares	No.	No.
Opening Issued Capital	54,902,570	54,775,070
Shares Issued – 25 February 2016	-	127,500
At the end of the reporting period	<u>54,902,570</u>	<u>54,902,570</u>

NOTE 6. Dividends

No dividends were paid during the period.

NOTE 7. Events after the End of the Interim Period

The directors are not aware of any significant events since the end of the interim period.

NOTE 8. Interest in Subsidiaries

The consolidated financial statements include the financial statements of Aeeris Limited and its controlled entity.

Company	Place of Incorporation	Principal Activities
Early Warning Network Pty Ltd	Australia	Early Warning Notifications
Company	% of issued shares acquired	
Early Warning Network Pty Ltd	100%	

NOTE 9. Operating Segments

There was only one operating segment during the period which was early warning notifications.

NOTE 10. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting period.

AEERIS LIMITED
ABN 18 166 705 595
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

NOTE 11. Earnings Per Share

	No. of Shares As at 31 Dec 2016	No. of Shares As at 31-Dec-2015
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share.	54,902,570	54,775,070
	Consolidated Half Year Ended 31 Dec 2016 \$	Consolidated Half Year Ended 31 Dec 2015 \$
Net Profit/(loss) after income tax attributable to shareholders	78,477	(8,447)
	Cents	Cents
Basic earnings/(loss) per share	0.14	(0.02)
Diluted earnings/(loss) per share	0.14	(0.02)

NOTE 12. Fair Value Measurement

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly observable).

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities:

	Level	As at 31 December 2016		As at 30 June 2016	
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Financial assets					
Cash & cash equivalents	1	1,287,658	1,287,658	1,734,348	1,734,348
Other assets	1	15,000	15,000	15,000	15,000
Trade & other receivables	1	88,809	88,809	149,578	149,578
Financial liabilities					
Trade & other payables	1	70,097	70,097	243,965	243,965

AEERIS LIMITED
ABN 18 166 705 595
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

NOTE 12. Fair Value Measurement (Continued)

The following table represents a comparison between the carrying amounts and fair values of non-financial assets and liabilities:

	Level	As at 31 December 2016		As at 30 June 2016	
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Non-financial assets					
Property, plant and equipment	2	48,681	48,681	55,031	55,031
Intangibles	3	1,471,613	1,471,613	1,064,061	1,064,061
Non-financial liabilities					
Provisions	2	39,490	39,490	50,356	50,356

**AERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES**

Directors' Declaration

In accordance with a resolution of the directors of Aeeris Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 5 to 13, are in accordance with the Corporations Act 2001, including:
 - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date.
2. In the director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



Director: _____
Mr Kerry Maurice Plowright

Dated this 24th day of February 2017



**AEERIS LIMITED ABN 18 166 705 595
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
AEERIS LIMITED**

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Aeeris Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-year Financial Report

The directors of Aeeris Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Aeeris Limited's financial position as at 31 December 2016 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aeeris Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and, consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aeeris Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of Aeeris Limited's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

MNSA Pty Ltd

MNSA Pty Ltd



Mark Schiliro
Director

Sydney

Dated this 24th day of February 2017