

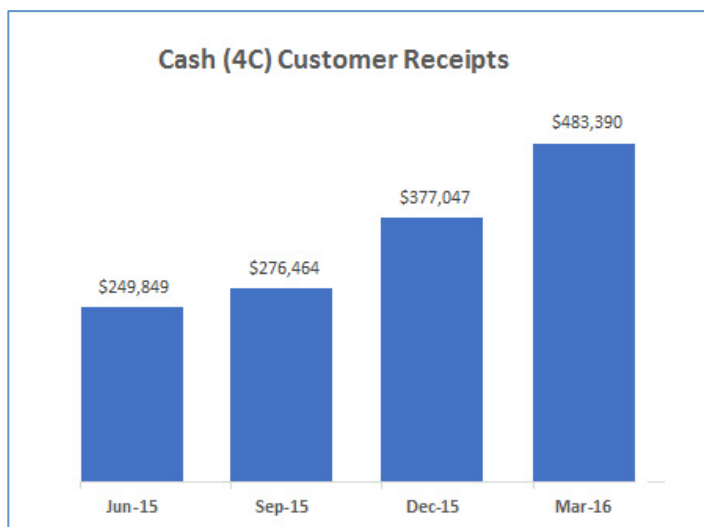
AEERIS LIMITED

Quarterly Report for Q3 March 2016

Revenue Growth Continues, New Customers On-Boarded, Strong R&D Investment into New Technologies

Financial Highlights

- Total cash receipts of **\$496,822**
- Cash receipts received from customers of **\$483,390, up 28.2%** compared with the previous quarter of \$377,047
- Net decrease in cash held (cash burn) of \$411,285
- Expenses higher in the quarter with a big investment in R&D to build new products which are expected to open new markets and generate new revenues. No R&D Tax Rebate received during this quarter.
- Cash position at end of quarter (31st March 2016) of **\$2.16 million** (unaudited)



Business Highlights

- Company continues strong quarter-to-quarter growth in business customer revenues
- Addition of experienced and talented new executives in sales, project management and new customer solutions implementation
- Rationalisation of some costs, while continuing strong investment in R&D

- *Safe@Work* product has evolved into a broader product offering in response to customer demand - an integrated staff and contractor tracking and monitoring system for major employers, known as **Security Access Management System (SAMs)**
- Movement away from consumer (B2C) services to focus on enterprise clients (B2B)
- Discontinuing residential alerting services to Brisbane City Council (BCC) from July 2016, expected to result in productive redeployment of internal resources to potential large business and government customers with better economics
- Company's clear future direction lies in demand-driven, highly scalable annuity revenue streams derived from deploying geospatial data systems to large organisations.
- Aeeris is rapidly evolving into an **enterprise-level geospatial data company**, and is less focused on marketing consumer weather-centric apps and services.

Customers and Contracts

New customers added during the Quarter:

- Club Marine (a company of Allianz Insurance)
- Global engineering consulting group – Full suite of products, used internationally to protect the safety and security of thousands of staff
- Renewal and upgrade of several existing enterprise users, including a general insurance group and a national telecommunications project
- Numerous pilot and trial projects with recognised brands and corporations

Aeeris sells products that assist our customers manage risk and liability to personnel and property, and accordingly we are not able to publicly name many of these customers due to obvious commercial sensitivities.

The current new business pipeline is focused on geospatial technology solutions for enterprise clients. This means a re-deployment of internal resources towards pursuing these more lucrative and high margin sales, rather than lower margin and high-touch consumer (B2C) services

Accordingly the Company will end services to BCC from July 2016. The potential net revenues from continuing this service compared with the costs of providing the level of services, makes future provision of these services unviable.

The BCC contract was a legacy service for the EWN unit, which involved significantly higher costs than other customers arising from SMS and supporting services. While the revenue to Aeeris from this account was material, much of this revenue was re-billing of the SMS costs on which Aeeris made no margin, leaving only a modest gross margin to cover the costs of technology and service delivery.

The scheduled review of the agreement required us to revise costings to a level which exposed the business to risk and made an already discounted revenue stream unattractive.

The Company declined to further discount the pricing and is therefore discontinuing this contract in July.

New Business Pipeline

Aeeris is working to implement a number of major customer solution roll-outs, pilot trials, and substantial new revenue opportunities:

- Global shopping centre group – Implementing the new SAMs products for monitoring, tracking, verification, safety and security of staff and contractor personnel
- Global casino operator – SAMs technology, contractor management and security systems
- Australian insurance company - Fully integrated mobile customer application including severe weather hazard alerting products
- National broadband project – Alert zoning products for staff safety
- Two major water utilities – Alert mobile apps, monitoring and warning systems
- Major rail operator – Various alerting, forecasting and data services
- Global property management group – SAMs technology and security systems
- Global mining group – EWN/GNIS platform including SAMs technology and security systems
- Global insurance group – Full suite of EWN capabilities and platform
- National energy retailer – View360
- Government emergency response authority – Alerts

Additionally Aeeris is working on a substantial and growing list of new enterprise customer sales conversations.

The Company is busily focused on pursuing these new opportunities, as well as many others, which involve leading edge technology and will return scalable monthly annuity income streams.

- ENDS -

Direct Enquiry

Kerry Plowright
Chairman and CEO
Aeeris Limited
k.plowright@aeeris.com
(+61) 02 6674 2711

Investor Relations Contact

Ben Loiterton
Executive Director
Aeeris Limited
b.loiterton@aeeris.com
(+ 61) 0418 611 161

About Aeeris

Aeeris Limited is one of the World's leading geospatial data technology companies.

The Company's **Early Warning Network** system and proprietary **GNIS** technology platform ingests and maps vast amounts of live data from multiple sources regarding severe weather, fire, traffic, and other geospatial hazards.

The technology allows us to track and monitor very large numbers of users, and communicate instantly with these users, especially about events which impact their safety.

Our technology enables Aeeris to provide critical services to our enterprise and government customers:

- **Live data, alerts and notifications** on natural and man-made hazards affecting our clients
- **Pioneering innovative software apps to protect workers** and assets on the move
- **Aerial (UAV-Drone) and ground based imaging** of facilities and infrastructure, and
- **Digital tracking, mapping and monitoring** of assets, operations and personnel

Our technology solutions provide many benefits to our clients including the ability to:

- Monitor, map and track personnel, assets and operations
- Communicate with multiple staff regarding live safety hazards in real time
- Improve Workplace Health & Safety, and reduce risk and liability
- Improve operational efficiencies, labour scheduling and asset management

Our product offering solves natural disaster awareness problems and promotes personal and employee safety, asset protection, risk management, as well as helping to mitigate the financial impact of adverse events, geospatial hazards, harm and inconvenience.

Aeeris is listed on ASX with the ticker code AER