

ASX RELEASE.

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AEI Global Strategic Alliance with Goodman Global Group, Inc, a division of Daikin Industries

Key Points:

- **Goodman is the largest air conditioning manufacturer in North America**
- **Daikin is the leading air conditioning manufacturer worldwide**
- **Q1 2019 launch in USA across 210 stores and over 80,000 contractors**
- **Strategic rollout internationally through Daikin global network**
- **Opening order commitment of circa AU\$1,000,000**

The Board of Aeris Environmental Limited (ASX: AEI) today formally announces a global strategic alliance with the largest Heating and Air Conditioning (HVAC) Company in the world, Daikin Industries. This incorporates a partnership with Goodman Global Group, Inc, a leading manufacturer of air conditioning equipment in North America.

An opening order commitment of circa \$1,000,000 has been received as part of an initial roll-out into Goodman's North American company owned and third-party distribution stores. In parallel, Daikin Goodman has undertaken to supply the Aeris products into its network of over 1,000 dealers in over 60 countries globally.

Mr Tom Dendy, Goodman's Vice President of International confirmed: *"Our entire team has been very impressed with the advanced technologies and know-how the Aeris brings to the market. In conjunction with the USA launch, we will be offering Aeris products to our global customer base in over 60 different countries. Aeris Environmental's unique coatings offer significant lifecycle cost improvements in a wide variety of HVAC applications that should help our dealers differentiate themselves in the market place."*

North America is the world's largest single market for air conditioning consumables.

Rick Mabry, Managing Director of Global Parts and Procurement for Goodman Distribution, North America, stated *"We are pleased to align with Aeris products and technology after completion of our relationship and product evaluation process. We look forward to offering the technology and innovative products to our network of over 80,000 contractors. The U.S. market for HVAC maintenance and hygiene consumables is in excess of \$USD250 million per annum."*

The agreement covers the full spectrum of the Aeris air conditioning, corrosion, mould, IEQ and 'SMART' technologies. To support this agreement and a range of key distributors and customers across North America, Aeris will be expanding its technical support team to provide both training and in-field expertise, together with substantially expanding its supply chain capability in this key market.



Mr Maurie Stang, Aeris Chairman said: *"This partnership with Daikin Goodman is a significant milestone providing Aeris a highly regarded distribution partner in North America and internationally, leveraging the complementary competencies of both groups. This agreement is the culmination of a highly focussed effort by both groups to evaluate market opportunities, key customers and launch priorities. This partnership is a result of almost two years of internal and in-field validation trials through Goodman's International network".*

This strategic alliance will launch into North America early first quarter of calendar 2019, with product targeted to be in-store at this time. Sales training and visits to customers have been initiated with strong interest and engagement.

About Daikin Industries:

Daikin Industries, Ltd. (DIL) is a global Fortune 1000 company, which celebrated its 90th anniversary in 2014. The company is recognized as one of the largest HVAC (Heating, Ventilating, and Air Conditioning) manufacturers in the world. DIL is primarily engaged in developing indoor comfort products, systems and refrigeration products for residential and commercial applications. Its consistent success is derived, in part, from a focus on innovative, energy-efficient, and premium quality indoor climate and comfort management solutions.

About Goodman Global Group, Inc.

Goodman is a member of the Daikin Group and is one of the largest manufacturers and distributors of heating, ventilation and air conditioning products for residential and light commercial customers in North America. The company's activities include engineering, manufacturing, assembling, marketing and distributing an extensive line of HVAC and related products. Its products are predominantly marketed under the Goodman® and Amana® brands. All products are sold through a North American sales network comprised of company-operated distribution centres and independent distributors.

Amana is a registered trademark of Maytag Corporation or its related companies and is used under license to Goodman Company, L.P., Houston, TX, USA.

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**ABOUT AERIS ENVIRONMENTAL LTD**

Aeris develops, manufactures and markets patented, environmentally-friendly technology solutions that address the global megatrends of energy efficiency, healthier air, food safety, water quality and long-term materials protection, with core guiding principles of 'clean, green, protect'.

Smart Enzymes and Coatings provide long-term remediation, and prevention of mould, bacteria growth, corrosion and improved hygiene, with OEM, consumer and technical applications.

SmartENERGY provides dramatic and proven energy savings in the range of 19% to 33%, alongside documented improvement in system efficiency (54% to 289% improvement in airflow and up to 40% in coil efficiency), and independently-validated indoor air quality across all air-conditioning and refrigeration systems, with proven immediate cash flow savings.