

AMERITYRE CORP  
Form PRE 14A  
October 09, 2018

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**SCHEDULE 14A INFORMATION**

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Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Sec.240.14a-11(c) or Sec.240.14a-12

**Amerityre Corporation**

(Name of Registrant as Specified in Charter)

n/a

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and O-11.

(1) Title of each class of securities to which transaction applies: n/a

(2) Aggregate number of Securities to which transaction applies: n/a

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule O-11 (set forth the amount on which the filing fee is calculated and state how it was determined): n/a

(4) Proposed maximum aggregate value of transaction: n/a

(5) Total fee paid: n/a

Fee paid previously by written preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number of the Form or Schedule and the date of its filing.

(1) Amount Previously Paid: n/a

(2) Form, Schedule or Registration Statement No.: n/a

(3) Filing: n/a

(4) Date: n/a

Dear Amerityre Shareholders:

During fiscal 2018 Amerityre continued to implement changes that in the long run will make it a more stable and successful company. While our overall results showed a net loss before preferred dividends of approximately \$39,000 and virtually flat year-over-year sales, these figures do not tell the complete story. Despite challenging conditions in several target markets which were in contrast to the improving overall U.S. economy, we were able to maintain our overall sales in FY2018 compared to the previous fiscal year. Over the past 12 months, many of our suppliers raised prices as demand for chemicals and other raw materials increased with the higher economic activity. While we expected raw material prices would increase during the year, the level of these price increases were higher than expected. Our strategic plan was adjusted accordingly during the year to account for these changes in market conditions. We made a conscious decision not to raise our prices through Fiscal Year 2018, but in September 2018 we were forced to finally implement price increases to help offset higher costs. Despite this price increase, we expect to see continued pressure on gross margins.

We acknowledge that our long term success is directly tied to our ability to increase our revenue. Our cost control discipline has stabilized the company, but a substantial increase in company profitability can only be achieved by growing our customer base and increasing our sales per customer. During the past year we have invested in our Sales and Marketing team to enable us to broaden our reach into new markets. We continue to approach companies with larger marketing and distribution organizations about potential partnerships to increase our exposure in markets we underserve due to the size of our Sales team. We continue to see growth opportunities in our large tire (golf cart and baggage cart) and bicycle tire markets. The significant growth opportunities in these markets continue to be with large OEMs (Original Equipment Manufacturers). Our sales efforts to date in these product segments have been more successful with aftermarket tire distributors, although we continue to have discussions with OEMs regarding evaluation programs for our tires. The proliferation of bike and scooter rental companies also represents a market opportunity that we are aggressively pursuing. We continue to believe that our success in improving our market share lies in our ability to educate the marketplace about the superior value Amerityre provides relative to competitor offerings.

Our limited resources require us to continue to carefully manage our business cost drivers as well as remain selective in choosing the Research and Development programs we pursue. During the past year we developed a new elastomer formulation which provides better load bearing capability and abrasion resistance compared to our polyurethane foam formulation. We see this new elastomer as ideal for applications such as baggage carts, agricultural tires, and certain lawn mower equipment applications. Our Amerityre team is excited about the potential of this new product and we currently have customers testing this formulation in several applications. Our new product focus will continue to be developing tire solutions that address identified market needs not adequately served by current tire products. Amerityre continues to have the best flat free technology and tire products in every market segment we compete. Our success is dependent on leveraging this performance advantage to gain market share among customers who value quality and premium tire performance.

We expect this upcoming year to continue to be challenging for Amerityre. It is too early to determine the impact of the new tariffs being levied against China will have on our business. We expect that these tariffs will negatively impact our international business, and we are already paying higher prices for the wheel rims we import from overseas. Given the new tariffs being levied on U.S. agriculture products we are hesitant to call an end to the low farm income environment that has adversely impacted demand for our products in the Agricultural market. That said, we expect that our competitors who solely import their tires from China will also have challenges going forward. We remain optimistic that our product performance and quality advantages over competitor offerings will enable us to grow our customer base during the upcoming year.

I appreciate the efforts of our employees and the support of those shareholders who continue to support our strategy and program to establish a solidly profitable company I remain optimistic about the potential of Amerityre going forward, and I thank you for your patience as we continue to work toward the success of Amerityre. I encourage you all to attend the Annual Meeting this year to meet our team and to see firsthand the improvements in our company.

Michael Sullivan

Chief Executive Officer and Chairman of the Board of Directors

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**AMERITYRE CORPORATION**

**1501 Industrial Road**

**Boulder City, Nevada 89005**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD WEDNESDAY, NOVEMBER 28, 2018**

**TO THE STOCKHOLDERS OF AMERITYRE CORPORATION:**

The Annual Meeting of the Stockholders (the “Annual Meeting”) of Amerityre Corporation (the “Company”) will be held in the Company’s manufacturing plant at 1501 Industrial Road, Boulder City, Nevada 89005, on Wednesday, November 28, 2018 at 10:00 am, Pacific Time, to:

1. Elect members of a Board of Directors to serve until the 2019 Annual Meeting of Stockholders;
2. Ratify the selection of Haynie & Company PC as the Company’s independent auditor for the Company’s fiscal year ending June 30, 2019;
3. Approve an amendment to the Articles of Incorporation to increase the number of common shares authorized;
4. Advisory vote to approve the compensation of the Named Executive Officers;
5. Advisory vote on the frequency of voting on the compensation of the Named Executive Officers; and,
6. Transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

The foregoing matters are described in more detail in the accompanying Proxy Statement.

ONLY STOCKHOLDERS OF RECORD AT THE CLOSE OF BUSINESS ON OCTOBER 5, 2018 (THE “RECORD DATE”), ARE ENTITLED TO NOTICE OF AND TO VOTE AT THE ANNUAL MEETING.

FOR THE ANNUAL MEETING, INSTEAD OF MAILING A PRINTED COPY OF OUR PROXY MATERIALS (INCLUDING OUR ANNUAL REPORT) TO EACH STOCKHOLDER OF RECORD, WE ARE PROVIDING ACCESS TO THESE MATERIALS VIA THE INTERNET. ACCORDINGLY, ON OCTOBER 19, 2018, WE BEGAN MAILING A NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS (THE “NOTICE”) TO ALL STOCKHOLDERS OF RECORD AS OF OCTOBER 5, 2018, AND POSTED OUR PROXY MATERIALS ON THE WEBSITE AS DESCRIBED IN THE NOTICE. AS EXPLAINED IN GREATER DETAIL IN THE NOTICE, ALL STOCKHOLDERS MAY ACCESS OUR PROXY MATERIALS ON OUR WEBSITE OR MAY REQUEST A PRINTED SET OF OUR PROXY MATERIALS. IN ADDITION, THE NOTICE AND WEBSITE PROVIDE INFORMATION ON HOW TO REQUEST ALL FUTURE PROXY MATERIALS IN PRINTED FORM OR ELECTRONICALLY.

YOUR VOTE IS IMPORTANT. IF YOU ARE UNABLE TO ATTEND IN PERSON AND WISH TO HAVE YOUR SHARES VOTED, PLEASE VOTE AS SOON AS POSSIBLE, WHETHER ONLINE OR BY RETURNING A PROXY CARD SENT TO YOU IN RESPONSE TO YOUR REQUEST FOR PRINTED PROXY MATERIALS.

HOLDERS OF MORE THAN 50 PERCENT OF THE COMPANY’S 45,632,142 ISSUED AND OUTSTANDING SHARES OF COMMON STOCK MUST BE REPRESENTED AT THE ANNUAL MEETING TO CONSTITUTE A QUORUM FOR CONDUCTING BUSINESS. THE AFFIRMATIVE VOTE OF A PLURALITY OF THE VOTING POWER REPRESENTED BY SHARES AT THE ANNUAL MEETING IN PERSON OR BY PROXY AND ENTITLED TO VOTE ON THE PROPOSAL WILL BE REQUIRED FOR THE ELECTION OF DIRECTORS (PROPOSAL 1) ASSUMING THAT A QUORUM IS PRESENT OR REPRESENTED AT THE ANNUAL MEETING. THE AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTING POWER REPRESENTED BY SHARES AT THE ANNUAL MEETING IN PERSON OR BY PROXY AND ENTITLED TO VOTE ON THE PROPOSAL WILL BE REQUIRED FOR APPROVAL OF PROPOSAL 2 AND PROPOSAL 3, ASSUMING THAT A QUORUM IS PRESENT OR REPRESENTED AT THE ANNUAL MEETING. THE ADVISORY VOTE (PROPOSAL 4) TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS WILL BE APPROVED IF THE VOTES CAST IN FAVOR OF THE PROPOSAL EXCEEDS THE VOTES CAST AGAINST THE PROPOSAL. ABSTENTIONS AND BROKER NON-VOTES WILL NOT BE COUNTED AS EITHER VOTES CAST FOR OR AGAINST THIS PROPOSAL. FOR PROPOSAL 5, THE ADVISORY VOTE ON THE FREQUENCY OF VOTING ON THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS (ONE YEAR, TWO YEARS OR THREE YEARS) THAT RECEIVES THE HIGHEST NUMBER OF VOTES CAST BY THE STOCKHOLDERS WILL BE DEEMED THE FREQUENCY FOR THE ADVISORY SAY-ON-PAY VOTE PREFERRED BY THE STOCKHOLDERS. THE PROXY CARD PROVIDES STOCKHOLDERS WITH THE OPPORTUNITY TO CHOOSE AMONG FOUR OPTIONS (HOLDING THE VOTE EVERY ONE, TWO OR THREE YEARS, OR ABSTAINING) AND, THEREFORE, STOCKHOLDERS WILL NOT BE VOTING TO APPROVE OR DISAPPROVE THE RECOMMENDATION OF THE BOARD. ABSTENTIONS AND BROKER

NON-VOTES WILL HAVE NO EFFECT ON THE RESULTS OF THIS VOTE.

THE ATTENDANCE AT AND/OR VOTE OF EACH STOCKHOLDER AT THE ANNUAL MEETING IS IMPORTANT AND EACH STOCKHOLDER IS ENCOURAGED TO ATTEND.

AMERITYRE CORPORATION

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Michael F. Sullivan

Michael F. Sullivan, Chief Executive Officer

Boulder City, Nevada

DATED: October 9, 2018



## **IMPORTANT**

If your shares are held in the name of a brokerage firm, nominee, or other institution, you are considered the beneficial owner of shares held in street name. As the beneficial owner, you have the right to direct your broker, nominee or other institution how to vote your shares. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you bring with you a legal proxy from the stockholder of record. Please promptly contact the person responsible for your account and give instructions for your shares to be voted.

The Company's offices and plant are located 1501 Industrial Road, Boulder City, Nevada, 89005.

**AMERITYRE CORPORATION**

**1501 Industrial Road**

**Boulder City, Nevada 89005**

**PROXY STATEMENT**

This Proxy Statement is furnished to stockholders of Amerityre Corporation (the “Company”) in connection with the solicitation of proxies on behalf of the management of the Company, to be voted at the Annual Meeting of the Stockholders (the “Annual Meeting”) to be held in the Company’s manufacturing plant at 1501 Industrial Road, Boulder City, Nevada 89005, on Wednesday, November 28, 2018 at 10:00 am, Pacific Time. The proxy, when properly executed and returned in a timely manner, will be voted at the Annual Meeting in accordance with the directions set forth thereon. If no instructions are indicated on the proxy, at the Annual Meeting the proxy will be voted affirmatively to:

1. Elect members of a Board of Directors to serve until the 2019 Annual Meeting of Stockholders;
2. Ratify the selection of Haynie & Company PC as the Company’s independent auditor for the Company’s fiscal year ending June 30, 2019;
3. Approve an amendment to the Articles of Incorporation to increase the number of common shares authorized;
4. Advisory vote to approve the compensation of the Named Executive Officers;
5. Advisory vote on the frequency of voting on the compensation of the Named Executive Officers; and,
6. Transact such other business as may properly come before the Annual Meeting or any adjournment thereof.

The proxy, even though executed and returned to the Company, may be revoked by the stockholder at any time before it is voted, either by giving a written notice mailed or delivered to the secretary of the Company, or by voting in person at the Annual Meeting. If the proxy is returned to the Company without specific direction, the proxy will be voted in accordance with the Board of Directors' recommendations as set forth herein.

The entire expense of this proxy solicitation, estimated at \$15,000, will be borne by the Company. In addition to this solicitation, in order to ensure that a quorum is represented at the Annual Meeting, officers, directors, and regular employees of the Company, who will receive no extra compensation for such services, may solicit proxies by mail, telephone, or in person.

ONLY HOLDERS OF RECORD OF THE COMPANY'S 45,632,142 ISSUED AND OUTSTANDING SHARES OF COMMON STOCK AT OCTOBER 5, 2018 (THE "RECORD DATE"), ARE ENTITLED TO NOTICE OF AND TO VOTE AT THE ANNUAL MEETING. EACH STOCKHOLDER HAS THE RIGHT TO ONE VOTE FOR EACH SHARE OF THE COMPANY'S COMMON STOCK OWNED. CUMULATIVE VOTING IS NOT PROVIDED FOR.

HOLDERS OF MORE THAN 50 PERCENT OF THE COMPANY'S 45,632,142 ISSUED AND OUTSTANDING SHARES OF COMMON STOCK MUST BE REPRESENTED AT THE ANNUAL MEETING TO CONSTITUTE A QUORUM FOR CONDUCTING BUSINESS. THE AFFIRMATIVE VOTE OF A PLURALITY OF THE VOTING POWER REPRESENTED BY SHARES AT THE ANNUAL MEETING IN PERSON OR BY PROXY AND ENTITLED TO VOTE ON THE PROPOSAL WILL BE REQUIRED FOR THE ELECTION OF DIRECTORS (PROPOSAL 1) ASSUMING THAT A QUORUM IS PRESENT OR REPRESENTED AT THE ANNUAL MEETING. THE AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTING POWER REPRESENTED BY SHARES AT THE ANNUAL MEETING IN PERSON OR BY PROXY AND ENTITLED TO VOTE ON THE PROPOSAL WILL BE REQUIRED FOR APPROVAL OF PROPOSAL 2 AND PROPOSAL 3, ASSUMING THAT A QUORUM IS PRESENT OR REPRESENTED AT THE ANNUAL MEETING. THE ADVISORY VOTE (PROPOSAL 4) TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS WILL BE APPROVED IF THE VOTES CAST IN FAVOR OF THE PROPOSAL EXCEEDS THE VOTES CAST AGAINST THE PROPOSAL. ABSTENTIONS AND BROKER NON-VOTES WILL NOT BE COUNTED AS EITHER VOTES CAST FOR OR AGAINST THIS PROPOSAL. FOR PROPOSAL 5, THE ADVISORY VOTE ON THE FREQUENCY OF VOTING ON THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS (ONE YEAR, TWO YEARS OR THREE YEARS) THAT RECEIVES THE HIGHEST NUMBER OF VOTES CAST BY THE STOCKHOLDERS WILL BE DEEMED THE FREQUENCY FOR THE ADVISORY SAY-ON-PAY VOTE PREFERRED BY THE STOCKHOLDERS. THE PROXY CARD PROVIDES STOCKHOLDERS WITH THE OPPORTUNITY TO CHOOSE AMONG FOUR OPTIONS (HOLDING THE VOTE EVERY ONE, TWO OR THREE YEARS, OR ABSTAINING) AND, THEREFORE, STOCKHOLDERS WILL NOT BE VOTING TO APPROVE OR DISAPPROVE THE RECOMMENDATION OF THE BOARD. ABSTENTIONS AND BROKER NON-VOTES WILL HAVE NO EFFECT ON THE RESULTS OF THIS VOTE.

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## PROPOSAL NO. 1

### ELECTION OF BOARD OF DIRECTORS

The following table sets forth the name, age and year first elected of each director of the Company:

| <b>Name of Current Director</b> | <b>Age</b> | <b>Director Since</b> |
|---------------------------------|------------|-----------------------|
| Michael F. Sullivan (1)         | 53         | December 2014         |
| Terry Gilland                   | 71         | January 2015          |
| George Stoddard                 | 77         | December 2016         |
| David Clark                     | 58         | December 2016         |
| David Hollister                 | 52         | December 2016         |

(1) Michael F. Sullivan was appointed Chairman of the Board of Directors on December 3, 2015.

The following persons have been nominated for re-election as directors of the Company:

Michael F. Sullivan Terry Gilland  
George Stoddard David Hollister  
David Clark

Certain biographical information with respect to the nominees for director is set forth below. Each director, if elected by the stockholders, will serve until our 2018 Annual Meeting of Stockholders and until his or her successor is duly elected and qualified. Vacancies on the Board of Directors during the year may be filled by the majority vote of the directors in office at the time of the vacancy without action by the stockholders.

#### Biographical Information on Nominees

*Michael F. Sullivan* was appointed CEO of Amerityre in April 2015. He joined Amerityre in May 2014 as a consultant and was appointed COO in December 2014. He has over 32 years of experience in Engineering and Operations management. His career started at Johnson Matthey in 1987, where during his 10 year tenure he completed a 5 year

expatriate assignment in Belgium designing, constructing and managing Europe's largest autocatalyst facility. Between 1996 and 2007, he served in a variety of senior operating roles for companies in the medical device, chemical, and metal coating industries. He served as an engineering consultant with Versa Engineering and Technology, a privately held engineering consultant firm from 2008 to 2014. Mr. Sullivan holds a BSE in Chemical Engineering from the University of Pennsylvania and an MBA in Finance and Marketing from the Haas School of Business at UC Berkeley. He has been a director of Amerityre since December 2014.

We believe that Mr. Sullivan's qualifications to serve on the Board of Directors include his current leadership of the Company in addition to his engineering and operations management background.

*Terry Gilland* is a Certified Public Accountant with over 40 years of experience in finance, accounting and auditing. Mr. Gilland was appointed to the Board of Directors and assumed the Audit Committee Chair position in January 2015. Mr. Gilland has a Bachelor of Science and Master's in Accounting from the University of Missouri and is a Nevada CPA. From 2008 – 2013 and 1972 - 2000 Mr. Gilland was a partner in the McGladrey LLP Las Vegas, NV and the Des Moines, IA office with clients in a variety of industries including construction, manufacturing, retail, legal, and advertisement. From 2000 – 2008 Mr. Gilland was President of Taylor Construction Group, a large general contractor (\$300 million in revenues) with offices in De Moines and Cedar Rapids, IA, Kansas City, Denver and San Diego. During Mr. Gilland's time with Taylor Construction, he dealt with Bankers and Surety companies and was responsible for all of the businesses owned by Taylor. He has been a director since January 2015.

We believe that Mr. Gilland's qualifications to serve on the Board of Directors include his extensive SEC and GAAP reporting skillset as well as his financing connections in Southern Nevada.

*George Stoddard* has over 45 years' experience buying, growing and fine tuning business and investments for maximum profit and efficiency. From 1968 - 2011 Mr. Stoddard was a business owner, including L.A. Time Distribution and Mobile Pipe Wrappers and Coaters, Inc., the last of which Mr. Stoddard grew from \$218,000 in annual sales to over \$6,000,000 in annual sales. Mr. Stoddard retired in 2011. Mr. Stoddard has an Associate of Arts degree from East Los Angeles College and attended Cal Poly Pomona majoring in Aerospace Engineering and Math. Mr. Stoddard has been a director of Amerityre since December 2015.

We believe that Mr. Stoddard's qualifications to serve on the Board of Directors include his general business and sales knowledge.

*David Clark* has 20 years of experience in start-up organizations spanning multiple industries. Since 2010, Mr. Clark has been the principal at Clark Consulting Services, which provides various independent executive level services on a project basis. From 2003 to 2010, Mr. Clark was the founder and Chief Executive Officer of CommPartners, a voice over IP network and service provider. In 2010, CommPartners filed for voluntary protection under Federal Bankruptcy law. This bankruptcy was the result of litigation filed pertaining to industry rate structures, not financial capabilities. CommPartners was profitable and cash flow positive at the time of the filing. The bankruptcy was resolved via asset sales in 2011. Prior to CommPartners, Mr. Clark held various executive level positions in both start-up and advertising companies. Mr. Clark has a BA in Mass Communications from Texas Tech University. Mr. Clark has been a director of Amerityre since December 2015.

We believe that Mr. Clark's qualification to serve on the Board of Directors include his marketing and advertising experience which will assist the Company with marketing strategy initiatives

*David Hollister* has 25 years of experience working with companies in a variety of marketing and product development roles. Since 2011 he has been the principal at Hollister Interactive Group, LLC, which provides digital consulting services to companies across a range of industries such as Consumer Goods, Finance, Education, Fitness, Commercial Real Estate, and Hospitality. David works closely with clients to offer business strategy, ecommerce strategy, website design, and marketing strategy services. From 2008 to 2011 David was Vice President, Global Ecommerce for Perfect Fitness, a manufacturer of home exercise equipment, where he developed and implemented the company's product strategy and ecommerce organization. Prior to Perfect Fitness, David held a variety of executive positions with companies such as Gap, Inc.'s Old Navy division, and Intuit. David has a B.S. in Aerospace Engineering from San Diego State University, and an M.B.A. from American University in Washington D.C. Mr. Hollister has been a director of Amerityre since December 2015.

We believe that Mr. Hollister's qualification to serve on the Board of Directors include his marketing and ecommerce experience. He will provide valuable insights as we continue to implement our e-commerce initiatives through our website.

### **The Board's Role in Risk Oversight**

The Board oversees the Company's risk profile and management's processes for assessing and managing risk. At least annually, the full Board reviews strategic risks and opportunities facing the Company. Certain other important categories of risk are assigned to the committees below (which are comprised mostly of independent directors) that report back to the full Board. In general, the committees oversee the following risks:

- The Audit Committee oversees risks related to financial controls, capital structure of the enterprise (including borrowing, liquidity, allocation of capital, major capital transactions and expenditures), legal, regulatory and compliance risks, and the overall risk management governance structure and risk management function.

- The Compensation Committee oversees the Company's compensation programs to ensure they do not incentivize excessive risk-taking.

During fiscal year ended June 30, 2018 the full Board received reports from management on the most important strategic issues and risks facing the Company, as well as, reports regarding enterprise risk assessments and risk management practices.

The Board believes that its leadership structure supports the risk oversight function. Additionally, as indicated above, certain important categories of risk are assigned to committees, consisting of mostly independent directors that receive, review and evaluate management reports on risk, thereby preserving the benefit of independent risk oversight along with full Board responsibility and review.



## **Communications with the Board of Directors**

Stockholders can communicate directly with any of the Company's directors, including its non-management directors, by sending a written communication to a director c/o Amerityre Corporation, 1501 Industrial Road, Boulder City, Nevada 89005. In addition, any party who has concerns about the accounting, internal controls or auditing matters, or potential violations of our Code of Conduct may send communications per the instructions on the Company's web site. Such communications may be confidential or anonymous.

## **Audit Committee**

Our Audit Committee includes Terry Gilland, Chairman, George Stoddard, and David Hollister. All are deemed to be independent as that term is defined by the Securities and Exchange Commission (SEC). Our Board of Directors has determined that Mr. Gilland is an "audit committee financial expert" as defined under SEC regulations. The tasks and responsibilities of the Audit Committee include (i) the review and discussion of the audited financial statements with management, (ii) discussing with the independent auditors the matters required to be discussed by the Statement of Auditing Standards No. 114, as may be modified or supplemented, (iii) receiving from auditors disclosure regarding the auditors' Independence Standards Board Standard No. 1, as may be modified or supplemented, and (iv) approving the engagement of the auditors. The Audit Committee charter is posted on our web site at [www.amerityre.com](http://www.amerityre.com). The Audit Committee met four times during the fiscal year ended June 30, 2018.

## **Compensation Committee**

Our Compensation Committee includes Terry Gilland, George Stoddard, David Clark and David Hollister. All are deemed to be independent as that term is defined by the Securities and Exchange Commission (SEC). The Compensation Committee is convened as necessary but at least once annually to review executive compensation and make recommendations regarding compensation to the full Board of Directors. The Compensation Committee was convened one time during the fiscal year ended June 30, 2018. The Compensation Committee charter is posted on our web site at [www.amerityre.com](http://www.amerityre.com).

## **Nominating Committee**

Our Nominating Committee included Michael F. Sullivan and David Clark. Mr. Sullivan is not deemed independent as that term is defined by the SEC, because he is the CEO of the Company. The Nominating Committee is convened as necessary to consider and recommend potential nominees for directorships to the full Board of Directors. The Nominating Committee was convened did not meet during the fiscal year ended June 30, 2018 as all directors are up for reelection. The Nominating Committee charter is posted on our web site at [www.amerityre.com](http://www.amerityre.com). Pursuant to the charter, the Nominating Committee will consider candidates for directorships proposed by any stockholder although there is no formal procedure for making such proposals.

### **Meetings of our Board of Directors**

Our Board of Directors held eleven (11) meetings during the fiscal year ended June 30, 2018, all of which were conducted in person or by telephone conferencing. Three directors attended less than 75 percent of all board and applicable committee meetings during the year; but all Board meeting maintained a quorum in able to conduct business. Directors and nominees for director are expected to attend the Company's Annual Meeting of Stockholders.

### **Directors' Compensation**

On April 25, 2017, the Board of Directors cancelled the "2015 Omnibus Stock Option and Award Plan" as all options and stock awards under this plan had been granted and adopted the "2017 Omnibus Stock Option and Award Plan" which contains provisions for up to 3,000,000 stock options to be granted to employees, consultants and directors.

On November 30, 2017, 265,000 shares were granted to the Company's Board of Directors as Board compensation for the term ending November 2018. Each non-executive Board member receives 60,000 shares, with the Audit Committee Chair receiving 85,000 shares. The shares vest ratably December 2017 – November 2018, valued at a fixed rate of \$0.02, the closing stock price on November 30, 2017.

There was no cash granted to any Board member for their service as a Board member for the fiscal year ending June 30, 2018.

It is anticipated that Board member compensation will be provided for fiscal year 2019 Board members. The actual amount of compensation will be determined at the January 2019 Board meeting.

#### Vote Required

The affirmative vote of a plurality of the votes cast, in person or by proxy, at the Annual Meeting will be required for the election of Directors. The Board of Directors recommends a vote "FOR" all the nominees. It is intended that in the absence of contrary specifications, proxies will be voted for the election of the nominees named above. However, under SEC regulations, broker non-votes will not be counted in the election of Directors. In the event any nominee is unable to serve, the proxies will be voted for a substitute nominee, if any, to be designated by the Board of Directors. The Board of Directors has no reason to believe that any nominee will be unavailable.

**PROPOSAL NO. 2**

**RATIFY THE SELECTION OF HAYNIE & COMPANY PC AS**

**THE COMPANY'S INDEPENDENT AUDITOR**

The Board of Directors has selected Haynie & Company PC as the Company's independent auditor for the fiscal year ending June 30, 2019. To the knowledge of the Company, at no time has Haynie & Company PC had any direct or indirect financial interest in or any connection with the Company other than as independent public accountants. It is anticipated that a representative of Haynie & Company PC will be available by telephone during the Annual Meeting to respond to appropriate questions if any arise.

(1) Audit Fees. The aggregate fees billed us for each of the last two fiscal years for professional services rendered by our auditors, Haynie & Company, for (i) services related to the audit of our financial statements for the years ended June 30, 2018 and June 30, 2017 included in this annual report and (ii) quarterly reviews performed for the years ended June 30, 2018 and June 30, 2017 totaled approximately 2018 – \$58,223; 2017 - \$60,042.

(2) Audit-Related Fees. None.

(3) Tax Fees. 2018 – not yet completed; 2017 - \$4,029.

(4) All Other Fees. None.

The Audit Committee approved all of the above services prior to the commencement of work.

**Vote Required**

Ratification of the Company's independent auditor requires the approval of a majority of the voting power represented by shares at the Annual Meeting in person or by proxy and entitled to vote, assuming that a quorum is present or represented at the Annual Meeting. The Board of Directors recommends a vote "FOR" the ratification of the selection of Haynie & Company PC as the Company's independent auditor for the fiscal year ending June 30, 2019. It is intended that in the absence of contrary specifications, proxies will be voted for the selection of Haynie & Company PC.



**PROPOSAL NO. 3**

**APPROVE AN AMENDMENT TO THE ARTICLES OF INCORPORATION**

**TO INCREASE THE NUMBER OF COMMON SHARES AUTHORIZED**

**FROM 75,000,000 SHARES TO 100,000,000 SHARES**

At our 2014 Annual Stockholder's Meeting, and as reiterated at each Annual Stockholder's meeting thereafter, we presented a plan focusing on "Profitability as a Mindset". The result of our emphasis on proper product pricing and new marketing campaigns resulted in our first ever, full year, reporting of Net Income in Fiscal Year 2017. However, due to limited available resources the Company has not made major investments to strengthen its market presence or to upgrade production equipment or facilities to support the production of its evolving product portfolio.

The Company currently is authorized to issue up to 75,000,000 shares of its \$0.001 par value common stock. As of the September 30, 2018, there are 45,632,142 shares of common stock issued and outstanding and approximately 71,944,000 common stock equivalents consisting of outstanding common stock, stock option plans, conversion features of the Company's Preferred Stock and vesting stock awards.

The Board of Directors believes that it might be necessary in the future to raise additional funds through an equity issue to take advantage of potential market opportunities and grow revenues to a level where the Company is consistently profitable and further self-sustaining. As shares of Amerityre are currently trading at approximately \$0.02 per share, an issuance of 20,000,000 to 30,000,000 common shares would result in an equity raise between \$400,000 and \$600,000. However, currently there are only approximately 700,000 shares available for issuance.

Our common shareholders approved an identical measure last year but our Preferred Shareholder did not give their approval, so the proposal was not implemented. We are asking our common shareholders to re-approve the proposal. Concurrent with this year's shareholder proposal, the Company is working again with its Preferred Shareholder to obtain the necessary written approval also required per the Preferred Share Agreement for the share increase. Should the shareholders approve the increase but the Preferred Shareholder not approve the increase, the Company will not increase the authorized shares of the Company until such time as the Preferred Shareholder approval can be attained.

The company has no immediate plans to utilize these additional shares, and given the currently low price of Amerityre stock the company is hesitant to conduct an equity financing at this time. However, having these shares approved will enable the company to move quickly to take advantage of potential opportunities should the right opportunity present itself. Specifically, we expect that additional capital would be required in the future for the following:

Upgrade manufacturing equipment to support new manufacturing technologies;  
Hire additional sales representatives; and,  
Working capital.

It is the Board's determination that there is insufficient authorized common stock remaining to raise the necessary capital for the above initiatives. The Board of Directors unanimously recommends increasing the authorized shares of common stock from 75,000,000 shares to 100,000,000 shares. This action is being recommended to provide the Company with additional equity to invest in initiatives to support revenue growth to make Amerityre consistently profitable and self-sustaining.

*Reasons to Approve the Increase in Authorized Shares*

At the end of 2016, we were able to obtain term bank debt financing to finance critical manufacturing equipment and operating enhancements which will be placed in service in early fiscal year 2017. In 2018, we used our internally generated cash resources to invest in the Company. Management continues to evaluate financing options but is choosing to delay financing at terms that will subject the Company to high costs of debt. Management is also reluctant to raise money through stock sales at what we believe are highly dilutive share prices. Additionally, Management has notified our preferred shareholder that we have suspended future payments of their preferred cash dividend payments to allow the Company to increase its working capital levels. A discussion of these efforts can be found in the Management's Discussion and Analysis of the Company's June 30, 2018 Form 10-K, filed with the Securities and Exchange Commission on September 14, 2018. Even with these efforts, the Company has not had the ability to invest to support revenue growth at a level that would make the Company consistently profitable and self-sustaining. Therefore, the Board believes it is not only prudent, but crucial, to have additional equity capital available for use by the Company.

At September 12, 2018, our total cash balance was \$283,329, none of which is restricted; accounts receivables were \$246,385; and inventory, net of reserves for slow moving or obsolete inventory, and other current assets was \$591,788. Our total indebtedness was \$447,734 and includes \$230,250 in accounts payable, \$72,227 in accrued expenses, \$23,899 in deferred revenue, \$19,042 in current portion of long-term debt, and \$40,001 in long-term debt.

We have been working to improve our liquidity and access to capital resources. In order to fully execute the strategic business plan, we required more capital resources. However, management decided that an equity financing at the current market conditions would be too dilutive and not in the best interests of shareholders. We will continue to investigate potential opportunities to secure short-term loans, long-term bank financing, revolving lines of credit with banking institutions and equity based transactions with interested financial firms and strategic industry partners in our effort to improve the Company's financial position and enhance shareholder value.

The Company currently does not have an existing revolving credit facility but we were able to obtain term bank debt financing at the end of 2016 to finance critical manufacturing equipment and operating enhancements, the majority of which was placed in service in fiscal year 2017. We continue to work with our vendors to obtain extended credit terms and increase credit lines where needed. Additionally, we continue to focus on adherence to established collection policies and proactive communication with repeat customers, including adjusting credit limits to allow for increased sales volume where warranted.

We are intent on focusing on the sale and distribution of profitable product lines. Management continues to look for further financing facilities at affordable terms that will allow the Company to maintain sufficient raw material and finished goods inventory to capitalize on sales growth opportunities. We are limiting our capital expenditures to that required to maintain current manufacturing capability or support key business initiatives identified in our strategic sales plan. We continue to work to reduce our overall costs wherever possible.

The issuance of the additional shares will cause some dilution to current shareholders, but we anticipate that the opportunity to increase Company revenue and profitability would generate additional shareholder value that would more than offset the effects of any dilution.

#### *Effects of the Increase in Authorized Shares*

The Company currently is authorized to issue up to 75,000,000 shares of its \$0.001 par value common stock. As of the September 30, 2018, there are 45,632,142 shares of common stock issued and outstanding and approximately 71,944,000 common stock equivalents consisting of outstanding common stock, stock option plans, conversion



features of the Company's Preferred Stock and vesting stock awards. Following approval of the requested increase in common shares, we will have approximately 25,700,000 shares authorized and available for issuance.

Currently we do not have any arrangements or understandings for the remaining portion of the authorized but unissued shares, although management has had preliminary discussions with financial institutions about obtaining additional capital via equity financing to grow revenues to a level at which the Company is solidly profitable and self-sustaining. It is the opinion of Amerityre management that the approximately 700,000 currently authorized but unissued shares are insufficient, given the current price of AMTY common shares.

If approved, the additional authorized but unissued and unreserved shares of our common stock could be issued by the board without further shareholder approval. It is our present intention to issue additional shares (1) fund revenue growth initiatives and (2) enhance our manufacturing capabilities as identified above.

#### *Exchange Act Matters*

Our common stock is registered under the Exchange Act, and we are subject to the periodic reporting and other requirements of the Exchange Act. Any increase in authorized capital, if implemented, will not affect the registration of our common stock under the Exchange Act or our reporting or other requirements. Our common stock is currently quoted, and following any increase will continue to be quoted, on the OTCQB Marketplace. We do not expect that our common stock will be traded under a new symbol, nor do we expect that the CUSIP number for our common stock will change. Any increase in authorized common stock will be reflected on new certificates issued by the Company and in electronic entry systems but will not otherwise affect outstanding shares.

#### *Accounting Matters*

The increase in authorized shares will not affect total shareholders' equity on our balance sheet.

*Tax Consequences*

To our best knowledge, any increase in our authorized shares will have no tax consequences for our shareholders.

*Effect of Not Obtaining the Required Vote for Approval*

If the increase in authorized shares is not approved, our ability to continue operations and pursue business opportunities might be severely limited. We might be unable to meet our obligations, or raise additional funds to meet future obligations. Our ability to raise additional funds will be severely constrained, and, without funding, we may not have sufficient remaining equity to retain officers, directors and employees, or engage necessary consultants.

*Procedure for Effecting the Increase in Authorized Shares*

The increase will become effective as of the date of filing the amendment to the Articles of Incorporation with the State of Nevada, with such date being referred to as the “effective time.” The form of the Certificate of Amendment to our Articles of Incorporation is included below:

FORM OF PROPOSED AMENDMENT TO ARTICLES OF INCORPORATION

Certificate of Amendment to Articles of Incorporation

For Nevada Profit Corporations

(Pursuant to NRS 78.385 and 78.390 – After Issuance of Stock)

1. Name of corporation:

Amerityre Corporation

2. The articles have been amended as follows: (provide article numbers, if available)

Article III: The Corporation shall have the authority to issue a total of 105,000,000 shares, consisting of 5,000,000 shares of preferred stock having a par value of \$0.001 per share (hereinafter referred to a “Preferred Stock”) and 100,000,000 shares of common stock, par value \$0.001 per share (hereinafter referred to as “Common Stock”).

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise a least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation\* have voted in favor of the amendment is: \_\_\_\_\_ (\_\_\_\_\_%)

4. Effective date of filing: (optional)

5. Signature: (required)

/s/ \_\_\_\_\_

Signature of Officer

\*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

**NO NEW CERTIFICATES WILL BE ISSUED TO ANY SHAREHOLDER AS A RESULT OF THE INCREASE AND SHAREHOLDERS SHOULD NOT SUBMIT EXISTING CERTIFICATES FOR RE-ISSUANCE.**

Vote Required

Approval of the increase in authorized shares of the Company's common stock requires the approval of a majority of the voting power represented by shares at the Annual Meeting in person or by proxy and entitled to vote, assuming that a quorum is present or represented at the Annual Meeting. The Board of Directors recommends a vote "FOR" the increase from 75,000,000 authorized shares of common stock to 100,000,000 authorized shares of common stock. It is intended that in the absence of contrary specifications, proxies will be voted for the increase. Broker non-votes and abstentions will not be counted in the vote for the increase.

## **PROPOSAL NO. 4**

### **ADVISORY VOTE TO APPROVE THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS**

In accordance with the SEC's proxy rules, we are seeking an advisory, non-binding stockholder vote with respect to the compensation of the named executive officers listed in the Summary Compensation Table in the "Executive Compensation" section of this proxy statement for fiscal year 2018 and as disclosed in this proxy statement pursuant to Item 402 of Regulation S-K. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the named executive officers and the philosophy, policies and practices described in this proxy statement. This vote is commonly known as a "Say-on-Pay" advisory vote.

We believe that our compensation programs and policies for the fiscal year ended June 30, 2018 were effective in aligning the Company's developmental goals with shareholder interests, and remain worthy of continued stockholder support. Accordingly, we ask for our stockholders to indicate their support for the compensation paid to the named executive officers by voting FOR the following non-binding resolution at the Annual Meeting of Stockholders:

"RESOLVED, that the Company's stockholders approve the compensation of the named executive officers for fiscal year 2018 listed in the Summary Compensation Table in the 'Executive Compensation' section of the proxy statement and as disclosed pursuant to Item 402 of Regulation S-K."

#### Vote Required

Approval of this proposal requires that votes cast in favor of the proposal exceed the votes cast against the proposal. Your vote is advisory and the result is not binding upon the Company. Although not binding, our Board values the opinions of our stockholders and will consider the outcome of the vote, along with other relevant factors, in deciding whether any actions are necessary to address any concerns raised by the vote and when making future compensation decisions for the named executive officers. The Board recommends that the stockholders vote for the approval of the compensation of the named executive officers, as stated in the above non-binding resolutions. It is intended that in the absence of contrary specifications, proxies will be voted for the approval of the compensation of the named executive officers. Broker non-votes and abstentions will not be counted in the advisory vote for the approval of the compensation of the named executive officers.



## **PROPOSAL NO. 5**

### **ADVISORY VOTE ON THE FREQUENCY OF VOTING ON THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS**

In addition to the Say-on-Pay advisory vote, we are seeking an advisory, non-binding vote regarding the frequency of future advisory Say-on-Pay votes in accordance with the SEC's proxy rules, known as a "Say-on-Pay Frequency" advisory vote.

Stockholders will be able to vote that we hold this Say-on-Pay advisory vote every year, two years, or three years, or stockholders may abstain from voting on this proposal.

After due consideration, the Board has decided to recommend that this Say-on-Pay advisory vote on executive compensation occur every three years. While there are valid arguments for annual and biennial votes, we believe that a vote once every three years is the best approach for the Company and its stockholders for a number of reasons, including that a triennial vote will allow our stockholders to better evaluate our executive compensation program in relation to our short- and long-term company performance. Additionally, a triennial vote will provide us with time to respond to stockholder concerns and implement appropriate revisions.

The Board's decision was based further on the premise that this recommendation could be modified in future years if it becomes apparent that a vote once every three years is not meaningful or a more frequent vote is recommended by best corporate governance practices.

#### **Vote Required**

The frequency (one year, two years or three years) that receives the highest number of votes cast by the stockholders will be deemed the frequency for the advisory Say-on-Pay vote preferred by the stockholders. Your vote is advisory and the results are not binding upon the Company. Although not binding, the Board values the opinions of our stockholders and will review and consider the outcome of the vote, along with other relevant factors, in evaluating the frequency of future advisory votes on executive compensation. The Board recommends that stockholders vote for the option of "THREE YEARS" as the preference for the frequency of holding future advisory votes on the compensation of our named executive officers. It is intended that in the absence of contrary specifications, proxies will be voted for the approval of three years for the frequency of advisory votes on the compensation of the Company's named executive

officers. Broker non-votes and abstentions will not be counted in the advisory vote on the frequency of approval of the compensation of the named executive officers.



## EXECUTIVE OFFICERS

The following sets forth certain information regarding our officers as of September 30, 2018 and for the fiscal year ended June 30, 2018:

| <b>Name of Officer</b>  | <b>Age</b> | <b>Position</b>         | <b>Officer Since</b> |
|-------------------------|------------|-------------------------|----------------------|
| Michael F. Sullivan (1) | 53         | Chief Executive Officer | April 2015           |
| Lynda R. Keeton-Cardno  | 46         | Chief Finance Officer   | January 2015         |

(1) Michael F. Sullivan was first appointed Chief Operating Officer December 1, 2014; then appointed Chief Executive Officer April 1, 2015; and appointed Chairman of the Board December 3, 2015.

*Michael F. Sullivan* was appointed CEO of Amerityre in April 2015. He joined Amerityre in May 2014 as a consultant and was appointed COO in December 2014. He has over 30 years of experience in Operations management and Engineering management in a variety of manufacturing industries. His career started at Johnson Matthey in 1987, where during his 10 year tenure he completed a 5 year expatriate assignment in Belgium designing, constructing and managing Europe's largest autocatalyst facility. Between 1996 and 2007, he served as Director of Manufacturing for General Chemical's Electronic Materials facility, as Director of Operations for Life Measurement Inc., a medical device manufacturer, as Director of Operations for Pinole Point Steel, a division of Material Sciences Corporation, and as Chief Operating Officer at Professional Finishing, Inc., a privately held coating company. He served as a consultant with Versa Engineering and Technology, a privately held engineering consultant firm from January 2008 to December 2014. Mr. Sullivan has extensive quality management experience and is an IRCA certified auditor.

Mr. Michael Sullivan holds a BSE in Chemical Engineering from the University of Pennsylvania and an MBA in Finance and Marketing from the Haas School of Business at UC Berkeley.

*Lynda R. Keeton-Cardno* was appointed as the Company's Principal Financial and Accounting Officer, and Secretary/Treasurer. Since 2004 Ms. Keeton-Cardno has been the CEO/Managing Member of Lynda R. Keeton CPA, LLC, dba Keeton CPA, an accounting firm based in Henderson, Nevada which provides accounting, audit and consulting services to public and private companies. Between January 1996 and April 2002 Ms. Keeton-Cardno worked for Arthur Andersen, LLP in Phoenix, Arizona and Las Vegas, Nevada in the audit and advisory and technology risk consulting divisions. Ms. Keeton-Cardno is a licensed certified public accountant and received her accounting degree from Arizona State University's School of Business and Honor's College. In her various roles she has extensive background and experience in managing high performing accounting departments, filings with the

Securities and Exchange Commission and work needed for review by the Public Companies Accounting Oversight Board.

## **EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The following Compensation Discussion and Analysis describes the duties, responsibilities and role of our Compensation Committee as well as the material elements of compensation for the our executive officers identified in the Summary Compensation Table set forth below (the “Named Executive Officers”). Over the past year, the Compensation Committee has reviewed our compensation practices and the components of executive compensation. The information below provides the description of compensation policies applicable to executive officers and other highly compensated individuals under employment and/or consulting arrangements.

### **Objectives of Our Compensation Program**

The primary objective of our compensation program, including our executive compensation program, is to: maintain a compensation program that will fairly compensate our executives and employees; attract and retain qualified executives and employees, who are able to contribute to our long-term success; encourage performance consistent with clearly defined corporate goals; and align our executives’ long-term interests with those of our stockholders. To that end, our compensation practices are intended to:

1. Tie total compensation to the Company’s performance and individual performance in achieving financial and non-financial objectives;
2. Align senior management’s interests with stockholders’ interests through long-term equity incentive compensation.

### **Role of the Compensation Committee**

The Compensation Committee determines the compensation of our Chief Executive Officer and, in consultation with the Chief Executive Officer, our other executive officers. In addition, the Compensation Committee is responsible for adopting, reviewing and administering our compensation policies and programs, including the cash bonus incentive plan and equity incentive plans, which are discussed in more detail below. Our Compensation Committee adheres to a compensation philosophy that (i) seeks to attract and retain qualified executives who will add to the long-term success of the Company, (ii) promotes the achievement of operational and strategic objectives, and (iii) compensates executives commensurate with each executive’s level of performance, level of responsibility and overall contribution to the success of the Company.

In determining the compensation of our Chief Executive Officer and our other executive officers, the Compensation Committee considers the financial condition and operational performance of the Company during the prior year. In determining the compensation for executive officers other than the Chief Executive Officer, the Compensation Committee considers the recommendations of the Chief Executive Officer and comparable market rates.

The Compensation Committee reviews the compensation practices of other companies, based in part on market survey data and other statistical data relating to executive compensation obtained through industry publications and other sources. The Compensation Committee does not seek to benchmark the Company's compensation program directly with other publicly traded companies or other companies with which we may compete for potential executives, since some of these competitors are privately held companies for which executive compensation information is not available.

#### **Components of Executive Compensation for Fiscal 2018 and Fiscal 2017**

The elements of the Company's current compensation program are base salary and long-term equity incentives. Our compensation program is designed to provide our executives with incentives to achieve our short-term and long-term performance goals and to pay competitive base salaries. Each Named Executive Officer's current and prior compensation is considered in setting future compensation.

Each of the elements of our executive compensation program is discussed in the following paragraphs.

## **Base Salaries**

Base salaries are based on a number of factors, including the executive's experience level and scope of responsibility, performance level, estimate of future potential and overall contribution. The value of base salary also reflects the employee's long-term performance, skill set and the market value of that skill set. Base salaries for our Named Executive Officers and other highly compensated individuals are reviewed on an annual basis and adjustments made to reflect performance-based factors, as well as competitive conditions. The Company does not apply specific formulas in setting base salaries.

## **Long Term Equity Incentives**

Long term incentive awards are a key element of the Company's total compensation package for individuals in significant positions of responsibility. Such awards may be made under the 2017 Omnibus Stock Option and Award Plan (the "2017 Plan") to senior management and select employees who are key to the Company's achievement of its long-term goals. The purpose of the 2017 Plan is to promote the long term growth and profitability of Amerityre by (i) providing certain officers and employees with incentives to maximize stockholder value, and (ii) enabling Amerityre to attract, retain and reward the best available persons for positions of responsibility. The 2017 Plan provides for a variety of long-term awards including incentive or non-qualified stock options, restricted stock, and performance awards.

The Plan is administered by the Board unless and until the Board delegates administration to the Committee as defined by the 2017 Plan. Awards granted under the 2017 Plan may be incentive stock options, or ISOs, as defined in the Internal Revenue Code of 1986, as amended, or the Code, or stock bonus awards which are awarded to our employees, including officers, who, in the opinion of the Board of Directors or the Compensation Committee, have contributed, or are expected to contribute, materially to our success.

All of our employees and officers are eligible to participate under the 2017 Plan. A maximum of 3,000,000 shares are available for grant under the 2017 Plan. Under the 2017 Plan, the Board and the Compensation Committee have broad authority to award equity-based compensation arrangements to any eligible employee, director, consultant, or advisor of Amerityre.

## **Perquisites and Other Benefits**

The Company does not provide significant perquisites or personal benefits to executive officers different from those of non-executive employees.

## **Employment Agreements**

On September 26, 2018, Michael F. Sullivan, the Company's Chief Executive Officer finalized the negotiation of the replacement and extension of his employment contract.

The Agreement replaces the current employment agreement and extends his term of employment to December 31, 2019.

Mr. Sullivan's compensation package is summarized below. See the full agreement as filed as Exhibit 10.1 for Form 8-k, which was filed on October 2, 2018.

### Compensation.

- (a) Annual salary of \$150,000 per year
- (b) Stock award of 1.98 million shares of the Company's common stock vesting ratably during the calendar year of 2019;
- (c) Bonus compensation up to twenty (20)% of annual salary under Section 5(a) based on certain financial performance objectives as described in Section 5(c); and,
- (d) Health and medical insurance as available for full-time employees, and participation in any retirement, pension, profit-sharing, stock option, or other plan as in effect from time to time on the same basis as other employees.

Lynda R. Keeton-Cardno, who devotes approximately 25% of her time to the Company, receives an annual salary of \$36,000, renegotiable yearly. In January 2018, Ms. Keeton-Cardno's employment agreement was extended for 1 year with the annual compensation increasing from \$28,986.10 to \$36,000, respectively. With the January 2018 extension, 60,000 stock aware was granted, valued at \$0.02 per share, vesting ratably January 2018 through December 2018. All other terms remain the same.

The Compensation Committee, at its discretion, may award bonuses to the executive officers of the organization in addition to the terms of the above employment contract. For the year ended June 30, 2018 the following bonuses were awarded:

Michael F. Sullivan: \$7,500 payable in cash; \$7,500 payable in stock (representing 375,000 share of stock).  
Lynda R. Keeton-Cardno: \$5,000 payable in cash.

### **Employee Benefits**

The Company offers employee health insurance benefits coverage to provide our workforce with a reasonable level of financial support in the event of illness or injury. Health insurance benefits are available to all full time employees, including executive officers of the Company. The executive officers of the Company, including the Named Executive Officers, are eligible on the same basis as all other employees. Due to the changes in health and dental costs in association with federal laws, the cost of employee benefits is contributory where the Company contributes a maximum of \$575 toward each eligible employee's benefits and any remaining amount is borne by the employee. This amount was adjusted to \$625 effective September 1, 2018 due to increase health insurance costs.

### **Accounting Matters**

The Company has adopted the provisions of Accounting Standards Codification 718, *Compensation – Stock Compensation* (ASC 718), formerly SFAS 123(R), which requires the fair value of options to be recorded as compensation cost in the financial statements. The adoption of ASC 718 has resulted in \$28,792 and \$27,807 in stock based compensation costs recognized in fiscal 2018 and 2017, respectively.

### **Stock Option and Stock Bonus Awards**

*General Option Information*

On August 10, 2015, the Board of Directors cancelled the “Directors’ 2011 Stock Option and Award Plan” as all options under this plan had been granted and adopted the “2015 Omnibus Stock Option and Award Plan” which contains provisions for up to 3,000,000 stock options to be granted to employees, consultants and directors. The 2015 Omnibus Stock Option and Award Plan did not obtain the necessary shareholder approval in the Company’s annual proxy process, resulting in certain U.S. Internal Revenue Service provisions to be ineffective.

On April 25, 2017, the Board of Directors cancelled the “2015 Omnibus Stock Option and Award Plan” as all options and stock awards under this plan had been granted and adopted the “2017 Omnibus Stock Option and Award Plan” which contains provisions for up to 3,000,000 stock options to be granted to employees, consultants and directors.

Prior Issuances of options

On December 1, 2016, 480,000 options were granted to the Company’s Chief Executive Officer as part of his employment offer. The options have a strike price of \$0.10, vest December 1, 2017 and expire December 1, 2020. Year to date expense related to these options is \$1,021 as of June 30, 2017. As of June 30, 2018, \$729 in expense was related to this issuance.

Expense related to the above options is \$16,097 as of June 30, 2017.

As of June 30, 2017, there was \$729 of unrecognized stock-based compensation expense related to stock options that will be recognized over the vest period (December 2017) of the underlying option.



Option issuances and vesting during the period ending June 30, 2018 and 2017

No stock options were issued in fiscal year 2018.

**Stock Ownership Requirements**

The Board of Directors has historically encouraged its members and members of senior management to acquire and maintain stock in the Company to link the interests of such persons to the stockholders. However, neither the Board of Directors nor the Compensation Committee has established stock ownership guidelines for members of the Board of Directors or the executive officers of the Company.

**Compensation Committee Report On Executive Compensation**

The Compensation Committee, comprised of independent and non-independent directors, reviewed and discussed the above Compensation Discussion and Analysis (“CD&A”) with the Company’s management. Based on such review and discussions, the Compensation Committee recommended to the Company’s Board of Directors that the CD&A be included in this Proxy Statement on Schedule 14A relating to the upcoming annual meeting and incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended June 30, 2018.

/s/Terry Gilland /s/George Stoddard  
Terry Gilland     George Stoddard

/s/David Clark /s/David Hollister  
David Clark     David Hollister



The following Summary Compensation Table sets forth the aggregate compensation paid or accrued by the Company to the executive officers, (the “Named Executive Officers”) as of June 30, 2018 and 2017.

### Summary Compensation Table

| Officers Name &<br>Principal Position | Year | Salary         | Bonus   | Stock   | Option                   | Non-Equity                                   | Nonqualified                                    | All                              | Total   |
|---------------------------------------|------|----------------|---------|---------|--------------------------|--|---|----------------------------------|---------|
|                                       |      | (In \$)<br>(1) | (In \$) | (In \$) | Awards<br>(In \$)<br>(2) | Incentive<br>Plan<br>Compensation<br>(In \$) | Deferred<br>Compensation<br>Earnings<br>(In \$) | Other<br>Compensation<br>(In \$) |         |
| M. Sullivan<br>CEO (3)                | 2018 | 150,000        | 12,500  | 18,765  | -                        | -  | -   | -                                | 181,265 |
|                                       | 2017 | 150,000        | 41,718  | 20,515  | 6,318                    | -  | -   | -                                | 218,551 |
| L. Keeton-Cardno<br>CFO               | 2018 | 31,953         | 5,250   | 1,200   | -                        | -  | -   | -                                | 38,403  |
|                                       | 2017 | 28,454         | 10,000  | 3,450   | 978                      | -  | -   | -                                | 42,882  |

(1) Actual cash amount paid based on bi-weekly payroll for the period July 1, 2017 through June 30, 2018 and July 1, 2016 through June 30, 2017, respectively.

(2) Based on the aggregate grant date fair value computed in accordance with ASC 718.

(3) Michael F. Sullivan was first appointed Chief Operating Officer December 1, 2014; then appointed Chief Executive Officer April 1, 2015.

### Grants of Plan Based Awards

On December 1, 2015, 480,000 options were granted to the Company’s Chief Executive Officer (“CEO”) (then our Chief Operating Officer) as part of his employment offer. The options have a strike price of \$0.10, vest December 1, 2016 and expire December 1, 2020.

To the officers of Amerityre, 600,000 shares were granted on July 20, 2015 (valued at \$0.03) with 75% of the grant allocated to the CEO and 25% of the grant allocated to the Chief Financial Officer (“CFO”). The shares of stock vest ratably each quarter end during fiscal year 2016 and are payable immediately after the vesting date. For the year ended June 30, 2016 the Company recognized \$18,000 of compensation expense for these grants; \$4,500 of which was a stock payable. All shares related to this have been issued.

On January 19, 2016, 50,000 options were granted to the Company’s CFO as part of renewal of her employment agreement. The options have a strike price of \$0.10, vest ratably January 21, 2016 to December 1, 2016 and expire December 1, 2019. In addition to the option renewal \$550 a month in health insurance reimbursement was included in the renewal. All other terms remain the same.

On January 21, 2017, 60,000 shares were granted to the Company’s CFO as part of her employment renewal. The shares are valued as of January 20, 2017 (\$0.04) and vest ratably through December 2017. All shares related to this have been issued.

On March 23, 2017, the Company’s CEO, finalized the negotiation of the replacement and extension of his employment contract. While all material compensation terms were finalized February 23, 2017 other items within the agreement, filed via Form 8-k on March 27, 2017, were finalized as of March 23, 2017. The Agreement replaces the current employment agreement and extends his term of employment to December 31, 2018. Inclusive in this new agreement is a stock award of 2.4 million shares of the Company’s common stock vesting ratably over twenty-three months (February 2017 – December 2018), valued at a fixed rate of \$0.0168, the closing stock price on February 22, 2017. As of June 30, 2018, 1,773,913 of these shares have been earned: 521,739 shares issued in fiscal year 2018; 521,739 issued in fiscal year 2017; and, 740,435 or \$12,271 as part of our stock payable at June 30, 2018.

On February 23, 2017 the Board of Director’s approved a partial payment of Mr. Sullivan’s 2016 bonus in stock. This partial payment of \$5,000 resulted in the issuance of 322,581 shares of stock.

On January 21, 2018, 60,000 shares were granted to the Company’s Chief Financial Officer as part of her employment renewal. The shares are valued as of January 21, 2018 and vest ratably through December 2018. In addition to the stock, her base compensation was adjusted to \$36,000 per annum. As of June 30, 2018, 30,000 shares of stock have been issued.

On May 24, 2018 the Board of Director's approved a partial payment of Mr. Sullivan's 2017 bonus in stock. This partial payment of \$10,000 resulted in the issuance of 500,000 shares of stock.

On July 20, 2018, the Compensation Committee, awarded the following bonuses for the year ended June 30, 2018:

Michael F. Sullivan: \$7,500 payable in cash; \$7,500 payable in stock (representing 375,000 share of stock).

Lynda R. Keeton-Cardno: \$5,000 payable in cash.

## Outstanding Equity Awards at Fiscal Year End

The following table sets forth the outstanding equity awards of the Named Executive Officers as of June 30, 2018.

| Name | Option Awards  |  |  |                     |                        | Stock Awards   |  | Equity Incentive Plan Awards  |   |
|------|--|--|--|---------------------|------------------------|--|--|---|---|
|      | No. of Securities Underlying Unexercised Options (#) Exercisable | No. of Securities Underlying Unexercised Options (#) Unexercisable | Equity Incentive Plan Awards: No. of Securities Underlying Unexercised Options (#) | Exercise Price (\$) | Option Expiration Date | No. of Shares or Units of Stock That Have Not Vested (#) | Market Value of Shares or Units of Stock That Have Not Vested (\$) | Equity Incentive Plan Awards: No. of Shares, Units or Other Rights That Have Not Vested (#) | Equity Incentive Plan Awards: Market Payout Value or Unearned Shares, Units or Other Rights That Have Not Vested (\$) |

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|                     |         |         |   |      |         |         |        |   |   |
|---------------------|---------|---------|---|------|---------|---------|--------|---|---|
| M. Sullivan         | 240,000 | 240,000 | - | 0.10 | 12/1/21 | 626,087 | 12,522 | - | - |
|                     | 960,000 | -       | - | 0.10 | 12/1/20 | -       | -      | - | - |
| L.<br>Keeton-Cardno | -       | -       | - | -    | -       | 30,000  | 600    | - | - |
|                     | 50,000  | -       | - | 0.10 | 12/1/19 | -       | -      | - | - |

**Option Exercises and Stock Vested**

**Pension Benefits and Nonqualified Deferred Compensation**

The Company does not provide pension benefits or provide any other qualified retirement plans or non-qualified deferred compensation plans for its employees or directors.

**DIRECTOR COMPENSATION**

The following table sets forth the aggregate compensation paid or accrued by the Company to the Directors for the fiscal year ended June 30, 2018.

| Name         | Fees<br>Earned<br>or Paid<br>in Cash<br><br>(In \$) | Stock<br>Awards<br><br>(In \$) | Option<br>Awards<br><br>(In \$) | Non-Equity<br>Incentive Plan<br>Compensation<br><br>(In \$) | Non-                                    | All Other<br>Compensation<br><br>(In \$) | Total<br><br>(In \$) |
|--------------|---|--------------------------------|---------------------------------|---|---|--|----------------------|
|              |   |                                |                                 |   | Qualified                               |  |                      |
|              |   |                                |                                 |   | Deferred                                |  |                      |
|              |   |                                |                                 |   | Compensation<br>Earnings<br><br>(In \$) |  |                      |
| T. Gilland   | -   | 1,476                          | -                               | -   | -                                       | -  | 1,476                |
| G. Stoddard  | -   | 1,023                          | -                               | -   | -                                       | -  | 1,023                |
| D. Clark     | -   | 1,023                          | -                               | -   | -                                       | -  | 1,023                |
| D. Hollister | -   | 1,023                          | -                               | -   | -                                       | -  | 1,023                |

***Non-Employee Directors' Stock Incentive Plan***

On August 10, 2015, the Board of Directors cancelled the “Directors’ 2011 Stock Option and Award Plan” as all options under this plan had been granted and adopted the “2015 Omnibus Stock Option and Award Plan” which contains provisions for up to 3,000,000 stock options to be granted to employees, consultants and directors. The 2015 Omnibus Stock Option and Award Plan did not obtain the necessary shareholder approval in the Company’s annual proxy process, resulting in certain U.S. Internal Revenue Service provisions to be ineffective.

In the October 2015 Board meeting, the Board granted all non-executive Board members 100,000 options, with the audit committee chair receiving an additional 50,000 options, for Board services rendered for the fiscal year ended June 30, 2015. The options have a strike price of \$0.10, vest at the end of the Board term on December 3, 2015 and expire December 3, 2017.

On January 19, 2016, the Board granted all non-executive Board members 100,000 options, with the audit committee chair receiving an additional 50,000 options, for Board services rendered for the Board term ending December 2016. The options have a strike price of \$0.10, vest at the end of the Board term in December 2016 and expire

December 2019.

As of January 31, 2017, 225,000 shares were granted to the Company's Board of Director's as Board compensation for the term ending November 2017. Each non-executive Board member receives 50,000 shares, with the Audit Committee Chair receiving 75,000 shares. The shares vest ratably January – December 2017, valued at a fixed rate of \$0.0155, the closing stock price on January 31, 2017. All shares related to this have been issued.

On April 25, 2017, the Board of Directors cancelled the “2015 Omnibus Stock Option and Award Plan” as all options and stock awards under this plan had been granted and adopted the “2017 Omnibus Stock Option and Award Plan” which contains provisions for up to 3,000,000 stock options to be granted to employees, consultants and directors.

On November 30, 2017, 265,000 shares were granted to the Company's Board of Directors as Board compensation for the term ending November 2018. Each non-executive Board member receives 60,000 shares, with the Audit Committee Chair receiving 85,000 shares. The shares vest ratably December 2017 – November 2018, valued at a fixed rate of \$0.02, the closing stock price on November 30, 2017. As of June 30, 2018, 132,500 shares of stock have been issued.

In the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation or any other change in our corporate structure affecting common stock, or a sale by us of all or a substantial part of its assets, or any distribution to stockholders other than a cash dividend, our Board of Directors will make appropriate adjustment in the number and kind of shares authorized by the 2017 Plan, and any adjustments to outstanding awards as it deems appropriate. However, no fractional shares of common stock will be issued pursuant to any such adjustment, and the fair market value of any fractional shares resulting from adjustments will be paid in cash to the awardee.

All options and restricted stock granted to an awardee shall automatically terminate and be null and void as of the date an eligible Director's service on the Board of Directors terminates if the directorship is terminated as a result of any act of (a) fraud or intentional misrepresentation, or (b) embezzlement, misappropriation, or conversion of assets or opportunities of our company.



**CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS,  
AND DIRECTOR INDEPENDENCE**

During fiscal years 2018 and 2017, Michael F. Sullivan acted as both CEO and Chairman of the Board of Directors. No other Board member received compensation outside of the Board of Director options/stock awards disclosed in the compensation disclosure and tables above.

As of this filing, Mr. Sullivan is not deemed independent as that term is defined by the Securities and Exchange Commission, because of his involvement as officers or employees of the Company.

Director's Terry Gilland, George Stoddard, David Clark and David Hollister, are deemed to be independent under the definition of independence per NASDAQ Rule 5605(a)(2), which standard for independence has been adopted by the Company. In addition, these directors meets the additional requirements for audit committee members under NASDAQ Rule 5605(c), including meeting the criteria for independence set forth in Rule 10A-3(b)(1) under the Act (subject to the exemptions provided in Rule 10A-3(c) under the Act), not having participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years, and being able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. See compensation tables above.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

### Common stock

The following tables set forth as of September 30, 2018, the name and address and the number of shares of our Common Stock held of record or beneficially by each person who held of record, or was known by us to own beneficially, more than 5 percent of our issued and outstanding common stock, and the name and shareholdings of each director and of all officers and directors as a group. The information on share numbers and percentage ownership listed assumes: a) the exercise of options by the beneficial owner (all included options are currently exercisable); and b) a corresponding increase in the number of shares issued and outstanding. Beneficial ownership is determined in accordance with the rules of the SEC. In determining the number of shares beneficially owned by a person, options or warrants to purchase common stock held by that person that are currently exercisable, or become exercisable within 60 days following, are deemed outstanding; however, such shares are not deemed outstanding for purposes of computing the percentage ownership of any other person. We believe that all of the persons named in this table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws where applicable and except as indicated in the other footnotes to this table.

### Security Ownership of Certain Beneficial Owners

| Name and Address of Beneficial Owner | Amount and<br>Nature of<br>Beneficial<br>Ownership(1) | Percentage<br>of Class(2) |
|--------------------------------------|---|---------------------------|
| None                                 |   |                           |

### Security Ownership of Management of the Company

| Name and Position of Director/Officer  | Amount and<br>Nature of<br>Beneficial<br>Ownership(1) | Percentage<br>of Class(2) |
|--|---|---------------------------|
| Michael F. Sullivan, CEO and Chairman of the Board (4)                         | 5,389,538   | 11.8 %                    |
| Terry Gilland, Director (5)  | 460,000   | 1.0 %                     |
| George Stoddard, Director (6)  | 210,000   | 0.5 %                     |
| David Clark, Director (7)  | 210,000   | 0.5 %                     |
| David Hollister, Director (8)  | 210,000   | 0.5 %                     |
| Lynda R. Keeton-Cardno, CFO (9)  | 527,500   | 1.2 %                     |
| Total beneficial ownership of all officers and directors as a group ( persons) | 7,007,038   | 15.4 %                    |

- (1) All shares owned directly are owned beneficially and of record and such stockholder has sole voting, investment, and dispositive power, unless otherwise noted. Also includes director shares earned but not issued as of this filing.
- (2) Assumes exercise of options and/or warrants and corresponding increase in the number of shares issued and outstanding.
- (3) As of September 30, 2018 there were 45,632,142 shares of common stock issued and outstanding.
- (4) Mr. Sullivan's beneficial ownership consists of 3,809,538 of common stock and 1,580,000 common stock options.
- (5) Mr. Gilland's beneficial ownership consists of 160,000 of common stock and 300,000 common stock options.
- (6) Mr. Stoddard's beneficial ownership consists of 110,000 of common stock and 100,000 common stock options.
- (7) Mr. Clark's beneficial ownership consists of 110,000 of common stock and 100,000 common stock options.
- (8) Mr. Hollister's beneficial ownership consists of 110,000 of common stock 100,000 common stock options.
- (9) Ms. Keeton-Cardno's beneficial ownership consists of 427,500 of common stock and 100,000 common stock options.

**Equity Compensation Plan Information**

The following table sets forth information as of June 30, 2018 with respect to compensation plans under which our equity securities are authorized for issuance.

| Plan Category  | Number of<br>Securities to<br>be Issued<br>upon<br>Exercise of<br>Outstanding<br>Options,<br>Restricted<br>Stock Units | Weighted-Average<br>Exercise Price of<br>Outstanding<br>Options,<br>Restricted Stock<br>Units | Number of<br>Securities<br>Remaining<br>Available for<br>Future<br>Issuance<br>Under |
|--|--|---|--|
|  | and<br>Performance<br>Units  | and Performance<br>Units  | Equity<br>Compensation<br>Plans  |
|  | A  | B   | C  |
| Equity compensation plans approved by security holders (1)     | 1,600,000  | \$ 0.16   | -  |
| Equity compensation plans not approved by security holders (2) | 2,610,000  | \$ 0.10   | 1,576,000  |
| Total  | 4,210,000  |   | 1,576,000  |

- (1) The Company maintained the 2005 Stock Option and Award Plan, which was previously approved by shareholders. This plan had a 10 year life and expired July 2015. 480,000 options were awarded to Mr. Sullivan in his 2/23/17 employment agreement. The options were inadvertently excluded from the option table in the Company's Form 10-K filed on September 14, 2018. The financial consequence of this was deemed both qualitatively and quantitatively immaterial by Management, but we have included these options here for full disclosure.
- (2)

**FINANCIAL AND OTHER INFORMATION**

The Company's most recent audited financial statements and other information are contained in the Company's annual report on Form 10-K for the period ending June 30, 2018. Such reports once filed, are available to stockholders on the Company's web site at <http://www.amerityre.com>, upon written request addressed to the Company at the Company's executive offices or on the Securities and Exchange Commission's EDGAR website at <http://www.sec.gov>.

## REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee of the Board of Directors (the "Committee") assists the Board of Directors in fulfilling its oversight responsibilities with respect to the external reporting process and the adequacy of our internal controls. Specific responsibilities of the Committee are set forth in the Audit Committee Charter, which is available on our website.

The members of the Committee are Terry Gilland, George Stoddard, and David Hollister. All meet the independence requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The members of the Committee reviewed and discussed with our management and Haynie & Company PC the audited financial statements contained in our annual report on Form 10-K for the fiscal year ended June 30, 2018 and also discussed with Haynie & Company PC the matters required to be discussed by Statement on Auditing Standards No. 114 (Communications with Audit Committees), as amended. The members of the Committee received from Haynie & Company PC the written disclosures required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence.

Based on their review of our audited financial statements, and on their discussion with our management and with Haynie & Company PC, the members of the Committee recommended to the Board of Directors that the audited financial statements be included in our annual report on Form 10-K for the fiscal year ended June 30, 2018.

### AUDIT COMMITTEE

/s/ Terry Gilland /s/ George Stoddard  
Terry Gilland George Stoddard  
October 9, 2018 October 9, 2018

/s/ David Hollister  
David Hollister  
October 9, 2018

## **STOCKHOLDER PROPOSALS**

No proposals have been submitted by stockholders of the Company for consideration at the Annual Meeting. It is anticipated that the next annual meeting of stockholders will be held during November 2019. Stockholders who, in accordance with Rule 14a-8 of the Exchange Act wish to present proposals for inclusion in the proxy materials to be distributed in connection with next year's Annual Meeting Proxy Statement must submit their proposals so that they are received at our principal executive offices no later than the close of business on June 30, 2019, and are otherwise in compliance with applicable laws and regulations and the governing provisions of the articles of incorporation and bylaws of the Company. As the rules of the SEC make clear, simply submitting a proposal does not guarantee that it will be included.

Stockholder proposals and director nominations for our 2019 Annual Meeting not intended for inclusion in the proxy materials for the meeting must be delivered to our principal executive offices no earlier than July 15, 2019 and no later than August 19, 2019 to be considered timely.

## **SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, requires our Directors, executive officers and 10 percent stockholders, which we refer to as reporting persons, to file with the SEC initial reports of ownership and changes in ownership of our common stock. Reporting persons are required by SEC regulations to furnish us with copies of all Section 16(a) reports they file. To our knowledge, based solely on our review of the copies of such reports received or written representations from certain reporting persons that no other reports were required, we believe that during our fiscal year ended June 30, 2018 all reporting persons filed all such reports and that six reports were not filed timely.

## **CODE OF ETHICS**

We have adopted a Code of Business Conduct that applies to all our directors, officers and employees. A copy of the code of ethics will be provided free of charge upon written request to our Secretary at the address shown on the cover page of this proxy statement and is accessible, free of charge at our website, [www.amerityre.com](http://www.amerityre.com). If we grant waivers from or make amendments to this code of ethics that are required to be disclosed pursuant to the Exchange Act or applicable listing requirements, we will make those disclosures on our website within four business days following the date of such waiver or amendment.

## **STOCKHOLDERS SHARING THE SAME LAST NAME AND ADDRESS**

In accordance with notices that we sent to certain stockholders, we are sending only one copy of our annual report and proxy statement to stockholders who share the same last name and address, unless they have notified us that they want to continue receiving multiple copies. This practice, known as “householding,” is designed to reduce duplicate mailings and save significant printing and postage costs as well as natural resources.

If you received a household mailing this year and you would like to have additional copies of our annual report and/or proxy statement mailed to you, or you would like to opt out of this practice for future mailings, please submit your request by mail to Amerityre Corporation, 1501 Industrial Road, Boulder City, Nevada 89005. We will promptly send additional copies of the annual report and/or proxy statement upon receipt of such request. You may also contact us if you received multiple copies of the annual meeting materials and would prefer to receive a single copy in the future.

Unfortunately, householding for bank and brokerage accounts is limited to accounts within the same bank or brokerage firm. For example, if you and your spouse share the same last name and address, and you and your spouse each have two accounts containing Amerityre stock at two different brokerage firms, your household will receive two copies of our annual meeting materials—one from each brokerage firm.

## **OTHER MATTERS**

Management does not know of any business other than referred to in the Notice which may be considered at the meeting. If any other matters should properly come before the Annual Meeting, such matters will be properly addressed and resolved and those in attendance will vote on such matters in accordance with their best judgment.

## **AMERITYRE CORPORATION**

### **BY ORDER OF THE BOARD OF DIRECTORS**

/s/ Michael F. Sullivan

Michael F. Sullivan, Chief Executive Officer

Boulder City, Nevada

October 9, 2018

**YOUR VOTE IS IMPORTANT.** PLEASE MAKE SURE TO VOTE YOUR SHARES BY PROMPTLY VOTING AS DESCRIBED IN THE ACCOMPANYING PROXY STATEMENT.



[PROXY CARD]

PROXY

AMERITYRE CORPORATION

Annual Meeting of Stockholders

November 28, 2018

(This Proxy is Being Solicited by the Board of Directors)

The undersigned hereby appoints Michael F. Sullivan, proxy, with full power of substitution, to vote the voting shares of Amerityre Corporation (the "Company"), which the undersigned is entitled to vote at the annual meeting of stockholders of the Company (the "Annual Meeting") to be held in the Company's manufacturing plant at 1501 Industrial Road, Boulder City Nevada 89005, on Wednesday, November 28, 2018, or any adjournment(s) thereof, such proxies being directed to vote as specified below. If no instructions are specified, such proxy will be voted "FOR" each proposal. If any other business is presented at the Annual Meeting, this proxy will be voted in accordance with the determination of a majority of the Board of Directors.

To vote in accordance with the Board of Directors' recommendations, sign below. The "FOR" boxes may, but need not, be checked. To vote against any of the recommendations, check the appropriate box(es) marked "AGAINST" below. To withhold authority for the proxies to vote for any of the recommendations, check the appropriate box(es) marked "WITHHOLD AUTHORITY" below.

The Board of Directors recommends votes "FOR" the following proposals, each of which has been proposed by the Board of Directors:

1. Elect each of the following nominees as directors to serve until the 2019 Annual Meeting of Stockholders. To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the name(s) of the nominee(s) on the line below.

Michael F. Sullivan   Terry Gilland   George Stoddard   David Clark   David  
Hollister

FOR AGAINST FOR ALL EXCEPT WITHHOLD AUTHORITY

2. Ratify the appointment of Haynie & Company PC as independent public accountants.

FOR AGAINST WITHHOLD AUTHORITY

3. Approval of the amendment to the articles of incorporation of the Amerityre Corporation to increase the number of common shares authorized from 75,000,000 to 100,000,000 shares.

FOR AGAINST WITHHOLD AUTHORITY

4. Advisory vote to approve the compensation of the named executive officers.

FOR AGAINST ABSTAIN

5. Advisory vote on the frequency of voting on the compensation of the named executive officers.

ONE YEAR TWO YEARS THREE YEARS ABSTAIN

PLEASE PRINT YOUR NAME AND SIGN EXACTLY AS YOUR NAME APPEARS IN THE RECORDS OF THE COMPANY. WHEN SHARES ARE HELD BY JOINT TENANTS, BOTH SHOULD SIGN. WHEN SIGNING AS AN EXECUTOR, ADMINISTRATOR, ATTORNEY, TRUSTEE OR GUARDIAN, PLEASE GIVE YOUR FULL TITLE AS SUCH. IF THE SIGNER IS A COMPANY, PLEASE PROVIDE THE FULL NAME OF THE COMPANY AND A SIGNATURE FROM A DULY AUTHORIZED OFFICER, GIVING THE OFFICER'S FULL TITLE AS SUCH. IF YOUR SHARES ARE HELD AT A BROKERAGE HOUSE, PLEASE INDICATE IN THE SPACE PROVIDED THE NAME OF THE BROKERAGE HOUSE AND THE NUMBER OF SHARES HELD.

Name of Brokerage  
House [If Applicable]

Number of Shares  
Beneficially Held

\_\_\_\_\_

Date:

Signature

Signature (if held jointly)

