



ACT Australian CleanTech Index

1Q09

Quarterly Performance Report

October 2008

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ACT Australian CleanTech Index reports, please email

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Table of Contents

1. ACT Australian CleanTech Index Overview	3
2. ACT Australian CleanTech Index Performance 1Q09	5
3. Component Sub-indices	8
4. Component Companies on 30 September 2008	10

1. ACT Australian CleanTech Index Overview

The ACT Australian CleanTech Index provides the definitive measure of the performance of Australian listed cleantech stocks.

The cleantech industry is split into a number of sub-sectors as detailed in the table below. Each of the sub-sectors contains companies that have both environmental and economic benefits.

Solar Thermal and Photovoltaics	Waste Management & Recycling
Wind Generation	Energy Efficiency, Green Buildings & Biomaterials
Biofuels	Energy Storage & Fuel Cells
Water	Wave, Tidal & Hydro
Environmental Services	Biogas
Low Emissions Vehicle Technologies	Geothermal – Hot dry rocks and conventional
Carbon Trading	

The cleantech sector is fundamentally different to Socially Responsible Investments (SRI) or Environmental, Social and Governance (ESG) performance. SRI and ESG look at incremental improvements in company performance and can be seen as ‘operational hygiene’ measures that find the best in class. Cleantech focuses on companies whose output positively enhances the communities and ecologies in which they reside. It is about doing ‘more good’ rather than ‘less bad’.

With over 70 companies falling under the coverage of the Index and with a combined market capitalisation of over \$11Bn, the ACT Australian CleanTech Index presents for the first time a picture of the Australian cleantech industry’s growth in a single measure.

The Index is weighted by market capitalisation and is benchmarked against both the S&P/ASX200 and the S&P/ASX Small Ordinaries. The rules for the formulation and management of the Index have been developed with reference to global best practice. An overview of these rules is provided in section 5 of this report.



The ACT Australian CleanTech Index is updated each month and published on the Australian CleanTech website at www.auscleantech.com.au, in the Ethical Investor magazine and in WME's Environmental Management News.

Monthly results can be emailed directly to interested parties by sending an email to index@auscleantech.com.au with 'Index Subscription Request' in the Subject line.

2. ACT Australian CleanTech Index Performance 1Q09

ACT Australian CleanTech Index underperformed both the S&P ASX200 and the S&P Small Ordinaries for both the month of September 2008 and for the first quarter of the 2009 fiscal year.

The ACT Australian CleanTech Index fell from 113.1 to 92.7 over the month of September recording an 18.0% loss. This compared to the S&P ASX Small Ordinaries Index loss of 10.8% and the S&P ASX200 loss of 5.1%.

Over the first quarter of the 2009 fiscal year, the ACT Australian CleanTech Index recorded a loss of 22.8%, compared with the 8.2% loss by the S&P ASX200 and the 15.6% loss by the S&P ASX Small Ordinaries.

Percentage Change	FY06	FY07	FY08	SEP'08	YTD FY09	YTD CY08
ACT Australian CleanTech Index	93.3%	42.9%	-16.0%	-18.0%	-22.8%	-31.2%
S&P/ASX200	17.2%	25.4%	-16.4%	-5.1%	-8.2%	-24.2%
S&P/ASX Small Ords	19.6%	40.4%	-23.0%	-10.8%	-15.6%	-33.0%

The market capitalisation of the 76 stocks in the ACT Australian CleanTech Index is just under A\$12 billion falling from its peak of \$16.3 billion in July 2007.

The month's performance was driven by poor performances by Sims Metal Group, Dyesol, Babcock & Brown Wind Partners, the Crane Group and Blueglass.

The best performers of 1Q09 were Quantum Energy, Transfield Services Infrastructure Fund and Coffey Environments with some of the many that performed poorly including Babcock & Brown Wind Partners, the Crane Group, CMA Corp, Sims Metal Group, Blueglass and Geodynamics.

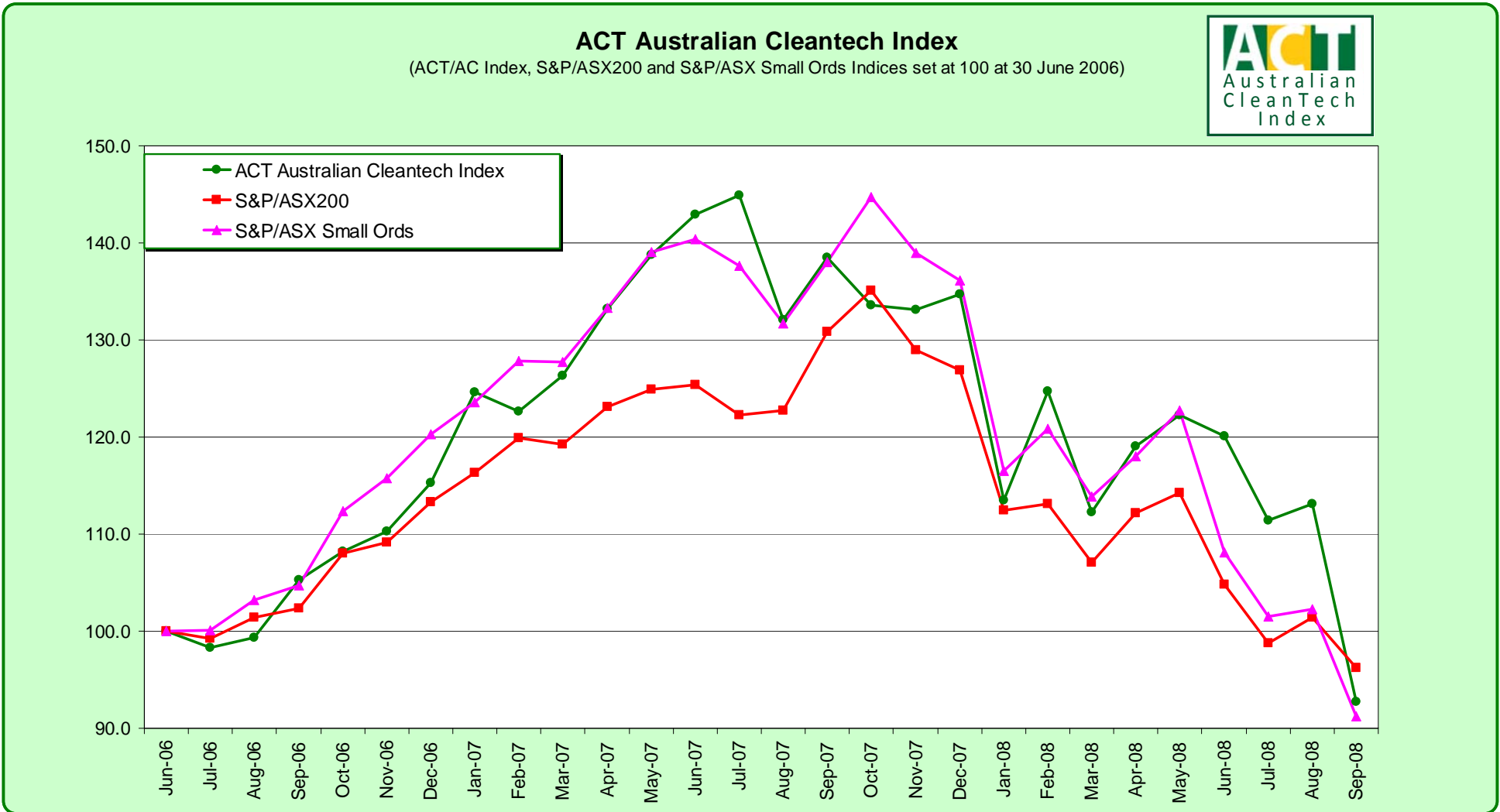
The ACT Australian CleanTech Index underwent its quarterly rebalancing at the end of September which took account of recent share issues and other corporate activity.

Changes that were made to the index constituents at this rebalancing were:

- the addition of C@ Ltd following its change of business focus to bio-sequestration projects;
- the addition of Hydrotech International Ltd following a review of its operations. The company is engaged in the design and installation of technology to prevent water ingress into subterranean concrete and masonry structures;
- the addition of Phoslock Water Solutions Ltd following a review of its operations. The company manufactures and sells a product that reduces nutrient build up in water bodies and controls algae growth;
- the addition of BioProspect Ltd following a review of its operations. The company develops natural compounds and products in the pesticide and agricultural sectors; and
- the removal of Cougar Energy following its recent change of focus away from battery technologies and to Underground Coal Gassification.

In addition, a watching brief is being maintained on:

- Agri Energy Ltd that has recently gone into administration;
- Aqua Guardian that withdrew from a proposed IPO during the quarter; and
- the Water Resources Group that filed for an IPO during September.



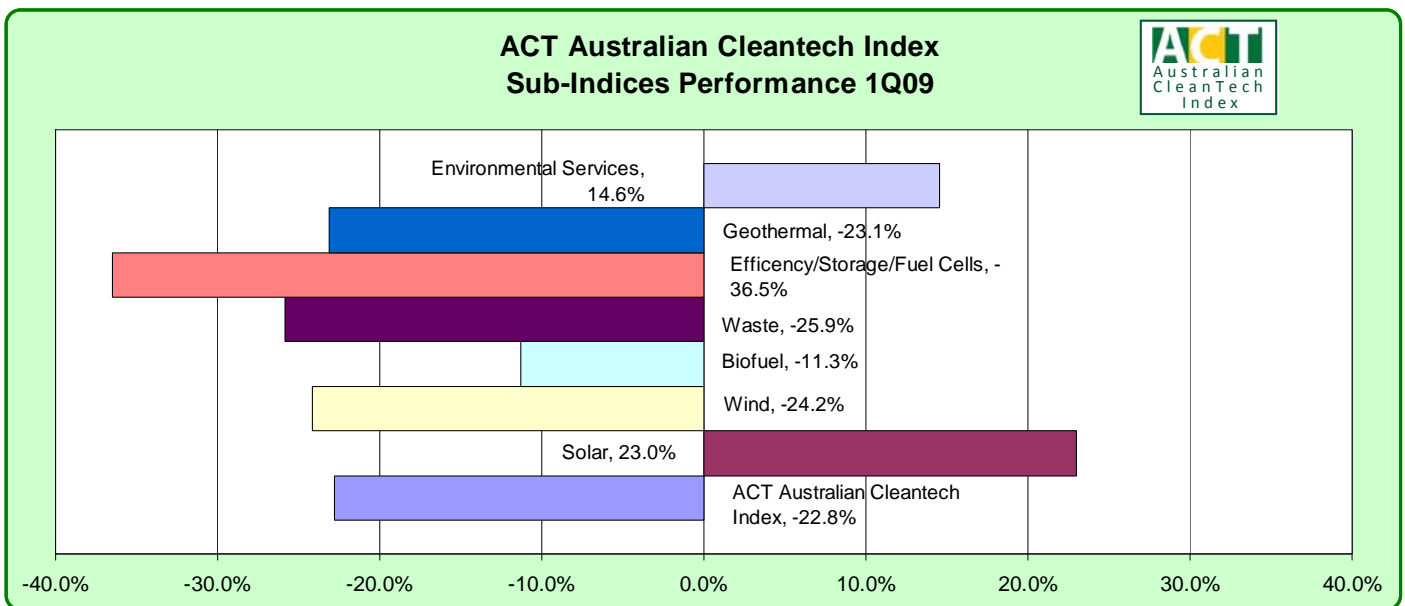
3. Component Sub-Indices

To provide an analysis of the ACT Australian CleanTech Index, seven sub-indices have been developed. The performance of each of these sub-indices over the last two financial years and during 1Q09 is shown in the table and charts below.

The stand-out sectors for the quarter were the Solar and Environmental Services sectors that both recorded strong gains.

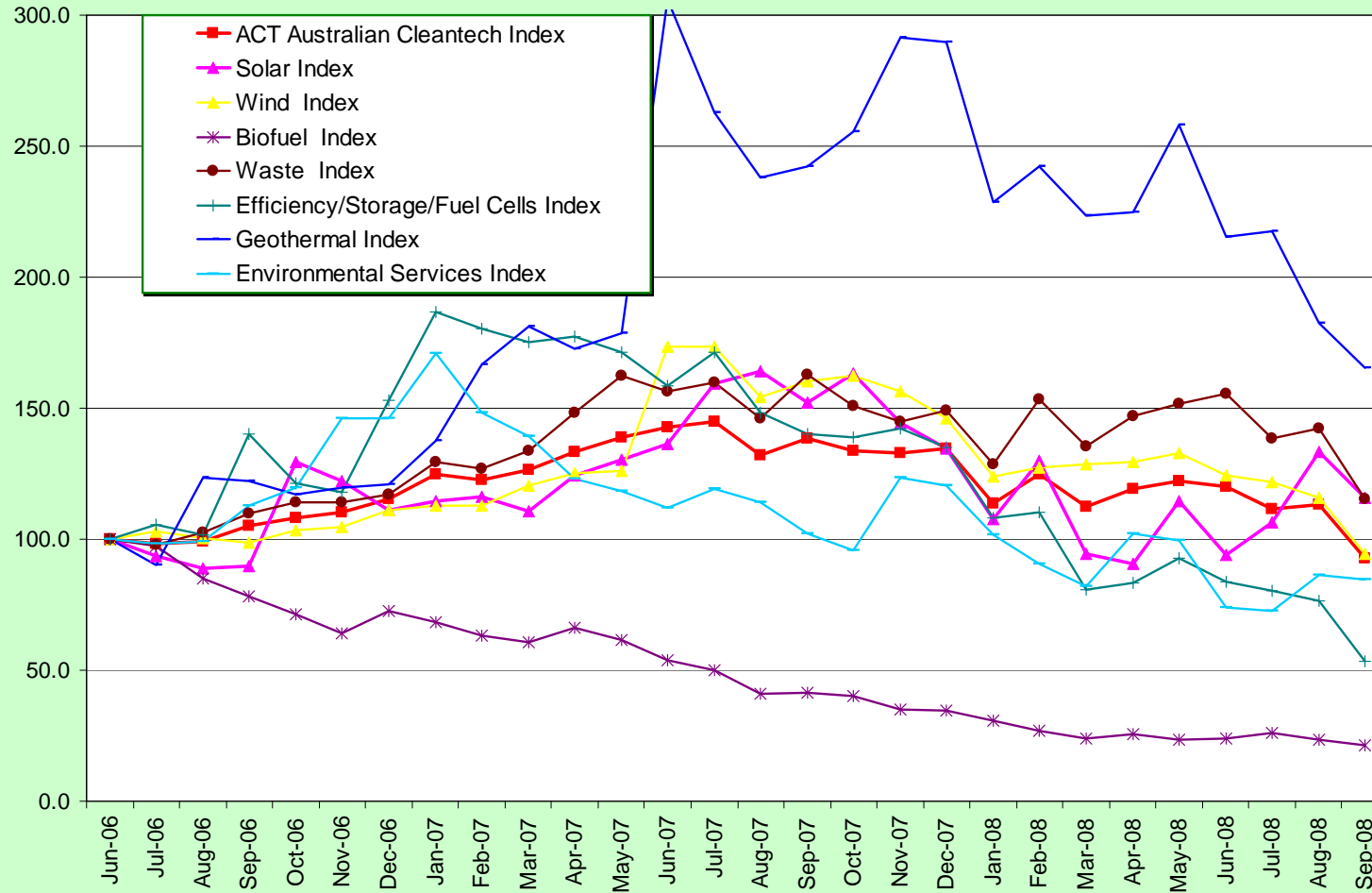
ACT Australian CleanTech Sub-Indices

	FY07	FY08	1Q09
ACT Solar Index	36.5%	-31.1%	23.0%
ACT Wind Index	73.3%	-28.3%	-24.2%
ACT Biofuel Index	-46.2%	-55.5%	-11.3%
ACT Waste Index	56.3%	-0.4%	-25.9%
ACT Efficiency/Green Buildings/Biomaterials/ Energy Storage/Fuel Cells Index	58.5%	-47.1%	-36.5%
ACT Geothermal Index	205.9%	-29.6%	-23.1%
ACT Environmental Services Index	12.1%	-34.1%	14.6%



ACT Australian Cleantech Index Sub-Indices Chart

(ACT/AC Index and all ACT Cleantech Sub-Indices set at 100 at 30 June 2006)



4. Component Companies on 30 September 2008

The largest 20 largest Index constituents by market capitalisation on 30 September 2008 are provided in the Table below.

Market Cap Ranking	Company
1	Sims Group
2	Transpacific Industries
3	B&B Wind Partners
4	Crane Group
5	Energy Developments
6	Transfield Services Infrastructure Fund
7	Geodynamics
8	Coffey Environments
9	Viridis
10	GRD Ltd
11	Ceramic Fuel Cells
12	Tox Free Solutions
13	CMA Corp
14	Quantum Energy
15	CO2 Group
16	Dyesol
17	Willmott Forests
18	Carnegie Corp
19	Mission NewEnergy
20	Natural Fuels

For a full listing of all companies included in the ACT Australian CleanTech Index, please email your request to index@auscleantech.com.au.