



ACT Australian CleanTech Index

1Q FY12

Quarterly Performance Report

October 2011

To request further information or to be added to the distribution list for future ACT Australian CleanTech Index reports, please see www.auscleantech.com.au/Pages/cleantech.html

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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 75 companies falling under the coverage of the Index and with a combined market capitalisation of over \$6Bn, 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 the annual performance 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, in WME's Environmental Management News and in the international Cleantech Investor publication.

Monthly results can be emailed directly to interested parties by subscribing at <http://www.auscleantech.com.au/Pages/cleantech.html>.

2. ACT Australian CleanTech Index Performance 1Q FY12

ACT Australian CleanTech Index underperformed both the S&P ASX200 and the S&P ASX Small Ordinaries for the month of September 2011.

The ACT Australian CleanTech Index fell from 44.0 to 36.4 over the month of September recording a massive 17.4% loss. This compared to the S&P ASX200 loss of 6.1% and the S&P ASX Small Ordinaries Index loss of 10.7%. The Australian CleanTech 20 fared even worse with a loss of 18.5%.

Over the first quarter of the 2012 fiscal year, the ACT Australian CleanTech Index recorded a loss of 21.2%, behind both the 11.5% loss of the S&P ASX200 and the 10.7% loss of the S&P ASX Small Ordinaries.

Percentage Change	FY07	FY08	FY09	FY10	FY11	SEP'11	3Q FY11	6 Mnth	12 Mnth	3Yrs
ACT Australian CleanTech Index	42.9%	-16.0%	-38.7%	-32.0%	-8.1%	-17.4%	-21.0%	-30.9%	-34.8%	-60.8%
Australian CleanTech 20	56.4%	-21.4%	-37.8%	-16.3%	-17.6%	-18.5%	-22.3%	-43.1%	-46.6%	-64.3%
S&P/ASX200	25.4%	-16.4%	-25.8%	11.8%	4.2%	-6.1%	-11.5%	-16.9%	-13.7%	-16.6%
S&P/ASX Small Ords	40.4%	-23.0%	-32.4%	10.5%	9.5%	-10.7%	-10.7%	-21.3%	-15.6%	-13.4%

The market capitalisation of the 76 stocks in the ACT Australian CleanTech Index is A\$6.5 billion, after its rebalance, falling from its peak of \$16.3 billion in July 2007.

The month's performance was driven by poor performances with losses of greater than 25% by Dyesol, Quantum Energy, CBD Energy, Jat Energy, Water Resources Group, Papyrus, Medivac, Advanced Energy Systems, EcoQuest, Orocobre, Geodynamics, Geothermal Resources, Earth Heat Resources and BioProspect. In addition, Sims Metal Management one month loss of 19.7% had a big impact on the overall Index performance.

These losses were partially offset by gains of over 10% in Hydromet, Hydrotech, Dolomatrix, Gale Pacific, Cardia Bioplastics, Green Rock, WAG Ltd and the

Environmental Group.

The best performers of 1Q FY12, all of which had gains in excess of 25% were EnviroMission, Dolomatrix, Traffic Technologies, Cardia BioPlastics, Enerji, Orbital Corporation, Geothermal Resources, Carbon Conscious, the Environmental Group and Pacific Environment.

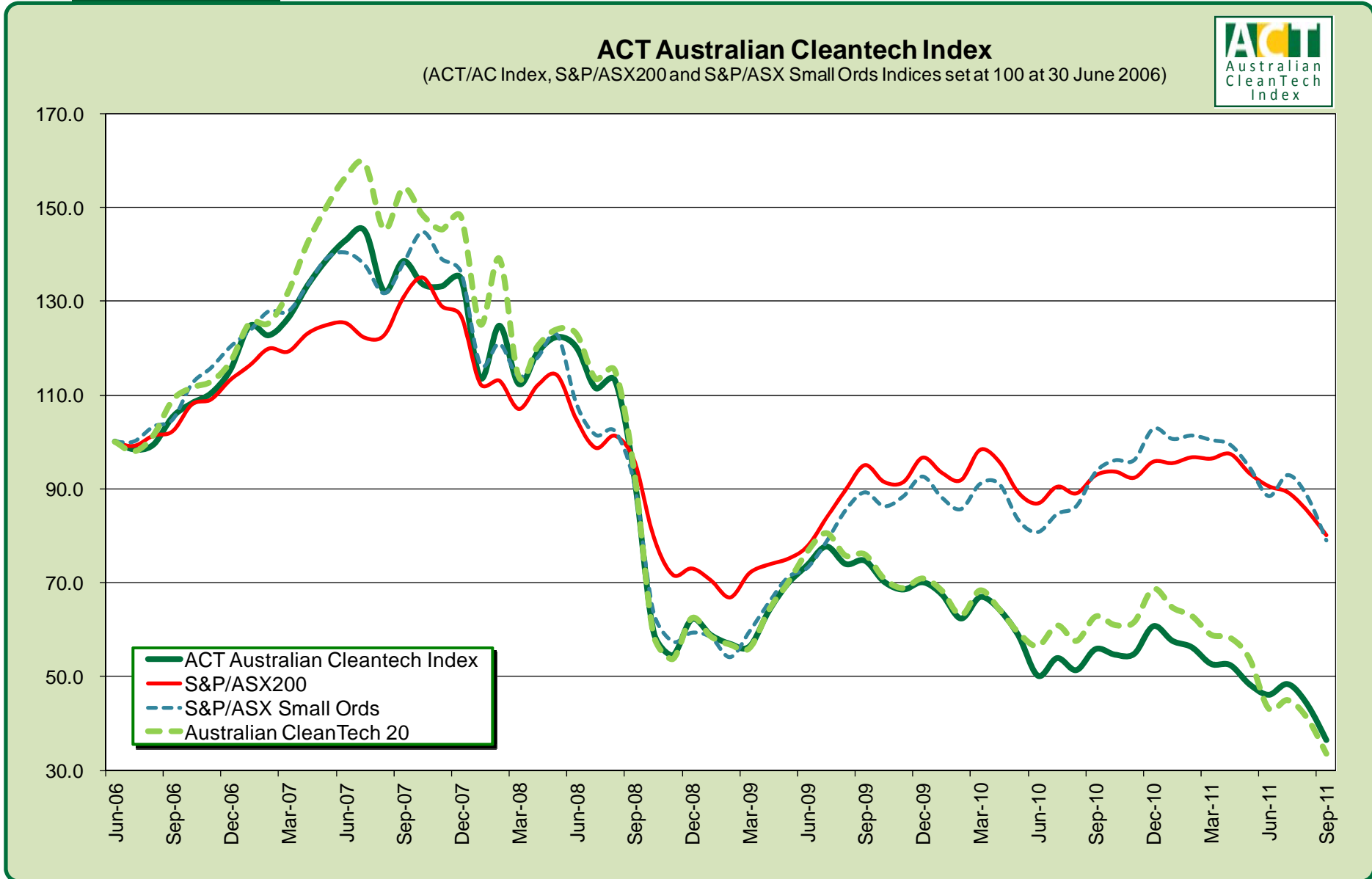
Some of those that performed poorly with losses of greater than 25% were Dyesol, Quantum Energy, CBD Energy, Infigen Energy, Solverdi Worldwide, Australian Renewable Fuels, Phoslock Water Solutions, Island Sky, Water Resources Group, Sims Metal Management, AnaeCo, Nanosonics, EcoQuest, Eden Energy, Orocobre, RedFlow, GreenCap, BioProspect and Soil Sub Technologies.

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.

There were no changes made to the index constituents at this rebalancing.

A watching brief is being maintained on the following companies in the Index:

- **Jatoil Ltd (ASX:JAT)** following its acquisition of coal assets in Kalimantan in Indonesia. At the same time, the company has expanded its Jatropha operations. A careful watch will be maintained on the source of the majority of the company's revenue.
- **Green Rock (ASX:GRK)** which is buying into an oil and gas exploration project in the Kimberly region of WA.
- **BioProspect (ASX:BPO)** which is buying into an oil and gas exploration project in the Phillipines.
- **Solverdi WordWide Limited (ASX:SWW)** that remains in administration.



3. Component Sub-Indices

To provide an analysis of the ACT Australian CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last five financial years and during 1Q FY12 is shown in the table and charts below.

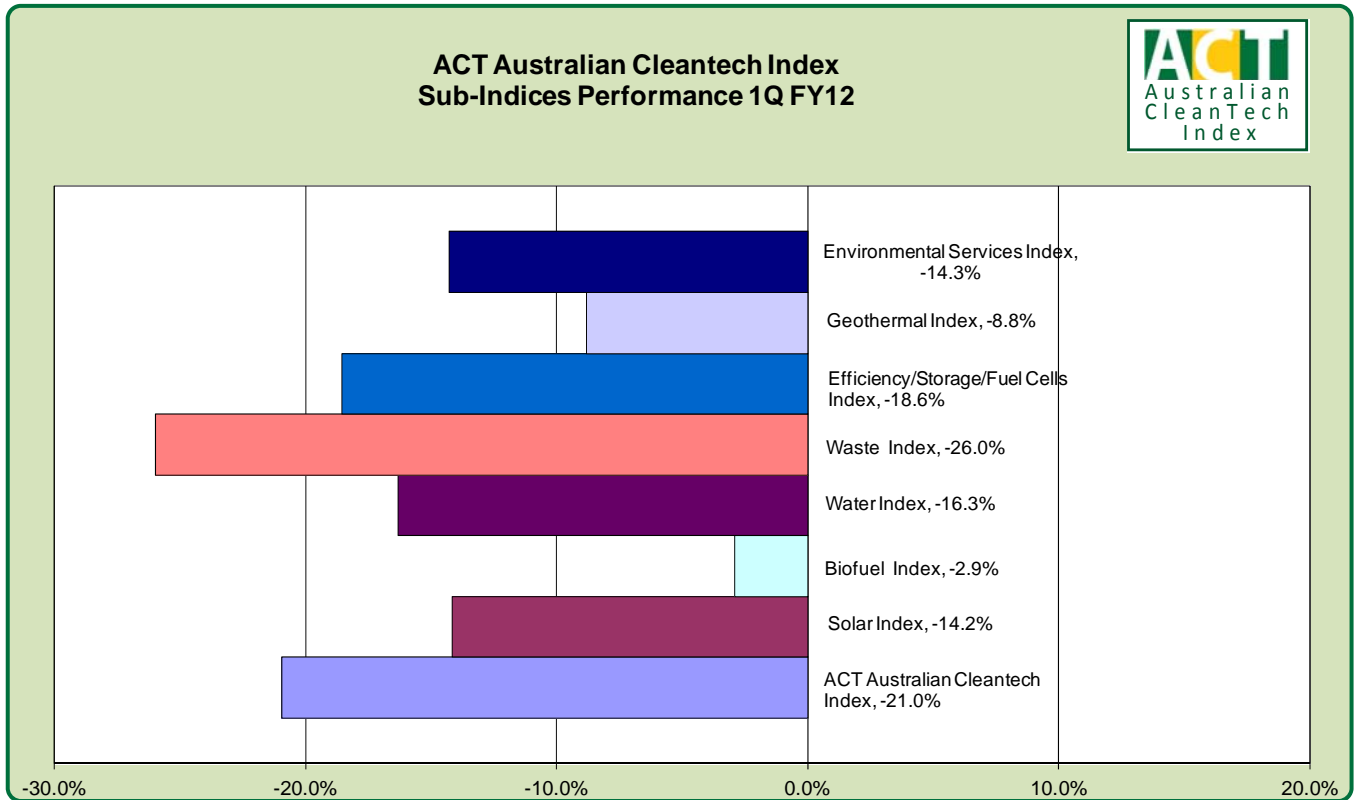
The best performing sectors for the three months to September 2011 were ACT Biofuels Index and the ACT Water Index.

The worst performer was the ACT Environmental Services Index, which was driven down by the poor result from Coffey Environments and the Environmental Group.

ACT Australian CleanTech Sub-Indices

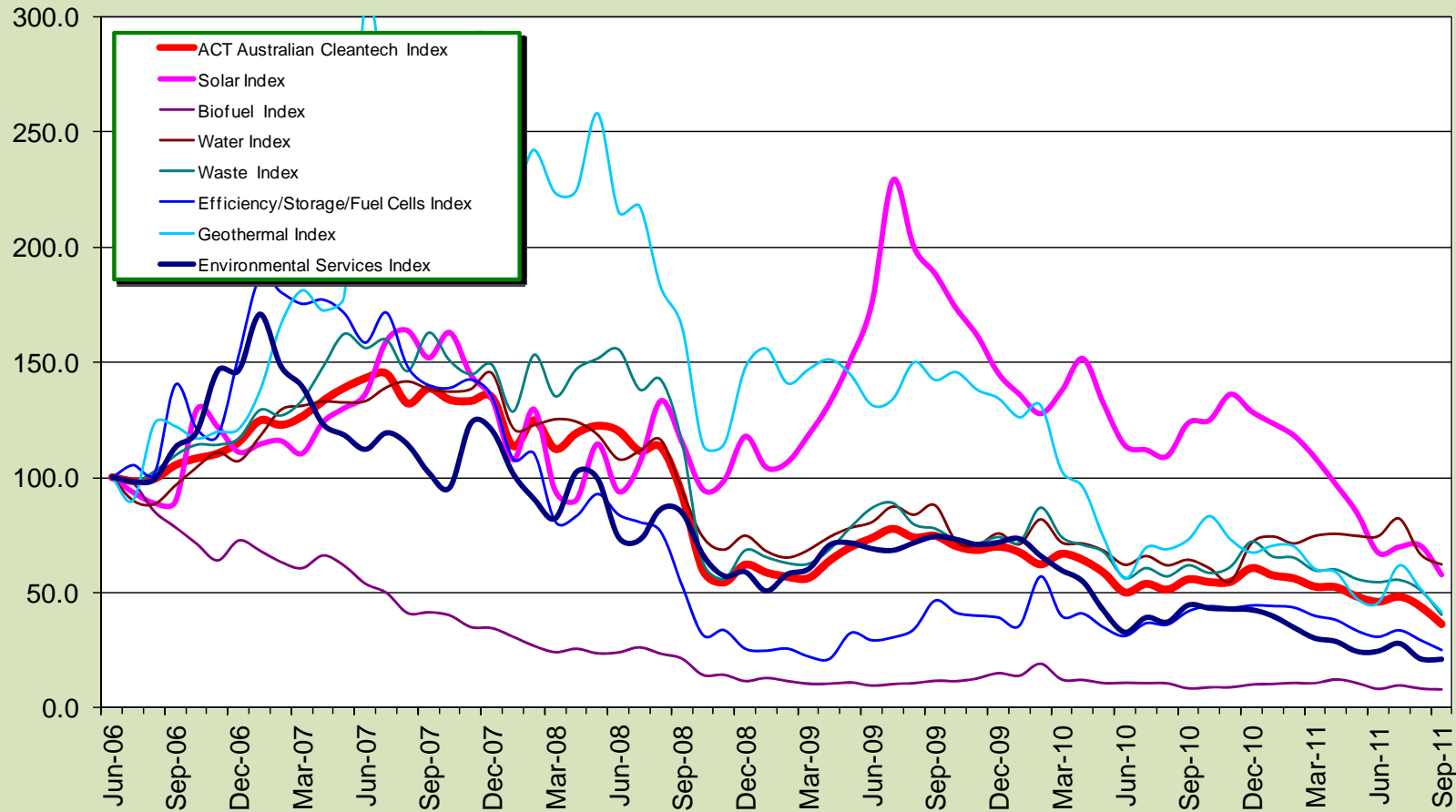
	FY07	FY08	FY09	FY10	FY11	1Q FY12
ACT Solar Index	36.5%	-31.1%	86.7%	-35.1%	-40.8%	-21.0%
ACT Wind Index*	73.3%	-28.3%	-29.0%	-40.1%	-24.4%	-14.2%
ACT Biofuel Index	-46.2%	-55.5%	-60.4%	12.8%	-24.5%	N/a
ACT Water Index	32.9%	-18.9%	-25.2%	-22.8%	19.8%	-2.9%
ACT Waste Index	56.3%	-0.4%	-44.3%	-35.0%	-3.3%	-16.3%
ACT Efficiency/Green Buildings/Biomaterials/ Energy Storage/Fuel Cells Index	58.5%	-47.1%	-65.1%	6.2%	-1.2%	-26.0%
ACT Geothermal Index	205.9%	-29.6%	-38.9%	-57.3%	-18.6%	-18.6%
ACT Environmental Services Index	12.1%	-34.1%	-6.7%	-52.6%	-25.2%	-8.8%

*: ACT Wind Index discontinued on 1 July 2011 due to too few companies



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 2011

The largest 20 largest Index constituents by market capitalisation on 30 September 2011 are provided in the table below. These companies will form the constituents of the Australian CleanTech 20 until the index is rebalanced again on 31 December 2011.

Market Cap Ranking	Company
1	Sims Metal Management
2	Transpacific Industries
3	Sylex Systems
4	Energy Developments
5	Tox Free Solutions
6	Galaxy Resources
7	Infigen Energy
8	Ceramic Fuel Cells
9	Pacific Energy
10	Nanosonics
11	Orocobre
12	Algae.Tec
13	Novarise Renewable Resources
14	Carnegie Wave Energy
15	RedFlow
16	Wasabi Energy
17	Coffey Environments
18	Gale Pacific
19	Geodynamics
20	CMA Corporation

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

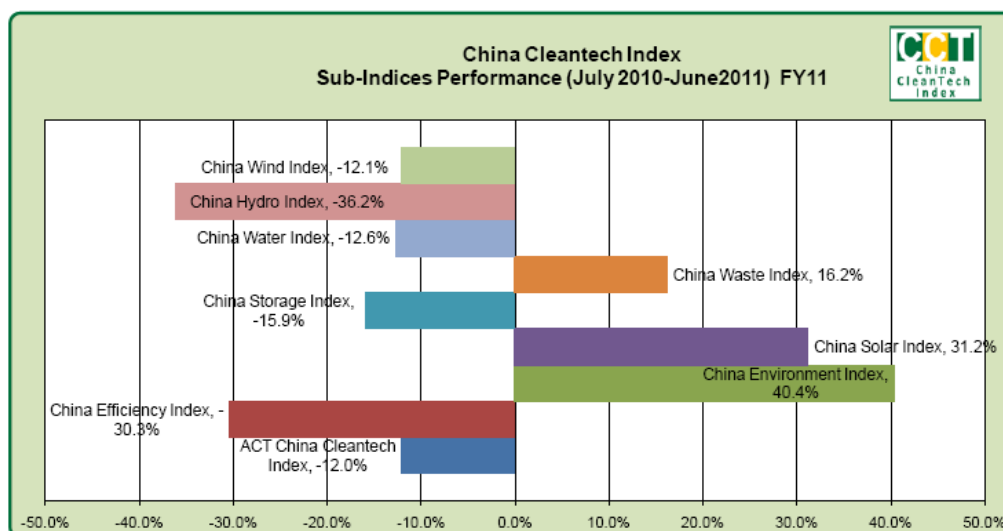
5. China CleanTech Index

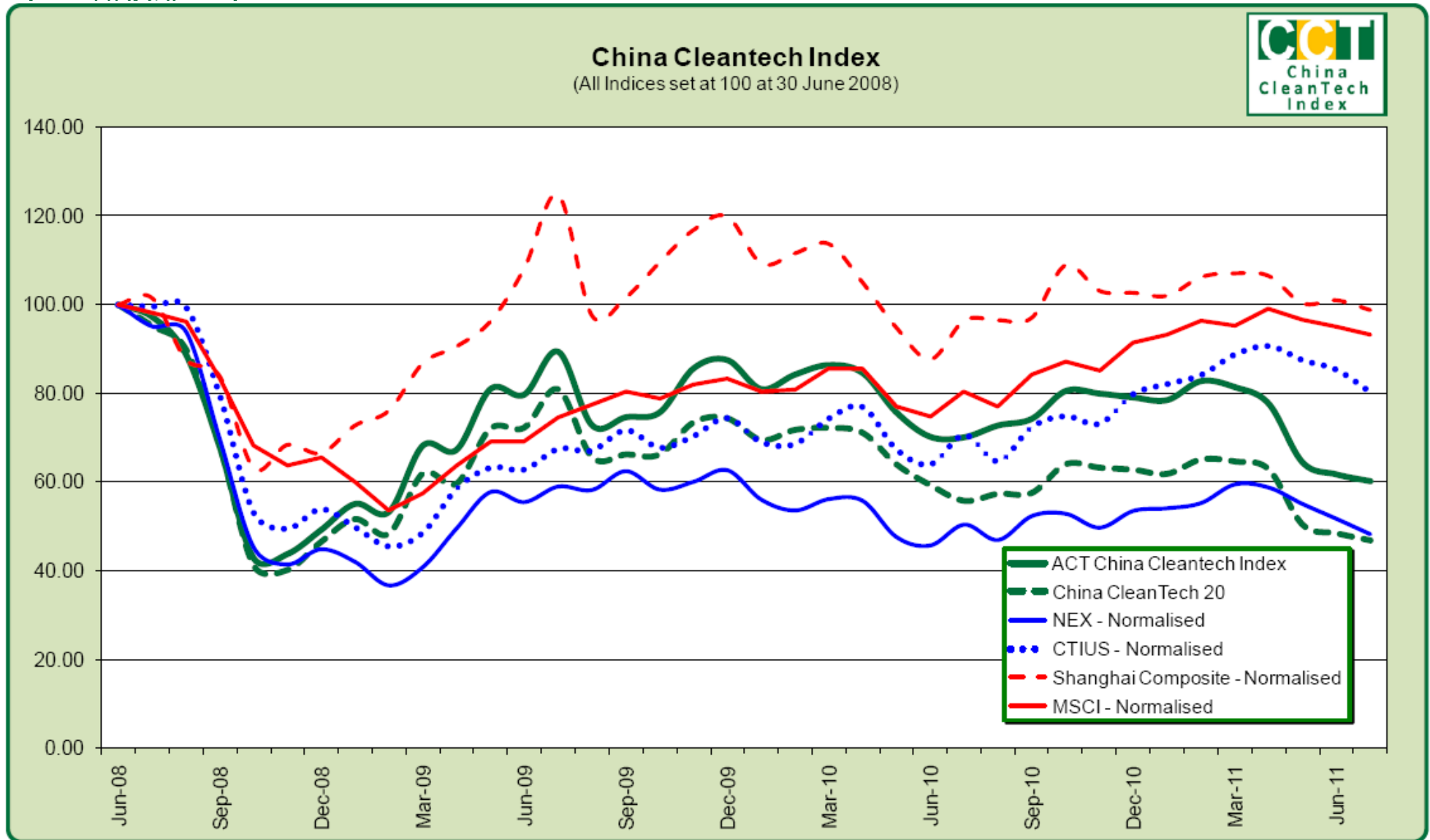
In the hope of finding some positive news on cleantech stocks, Australian CleanTech, through its Beijing-based Chinese operations, now publishes the China CleanTech Index.

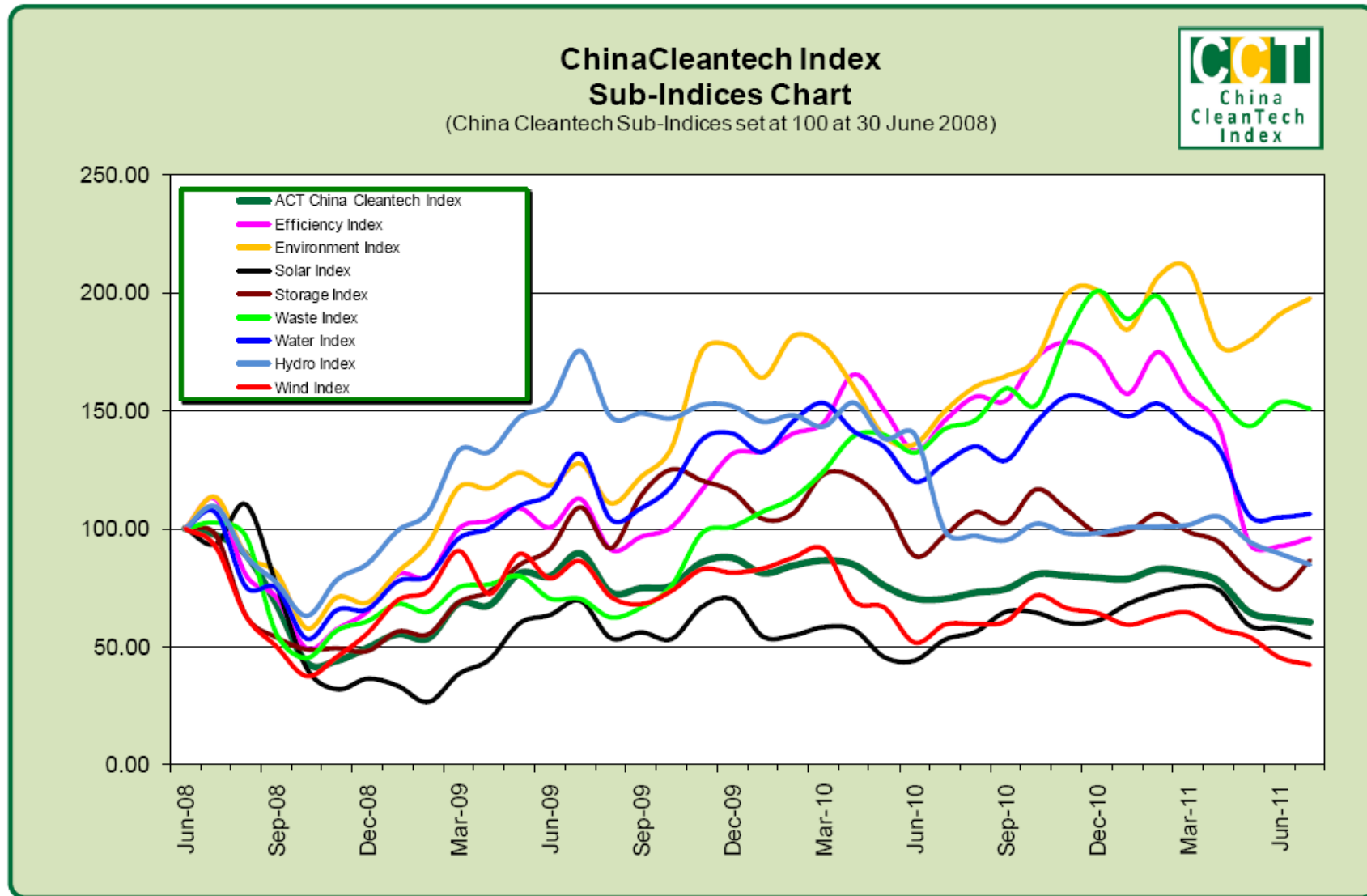
This index tracks all Chinese-based listed cleantech companies wherever they are listed and will be used to provide the definitive measure of Chinese cleantech stocks.

The summary below is extracted from the index Launch Report that is available for download from www.sinocleantech.com.au.

Percentage Change	FY09	FY10	FY11	JUL '11	3 Months	12 Months	3 Years
China CleanTech Index (CCTI)	-20.2%	-11.9%	-12.0%	-2.5%	-22.4%	-14.1%	-38.1%
China CleanTech 20 (CCT20)	-27.6%	-17.9%	-18.3%	-3.3%	-25.4%	-16.0%	-50.7%
Wilder Hill New Energy Global Innovation Index (NEX)	-44.5%	-17.6%	13.1%	-6.7%	-17.9%	-4.3%	-49.3%
Cleantech Index (CTIUS)	-37.1%	1.9%	33.2%	-5.9%	-11.4%	13.7%	-19.3%
China Shanghai Composite Index (SHCOMP)	8.2%	-19.0%	15.2%	-2.2%	-7.2%	2.4%	-2.7%
MSCI World (MSCI)	-30.8%	8.0%	27.0%	-1.9%	-5.9%	15.8%	-5.0%







Top 20 Stocks by Market Capitalisation

	Company	Sector	Exchange	Code
1	China Yangtze Power Co., Ltd.	WAVE, TIDAL, HYDRO	Shanghai (SH)	SH600900
2	Sinovel Wind Group Company Limited	WIND	Shanghai (SH)	SH601558
3	GCL-Poly Energy Holdings	SOLAR	HKSE	HK:3800
4	Xinjiang Goldwind Science & Technology Co.	WIND	Shenzhen SX (SHE)	SZ002202
5	Chongqing Water Group Company Limited	WATER	Shanghai (SH)	SH601158
6	Chengdu Xingrong Investment Co.,Ltd	WATER	Shenzhen SX (SHE)	SZ000598
7	Tsinghua Tongfang Co., Ltd.	ENERGY EFFICIENCY & BIOMATERIALS	Shanghai (SH)	SH600100
8	China Longyuan Power Group Corp	WIND	HKSE	HK:916
9	Foshan Electrical And Lighting Co., Ltd.	ENERGY EFFICIENCY & BIOMATERIALS	Shenzhen SX (SHE)	SZ000541
10	Beijing Originwater Technology Co., Ltd.	WATER	Shenzhen SX (SHE)	SZ300070
11	Beijing Capital Co., Ltd.	WATER	Shanghai (SH)	SH600008
12	Shanghai 3f New Materials Company Ltd	ENVIRONMENTAL SERVICES	Shanghai (SH)	SH600636
13	Henan Xindaxin Materials Co., Ltd.	SOLAR	Shenzhen SX (SHE)	SZ300080
14	Trina Solar	SOLAR	NYSE	TSL
15	Shanghai Aero Auto Electromechanical	SOLAR	Shanghai (SH)	SH600151
16	Beijing Water Business Doctor Co., Ltd.	WATER	Shenzhen SX (SHE)	SZ300055
17	Eguard Resources Development Co., Ltd.	WASTE	Shenzhen SX (SHE)	SZ000826
18	Shanghai Chaori Solar Energy Science	SOLAR	Shenzhen SX (SHE)	SZ002506
19	Zhongshan Public Utilities Group Co., Ltd.	WATER	Shenzhen SX (SHE)	SZ000685
20	Yingli Green Energy	SOLAR	NYSE	YGE