



Australian CleanTech Index

1Q FY17

Quarterly Performance Report

October 2016

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 or contact John O'Brien, Managing Director, Australian CleanTech at john.obrien@auscleantech.com.au

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1. Australian CleanTech Index Overview

The 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 & Biomaterials
Biofuels	Green Buildings
Water	Energy Storage & Fuel Cells
Environmental Services	Wave, Tidal & Hydro
Low Emissions Vehicle Technologies	Biogas
Carbon Trading	Geothermal – Hot dry rocks and conventional

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 64 companies falling under the coverage of the Index and with a combined market capitalisation, after its rebalance, of over \$25 billion, the ACT Australian CleanTech Index presents a comprehensive 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 ASX200 and the 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, and in numerous domestic and international publications.

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

2. Australian CleanTech Index Performance 1Q FY17

Australian CleanTech Index underperformed the ASX200 for the month of September after strong falls from some of the larger constituent stocks including Meridian Energy, Mighty River Power, Contact Energy and Sims Metal Management, but remains ahead for the quarter.

The Australian CleanTech Index fell from 58.05 to 55.23 over the month of September recording a 4.9% loss. This compared to the ASX200 gain of 0.1% and the ASX Small Ordinaries Index gain of 0.6%. The Australian CleanTech 20 recorded a loss of 5.0%.

Over the first quarter of the 2017 fiscal year, the Australian CleanTech Index recorded a gain of 5.4%, ahead of the ASX200's gain of 4.0% but trailing the ASX Small Ordinaries' 7.2% gain.

The six and twelve month figures also remain well ahead of both the ASX200 and the ASX Small Ordinaries. **Over the last 3 years, the Australian CleanTech Index recorded a gain of 56.0%, over 50% ahead of the ASX200.**

Percentage Change	FY11	FY12	FY13	FY14	FY15	SEP'16	1Q FY17	6 Mnth	12 Mnth	3Yrs
ACT Australian CleanTech Index	-8.1%	-30.3%	-3.5%	19.6%	16.6%	-4.9%	5.4%	18.7%	32.4%	56.0%
Australian CleanTech 20	-17.6%	-29.2%	-2.0%	19.6%	16.0%	-5.0%	5.6%	18.6%	31.5%	52.8%
S&P/ASX200	4.2%	-9.6%	17.3%	12.3%	1.3%	0.1%	4.0%	7.1%	8.3%	4.2%
S&P/ASX Small Ords	9.5%	-15.0%	-8.3%	9.6%	-2.8%	0.6%	7.2%	13.1%	24.9%	11.2%

The market capitalisation after its rebalance of the 64 stocks in the Australian CleanTech Index is A\$27.1 billion setting a new record for the sector.

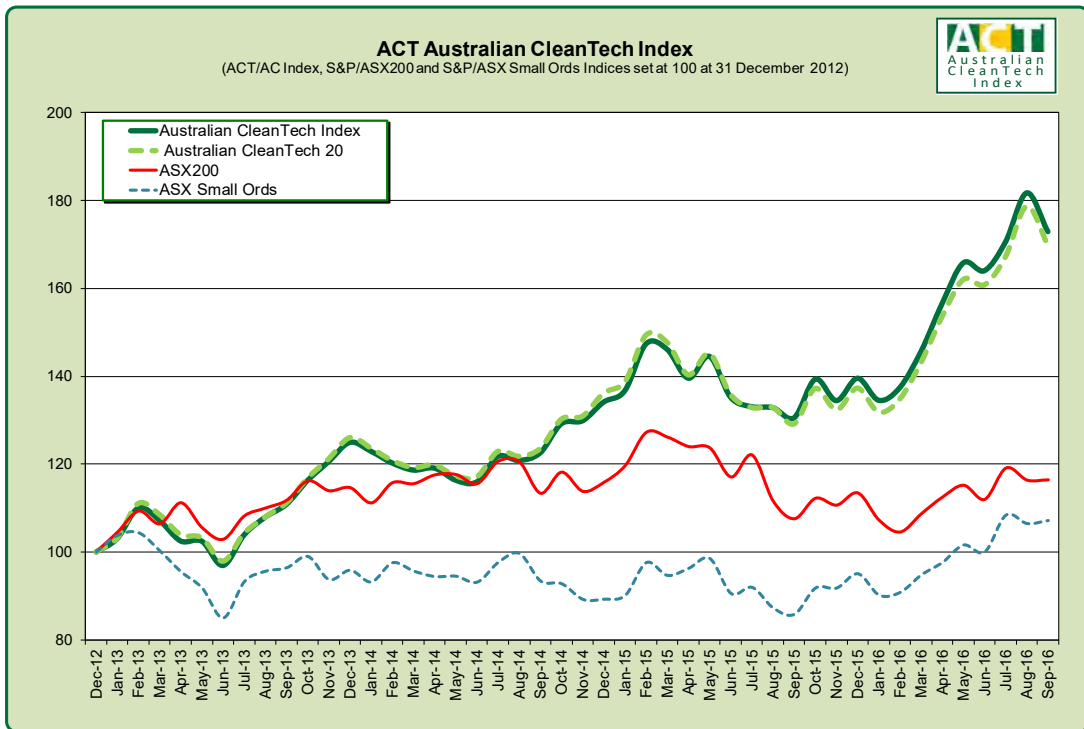
Best and Worst Stocks

The best and worst performers in terms of share price performance over the month and the quarter are shown in the table below.

The month's performance was driven by 13 companies with losses of more than 10%. The greatest percentage losses were recorded by **Sterling Biofuels (SBI)**, **Quantum Energy (QTM)** and **K2 Energy Limited (KTE)**. These gains were partially offset by 5 companies recording gains of more than 10% led by **Geodynamics (GDY)**, **Genex Power (GNX)** and **AnaeCo (ANQ)**.

The quarter's performance was driven by 13 companies with gains of more than 25%. The greatest gains were recorded by **Intec (INL)**, **AnaeCo (ANQ)**, **Australian Vanadium (AVL)** and **Genex Power (GNX)**. These gains were partially offset by 11 companies recording losses of more than 25% led by **BuildingIQ (BIQ)**, **Sterling Biofuels (SBI)** and **Enerji (ERJ)**.

September 2016		
Best Performers Share Price Gain > 10%	Worst Performers Share Price Loss > 10%	
Algae.Tec Emefcy Group AnaeCo Genex Power Geodynamics	Quantum Energy K2 Energy Limited Actinogen Sterling Biofuels Phoslock Water Solutions Galaxy Resources Lithium Australia	Hazer Group Meridian Energy Vmoto Kalina Power Greenearth Energy Aeris Environmental
1Q FY17		
Best Performers Share Price Gain > 25%	Worst Performers Share Price Loss > 25%	
Mission NewEnergy CleanTeQ Cleanaway Waste AnaeCo Intec Bluglass Energy Action	Nanosonics Australian Vanadium Genex Power Pacific Energy HRL Holdings Seafarms Group	Quantum Energy K2 Energy Limited Actinogen Sterling Biofuels BuildingIQ Enerji Galaxy Resources Lithium Australia Neometals RedFlow Environmental Group



Index Rebalance

The Australian CleanTech Index underwent its quarterly rebalancing at the end of September which took account of recent share issues and other corporate activity. The following two companies were removed from the Index

- **GO Energy Group (previously Solco) (ASX:GOE)** following its trading halt on 10 March 2016 and subsequent collapse into administration on 22 March 2016.
- **EcoSave (ASX:ECV)** following its delisting from the ASX.

The following two companies were added to the Index at this rebalance:

- **Reliance Worldwide Corporation Limited (ASX:RWC).** Reliance Worldwide® is a global provider of water control systems and plumbing solutions for domestic, commercial and industrial applications. Established in 1949, Reliance has grown to become a world leader in water control, measurement, infrastructure, products and services, supplying hot water systems to manufacturers, plumbing distributors, government bodies, and other major industries. RWC will also be added to the new Australian Water Index. www.rwc.com
- **Range International (ASX:RAN).** Range International has developed the proprietary ThermoFusion™ technology that enables the production of pallets from 100% recycled mixed waste plastic. After salvaging the mixed waste plastic we create a malleable dough using our unique ThermoFusion™ technology. This avoids the expensive process of grading and sorting the waste material. Using compression molding, the dough is then pressed into molds to produce pallets. The result are pallets that have outstanding strength, durability and are uniform in dimension and weight. RAN will also be added to the new Australian Waste Index. www.rangeinternational.com

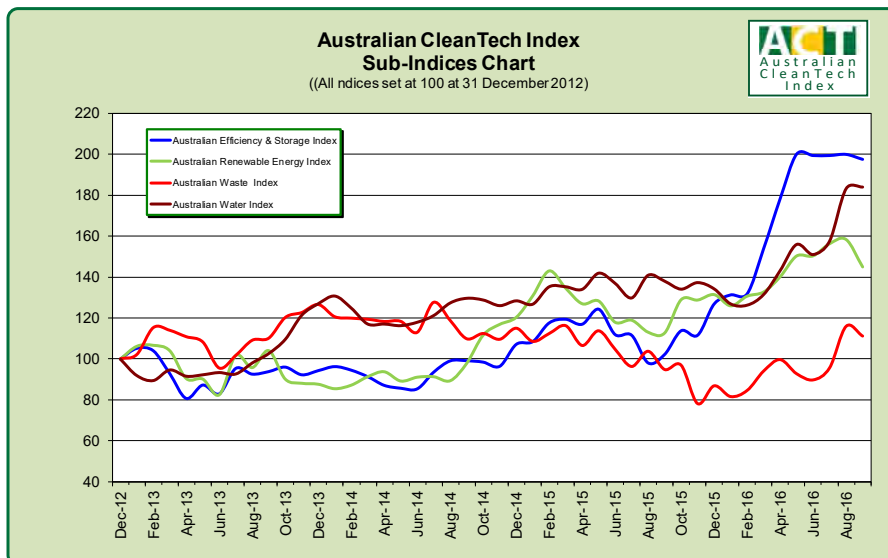
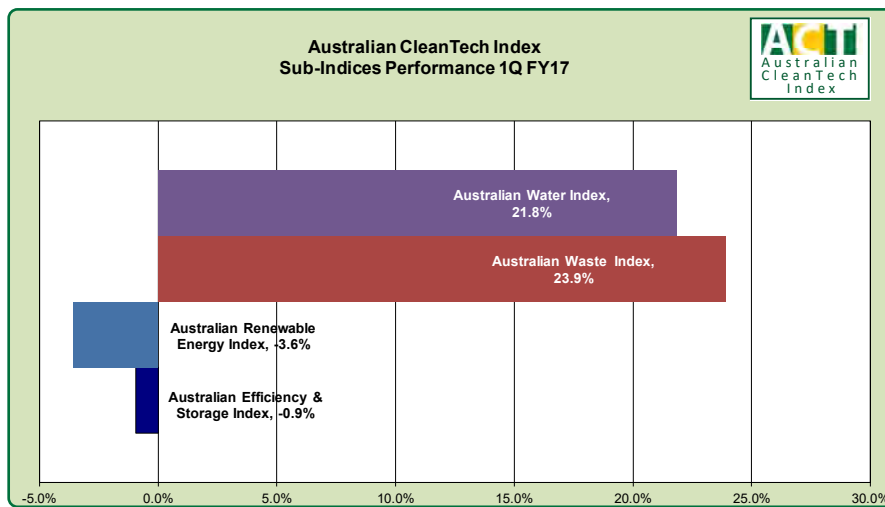
3. Component Sub-Indices

To provide an analysis of the Australian CleanTech Index, a number of sub-indices have been developed. The performance of each of these sub-indices over the last five financial years and during 1Q of FY17 is shown in the table and charts below.

The best performing sectors for the three months to September 2016 were the Australia Waste Index and the Australian Water Index.

Australian CleanTech Sub-Indices

	FY12	FY13	FY14	FY15	FY16	1Q FY17
Australian Efficiency & Storage Index	-23.5%	-27.9%	2.9%	31.0%	78.1%	-0.9%
Australian Renewable Energy Index	-22%	-22%	10%	29.5%	27.4%	-3.6%
Australian Waste Index	-36.9%	-3.4%	18.3%	-7.4%	-14.3%	23.9%
Australian Water Index	1.6%	-14.6%	26.3%	16.1%	10.3%	21.8%



4. Component Companies on 30 September 2016

The largest 20 largest Index constituents by market capitalisation on 30 September 2016 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 2016.

Market Cap Ranking	Company	Ticker
1	Reece Australia Holdings	REH
2	Mighty River Power	MCY
3	Contact Energy	CEN
4	Meridian Energy	MEZ
5	Sims Metal Management	SGM
6	Cleanaway Waste	CWY
7	Reliance Worldwide Corp	RWC
8	Nanosonics	NAN
9	Orocobre	ORE
10	Infigen Energy	IFN
11	Galaxy Resources	GXY
12	Metro Performance Glass	MPP
13	Beacon Lighting Corp	BLX
14	Tox Free Solutions	TOX
15	CleanTeQ	CLQ
16	Eden Energy	EDE
17	Pacific Energy	PEA
18	Emefcy Group	EMC
19	Range International	RAN
20	Neometals	NMT

There were four new entrants to the Australian CleanTech 20 in this rebalance: Reliance Worldwide Corp, CleanTeQ, Emefcy and Range International. These replaced the outgoing companies of RedFlow, Pro-Pac Packaging, Dyesol and Gale Pacific.

Each of the constituents in the Australian CleanTech 20 has a market capitalisation of more than \$180m.

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

6. China CleanTech Index

Australian CleanTech, through its Beijing-based Chinese operations, publishes the China CleanTech Index. This index tracks all 162 Chinese-based listed cleantech companies with a combined market capitalisation of US\$272 billion and provides the definitive measure of Chinese cleantech stocks for global markets. The charts below show the performance of the China CleanTech Index against its benchmarks and also show the relative performance of the China CleanTech Index against the Australian CleanTech Index.

Full details of the China CleanTech Index can be downloaded from www.sinocleantech.com, where it is also possible to sign up to receive the monthly performance reports.

