



# ACT Australian CleanTech Index

3Q FY11

## Quarterly Performance Report

April 2011

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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 \$10Bn, 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](http://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 3Q FY11

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

The ACT Australian CleanTech Index fell from 56.2 to 52.6 over the month of March recording a 6.3% loss. This compared to the S&P ASX200 loss of 0.3% and the S&P ASX Small Ordinaries Index loss of 0.9%.

Over the third quarter of the 2011 fiscal year, the ACT Australian CleanTech Index recorded a loss of 13.2%, behind both the 0.7% gain of the S&P ASX200 and the 2.3% loss of the S&P ASX Small Ordinaries.

Percentage Change	FY07	FY08	FY09	FY10	MAR'11	3Q FY11	6 Mnths	12 Mnths	3Yrs
<b>ACT Australian CleanTech Index</b>	42.9%	-16.0%	-38.7%	-32.0%	-6.3%	-13.2%	-5.6%	-21.3%	-53.1%
<b>S&amp;P/ASX200</b>	25.4%	-16.4%	-25.8%	11.8%	-0.3%	0.7%	3.8%	-1.9%	-9.9%
<b>S&amp;P/ASX Small Ords</b>	40.4%	-23.0%	-32.4%	10.5%	-0.9%	-2.3%	7.3%	10.3%	-11.8%

The market capitalisation of the 81 stocks in the ACT Australian CleanTech Index is A\$10.3 billion, after its rebalance, falling from its peak of \$16.3 billion in July 2007.

The month's performance was driven by poor performances by Silex Systems, Infigen Energy, Water Resources Group, Sims Metal Management, Orocobre, Enerji and Pacific Environment. These losses were partially offset by gains in Transfield Services Infrastructure Fund, the Crane Group (which is now to be fully acquired by Fletcher Building), Carbon Polymers and Traffic Technology.

The best performers of 3Q FY11, all of which had gains in excess of 25% were Advanced Energy Systems, Island Sky, Novarise Renewable Resources, Eden Energy and Orbital Corporation.

Some of those that performed poorly with losses of greater than 25% were Infigen Energy, Water Resources Group, CleanTeQ, AnaeCo, Medivac, ElectroMetals, Enerji, EcoQuest, Ceramic Fuel Cells, Vmoto, Coffey Environments and the Environmental Group.

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

The changes that were made to the index constituents at this rebalancing were:

- The removal of **Viridis Clean Energy (ASX:VIR)** following the companies move into liquidation.
- The addition of **WAG Ltd (ASX:WAG)**, following its commitment to acquire Pacific Pyrolysis and intention to rename itself PacPyro Ltd. Pacific Pyrolysis has an exclusive license to exploit the proven BEST Energies slow pyrolysis technology in the Asia Pacific region through commercial deployment to solve a number of the sustainability issues facing businesses. The technology converts non food biomass into renewable energy and a proprietary biochar called Agrichar™, that has been proven by independent trials to increase food production and sequester carbon over long periods of time.
- The addition of **Algae.Tec Ltd (ASX:AEB)** following its successful listing on the ASX in January 2011. Algae.Tec is an advanced biofuels company focused on commercializing technology that produces algae to manufacture sustainable fuels such as bio diesel and green jet fuel.

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

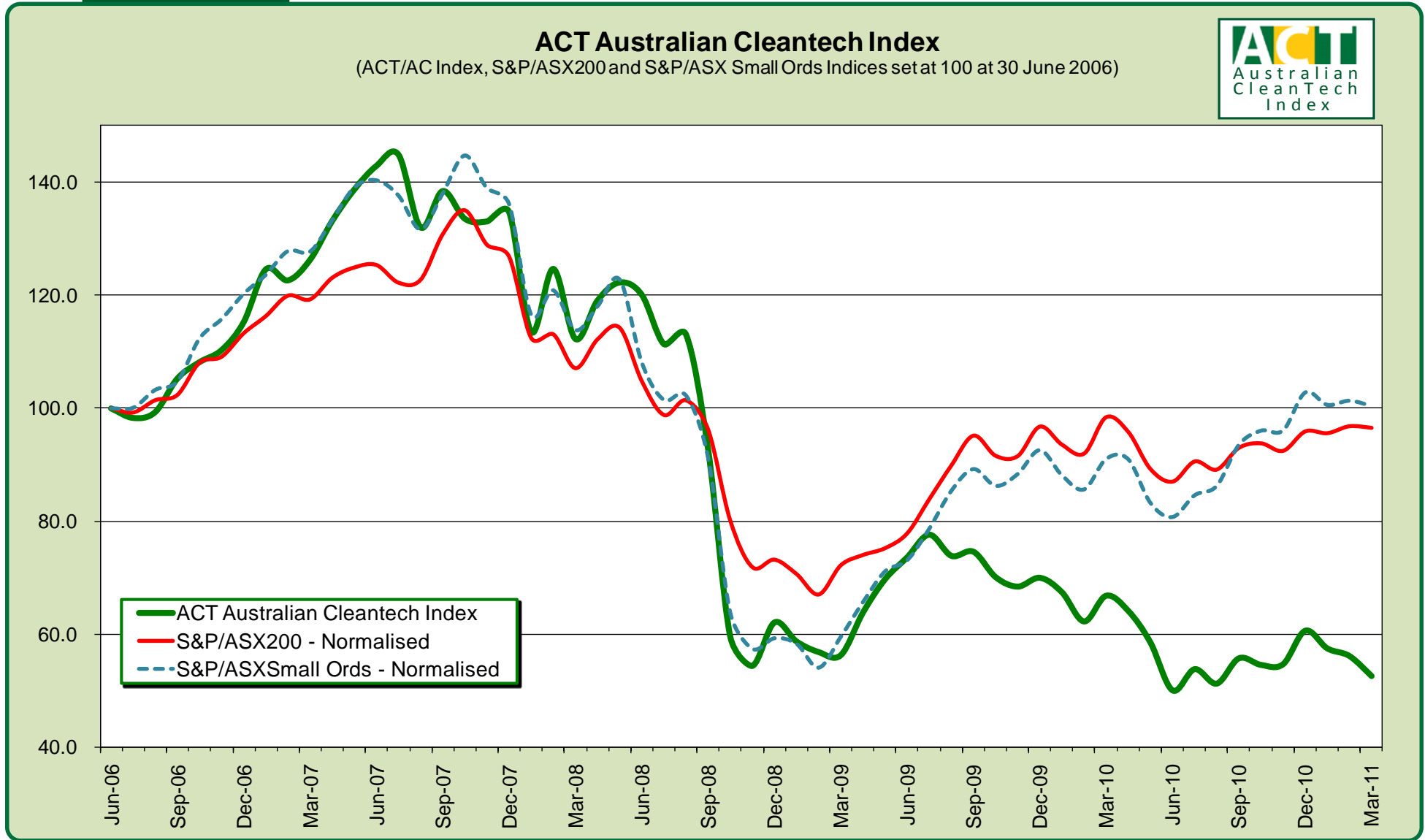
- **Jatoil Ltd (ASX:JAT)** following its acquisition of coal assets in Kalimantan in Indonesia. At the same time, the company has expanded its Jatropha operations. A careful watch will be maintained on the source of the majority of the company's revenue.
- **The Crane Group (ASX:CRG)** which is being acquired by Fletcher Building.
- **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.
- **Wilmott Forests Ltd (ASX:WFL)** which is currently in administration.



- **Solverdi WordWide Limited (ASX:SWW)** that remains in administration.

In addition, a watching brief is being maintained on the following company that may be included in the Index at some point in the future:

- **First Growth Funds Ltd (ASX:FGF)** (formerly m2m Ltd (ASX:MCL)) that is expanding its carbon sink operations in Papua New Guinea.





### 3. Component Sub-Indices

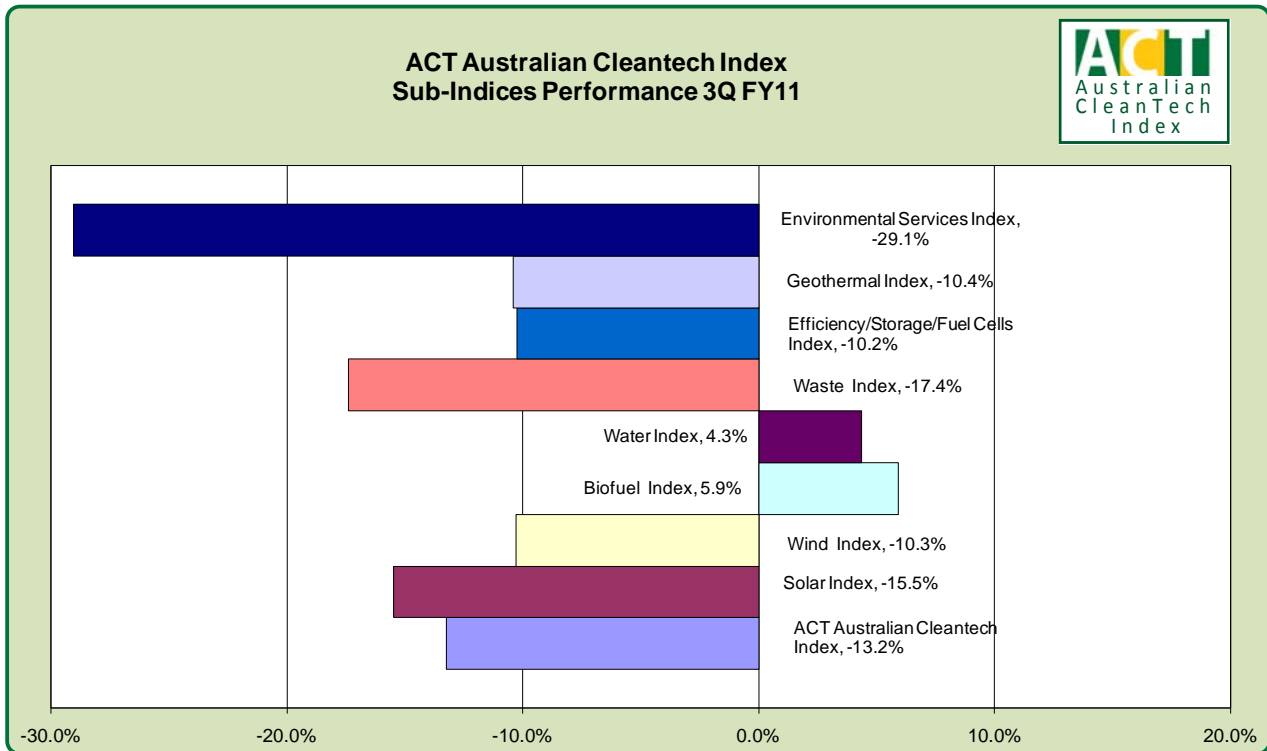
To provide an analysis of the ACT Australian CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last four financial years and during 3Q FY11 is shown in the table and charts below.

The best performing sectors for the three months to March 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.

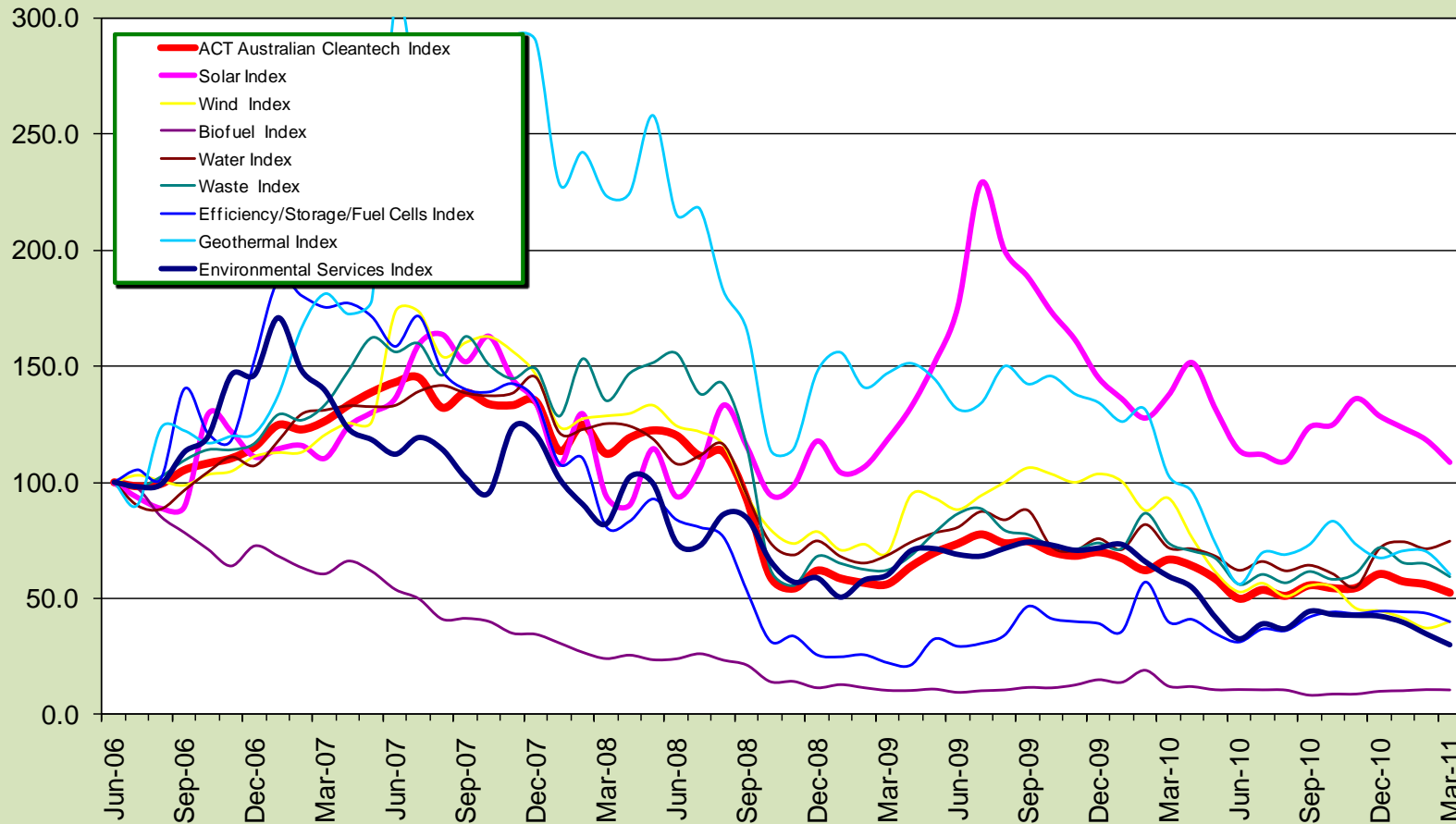
**ACT Australian CleanTech Sub-Indices**

	FY07	FY08	FY09	FY10	1H FY11	3Q FY11
<b>ACT Solar Index</b>	36.5%	-31.1%	86.7%	-35.1%	12.9%	-15.5%
<b>ACT Wind Index</b>	73.3%	-28.3%	-29.0%	-40.1%	-15.4%	-10.3%
<b>ACT Biofuel Index</b>	-46.2%	-55.5%	-60.4%	12.8%	-7.1%	5.9%
<b>ACT Water Index</b>	32.9%	-18.9%	-25.2%	-22.8%	15.0%	4.3%
<b>ACT Waste Index</b>	56.3%	-0.4%	-44.3%	-35.0%	28.1%	-17.4%
<b>ACT Efficiency/Green Buildings/Biomaterials/ Energy Storage/Fuel Cells Index</b>	58.5%	-47.1%	-65.1%	6.2%	42.9%	-10.2%
<b>ACT Geothermal Index</b>	205.9%	-29.6%	-38.9%	-57.3%	20.1%	-10.4%
<b>ACT Environmental Services Index</b>	12.1%	-34.1%	-6.7%	-52.6%	29.8%	-29.1%



### 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 31 March 2011

The largest 20 largest Index constituents by market capitalisation on 31 March 2011 are provided in the table below.

Market Cap Ranking	Company
1	Sims Metal Management
2	Transpacific Industries
3	Crane Group
4	Sylex Systems
5	Energy Developments
6	Transfield Services Infrastructure Fund
7	Infigen Energy
8	Galaxy Resources
9	Orocobre
10	Nanosonics
11	Tox Free Solutions
12	Ceramic Fuel Cells
13	Pacific Energy
14	Novarise Renewable Resources
15	Dyesol
16	Geodynamics
17	Coffey Environments
18	Carnegie Wave Energy
19	CMA Corporation
20	Quantum Energy

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