



ACT Australian CleanTech Index

3Q FY13

Quarterly Performance Report

April 2013

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 70 companies falling under the coverage of the Index and with a combined market capitalisation of over \$9Bn, 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, on the Clean Energy Council website 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 FY13

ACT Australian CleanTech Index just outperformed both the S&P ASX200 and the S&P ASX Small Ordinaries for the month of March 2013, although still lost ground for the month.

The ACT Australian CleanTech Index fell from 35.1 to 34.2 over the month of March recording a 2.5% loss. This compared to the S&P ASX200 loss of 2.7% and the S&P ASX Small Ordinaries Index loss of 4.0%. The Australian CleanTech 20 had a slightly better performance with a loss of 2.3%.

Over the thirs quarter of the 2013 fiscal year, the ACT Australian CleanTech Index also outperformed its benchmarks and recorded a gain of 7.3%, ahead of the S&P ASX200's gain of 6.3% and well ahead of the S&P ASX Small Ordinaries' 0.3% gain. The Australian CleanTech 20 outperformed the wider index over the quarter with a gain of 8.5%.

Percentage Change	FY07	FY08	FY09	FY10	FY11	FY12	MAR'13	3Q FY13	6 Mnths	12 Mnths	3Yrs
ACT Australian CleanTech Index	42.9%	-16.0%	-38.7%	-32.0%	-8.1%	-30.3%	-2.5%	7.3%	-0.3%	-16.6%	-48.8%
Australian CleanTech 20	56.4%	-21.4%	-37.8%	-16.3%	-17.6%	-29.2%	-2.3%	8.5%	0.3%	-14.7%	-51.4%
S&P/ASX200	25.4%	-16.4%	-25.8%	11.8%	4.2%	-9.6%	-2.7%	6.3%	13.5%	14.6%	1.0%
S&P/ASX Small Ords	40.4%	-23.0%	-32.4%	10.5%	9.5%	-15.0%	-4.0%	0.3%	2.2%	-8.8%	-10.6%

The market capitalisation of the 70 stocks in the ACT Australian CleanTech Index is A\$9.5 billion, after its rebalance, falling from its peak of \$16.3 billion in July 2007.

Best and Worst Stocks

The best and worst performers in terms of share price performance over the month, and the third quarter of the 2013 fiscal year are shown in the table below.

March 2013	
Best Performers Share Price Gain > 20%	Worst Performers Share Price Loss > 20%
Papyrus Australia Medivac Ceramic Fuel Cells Greenearth Energy Pacific Environment	SWW Energy Limited Mission NewEnergy CMA Corporation AnaeCo Traffic Technologies Enerji Galaxy Resources RedFlow Orbital Corporation Geodynamics Panax Geothermal Aeris Environmental Soil Sub Technologies
3Q FY13	
Best Performers Share Price Gain > 20%	Worst Performers Share Price Loss > 20%
Transpacific Industries Electrometals Cardia BioPlastics Eden Energy Coffey Environments Pacific Environment	Solco SWW Energy Limited Australian Renewable Fuels Mission NewEnergy Algae.Tec Water Resources Group CMA Corporation AnaeCo Enerji Galaxy Resources RedFlow Geodynamics Torrens Energy Wasabi Energy Panax Geothermal KUTh Energy Greenearth Energy Carbon Conscious

Index Rebalance

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

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

Additions to the Index

- **EcoSave Ltd (ASX:ECV)** was established in 2002, and has expanded to become the fastest growing energy and water conservation company in the country. It is active in metropolitan and rural areas of every state in Australia and New Zealand. It has already provided energy and water saving solutions to over 250 organisations in commercial, retail and industrial arenas, as well as to departments in all levels of government. It researches energy and water conservation products from around the world and chooses those with the best payback to combine into bespoke energy and water savings solutions. EcoSave raised \$5m in an IPO in January 2013. www.ecosave.com.au
- **K2 Energy Limited (ASX:KTE)** is engaged in solar technology development, as well as holding a significant investment in Mears Technologies Inc. K2 Energy holds the exclusive worldwide rights to the Mears Silicon Technology for all solar energy applications from Mears Technologies Inc. Mears Technologies Inc. is a US based engineered material company focused on the developments and commercialisation of products based on its proprietary electronic material platform and has 80 granted patents and 200 patents pending. Mears Technologies has now entered its commercialisation phase. K2 Energy also owns 30% of Trey Resources 1 LLC which has oil and gas acreage and production in Oklahoma that has exploration potential. www.k2energy.com.au
- **Actinogen (ASX:ACW)** which is developing medical and cleantech products with a focus on bio-remediation and bioethanol. Actinogen is dedicated to the discovery and isolation of a group of environmental bacteria known as the actinomycetes. These bacteria are a unique group that can exist as free

bacteria, in fungal-like mycelial forms, and as 'resting spores'. They also consist of genera that are either aerobic and grow best at ambient temperatures or are anaerobic and can grow at high temperatures. Some Actinomycetes can degrade industrial waste such as oils, tars, domestic and industrial waste, and the rehabilitation of oil spills. During 2011, Actinogen began a bio-ethanol research program, which has had very encouraging results. Actinogen is focused on commercializing its bio-ethanol research by constructing a pilot plant and plans to eventually become a bio-ethanol producer. www.actinogen.com.au

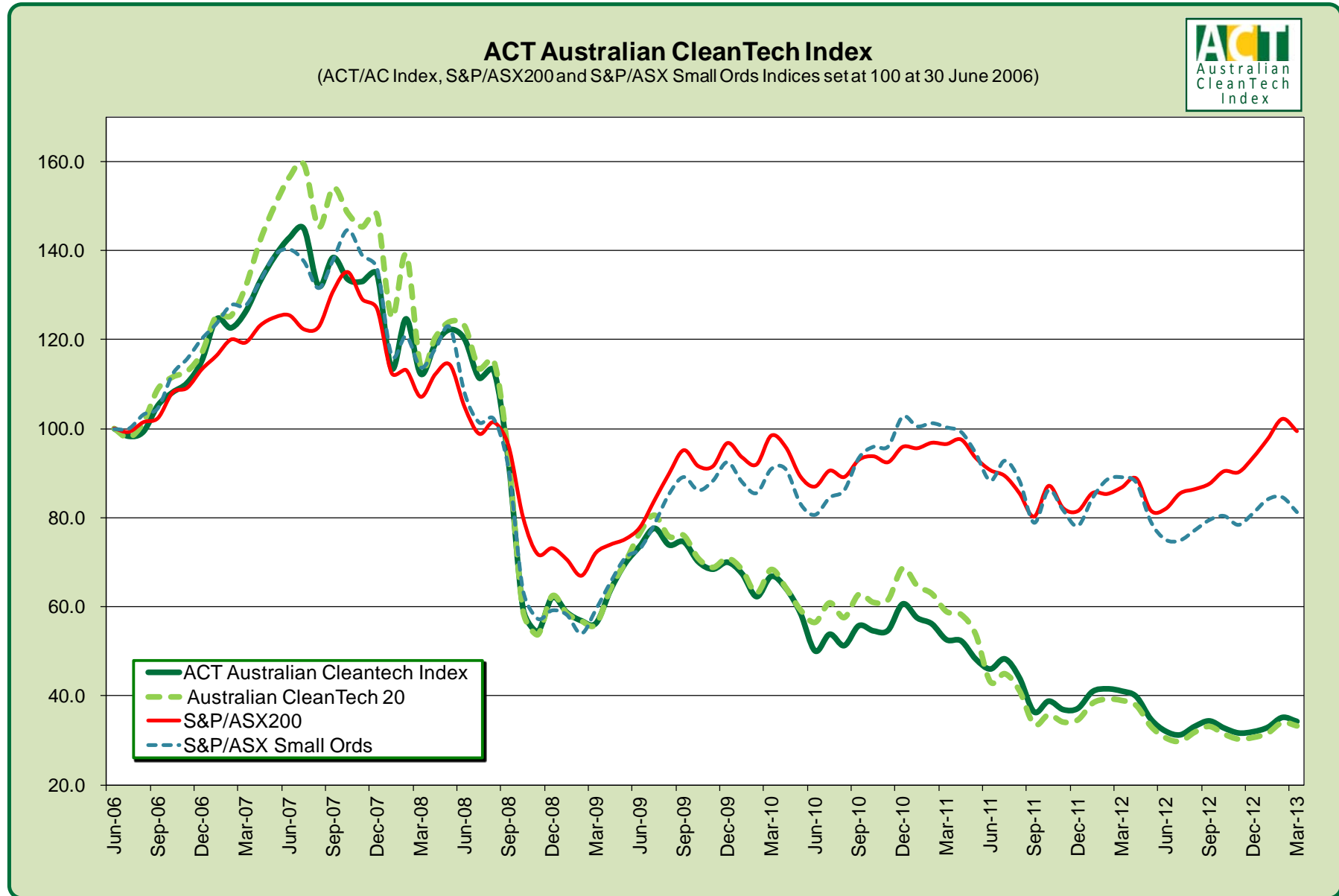
- **Reece Australia Holdings (ASX:REH)** that is a supplier of water appliances to the wholesale and residential market. The Reece business began in 1919 when Harold Joseph Reece commenced selling hardware products from the back of his truck. Today, Reece is a major public company and Australia's most successful supplier of plumbing and bathroom products. We have over 400 stores across Australia with over 3500 staff and thousands of products. As the plumbing industry has become more specialised, Reece has expanded into the allied areas of HVAC-R, Irrigation and Civil as well as Onsite which services commercial plumbers and volume home builders. www.reece.com.au

Removal from the Index

- **Advanced Energy Systems Ltd (ASX:AES)** which is refocussing away from sustainable to development into more general property development.
- **Earth Heat Resources Ltd (ASX:EHR)** following its proposed divestment of its current assets and plan to seek alternative businesses..

A watching brief is being maintained on the following companies that may qualify for inclusion in the Index in the future:

- **AFT Corporation (ASX:AFT)** that operates a solar installation business.
- **Energy Action (ASX:EAX)** that is primarily a black energy trader with some operations in green energy trading and energy efficiency financing.



3. Component Sub-Indices

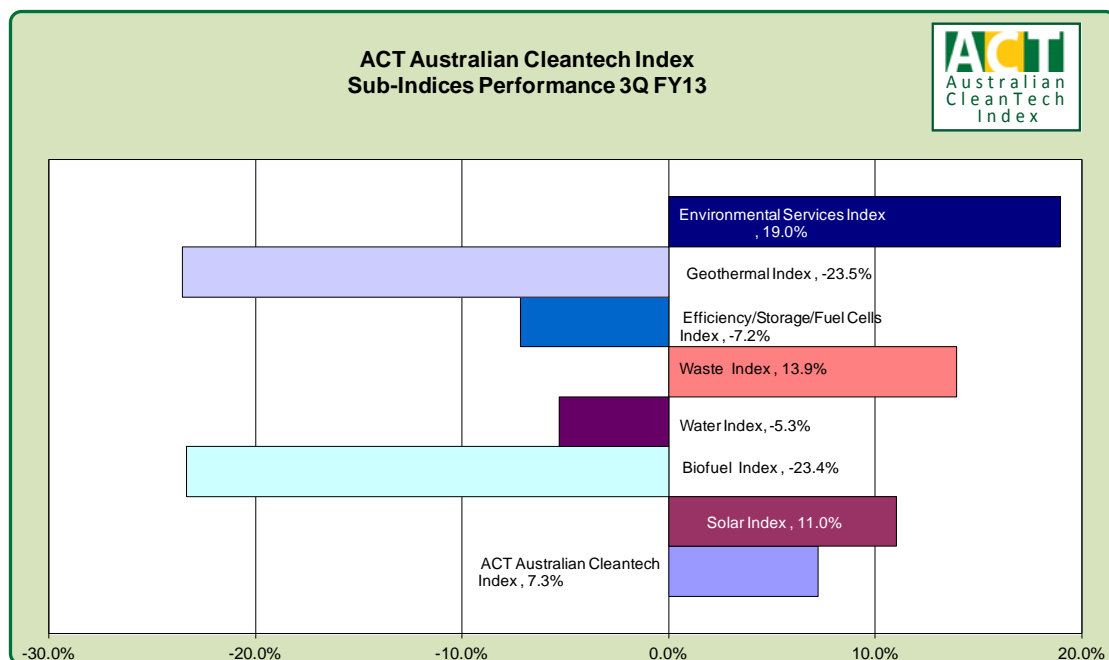
To provide an analysis of the ACT Australian CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last six financial years and during 3Q of FY13 is shown in the table and charts below.

The best performing sectors for the three months to March 2013 were ACT Environment Index and the ACT Waste Index. The worst performer was the ACT Geothermal Index.

ACT Australian CleanTech Sub-Indices

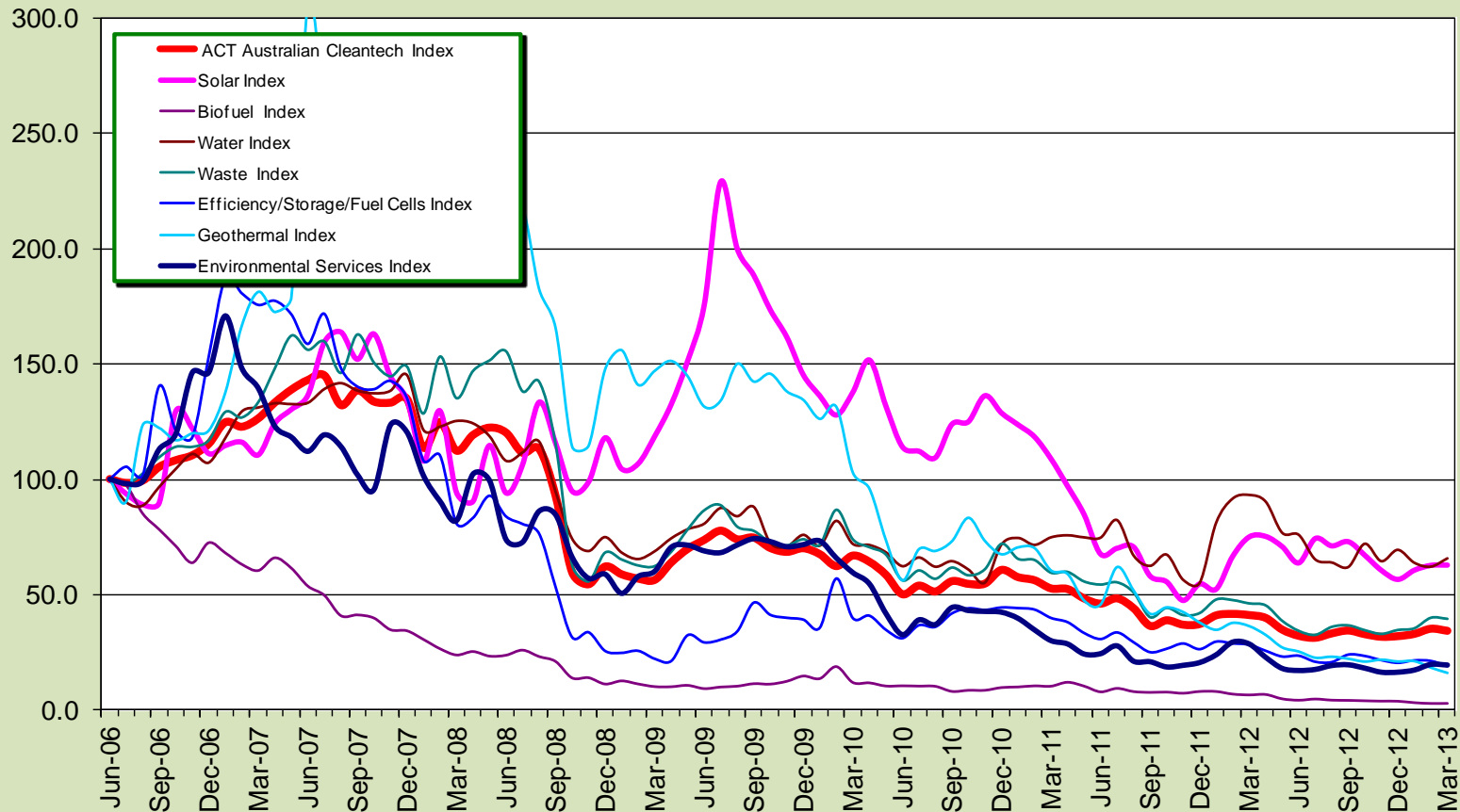
	FY07	FY08	FY09	FY10	FY11	FY12	1H FY13	3Q FY13
ACT Solar Index	36.5%	-31.1%	86.7%	-35.1%	-40.8%	-5.7%	-11.3%	11.0%
ACT Wind Index*	73.3%	-28.3%	-29.0%	-40.1%	-24.4%	N/a*	N/a*	N/a*
ACT Biofuel Index	-46.2%	-55.5%	-60.4%	12.8%	-24.5%	-44.8%	-9.8%	-23.4%
ACT Water Index	32.9%	-18.9%	-25.2%	-22.8%	19.8%	1.6%	-8.6%	-5.3%
ACT Waste Index	56.3%	-0.4%	-44.3%	-35.0%	-3.3%	-36.9%	1.1%	13.9%
ACT Efficiency/Storage/Fuel Cells Index	58.5%	-47.1%	-65.1%	6.2%	-1.2%	-23.5%	-13.1%	-7.2%
ACT Geothermal Index	205.9%	-29.6%	-38.9%	-57.3%	-18.6%	-44.7%	-17.1%	-23.5%
ACT Environmental Services Index	12.1%	-34.1%	-6.7%	-52.6%	-25.2%	-29.8%	-4.3%	19.0%

*: 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 31 March 2013

The largest 20 largest Index constituents by market capitalisation on 31 March 2013 are provided in the table below. These companies will form the constituents of the Australian CleanTech 20 until the index is rebalanced again on 30 June 2013.

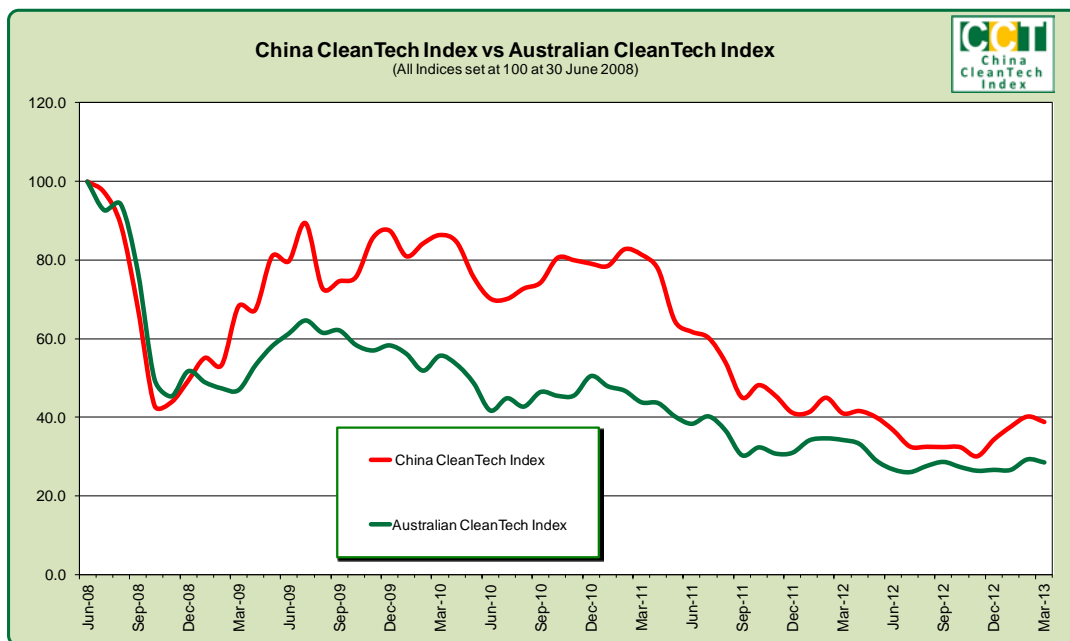
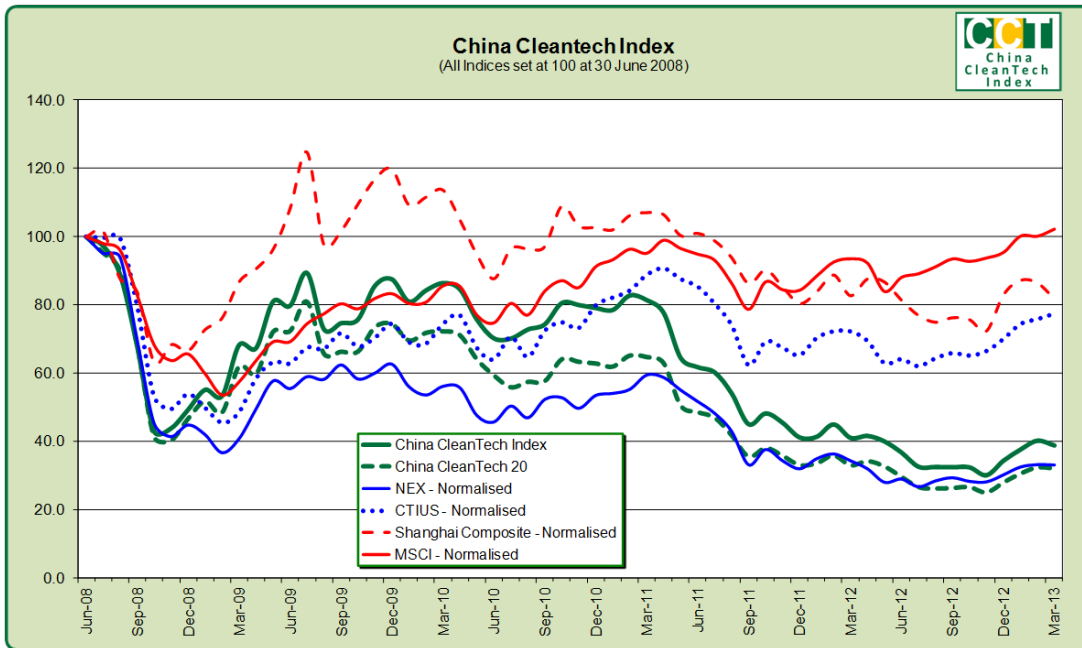
Market Cap Ranking	Company	Ticker
1	Reece Australia Holdings	REH
2	Sims Metal Management	SGM
3	Transpacific Industries	TPI
4	Sylex Systems	SLX
5	Energy Developments	ENE
6	Tox Free Solutions	TOX
7	Infigen Energy	IFN
8	Pacific Energy	PEA
9	Galaxy Resources	GXY
10	Orocobre	ORE
11	Nanosonics	NAN
12	Pro-Pac Packaging	PPG
13	Coffey Environments	COF
14	Ceramic Fuel Cells	CFU
15	Gale Pacific	GAP
16	Novarise Renewable Resources	NOE
17	Algae.Tec	AEB
18	Bluglass	BLG
19	Carnegie Wave Energy	CWE
20	Wasabi Energy	WAS

Those companies joining the Australian CleanTech 20 going forward are: Reece Australia Holdings and Algae.Tec replacing CO2 Group and Geodynamics.

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

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 charts below show the performance of the China CleanTech Index against its benchmarks up to the end of March 2013 and also show the relative performance of the China CleanTech Index against the ACT Australian CleanTech Index.



Full

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