



ACT Australian CleanTech Index

3Q FY14

Quarterly Performance Report

April 2014

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 64 companies falling under the coverage of the Index and with a combined market capitalisation, after its rebalance, of over \$14Bn, 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 FY14

ACT Australian CleanTech Index underperformed the S&P ASX200 but outperformed the S&P ASX Small Ordinaries for the month of March 2014. For the third quarter of FY14, it underperformed both of its benchmarks.

The ACT Australian CleanTech Index fell from 38.4 to 37.9 over the month of March recording a 1.3% loss. This compared to the S&P ASX200 loss of 0.2% and the S&P ASX Small Ordinaries Index loss of 1.9%. The Australian CleanTech 20 recorded the same performance as the full index for the month.

Over the second quarter of the 2014 fiscal year, the ACT Australian CleanTech Index has underperformed its benchmarks recording a loss of 5.1%, behind the S&P ASX200's gain of 0.8% and the S&P ASX Small Ordinaries' 0.2% loss.

The six and twelve month figures remain ahead of the wider market with the returns for the ACT Australian CleanTech Index recording gains of 7.0% and 10.7% respectively.

Percentage Change	FY08	FY09	FY10	FY11	FY12	FY13	MAR'13	3Q FY14	6 Mnths	12 Mnths	3Yrs
ACT Australian CleanTech Index	-16.0%	-38.7%	-32.0%	-8.1%	-30.3%	-3.5%	-1.3%	-5.1%	7.0%	10.7%	-28.0%
Australian CleanTech 20	-21.4%	-37.8%	-16.3%	-17.6%	-29.2%	-2.0%	-1.3%	-5.4%	7.3%	9.9%	-38.0%
S&P/ASX200	-16.4%	-25.8%	11.8%	4.2%	-9.6%	17.3%	-0.2%	0.8%	3.4%	8.6%	11.9%
S&P/ASX Small Ords	-23.0%	-32.4%	10.5%	9.5%	-15.0%	-8.3%	-1.9%	-0.2%	-0.8%	-4.6%	-22.7%

The market capitalisation of the 64 stocks in the ACT Australian CleanTech Index is A\$14.6 billion, after its rebalance, falling from its peak of \$16.3 billion in July 2007 but a long way up from its trough of A\$6.2 billion in July 2012.

Best and Worst Stocks

The best and worst performers in terms of share price performance over the month and the third quarter of the 2014 fiscal year are shown in the table below.

The month’s performance was driven by 8 companies with gains of more than 10%. The greatest gains were recorded by Actinogen, Papyrus Australia and AnaeCo. These gains were more than offset by 15 companies recording losses of more than 10% led by Mission NewEnergy, Water Resources Group and Pacific Environment.

The quarter’s performance was driven by 14 companies with gains of more than 20%. The greatest gains were recorded by Actinogen, Enerji and Greenerth Energy. These gains were again more than offset by 8 companies recording losses of more than 20% led by EnviroMission, Algae.Tec and Water Resources Group.

March 2014	
Best Performers Share Price Gain > 10%	Worst Performers Share Price Loss > 10%
Dyesol Actinogen Papyrus Australia AnaeCo Sterihealth Limited Ceramic Fuel Cells CO2 Group Coffey	EnviroMission Quantum Energy K2 Energy Limited Mission NewEnergy Algae.Tec Water Resources Group CleanTeQ Novarise Renewable Resources Bluglass Enerji Petratherm Carbon Conscious Pacific Environment Aeris Environmental Soil Sub Technologies
3Q FY14	
Best Performers Share Price Gain > 20%	Worst Performers Share Price Loss > 20%
Quantum Energy Actinogen Mission NewEnergy Sterling Biofuels Papyrus Australia AnaeCo Sterihealth Limited Intec Enerji Galaxy Resources RedFlow Vmoto Greenerth Energy Soil Sub Technologies	EnviroMission Infigen Energy Australian Renewable Fuels Algae.Tec Phoslock Water Solutions Water Resources Group EcoSave Ceramic Fuel Cells

Index Rebalance

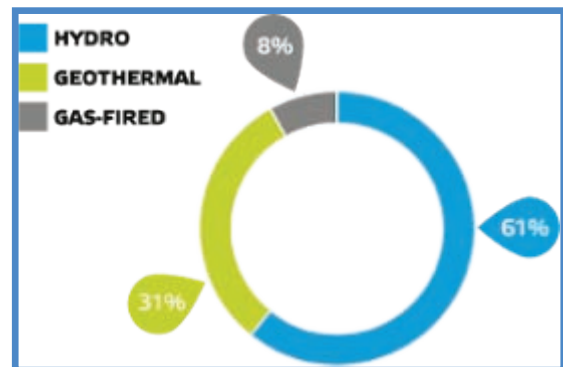
The ACT Australian CleanTech Index underwent its quarterly rebalancing at the end of March which took account of recent share issues and other corporate activity.

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

Additions to the Index

- **Mighty River Power Ltd (ASX:MYT)** - Mighty River Power is one of New Zealand's largest electricity companies – with a core business based on low fuel-cost electricity generation complemented by sales to homes and businesses. Mighty River Power participates in the wholesale spot market and has a diversified portfolio of generation assets, including hydro, geothermal and gas-fired generation. Mighty River Power completed an IPO on both the ASX and the NZSX in 2013.

www.mightyriver.co.nz

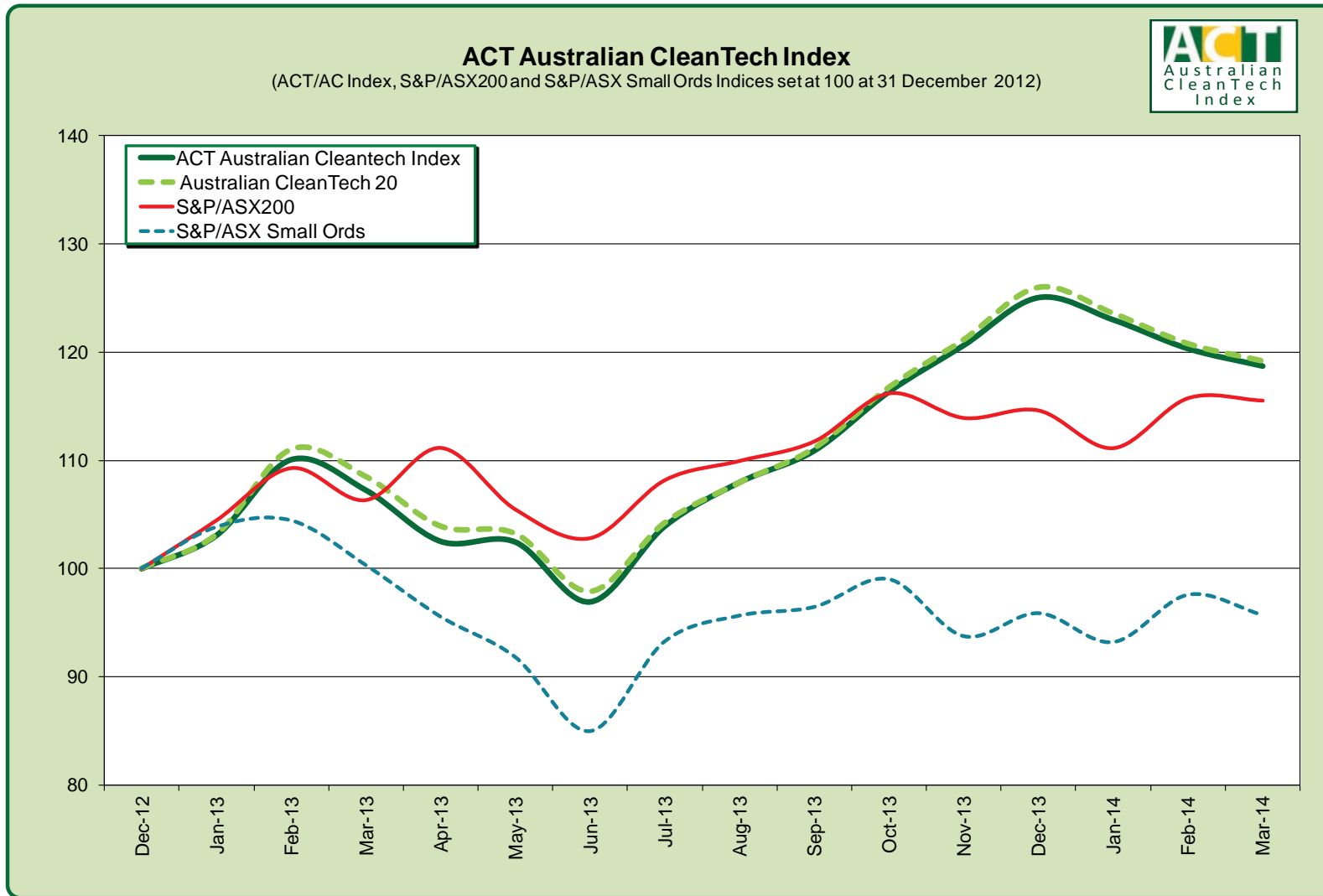


Removal from the Index

- **CBD Energy Ltd (ASX:CBD)** following its delisting.
- **KUTH Ltd (ASX:KEN)** following its acquisition by Geodynamics.
- **Torrens Energy Ltd (ASX:TEY)** following its change of focus to be an oil and gas exploration company

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

- **Petratherm Ltd (ASX:PTR)** following its award of Petroleum Exploration Licence (EL3/2013) covering approximately 3,900 km², north of Hobart in central Tasmania to explore for shale oil and gas.
- **Novarise Renewable Resources International (ASX:NOE)** which is negotiating a privatisation proposal from its majority shareholder.
- **Wasabi Energy (ASX:WAS)** which is currently in administration and undergoing a major financial restructure.



3. Component Sub-Indices

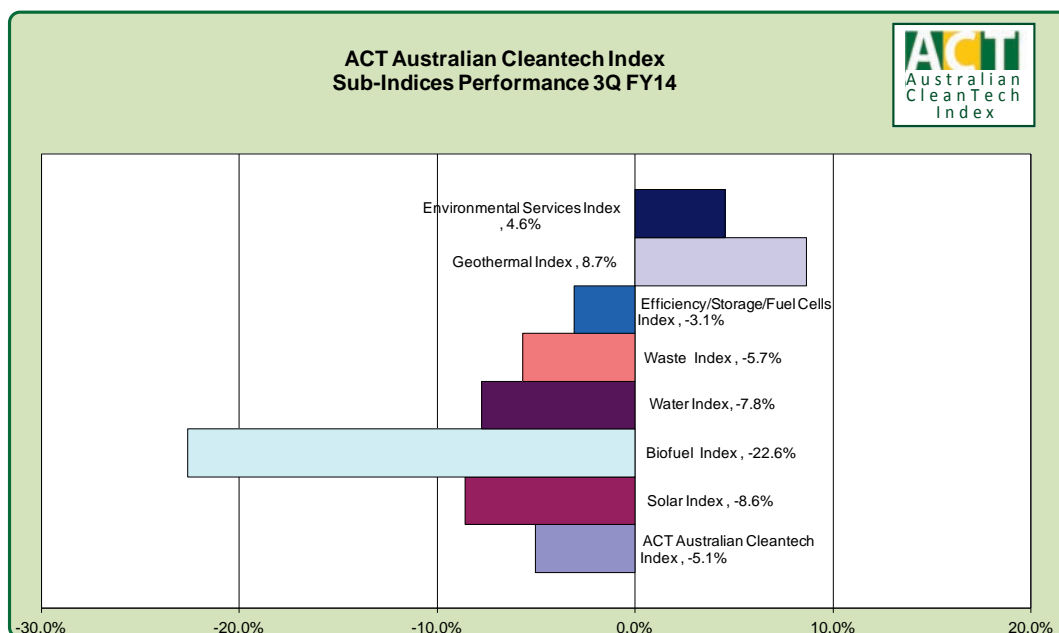
To provide an analysis of the ACT Australian CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last six financial years and during 3Q of FY14 is shown in the table and charts below.

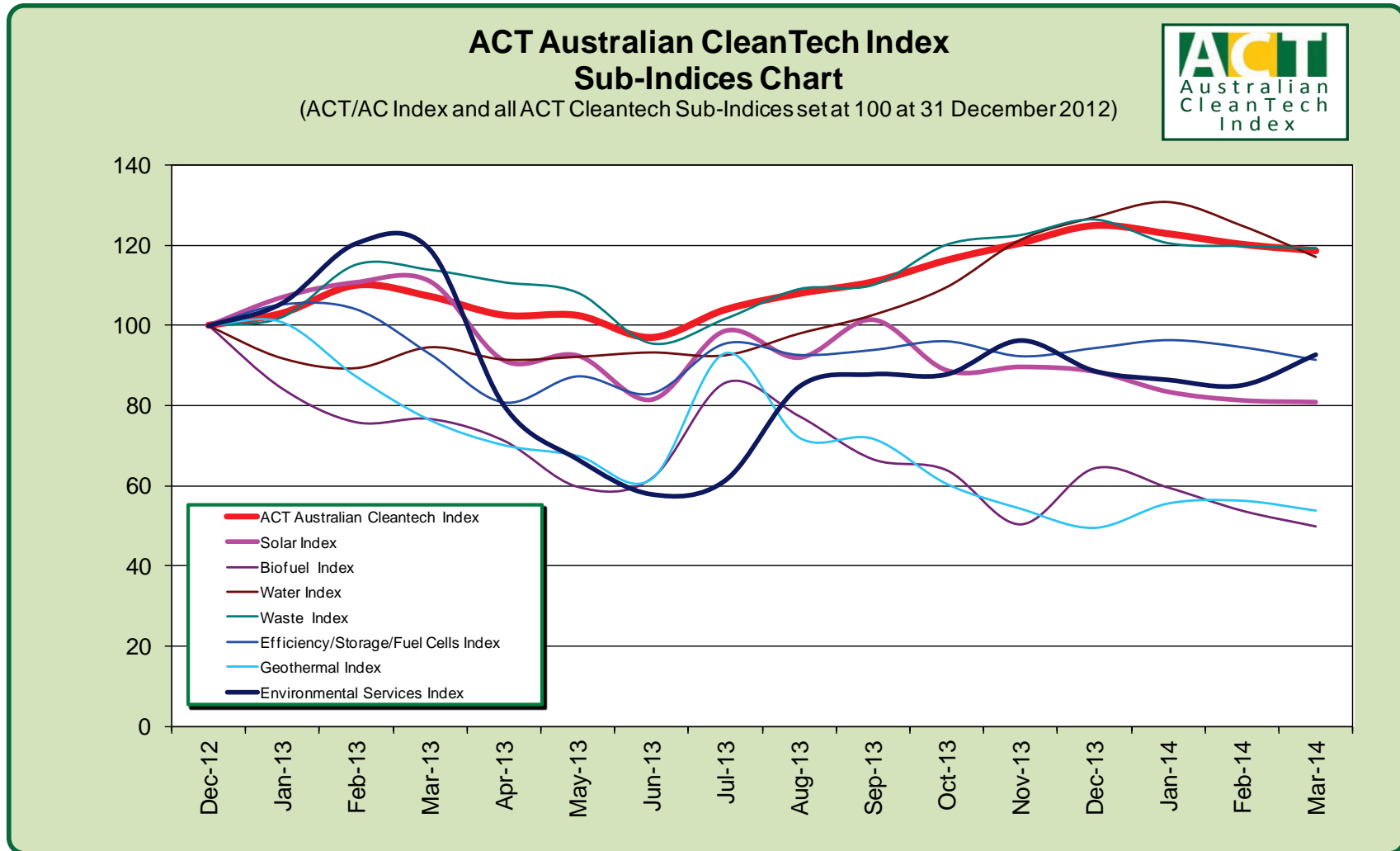
The best performing sectors for the three months to March 2014 were ACT Geothermal Index and the ACT Environment Index. The worst performer was the ACT Biofuels Index.

ACT Australian CleanTech Sub-Indices

	FY08	FY09	FY10	FY11	FY12	FY13	3Q FY14
ACT Solar Index	-31.1%	86.7%	-35.1%	-40.8%	-5.7%	-27.6%	-8.6%
ACT Wind Index*	-28.3%	-29.0%	-40.1%	-24.4%	N/a*	-	-
ACT Biofuel Index	-55.5%	-60.4%	12.8%	-24.5%	-44.8%	-44.3%	-22.6%
ACT Water Index	-18.9%	-25.2%	-22.8%	19.8%	1.6%	-14.6%	-7.8%
ACT Waste Index	-0.4%	-44.3%	-35.0%	-3.3%	-36.9%	-3.4%	-5.7%
ACT Efficiency/Storage/ Fuel Cells Index	-47.1%	-65.1%	6.2%	-1.2%	-23.5%	-27.9%	-3.1%
ACT Geothermal Index	-29.6%	-38.9%	-57.3%	-18.6%	-44.7%	-48.8%	8.7%
ACT Environment Index	-34.1%	-6.7%	-52.6%	-25.2%	-29.8%	-44.5%	4.6%

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





4. Component Companies on 31 March 2014

The largest 20 largest Index constituents by market capitalisation on 31 March 2014 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 2014.

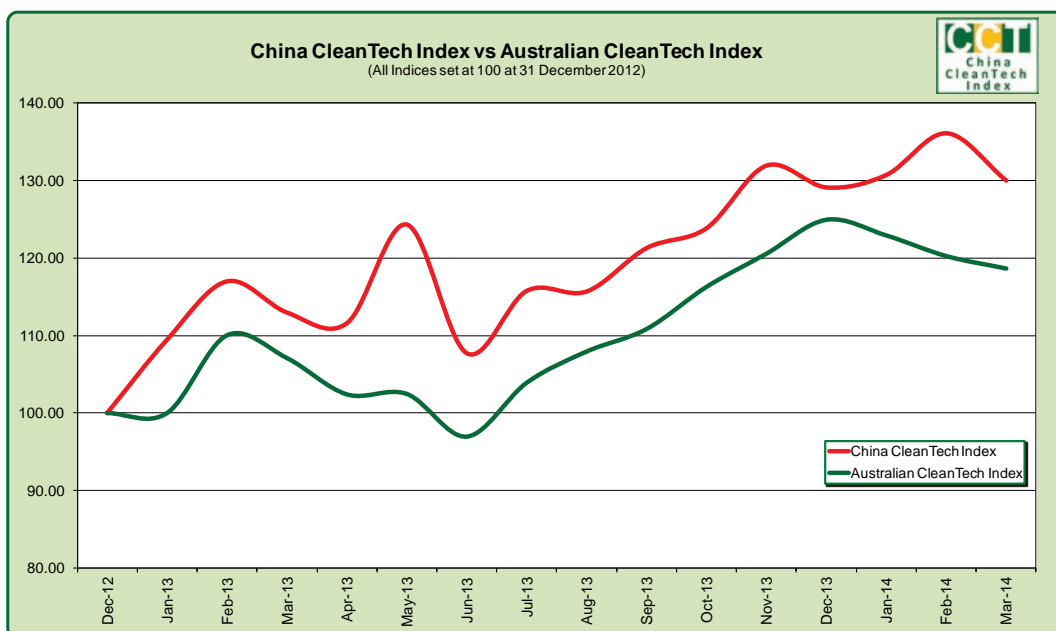
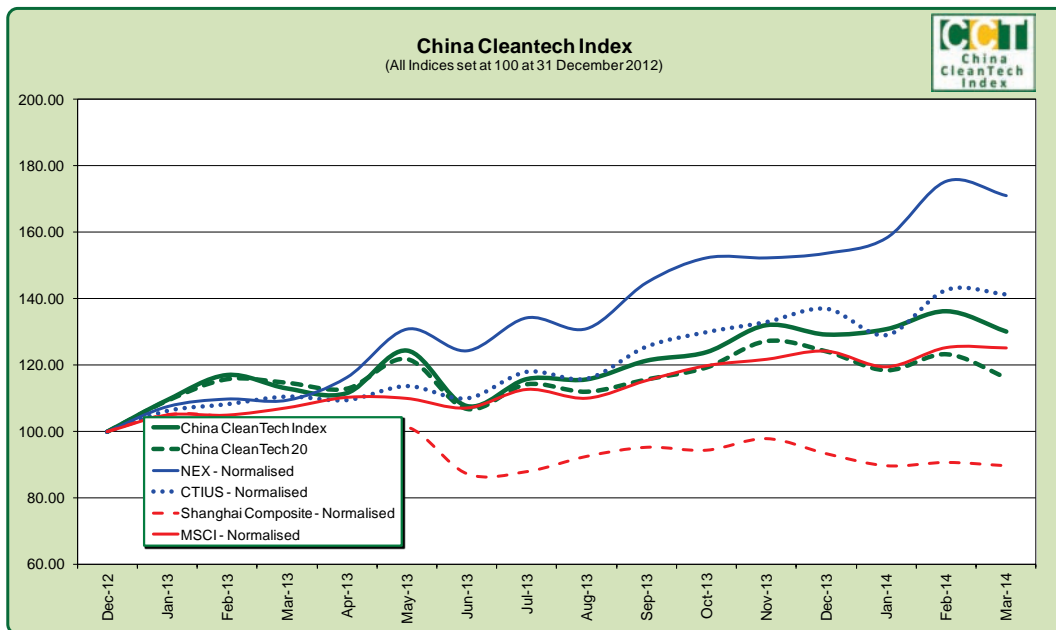
Market Cap Ranking	Company	Ticker
1	Reece Australia Holdings	REH
2	Mighty River Power	MYT
3	Sims Metal Management	SGM
4	Transpacific Industries	TPI
5	Meridian Energy	MEZCA
6	Energy Developments	ENE
7	Tox Free Solutions	TOX
8	Sylex Systems	SLX
9	Orocobre	ORE
10	Nanosonics	NAN
11	Pacific Energy	PEA
12	Infigen Energy	IFN
13	Pro-Pac Packaging	PPG
14	Gale Pacific	GAP
15	Galaxy Resources	GXY
16	Carnegie Wave Energy	CWE
17	Coffey	COF
18	Novarise Renewable Resources	NOE
19	Dyesol	DYE
20	Bluglass	BLG

Those companies joining the Australian CleanTech 20 going forward are: Mighty River Power and BluGlass replacing Ceramic Fuel Cells and Alge.Tec. Each of the constituents in the Australian CleanTech 20 has a market capitalisation of more than \$45m.

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, publishes the China CleanTech Index. This index tracks all 165 Chinese-based listed cleantech companies wherever they are listed 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 from December 2012 to the end of March 2014 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, where it is also possible to sign up to receive the monthly performance reports.