



ACT Australian CleanTech Index

1Q FY10

Quarterly Performance Report

October 2009

To request further information or to be added to the distribution list for future ACT Australian CleanTech Index performance reports, please email index@auscleantech.com.au

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



Table of Contents

1. ACT Australian CleanTech Index Overview	3
2. ACT Australian CleanTech Index Performance 1Q FY10	5
3. Component Sub-indices	8
4. Component Companies on 30 September 2009	11

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, 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 sending an email to index@auscleantech.com.au with 'Index Subscription Request' in the Subject line.

2. ACT Australian CleanTech Index Performance 1Q FY10

ACT Australian CleanTech Index significantly underperformed both the S&P ASX200 and the S&P ASX Small Ordinaries for the month of September 2009. The Index has now fallen a long way behind both of its benchmarks for both the financial and calendar years. It appears the cleantech sector's recovery is being much slower than the general market.

The ACT Australian CleanTech Index rose from 73.9 to 74.6 over the month of September recording a 1.0% gain. This compared to the S&P ASX Small Ordinaries Index gain of 4.5% and the S&P ASX200 gain of 5.9%.

Over the first quarter of the 2010 fiscal year, the ACT Australian CleanTech Index recorded a gain of only 1.3%, compared with the 22.3% gain by the S&P ASX200 and the 22.1% gain by the S&P ASX Small Ordinaries.

Percentage Change	FY07	FY08	FY09	SEP'08	1Q FY10	YTD CY09
ACT Australian CleanTech Index	42.9%	-16.0%	-38.7%	1.0%	1.3%	20.1%
S&P/ASX200	25.4%	-16.4%	-25.8%	5.9%	22.3%	30.1%
S&P/ASX Small Ords	40.4%	-23.0%	-32.4%	4.5%	22.1%	50.5%

The market capitalisation of the 77 stocks in the ACT Australian CleanTech Index is A\$11.2 billion, after its rebalance, falling from its peak of \$16.3 billion in July 2007.

The month's performance was driven by strong performances by Solco, Infigen Energy, Mission New Energy, Transpacific Industries, Tox Free Solutions, Stericorp, Gale Pacific and Australian Ethical Investment partially offset by falls in Quantum Energy, Viridis Clean Energy, and Aeris Tech.

The best performer of 1Q FY10 was Eco Quest Ltd, which gained 300%. Other good performers, all of which had gains in excess of 50% were Solco, Advanced Energy Systems, WHL Energy, Mission NewEnergy, Overseas & General, Dolomatrix, Stericorp, Traffic Technologies, Gale Pacific, Eden Energy, Ceramic

Fuel Cells, Hot Rock Ltd, Carbon Conscious, CO2 Group, Australian Ethical Investments.

Some of those that performed poorly include Stirling Biofuels, Skydome Holdings and Pacific Environment.

A closer analysis of the index performance shows that, whilst many of the smaller stocks have recovered quicker than the general market, the larger cleantech stocks such as Sims Metal, Transpacific Industries and Infigen Energy have not recovered as quickly. This has been the primary cause of the Australian CleanTech Index being left behind.

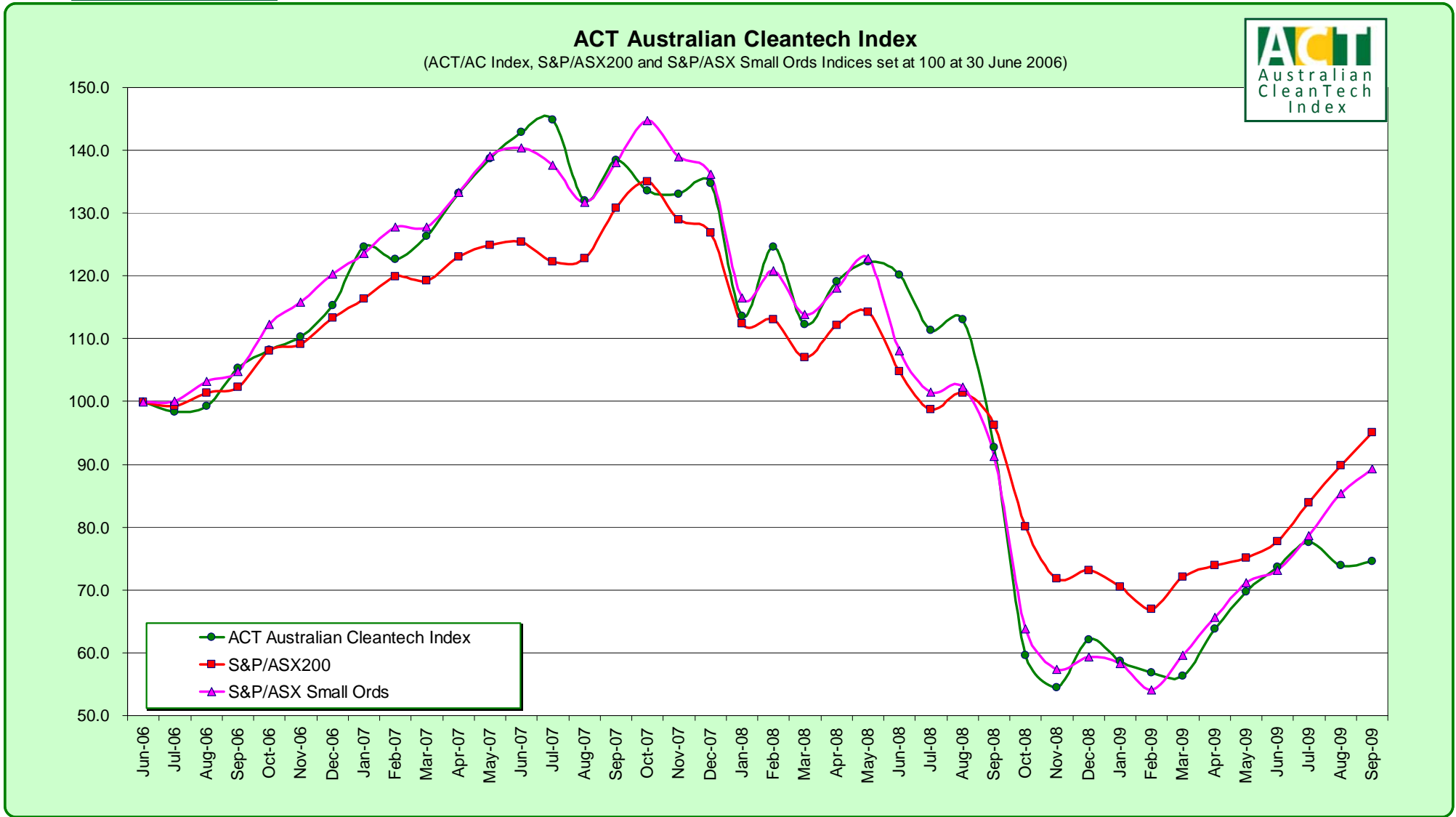
The ACT Australian CleanTech Index underwent its quarterly rebalancing at the end of September which took account of recent share issues and other corporate activity.

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

- the removal of **Holista Colltech Ltd** (ASX:HCT) (formerly known as CollTech Australia) following its decision to refocus its activities away from biomaterials and more towards anti-aging and anti-osteoarthritis health products.
- the renaming of Carnegie Corporation (ASX:CNM) to **Carnegie Wave Energy** (ASX:CWE) to more accurately reflect the company's primary focus on its wave technology.

In addition, a watching brief is being maintained on:

- **GB Energy** is an Australian based public company (ASX code GBX) that claims to be focussed on developing and commercialising early stage energy projects in the renewable and cleantech sectors. It owns 20% of Protean Power™ Pty Ltd and its Wave Energy Technology. However, its current major assets are uranium exploration licences in Slovakia and, as this is currently an excluded sector of the Australian CleanTech Index, then the company does not yet qualify for inclusion.



3. Component Sub-Indices

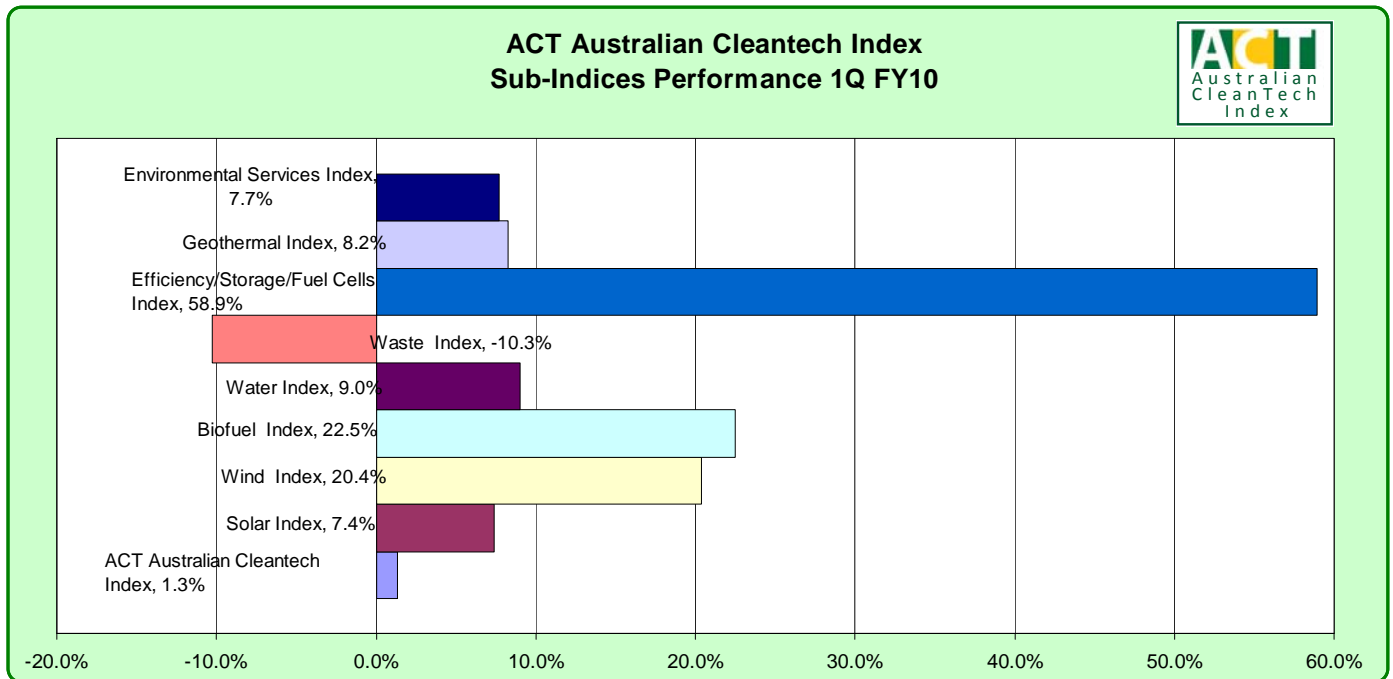
To provide an analysis of the ACT Australian CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last three financial years and during 1Q FY10 is shown in the table and charts below.

The stand-out sectors for the three months to September 2009 were the catch-all ACT Efficiency/Buildings/Biomaterials/Energy Storage/Fuel Cells Index, the ACT Wind Index and the ACT Biofuel Index. Ceramic Fuel Cells opening of its manufacturing plant in Germany was the biggest driver of the first of these.

The worst performer was the ACT Waste Index, which contains some of the largest stocks and therefore explains the overall underperformance of the ACT Australian Cleantech Index.

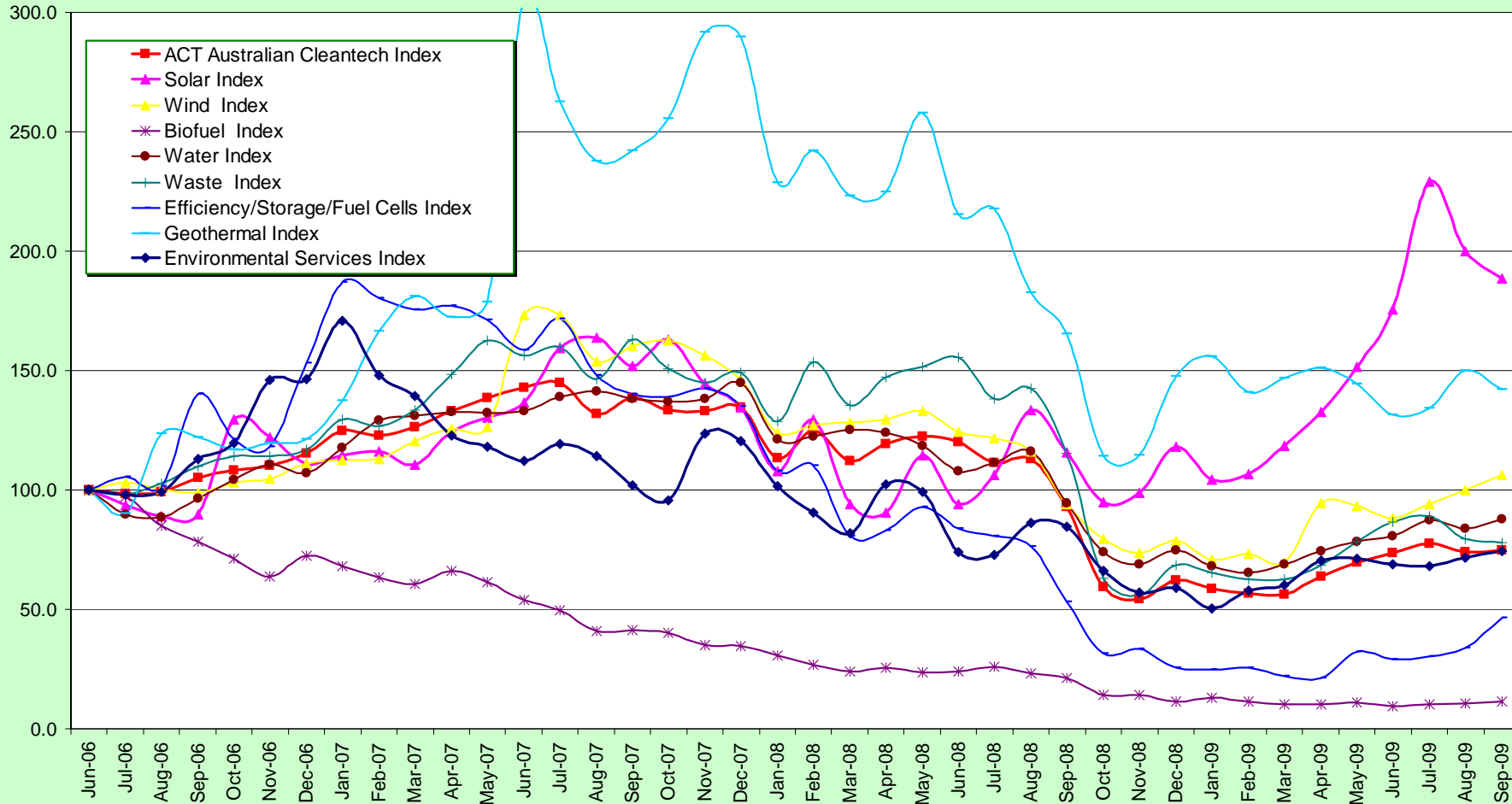
ACT Australian CleanTech Sub-Indices

	FY07	FY08	FY09	1Q FY10
ACT Solar Index	36.5%	-31.1%	86.7%	7.4%
ACT Wind Index	73.3%	-28.3%	-29.0%	20.4%
ACT Biofuel Index	-46.2%	-55.5%	-60.4%	22.5%
ACT Water Index	32.9%	-18.9%	-25.2%	9.0%
ACT Waste Index	56.3%	-0.4%	-44.3%	-10.3%
ACT Efficiency/Green Buildings/Biomaterials/ Energy Storage/Fuel Cells Index	58.5%	-47.1%	-65.1%	58.9%
ACT Geothermal Index	205.9%	-29.6%	-38.9%	8.2%
ACT Environmental Services Index	12.1%	-34.1%	-6.7%	7.7%



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 2009

The largest 20 largest Index constituents by market capitalisation on 30 September 2009 are provided in the Table below.

Market Cap Ranking	Company
1	Sims Metal Management Ltd
2	Infigen Energy
3	Crane Group
4	Transpacific Industries
5	Energy Developments
6	Coffey Environments
7	Geodynamics
8	Ceramic Fuel Cells
9	Quantum Energy
10	Transfield Services Infrastructure Fund
11	Tox Free Solutions
12	Carnegie Wave Energy
13	Dyesol
14	GRD Ltd
15	CMA Corp
16	CO2 Group
17	Mission NewEnergy
18	Pacific Energy
19	Panax Geotherm
20	Viridis Clean Energy Group

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