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AGENDA



- Why Clean Tech private equity?

- What were our experiences?

- What are the impediments to investors?

- Summary



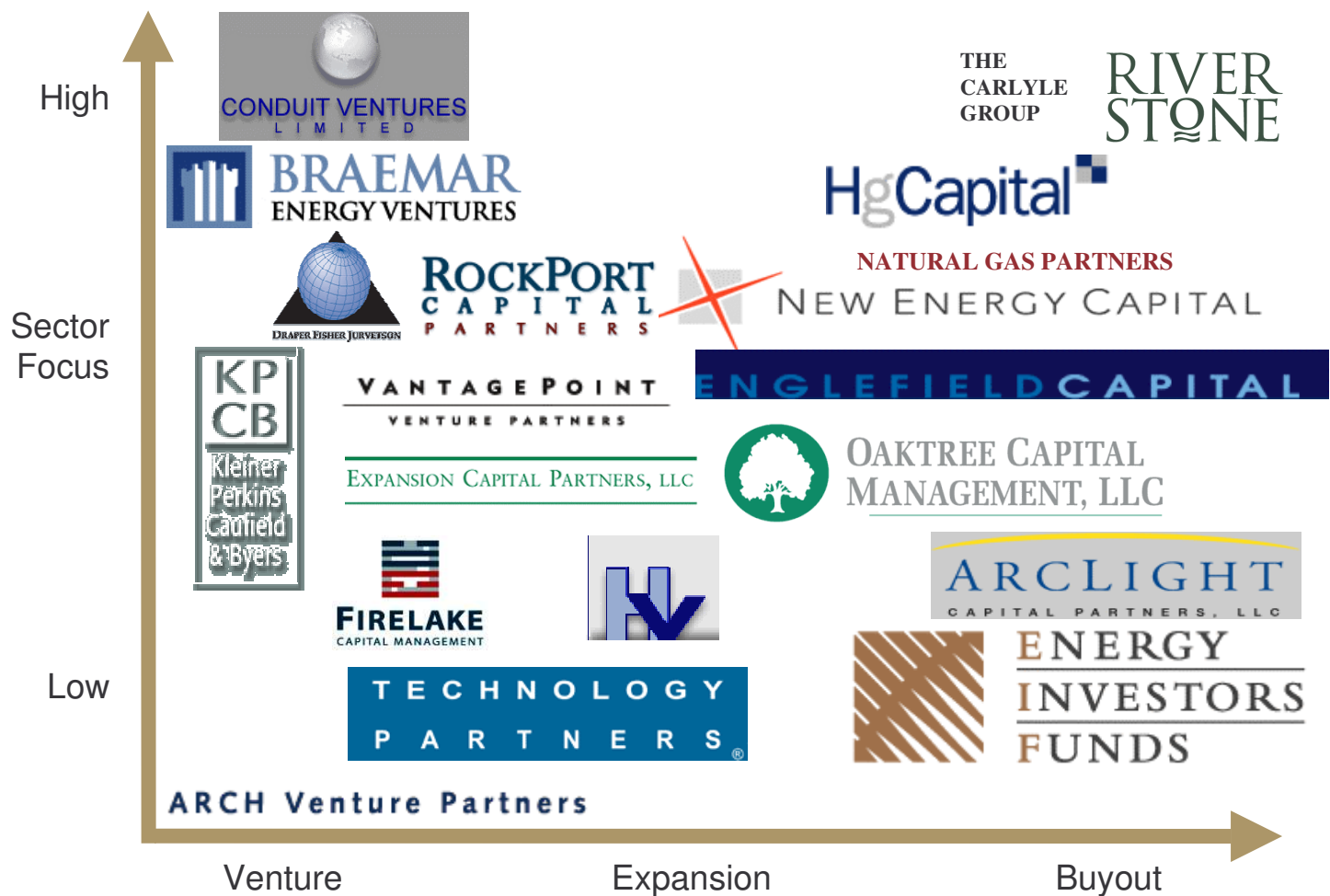
WHY A PRIVATE EQUITY APPROACH?



- Positive screen
 - Creation of new technologies
- “Perfect storm”?
 - Strong consumer demand
 - Clear need for new technology/systems
 - Regulatory change forcing spending
 - Capital flows support investments
- Smart money leading the way
 - GP’s
 - LP’s

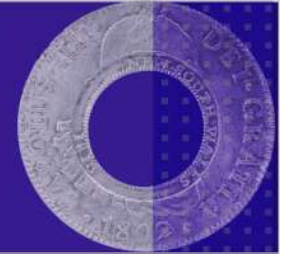


GP'S IN THE SPACE





THOUGHT LEADERS: PRINCIPAL INVESTORS



"Greentech could be the largest economic opportunity of the 21st century."

-John Doerr, Kleiner Perkins venture capitalist who made early investments in Google and Amazon.com. Latest fund has currently ear-marked US\$100 million for investment in clean technologies.

"The green, sustainability movement is going mainstream . . .[and] we want to ride that wave."

-Steve Case, Founder of AOL. Recently launched Revolution LLC to focus on investment in clean technologies.

"Ethanol is a huge market, think it can replace all of our petroleum needs, or at least a majority. That creates a very big opportunity that's very susceptible to technology."

-Mr. Khosla, Founder of Sun Microsystems. Khosla Ventures, backed by Khosla's own money, plans to invest about 40 per cent of its capital in alternative energy.

"Energy has got to be one of the top five problems the world faces."

-Robert Metcalfe, Founder of 3Com Corp. and helped invent the Ethernet. Currently a General Partner at the venture capital fund, Polaris, he is investing part of the newest fund's US\$1 billion into clean-energy technology.



OUR EXPERIENCE



- Background
 - \$250m target, Fund of Fund, start Nov 2005
 - No “special concession” on performance target
 - 2 key professionals in US
 - Worked for advisor to CalPERS on Green Wave project
- Outcome
 - Dec 2006, first close \$120m
 - Aust investors: MTAA, LGSS, GESB, Christian Super
 - Intl investors: family offices, endowments



OUR EXPERIENCE



- Investments (approx \$60m)

- Rockport
- Carlyle Riverstone Renewables
- Hg Renewables
- US Renewables Group

Geography	Target(%)
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North America	75%
EU and Asia	25%

Underlying Investments	Target (%)
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Funds (and Secondaries)	Min. 80%
Co-investments	Max. 20%

Stage (Fund Level)	Target (%)
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Buy-out	45%
Expansion	30%
Venture – Late	20%
Venture – Early	5%



OUR EXPERIENCE



- Impediments
 - Belief that you get exposure naturally
 - Unique skills; internal carry split (IT vs Life Science)
 - Heavily intermediated markets
 - Asset consultants (bar Mercer)
 - CIO, CEO
 - Trustee Board
- General belief; CT = lower returns or poor GP's
- Macquarie involvement (?)
- General level of education



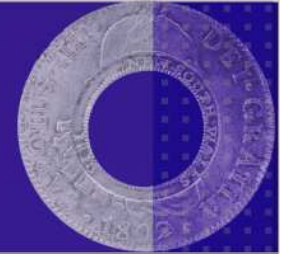
THE AUSTRALIAN STORY



- Few CleanTech GP's
- “Pure” players:
 - CVC, CEGT, SAM (from offshore)
- Hybrids
 - Starfish Ventures
- Some investments
 - Jolimont Ventures (Plantic, Ceramic Fuel Cells)
- Issues
 - Deal flow
 - Team/ strategy/ track record



SUMMARY



- Space is new and growing
- Pure play managers will emerge
- Macro factors support strong returns
- Focus **MUST** be **ROI**