

## Media Release

9 October 2007

### **Cleantech Ventures announces First Closing for new \$50 million Cleantech Australia Fund**

Cleantech Ventures has completed the first close of its new Cleantech Australia Fund.

The fund's first closing of \$50 million is made up of \$20 million provided through the Australian government's Innovation Investment Fund (IIF) program and \$30 million from VicSuper, a superannuation fund committed to sustainability.

Recent interest from both industry and private equity fund managers suggests the fund has the potential to raise significantly more.

The Cleantech Australia Fund's main focus will be investments in expansion stage companies that are commercialising clean technologies; those which generate superior commercial benefits to customers whilst simultaneously addressing significant environmental concerns such as climate change, water scarcity, water quality and resource constraints.

Australia has a history of technological inventiveness, a stable economy and an energetic engagement with environmental issues. With water scarcity and climate change at the top of the Australian political agenda and a federal election to be announced any day, solutions to those environmental problems are front and centre. Cleantech – which brings together the environment, technology and strong financial returns - seems to be a natural fit for Australian industry and investors.

International investment in the cleantech sector has grown significantly in recent years and the Cleantech Australia Fund will leverage Australia's strong innovation and R&D skill base to build companies with high potential clean technologies that target both Australian and international markets.

Cleantech is emerging as the enabling technology of modern industrial society, the next and necessary wave of venture innovation in a natural resource constrained world. In 2006 US\$3.9 billion was invested in Cleantech in North America and Europe. Cleantech received 11 percent of the overall venture capital invested in 2006 in North America and 17 percent of overall venture capital in Europe. (Source: Cleantech Network)

“Arguably, in Australia cleantech simply hasn't been thought of widely as a category in the past nor has it been considered against the global backdrop of burgeoning demand and interest in clean technologies required to address environmental issues and growing resource constraints such as those associated with energy, water, waste and air quality” said Jan Dekker, a Principal at Cleantech Ventures.

Andrew Pickering, also a Principal at Cleantech Ventures states that “clean technologies must meet the primary test of investment attractiveness and then the significant but secondary test of improved environmental and resource outcomes – it's not “green for the sake of being green” it's about making successful investments in clean technologies and building sustainable businesses”.

Cleantech Ventures has classified 12 specific cleantech sub-sectors into which investments will be made based on an in-depth understanding of both technology and market trends. Some of the larger sub-sectors have been the subject of rigorous review.

The Cleantech Australia Fund is expected to make its first investment in the next few months.

Cleantech Ventures also manages the \$30 million CEGT Fund that focuses on seed stage investments in sustainable energy technologies, a large sub-segment of the cleantech sector.

Coinciding with the closing of the Cleantech Australia Fund, Cleantech Ventures is about to release a benchmark report, co-authored with Cleantech network LLC (USA), which will represent the first-ever comprehensive analysis of cleantech venture capital, merger and acquisition and IPO activity in Australia. The report "Turning Green into Gold" will be released on 24<sup>th</sup> October 2007 and will provide the venture capital and private equity industry with much needed information on Cleantech investing in Australia as well as comparisons to North America and Europe. The report will be made publicly available via download from Cleantech Ventures' website ([www.cleantechventures.com.au](http://www.cleantechventures.com.au)) on that day.

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Cleantech Ventures Pty Ltd  
Suite 8.04, 365 Little Collins Street  
Melbourne VIC 3000

T: (03) 9607 7100  
F: (03) 9670 7988