

12 April 2010

Mr Gonzalo Valencia
Senior Adviser
Issuers
Australian Securities Exchange
Level 45
South Tower
525 Collins Street
Melbourne VIC 3000
Email: gonzalo.valencia@asx.com.au

Dear Mr Valencia

Viridis Clean Energy Group (ASX:VIR) - Price Query

We refer to your letter dated 9 April 2010 concerning a recent change in the price of the securities of Viridis Clean Energy Group (ASX:VIR) ("VCEG") and increase in trading volume. Our responses to the questions contained in your letter are as follows:

1. We refer to our announcement of earlier today entitled "Viridis announces continuation of asset sales strategy and provides update on other current initiatives" ("Announcement").

Other than as set out in the Announcement, VCEG is not aware of any information concerning it that has not been announced, which, if known, could be an explanation for recent trading in the securities of VCEG.

2. Please see the information contained in this letter and the Announcement.
3. Based on 8 months of actual results (unaudited) and management's best estimates of the Group's financial performance for the remainder of the 2010 financial year, it is considered that VCEG's adjusted EBITDA¹ (including share of net profit from associates) will not vary from the previous corresponding period by more than 15%. These estimates are based on assumptions regarding VCEG's operating performance for the balance of the financial year and foreign currency exchange rates, both of which are subject to fluctuations. Accordingly, the actual operating results may vary from management's best estimates.
4. As disclosed in the half-year results to 31 December 2009 VCEG made a realised gain on derivatives of \$6.3 million. It is expected that a total realised gain of \$9.1 million will be recognised for the year ending 30 June 2010.

In addition to the non-recurring transactions disclosed in the half-year results (buy-out of management contract and the Texas spare part credit), it is expected that there will be a significant accounting profit made on the sale of the Group's investment in the Ardrossan wind farm in the UK, as outlined in the Announcement.

¹ Before net unrealised foreign currency exchange gains/losses and derivative gains/losses (non-cash items), interest income on cash balances and non-recurring transactions.

These are non-recurring transactions and have been excluded from the projected operating results described above.

Other than as disclosed in this letter and the Announcement, VCEG is not aware of any material abnormal or extraordinary items for the full year ending 30 June 2010.

Consistent with the Group's obligations under AASB 136 "Impairment of Assets" and accounting policies, analysis will be undertaken as part of the full year financial statements preparation as to the carrying value of the Group's assets.

5. We note that on 1 April 2010 VCEG received a copy of a Form 605 – Notice of ceasing to be a substantial holder, advising that Australian Ethical Smaller Companies Trust was no longer a substantial security holder in VCEG. We are also aware that VCEG has recently fallen out of the All Ordinaries Index.

Other than as set out in this letter or otherwise disclosed to ASX (including in the Announcement), VCEG is not aware of any other explanation for the price change in VCEG securities.

6. We confirm that VCEG is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours faithfully



Duncan Jewell
Company Secretary



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9 April 2010

Duncan Jewell
Viridis Clean Energy Group
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Melbourne VIC 3000

By e-mail only – duncan.jewell@viridisenergy.com

Dear Duncan,

Viridis Clean Energy Group (the "Group") RE: PRICE QUERY

We have noted a change in the price of the Group's securities from \$0.095 on 30 March 2010 to \$0.055 at the time of writing today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Group aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Group.

Please note that as recent trading in the Group's securities could indicate that information has ceased to be confidential, the Group is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the operating result before abnormal items and income tax so that the figure for the full year ending 30 June 2010 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.
4. Is there any reason to think that the Group may record any material abnormal or extraordinary items for the full year ending 30 June 2010? If so, please provide details.
5. Is there any other explanation that the may have for the price change and increase in volume in the securities of the Group?
6. Please confirm that the Group is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail or by facsimile on facsimile number 03 96140303. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. E.S.T.) on Monday, 12 April 2010.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Group's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

Sent by electronic means without signature
Gonzalo Valencia

Senior Adviser, Issuers (Melbourne)