



**VIRIDIS**  
**CLEAN ENERGY GROUP**

FACSIMILE

TO	Australian Stock Exchange	DATE	17 December 2009
ATTENTION	Ms Kate Kidson	FACSIMILE	+61 3 9614 0303
FROM	Duncan Jewell		
SUBJECT	Employment arrangements - long term incentive plans for Managing Director and Chief Financial Officer		

Dear Ms Kidson,

Please find attached a Market Release for the Viridis Clean Energy Group (VIR).

Yours sincerely,

Duncan Jewell  
Company Secretary  
Viridis Investment Management Limited

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RELEASE

## Employment arrangements - long term incentive plans for Managing Director and Chief Financial Officer

17 DECEMBER 2009

### Long Term Incentive Plans for Managing Director and Chief Financial Officer

Viridis Clean Energy Group (ASX:VIR) ("VCEG") today advised that following the internalisation of the management of VCEG being successfully implemented, the board has sought independent advice from Egan Associates with respect to the establishment of a long term incentive plan for the Managing Director, Edward Northam and the Chief Financial Officer, Duncan Jewell ("**Executives**").

Accordingly, VCEG is pleased to announce that the board of Viridis Investment Management Limited as responsible entity for VCEG has approved the long term incentive plans of each of the Executives, the terms of which are set out in the attached Schedule.

Andrew J Berry  
Chairman  
Viridis Investment Management Limited

END

## Background

Viridis Clean Energy Group is an ASX listed energy infrastructure fund that has been established by Viridis Energy Capital Pty Limited as a special purpose investment vehicle focused exclusively on direct, long-term investment in a global portfolio of clean energy projects. Viridis invests in projects employing proven renewable, waste and other clean energy fuels and technologies in selected geographical markets, with a primary focus on Europe, North America and Australia.

The Fund's current investment portfolio includes ownership interests in 44 projects located in the USA and UK with a total capacity of 121 MW (Viridis equity share).

Viridis Energy Capital Pty Limited is the investment manager for the Viridis Clean Energy Group. Viridis Clean Energy Group comprises Viridis Clean Energy Trust I (ARSN 115 340 442) and Viridis Clean Energy Trust II (ARSN 115 340 639). Viridis Investment Management Limited (ABN 51 099 788 431) is the responsible entity of the Viridis Clean Energy Group.

## SCHEDULE

### LONG TERM INCENTIVE PLAN - MANAGING DIRECTOR

Commencement Date:	17 December 2009
Base Price:	The volume weighted average price of VCEG securities sold on the ten trading days prior to the Commencement Date.
Incentive Rights:	2,400,000, split into 3 tranches: <ul style="list-style-type: none"><li>– Tranche 1 - 480,000 Incentive Rights (20%)</li><li>– Tranche 2 - 720,000 Incentive Rights (30%)</li><li>– Tranche 3 - 1,200,000 Incentive Rights (50%)</li></ul>
Vesting:	<p>Tranche 1 shall vest 18 months from the Commencement Date provided that the Tranche 1 Total Securityholder Return ("TSR") requirement is satisfied.</p> <p>Tranche 2 shall vest 30 months from the Commencement Date provided that the Tranche 1 TSR requirement is satisfied.</p> <p>Tranche 3 shall vest 42 months from the Commencement Date provided that the Tranche 1 TSR requirement is satisfied.</p>
Total Securityholder Return ("TSR") requirement:	<p>TSR means the sum of (on a per security basis) (i) any movement in VCEG security price from the Base Price, plus (ii) any cash distributions paid/declared since the Commencement Date.</p> <p>All security price calculations will be based on the volume weighted average price of VCEG securities sold on the ten trading days immediately prior to the relevant calculation date.</p> <p>The Tranche 1 TSR requirement is 15% of the Base Price.</p> <p>The Tranche 2 TSR requirement is 25% of the Base Price.</p> <p>The Tranche 3 TSR requirement is 40% of the Base Price.</p> <p>Should a Tranche TSR requirement not be satisfied at a vesting date the relevant Tranche incentive rights will be rolled up into the next Tranche and will be subject to the vesting and TSR requirements applicable at the next vesting date.</p> <p>In the event that the Tranche 3 TSR requirement is not met on the Tranche 3 vesting date it will be capable of being met in the subsequent six month period should the Tranche 3 TSR be met calculated based on the volume weighted average price of VCEG securities sold on any ten sequential trading days within the six month period.</p>
Incentive Payments:	<p>The Company will make the following incentive payments to the Managing Director on each of the Tranche 1, 2, and 3 vesting dates, subject to the vesting and TSR requirement provisions described above:</p> <p>Tranche 1 Incentive Payment = 480,000 x TSR as calculated on the Tranche 1 vesting date.</p> <p>Tranche 2 Incentive Payment = 720,000 x TSR as calculated on the Tranche 2 vesting date.</p> <p>Tranche 3 Incentive Payment = 1,200,000 x TSR as calculated on the Tranche 3 vesting date.</p> <p>Any Incentive Payments will be made net of any taxes or charges that the Company is required to withhold.</p>

Company may issue securities in lieu of cash:	The Company may elect (subject to security holder approval, if required) to issue or transfer to the Managing Director fully paid VCEG securities having the same market value as the Incentive Payment amount in lieu of making the payment in cash, provided that to do so would not materially disadvantage the Managing Director.
Vesting - other provisions:	<p>In any of the circumstances listed below the Board may, in its discretion deem that some or all of the vesting conditions and TSR requirements have been satisfied and make the associated Incentive Payments. The circumstances are:</p> <ul style="list-style-type: none"> <li>– total and permanent disability or death.</li> <li>– the voluntary cessation of the Managing Director’s employment.</li> <li>– such other circumstances as the Board may determine.</li> </ul> <p>In the event of total and permanent disability, death or retrenchment, other than for cause, the Incentive Payments for which the relevant TSR requirements have been met will become due and payable.</p>
Pro-rata entitlements issues:	In the event any pro-rata entitlements issue is made by VCEG the Base Price and/or number of Incentive Rights will be adjusted in the same manner as options would be adjusted under the ASX Listing Rules in such circumstances.
Bonus issues:	In the event any bonus issue is made by VCEG the number of Incentive Rights will be increased on the same proportionate basis as the bonus issue.
Capital re-organisations:	In the event of a re-organisation of capital of VCEG the Managing Directors rights under this plan will be changed in a manner consistent with the ASX Listing Rules applying to capital re-organisations.
Change of Control:	In the event of a Change of Control of VCEG the Incentive Payments will become automatically due and payable irrespective of whether the vesting conditions and/or TSR requirements have been met.
Wind-up:	In the event of wind-up of VCEG the Incentive Payments for which the relevant TSR requirements have been met will become due and payable.
Administration:	<p>This plan is to be administered by the board in accordance with its terms.</p> <p>The decisions of the board as to the interpretation, effect or application of the terms of this plan and all calculations and determinations made by the board under these terms are final, conclusive and binding in the absence of manifest error.</p>
Amendment:	<p>Subject to the ASX Listing Rules, the board may at any time amend this plan, or waive or modify the application of any of the terms in this plan as they apply to the Managing Director.</p> <p>If the amendment would adversely affect the rights of the Managing Director in respect of the Incentive Rights held by him, the board must obtain the consent of the Managing Director before making that amendment.</p>

## LONG TERM INCENTIVE PLAN – CHIEF FINANCIAL OFFICER

Commencement Date:	17 December 2009
Base Price:	The volume weighted average price of VCEG securities sold on the ten trading days prior to the Commencement Date.
Incentive Rights:	1,600,000, split into 3 tranches: <ul style="list-style-type: none"><li>– Tranche 1 - 320,000 Incentive Rights (20%)</li><li>– Tranche 2 - 480,000 Incentive Rights (30%)</li><li>– Tranche 3 - 800,000 Incentive Rights (50%)</li></ul>
Vesting:	<p>Tranche 1 shall vest 18 months from the Commencement Date provided that the Tranche 1 Total Securityholder Return (“TSR”) requirement is satisfied.</p> <p>Tranche 2 shall vest 30 months from the Commencement Date provided that the Tranche 1 TSR requirement is satisfied.</p> <p>Tranche 3 shall vest 42 months from the Commencement Date provided that the Tranche 1 TSR requirement is satisfied.</p>
Total Securityholder Return (“TSR”) requirement:	<p>TSR means the sum of (on a per security basis) (i) any movement in VCEG security price from the Base Price, plus (ii) any cash distributions paid/declared since the Commencement Date.</p> <p>All security price calculations will be based on the volume weighted average price of VCEG securities sold on the ten trading days immediately prior to the relevant calculation date.</p> <p>The Tranche 1 TSR requirement is 15% of the Base Price.</p> <p>The Tranche 2 TSR requirement is 25% of the Base Price.</p> <p>The Tranche 3 TSR requirement is 40% of the Base Price.</p> <p>Should a Tranche TSR requirement not be satisfied at a vesting date the relevant Tranche incentive rights will be rolled up into the next Tranche and will be subject to the vesting and TSR requirements applicable at the next vesting date.</p> <p>In the event that the Tranche 3 TSR requirement is not met on the Tranche 3 vesting date it will be capable of being met in the subsequent six month period should the Tranche 3 TSR be met calculated based on the volume weighted average price of VCEG securities sold in any ten sequential trading days within the six month period.</p>
Incentive Payments:	<p>The Company will make the following incentive payments to the Chief Financial Officer on each of the Tranche 1, 2, and 3 vesting dates, subject to the vesting and TSR requirement provisions described above:</p> <p>Tranche 1 Incentive Payment = 320,000 x TSR as calculated on the Tranche 1 vesting date.</p> <p>Tranche 2 Incentive Payment = 480,000 x TSR as calculated on the Tranche 2 vesting date.</p> <p>Tranche 3 Incentive Payment = 800,000 x TSR as calculated on the Tranche 3 vesting date.</p> <p>Any Incentive Payments will be made net of any taxes or charges that the Company is required to withhold.</p>

Company may issue securities in lieu of cash:	The Company may elect (subject to security holder approval, if required) to issue or transfer to the Chief Financial Officer fully paid VCEG securities having the same market value as the Incentive Payment amount in lieu of making the payment in cash, provided that to do so would not materially disadvantage the Chief Financial Officer.
Vesting - other provisions:	<p>In any of the circumstances listed below the Board may, in its discretion deem that some or all of the vesting conditions and TSR requirements have been satisfied and make the associated Incentive Payments. The circumstances are:</p> <ul style="list-style-type: none"> <li>– total and permanent disability or death.</li> <li>– the voluntary cessation of the Chief Financial Officer’s employment.</li> <li>– such other circumstances as the Board may determine.</li> </ul> <p>In the event of total and permanent disability, death or retrenchment, other than for cause, the Incentive Payments for which the relevant TSR requirements have been met will become due and payable.</p>
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Wind-up:	In the event of wind-up of VCEG the Incentive Payments for which the relevant TSR requirements have been met will become due and payable.
Administration:	<p>This plan is to be administered by the board in accordance with its terms.</p> <p>The decisions of the board as to the interpretation, effect or application of the terms of this plan and all calculations and determinations made by the board under these terms are final, conclusive and binding in the absence of manifest error.</p>
Amendment:	<p>Subject to the ASX Listing Rules, the board may at any time amend this plan, or waive or modify the application of any of the terms in this plan as they apply to the Chief Financial Officer.</p> <p>If the amendment would adversely affect the rights of the Chief Financial Officer in respect of the Incentive Rights held by him, the board must obtain the consent of the Chief Financial Officer before making that amendment.</p>