

10 September 2009

Ms Kate Kidson  
Principal Adviser, Issuers  
ASX  
Level 45, South Tower, Rialto  
525 Collins Street  
Melbourne VIC 3000

Dear Ms Kidson

We refer to your letter dated 8 September 2009 in respect of the late lodgement of an Appendix 3Y.

We apologise for the late lodgement and respond to each of the questions in your letter as follows:

1. The Appendix 3Y was lodged late due to an administrative oversight. The Appendix 3Y had been prepared well in advance of the last date on which it could be lodged. However, the finalisation of the Appendix 3Y and lodgement itself was overlooked. The unusually high volume of corporate activity being undertaken by the group at the time of the issue of securities contributed to the oversight. We confirm that the Appendix 3Y was lodged as soon as the oversight was detected.

Please note that the market was not misled by the failure as a Form 603 (notice of initial substantial holder) in respect of the relevant issue of securities was released to the market within two business days of the issue and the market was informed of the proposed issue of the securities as a result of various announcements concerning the management internalisation process.

2. Each of the directors are aware of their obligations under Listing Rule 3.19. Under the group's Securities Trading Policy, directors are required to advise the group of any dealing in their securities within two days. The failure to lodge the Appendix 3Y within the time period was not due to a failure by the director to notify the company.
3. The group and its directors take seriously their obligations with respect to Listing Rule 3.19 and are satisfied that the current processes to ensure compliance are adequate.

Yours sincerely,



Duncan Jewell  
Company Secretary



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8 September 2009

Mr Duncan Jewell  
Company Secretary  
Viridis Clean Energy Group  
Level 1  
167 Flinders Lane  
MELBOURNE VIC 3000

By email only

Dear Mr Jewell

**Viridis Clean Energy Group (the “Group”) Appendix 3Y – Change of Director’s Interest Notice**

We refer to the following;

1. The Appendix 3Y lodged by the Group with ASX on 2 September 2009 for Mr Walter Pahor.
2. Listing rule 3.19A which requires an entity to tell ASX the following:
  - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
    - On the date that the entity is admitted to the official list.
    - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.
  - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
  - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listing rules 3.19A and 3.19B.

As the Appendix 3Y indicates that a change in the director's relevant interests occurred on 20 August 2009, it appears that the Director's Notice should have been lodged with ASX by 27 August 2009. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Group of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Group make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendix was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Group intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by return e-mail or by facsimile on facsimile number (03) 9614 0303. It should not be sent to the Company Announcements Office.

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. A.E.S.T.) on Friday, 11 September 2009.

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 form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely,

*[Sent electronically without signature]*

Kate Kidson  
**Principal Adviser, Issuers (Melbourne)**