



Media Release

Macquarie Group and Financial & Energy Exchange launch company to develop environmental markets

21 MAY 2008 Macquarie Group and Financial & Energy Exchange (FEX) today announced the formation of a new company to enable trading in a range of environment products, a move that will help to establish Australia as a regional carbon trading hub.

The joint venture, Envex, will enable companies to trade in emission permits under the Australian Emissions Trading Scheme by the second half of this year.

Through enVex, corporations can prepare for the 2010 start date by buying and selling environmental instruments on FEX's over-the-counter and exchange infrastructure. Environmental products to be traded will include carbon, renewable energy, and weather derivatives. This includes both futures and spot contracts.

The partners today announced key appointments to the new company.

The Honourable Bob Carr has been appointed Chair of the Board of enVex. Mr Carr launched the world's first carbon trading scheme, Greenhouse Gas Abatement scheme, in January 2003 two years before the launch of the European Union Emissions Trading Scheme. He was also a member of former British Prime Minister Tony Blair's International Taskforce on Climate Change.

"Providing a full range of environmental products on an exchange such as FEX will help to establish Australia as a regional carbon trading hub," said Mr Carr.

Mr Vincent Cornes has been appointed General Manager of the joint venture. Mr Cornes was formerly Carbon Trading Manager at Origin Energy where he was responsible for one of Australia's largest and most diverse carbon and renewable energy portfolios.

Executive Director, Climate Change Investments, Macquarie Capital, Oliver Yates, said carbon was becoming a leading global commodity.

"We want Australian business to have access to a full range of tradeable products to prepare for a low carbon economy and for mandatory emissions trading," Mr Yates said.

Brian Price, CEO of FEX said: "enVex is uniquely placed because of Australia's strong experience in finance and carbon management."

"Climate change is a rapidly growing risk for business. enVex will be an essential resource for business to manage exposure to climate change," Mr Price said.

Subject to final regulatory approvals, enVex products will be offered on FEX's trading platforms from the second half of 2008.

About FEX

The Financial & Energy Exchange Limited (FEX) is an emerging international provider of financial, energy and environment market services based in Sydney.

FEX was established to provide a regional exchange offering products across the financial, energy and environmental spectrum and responsive, flexible markets for derivatives trading.

About Macquarie Capital

Macquarie Capital includes the Macquarie Group's wholesale structuring, underwriting, corporate advisory, Macquarie Capital Funds, private equity, and specialised equipment financing, institutional stockbroking and equities research capabilities.

Macquarie Capital established Climate Change Investments in 2007 to pursue investment opportunities that will assist the world in responding to the challenge of climate change. The Global Climate Change Practice has dedicated staff in Sydney, London, New York and Hong Kong.

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