



## **Update on Voluntary Suspension**

22 March 2019: Environmental Clean Technologies Limited (ASX: ECT) (the Company) requested a voluntary suspension in the trading of its securities from the ASX on 15 March 2019 until 1 April 2019.

Understandably numerous enquiries from shareholders have been received requesting an update on the suspension of trading and as a result, the Company wishes to provide an update on matters related to this suspension

- The Company has provided frequent updates on the requirement for, and progress of, the submission of the Research Collaboration Agreement (RCA) to the boards of its India project partners, NLC India Limited (NICIL) and NMDC Limited (NMDC) for this landmark India project.
- NLCIL previously approved the signing of the RCA on 14 November 2018, providing approval of the commercial terms and granting their Chairman-Managing Director (CMD) the authority to sign the RCA subject to:
  - The approval of the RCA commercial terms by project partner NMDC
  - Ministry briefings
  - Signing ceremony to follow Ministry briefings
- NLCIL have confirmed in the last few days their approval of the RCA full terms and willingness to sign, subject to the existing conditions precedent including approval by NMDC and their relevant Minister.
- On Wednesday 13 March 2019 a trading halt was granted to allow the Company to confirm the outcome of NMDC's board meeting, held on 12 March 2019, where it was expected that the RCA would be tabled for consideration.
- NMDC has confirmed that the RCA was not tabled at their recent board meeting, however they have verbally restated their support for the project and intention to proceed. They have requested further time to complete their internal approval processes.
- The Company is currently in discussions with NMDC to confirm the additional time required to complete their internal processes.
- The Company acknowledges the complexity of delivering this final partner approval and requests the voluntary suspension remain in place until an announcement can be made regarding these matters. Specifically, NMDC's timeframe for completion of its internal processes to support board approval
- Given the material nature this partner approval has on the strategic direction of the Company's activities in India, ECT believes it is desirable to stay in suspension until more information on the progress of the project is obtained from the Company's Indian partners. The Company will also review and update, where needed, the strategic direction and progress of other key business programs and activities over this period of suspension.
- In line with the broader commercialisation program in both India and Australia, the Company will continue to advance various aspects of this and other projects over the coming weeks including its Latrobe Valley project and development of its steam and boiler package business both of which have been the subject of recent announcements.
- The ability of the Company to raise working capital at a reasonable cost to support its obligations under the RCA, and the other projects mentioned above, is closely aligned with the outcome of NMDC's approval process.

- In the Company’s opinion, continued trading of its securities is likely to be materially prejudicial to its ability to complete its major strategic objectives.
- The Company understands that shareholders may be frustrated by these delays however given the material uncertainty created by the timing of anticipated approvals over the last 4 months, resolution on the timing of this approval is essential to maintaining an orderly and appropriately informed market.

As a result of the voluntary suspension, the Company has put on hold the Equity Lending Facility (ELF) incentive program. The incentive period will reopen once the voluntary suspension has been lifted and will then remain open for a further 7 days.

The Company looks forward to providing further information as it becomes available.

**For further information, contact:**

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**About ECT**

ECT is in the business of commercialising leading-edge energy and resource technologies, which are capable of delivering financial and environmental benefits.

We are focused on advancing a portfolio of technologies, which have significant market potential globally.

ECT’s business plan is to pragmatically commercialise these technologies and secure sustainable, profitable income streams through licensing and other commercial mechanisms.

**About Coldry**

When applied to lignite and some sub-bituminous coals, the Coldry beneficiation process produces a black coal equivalent (BCE) in the form of pellets. Coldry pellets have equal or superior energy value to many black coals and produce lower CO<sub>2</sub> emissions than raw lignite.

**About Matmor**

The Matmor process has the potential to revolutionise primary iron making.

Matmor is a simple, low cost, low emission production technology, utilising the patented Matmor retort, which enables the use of cheaper feedstocks to produce primary iron.

**About the India R&D Project**

The India project is aimed at advancing the Company’s Coldry and Matmor technologies to demonstration and pilot scale, respectively, on the path to commercial deployment.

ECT has partnered with NLC India Limited and NMDC Limited to jointly fund and execute the project.

NLC India Limited is India’s national lignite authority, largest lignite miner and largest lignite-based electricity generator.

NMDC Limited is India’s national iron ore authority.

**Areas covered in this announcement:**

ECT (ASX:ECT)	ECT Finance	ECT India	India Project	Aust. Project	R&D	HVTF	Business Develop.	Sales
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