ECT Finance Limited – Equity Lending Facility Interest

22 August 2019: Environmental Clean Technologies Limited (ASX: ECT) (ECT or Company), would like to update the market on the announcement regarding the ELF facility interest free holiday and statements managed by ECT Finance Limited.

Key points:

- Interest letters delayed and now to be sent on 22 August 2019
- Interest to be paid (where applicable) before Saturday 31 August 2019.
- Capitalised interest to be calculated for the period 31 January 2019 through to 30 July 2019.
- Interest free holiday for the 6-month period 31 July 2019 to 30 January 2020
- ECT Chairman, Glenn Fozard directed the first of six tranches of executive contract of $15,630 to repay his ELF loan.

Given the inclusion of an interest-free holiday, as previously announced, the generation of the letters for this interest period scheduled to be sent to ELF holders in the week starting 5 August 2019 was delayed and will now be sent on 22 August.

As had been previously stated, ELF holders wishing to capitalise their interest for that period need not do anything as in the absence of any action the interest method will automatically be changed to 'capitalised'.

The board of ECT Finance had agreed to an interest holiday for the entire next interest period from 31 July 2019 to 30 January 2020. This will mean ELF holders will incur zero interest against the loan balance for that period.

Those ELF holders that pay, or wish to pay, interest in advance will be required to pay 6 months of interest for the period 31 January 2020 to 30 July 2020.

In the last update, ECT Chairman, Glenn Fozard, had also agreed to contribute 100% of his ECT Limited executive remuneration (as opposed to his director fee) towards the repayment of his ELF loans, from 1 August 2019 through to 31 January 2020.

Given the ELF loan's connection to equity (and the accounting treatment of the ELF as an in-substance option), the Company believes that it is prudent to inform the market with each repayment contribution made and the terms in which they are made.

As at 15 August, ECT Chairman Glenn Fozard, contributed $15,630 from his executive contract towards repayment of ELF loan no. 1076. This loan has 20,000,000 units secured against a loan of $212,537.60 as at 31 July 2019, which after repayment, has a balance of $196,907.60. All 20,000,000 ECT units remain secured and locked at the registry.

This transaction is in compliance with ECT's Securities Trading Policy.

For further information, contact:

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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_2 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 COHgen

The COHgen process is a low temperature, low pressure catalytic process for the generation of hydrogen from lignite. COHgen has a unique feature of retaining most of the carbon in solid form, lowering potential CO_2 emissions and supporting lower cost carbon capture and storage (CCS) requirements.

Areas covered in this announcement:

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