

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Environmental Clean Technologies Limited

ABN

28 009 120 405

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | 1) Fully paid ordinary shares<br>2) Options  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 1) fully paid ordinary shares – up to 7,445,207,705<br>2) options – up to 2,581,735,902  |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1) fully paid ordinary shares<br>2) Options to be issued under the entitlements offer (up to 2,481,735,902) – each option is exercisable at 0.3 cents for one Share and will expire on the 3 <sup>rd</sup> anniversary of the issue date<br>3) Options to be issued to the manager of the entitlements offer (100,000,000)– each option has an exercise price of 0.3 cents, expiring 3 years after the issue date (same class as the options issued under the entitlement offer) |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1) Shares – yes</p> <p>2) Options – no, however shares issued on exercise of the options will rank equally with existing shares.</p>
<p>5 Issue price or consideration</p>	<p>0.10 cents per share, with one free attaching option for every 3 shares issued</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Pursuant to the Company's renounceable entitlements offer under the prospectus dated 29 October 2019, funds will be used as follows:</p> <ol style="list-style-type: none"> <li>1) General working capital</li> <li>2) Coldry to char plant upgrades</li> <li>3) Debt repayment including loans and trade creditors</li> <li>4) Payment for expenses of the entitlement offer</li> </ol> <p>Options to be issued to the manager of the entitlements offer will constitute part of payment of the offer management fee</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>100,000,000</p>

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6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of +securities issued under an exception in rule 7.2	Up to 7,445,207,705 fully paid ordinary shares and up to 2,481,735,902 options (Exception 1)	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 620,077,459 Rule 7.1A – not applicable	
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	26 November 2019 (expected date based on current timetable for the renounceable entitlements offer)	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		Up to 12,245,724,098	Fully paid ordinary shares
		Up to 2,581,735,902	Options to be quoted
		Number	+Class

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9	Number and +class of all +securities not quoted on ASX ( <i>including</i> the +securities in section 2 if applicable)	Not applicable	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

## Part 2 - Pro rata issue

11	Is security holder approval required?	No	
12	Is the issue renounceable or non-renounceable?	Renounceable	
13	Ratio in which the +securities will be offered	1 : 1.55 (with one free attaching option for every 3 shares issued)	
14	+Class of +securities to which the offer relates	1) Fully paid ordinary shares 2) Options	
15	+Record date to determine entitlements	1 November 2019	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No	
17	Policy for deciding entitlements in relation to fractions	Rounded down to the nearest whole number	
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries other than Australia and New Zealand	
19	Closing date for receipt of acceptances or renunciations	19 November 2019 (expected date based on current timetable for the renounceable entitlements offer)	

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20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	CPS Capital Group Pty Ltd
23	Fee or commission payable to the broker to the issue	1) \$45,000; 2) 1% of the total amount raised under the entitlement offer; 3) 5% of the amount from any shortfall shares placed; and 4) 100 million options with an exercise price of 0.3 cents , expiring 3 years after the issue date (same class as the options issued under the entitlements offer)
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	5 November 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	31 October 2019
29	Date rights trading will end (if applicable)	12 November 2019
30	How do security holders sell their entitlements <i>in full</i> through a broker?	The entitlements under the Offer are renounceable which means that all or part of an Eligible Shareholder's rights to subscribe for shares under the offer may be traded on ASX. If shareholders wish to sell all of their

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entitlement on ASX, they must provide instructions to their stockbroker regarding the entitlement they wish to sell on ASX and complete the section marked "instructions to stockbroker" on the back of the Entitlement and Acceptance form which accompanies the prospectus.

There is no guarantee that an Eligible Shareholder will be able to sell all or part of their Entitlement on ASX or any particular price will be paid for the Entitlements sold on ASX.

- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?

If shareholders wish to take up only part of their entitlement, they must complete their personalised Entitlement and Acceptance form which accompanies the prospectus, for the number of Shares they wish to take up and subsequently, provide instructions to their stockbroker regarding the proportion of the Entitlement they wish to sell.

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32	How do security holders dispose of their entitlements (except by sale through a broker)?	<p>If the person is a Shareholder and hold Shares on the issuer sponsored sub-register, they will need to forward a completed renunciation form (obtainable through your stockbroker or the Share Registry) together with the personalised Entitlement and Acceptance Form completed by the transferee together with a cheque for the appropriate application money to reach the Company's share registry (at the postal address shown below), by 5.00 pm Australian Eastern Standard Time on closing date.</p> <p>If the shareholder wishes to transfer all or a proportion of their entitlement to or from another person on the CHESS subregister they must engage their CHESS controlling participant.</p>
33	+Issue date	<p>26 November 2019 (expected date based on current timetable for the renounceable entitlements offer)</p>

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## **Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### **Entities that have ticked box 34(a)**

#### **Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

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**Entities that have ticked box 34(b) – Not applicable**

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Number</th> <th style="width: 50%; text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

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**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .....  
(Company Secretary)

Date: 29 October 2019

Print name: Martin Hill

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# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	4,800,516,393
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	0
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	0
<b>“A”</b>	4,800,516,393

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<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15  <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	720,077,459
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	100,000,000 (options to be issued to broker described in part 1 of this Appendix 3B)
<b>“C”</b>	<b>100,000,000</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b>  <i>Note: number must be same as shown in Step 2</i>	720,077,459
<b>Subtract “C”</b>  <i>Note: number must be same as shown in Step 3</i>	100,000,000
<b>Total [“A” x 0.15] – “C”</b>	<b>620,077,459</b>  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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## Part 2 – not applicable

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	
<b>“E”</b>	

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<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	
<b>Total</b> [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

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