



Open of Share Purchase Plan

Monday 24 May 2021: Environmental Clean Technologies (**ECT** or **Company**) is pleased to advise that it has today despatched a share purchase plan (**SPP**) offer booklet to eligible shareholders under the capital raising announced by the Company on 7 April 2021 (**Capital Raising**).

SHARE PURCHASE PLAN

The SPP is to raise up to \$2 million through the issue of up to 1,250,000,000 Shares at an issue price of \$0.0016 per Share (**SPP**). The SPP booklet has been despatched today, and the SPP opens today. Full details on how to apply for shares under the SPP are contained in the SPP booklet. An indicative timetable for the SPP is as follows:

| Event | Date |
|--|-------------------------|
| Record Date for determining Eligible Shareholders | Tuesday, 6 April 2021 |
| Opening Date – Applications open | Monday, 24 May 2021 |
| Closing Date – Applications and payment must be received by this date | Friday, 4 June 2021 |
| SPP results announced | Wednesday, 9 June 2021 |
| Issue and Allotment Date – SPP Shares issued and allotted | Tuesday, 15 June 2021 |
| Despatch Date – Holding statements despatched to Shareholders | Wednesday, 16 June 2021 |
| SPP Shares commence trading on ASX | Wednesday, 16 June 2021 |

This timetable is indicative only and is subject to change. ECT may alter the dates above, withdraw or vary the SPP, or accept applications received after the Closing Date, in each case in ECT's absolute discretion, subject to the ASX Listing Rules and the Corporations Act.

If you are an eligible shareholder and wish to participate in the SPP, you can apply by using the BPAY® information provided on your personalised Application Form, or by completing your personalised Application Form and returning it with an accompanying cheque. The SPP Offer Document, which includes a personalised Application Form, will be made available to eligible shareholders by the following methods:

- Shareholders who have previously registered to receive Company correspondence electronically should receive an email later this afternoon with links to retrieve the documents electronically.
- All Shareholders can log in to Automic Registry Services and retrieve their personalised documentation.
- Hardcopy documents will be sent by post on Monday, 24 May 2021, to all eligible shareholders who have not previously registered to receive company correspondence electronically.

This announcement has been approved and authorised to be given to the ASX by the Board of ECT.

For further information, contact:

Glenn Fozard – Chairman info@ectltd.com.au

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

Coldry is the gateway enabler of higher-value applications for low rank coals.

Low rank coals are a rich source of valuable hydrocarbons but suffer from high moisture content that must be reduced to enable higher-value upgrading and conversion to solid fuels, liquid or gaseous hydrocarbons.

Drying is easy. However, drying efficiently and cost effectively has been the challenge. Coldry meets this challenge through a combination of ‘brown coal densification’ and waste heat utilisation, delivering the world’s first low temperature, low pressure, low cost, zero CO₂ emissions drying process.

About HydroMOR

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

HydroMOR is a simple, low cost, low emission, hydrogen-driven technology which enables the use of ‘low value’ feedstocks to produce primary iron.

About COHgen

The COHgen process has the potential to deliver a lower cost, lower emission method for hydrogen production from brown coal.

COHgen is currently advancing through fundamental laboratory development intended to form the basis for a patent application ahead of scale up and commercialisation.

About CDP-WTE

The catalytic depolymerisation-based waste-to-energy process converts ‘low-value’ resources into higher-value diesel and other valuable by-products.

CDP-WTE can be deployed as a standalone solution or integrated with the Coldry process to deliver higher-value, lower-emission energy solutions to lignite resource owners.

Areas covered in this announcement:

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

SHARE PURCHASE PLAN OFFER

ENVIRONMENTAL CLEAN TECHNOLOGIES LIMITED (ACN 009 120 405)

The SPP Offer closes at 5pm (AEST) on Friday, 4 June 2021

The SPP Offer is open to registered holders of ECT ordinary shares at 5.00pm (AEST) on 6 April 2021 and shown on the ECT share register to have an address in Australia or New Zealand.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN THE UNITED STATES.

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KEY DATES

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|--|--|
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This timetable is indicative only and is subject to change. ECT may alter the dates above, withdraw or vary the SPP, or accept applications received after the Closing Date, in each case in ECT's absolute discretion, subject to the ASX Listing Rules and the Corporations Act.

All references in this Booklet to time are to Melbourne time.

1. IMPORTANT INFORMATION

This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

The offer of SPP Shares under the SPP Offer is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, which grants relief from the requirement for ECT to provide prospectus disclosure in relation to the SPP. This Booklet does not constitute a prospectus or product disclosure statement and has not been lodged with ASIC. The issue of a prospectus or product disclosure statement is not required for the purpose of the SPP Offer.

The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Unfortunately, Shareholders who are not resident in Australia or New Zealand will not be able to participate in the SPP. The SPP does not constitute an offer of shares for sale in any other jurisdiction.

New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of SPP Shares is being made in reliance on the *Financial Markets Conduct Act 2013* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States / Other foreign jurisdictions

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The SPP Shares have not been, and will not be, registered under the U.S. *Securities Act of 1933*, or the securities laws of any state or other jurisdiction of the United States. Accordingly, the SPP Shares may not be offered or sold, directly or indirectly, to persons in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The SPP Shares will only be offered and sold to persons who are outside the United States and who are not acting for the account or benefit of a person in the United States in offshore transactions in reliance on Regulation S under the Securities Act.

2. LETTER FROM THE CHAIRMAN

Dear Shareholder,

On behalf of the directors of ECT, I am pleased to offer Eligible Shareholders the opportunity to apply for new ordinary shares in ECT (**SPP Shares**) under a non-underwritten Share Purchase Plan (**SPP**). The SPP follows ECT's successful completion of a placement to sophisticated and professional investors raising \$1.5 million (**Placement**), as announced on ASX on 7 April 2021.

The funds raised via the Placement and the SPP will ensure that ECT is able to fund its ongoing operations, continue development of its technologies and pursue other synergistic acquisition opportunities in the clean technology sector.

The SPP gives you the opportunity to acquire up to \$15,000 worth of SPP Shares at an issue price of \$0.0016 per Share.


To be eligible to participate in the SPP, you must have been a registered holder of Shares at the Record Date (being 5.00pm (AEST) on Tuesday, 6 April 2021) and shown on the Register to have an address in Australia or New Zealand (**Eligible Shareholder**).

Details of the SPP Offer, including how to apply, are on pages 4 and 5. The fastest and easiest way to apply and pay is by BPAY[®], or you can complete and return the enclosed personalised Application Form with your application payment. Please ensure that the Registry receives your Application Form and application payment by the Closing Date (expected to be 5.00pm (AEST) on Friday, 4 June 2021).

This SPP Booklet sets out the details and the terms and conditions of the SPP and I encourage you to read it carefully and in full, and to seek your own financial and taxation advice in relation to the SPP Offer, before making a decision on whether to participate.

On behalf of the Board of ECT, I thank you for your continued support.

Yours sincerely,



Glenn Fozard
Executive Chairman

3. SUMMARY OF SHARE PURCHASE PLAN OFFER

| Key SPP details | Summary |
|--------------------------------------|---|
| SPP offer | Eligible Shareholders may subscribe for up to \$15,000 of SPP Shares at an issue price of \$0.0016 per Share without brokerage or other transaction costs |
| Purpose of the SPP | <p>Funds raised from the Placement and SPP will enable the Company to continue development of its technologies as well as explore complementary acquisition opportunities in the clean technology sector that align with its ESG strategy. The Company intends to use these funds with the aim of delivering the following outcomes and initiatives:</p> <ul style="list-style-type: none"> • Completion of Coldry project - Phase 1 (Coldry) at Bacchus Marsh; • Completion of Coldry project - Phase 2 (char and syngas utilisation) at Bacchus Marsh; • Commencement of next stage of development of ECT's hydrogen technology – COHgen; • Development of the Yallourn opportunity – full feasibility planning for a commercial Coldry plant using Yallourn lignite; and • Explore complementary collaboration and acquisition opportunities in the clean technology sector <p>The remaining proceeds of the Placement and SPP will position the Company to deliver on its near term cashflow objectives and prepare it for the next stage of growth opportunities.</p> |
| Voluntary participation | <p>Participation in the SPP is voluntary.</p> <p>Before you decide whether to participate in the SPP, ECT recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.</p> <p>If you do not wish to participate in the SPP, you do not need to do anything.</p> |
| Issue Price of the SPP Shares | <p>The Issue Price of the SPP Shares is \$0.0016.</p> <p>The Issue Price (\$0.0016) complies with ASX Listing Rule 7.2 (exception 5).</p> |

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|-----------------------------------|--|
| | <p>The Issue Price is less than the volume weighted average price (VWAP) of the Shares on ASX during the 5 trading days immediately prior to the announcement date of the SPP Offer on Wednesday 7 April 2021 (\$0.00196).</p> <p>There is a risk that the market price of Shares may rise or fall between the date of this Booklet and the time of issue of SPP Shares under the SPP. This means that the price you pay for the SPP Shares issued to you may be less than or more than the market price of Shares at the date of this Booklet or the time of issue.</p> <p>Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.</p> |
| Eligible Shareholders | <p>Eligible Shareholders are eligible to participate in the SPP, being Shareholders who were registered holders of Shares at 5.00pm (AEST) on Tuesday, 6 April 2021 with a registered address in either Australia or New Zealand as shown on the Register.</p> <p>The SPP is also being extended to Eligible Shareholders who are Custodians or nominees to participate in the SPP on behalf of Eligible Beneficiaries on the terms and conditions provided in this Booklet.</p> <p>Shareholders who hold Shares on behalf of persons who reside outside Australia or New Zealand, are in the United States or are acting for the account or benefit of a person in the United States are not eligible to participate in the SPP on behalf of those persons.</p> |
| Not transferable | The SPP offer cannot be transferred. |
| Minimum Application Amount | \$1,000 |
| Maximum Application Amount | \$15,000 |
| Investment amount | <p>Eligible Shareholders may apply for SPP Shares in parcels valued between \$1,000 and \$15,000 in any multiple of \$500.</p> <p>The number of SPP Shares issued to an applicant will be rounded up to the nearest whole number after dividing the application monies by the Issue Price. Applications may be scaled back at the absolute discretion of ECT.</p> |
| How to apply | <p>If you wish to participate in the SPP, you need to do one of the following:</p> <p>Option 1: Apply via BPAY or EFT</p> |

This is the fastest and easiest way to apply. To apply via BPAY or EFT you will need to:

- use the personalised reference number that is required to identify your shareholding as shown on your personalised Application Form that accompanies this Booklet;
- be an account holder with an Australian branch of a financial institution; and
- ensure that your payment for the appropriate amount is received by the Registry before 5.00pm (AEST) on Friday, 4 June 2021. Financial institutions may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

You can only make payment via BPAY or EFT if you are the holder of an account with an Australian branch of a financial institution that supports BPAY transactions.

If you are paying via BPAY, there is no need to return the Application Form, but you will be taken to have made the statements and certifications that are set out in the Application Form.

Option 2: Pay by cheque by applying using your personalised Application Form

Please complete the personalised Application Form that accompanies this Booklet and return it with your cheque made payable to “**Environmental Clean Technologies Limited SPP**”, drawn on an Australian branch of a financial institution and crossed “**Not Negotiable**” in the enclosed reply envelope to:

Mailing address:

Environmental Clean Technologies Limited
C/- Automic Registry Services
GPO Box 5193
Sydney NSW 2001

Hand delivery:

(please do not use this address for mailing purposes)

Environmental Clean Technologies Limited
C/- Automic Registry Services
Level 5, 126 Phillip Street
Sydney, NSW, Australia 2000

Shareholders in New Zealand will need to affix the appropriate postage to the reply envelope.

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| | Your completed Application Form and cheque for the appropriate amount must be received by the Registry prior to the Closing Date which is 5.00pm (AEST) on Friday, 4 June 2021. |
| Rights attached to SPP Shares | SPP Shares will rank equally with all other Shares on issue. |
| Custodians and nominees | <p>The SPP is being extended to Eligible Shareholders who are Custodians or nominees and who wish to apply for SPP Shares on behalf of certain Eligible Beneficiaries.</p> <p>The SPP is being offered to Custodians and nominees as the registered Shareholder. Custodians and nominees are not required to participate on behalf of their Eligible Beneficiaries. Custodians and nominees may choose whether or not to extend the SPP to their Eligible Beneficiaries.</p> <p>Notwithstanding the foregoing, Custodians and nominees may not participate in the SPP on behalf of, and may not distribute this Booklet or any documents relating to this SPP to, any person who resides outside Australia or New Zealand. In the event that a Custodian or nominee is acting for the account or benefit of a person in the United States, it is not permitted to participate in respect of that person.</p> <p>If you wish to apply as a Custodian or nominee under the SPP to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional 'Custodian Certificate' that contains further certifications and details (as required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians or nominees that are not accompanied by a duly completed Custodian Certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$15,000 limit.</p> <p>To request a Custodian Certificate or for further information about the custodian application process, please contact the Registry from 8.30am to 7.30pm (AEST) Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia).</p> <p>A Custodian will be ineligible to participate in the SPP if their participation would be in breach of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.</p> |
| Issue of SPP shares | Holding statements are expected to be despatched on or around Wednesday, 16 June 2021 (before 12.00pm AEST). |
| Oversubscriptions / Scale back | The amount that each Eligible Shareholder can apply for under the SPP is capped at \$15,000. The SPP aims to raise up to \$2 million. |

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| | <p>ECT may decide to accept applications (in whole or in part) that result in the SPP raising more or less than this amount in its absolute discretion.</p> <p>ECT may, in its absolute discretion, scale back the number of SPP Shares that will be issued to individual Shareholders under the SPP. If this happens you may be issued SPP Shares to a value that is less than the value of SPP Shares you applied for, and the difference will be refunded to you (without interest).</p> <p>If this occurs, any excess money will be refunded to you. We expect to announce the final outcome of the SPP, including any scale-back, on Wednesday, 9 June 2021.</p> |
| Refunds | <p>Any application monies refunded by ECT will be paid by cheque or direct credit (the payment method will be determined by ECT in its absolute discretion) in Australian currency. By applying for SPP Shares, each Shareholder authorises ECT to pay any monies to be refunded by using the payment instructions of the Shareholder recorded in the Registry's records if ECT should elect to pay in this manner.</p> |
| Underwriting | <p>The SPP Offer is not underwritten.</p> |
| Shortfall | <p>Kaai Capital who was the lead manager to the Placement will manage any Shortfall under the SPP. Any Shortfall SPP Shares will only be placed to sophisticated, professional or exempt investors and is subject to compliance with ASX Listing Rule 7.1. The Company will seek Shareholder approval for the issue of any Shortfall SPP Shares at the Meeting.</p> |
| Consolidation | <p>As announced by the Company on 7 April 2021, subject to shareholder approval at the Meeting, the Company proposes to consolidate its issued capital on a 10:1 basis. It is expected that the SPP Shares will be issued prior to completion of the consolidation and accordingly, if the consolidation proceeds, the SPP Shares will be consolidated along with other fully paid ordinary Shares in the Company. The consolidation will have no effect on the percentage interest in the Company of each Shareholder. New holding statements showing your holding of Shares after the consolidation are expected to be despatched on or around 1 July 2021.</p> |
| More Information | <p>If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8.30am to 7.30pm (AEST) Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia).</p> <p>If you have any questions in relation to whether an investment in ECT through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.</p> |

4. TERMS AND CONDITIONS

Important notice: the market price of Shares may rise or fall from now to when the SPP Shares are issued. If you participate in the SPP, you are accepting the risk that the market price of Shares may change between the time you make your application and the Issue Date. This means it is possible that, up to or after the date you receive SPP Shares, you may be able to buy Shares on the ASX at a lower price than the Issue Price under the SPP.

4.1 Offer

- (a) ECT offers each Eligible Shareholder the opportunity to purchase up to \$15,000 of SPP Shares under the SPP subject to and in accordance with the terms and conditions set out below, in the previous sections of this Booklet and the Application Form (**SPP Offer**).
- (b) The Opening Date for the SPP Offer is Monday, 24 May 2021 and the Closing Date is 5.00pm (AEST) on Friday, 4 June 2021 (or such other date as ECT determines, in its absolute discretion).
- (c) Participation in the SPP is voluntary. If you choose not to participate in the SPP, your right to participate lapses at the Closing Date, being 5.00pm (AEST) on Friday, 4 June 2021 (or such other date as ECT determines, in its absolute discretion).
- (d) The SPP Offer is non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.
- (e) The SPP Offer to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.
- (f) All references to \$ or dollars in this Booklet are references to Australian dollars unless otherwise indicated.

4.2 Eligible Shareholders

- (a) You are eligible to participate in the SPP Offer if you:
 - (i) were registered on the Register as a Shareholder at 5.00pm (AEST) on the Record Date, being Tuesday, 6 April 2021;
 - (ii) had a registered address in either Australia or New Zealand at that time as shown on the Register; and
 - (iii) are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person).

- (b) The SPP is also extended to Eligible Shareholders who are Custodians or nominees, in accordance with clauses 4.3(b) and 4.4(e) below.
- (c) The SPP Offer is not made to Shareholders with a registered address outside of Australia and New Zealand.
- (d) Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders who hold Shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

4.3 Joint holders and Custodians and nominees

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Subject to these terms and conditions, Eligible Shareholders who are Custodians or nominees may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian or nominee is holding Shares. Due to legal restrictions, Custodians and nominees may not distribute the SPP Booklet to any person, and may not participate in the SPP on behalf of any beneficial Shareholder in the United States. In the event that a Custodian or nominee is acting for the account or benefit of a person in the United States, it is not permitted to participate in respect of that person.

4.4 Applications for SPP Shares

- (a) Eligible Shareholders may apply for SPP Shares in parcels valued Between \$1,000 and \$15,000 in any multiple of \$500.
- (b) No brokerage or other transaction costs will apply to the acquisition of SPP Shares.
- (c) Eligible Shareholders who wish to apply for SPP Shares must either:
 - (i) make a payment for the appropriate amount via BPAY in accordance with the instructions on the Application Form so that it is received prior to 5.00pm (AEST) on Friday, 4 June 2021; or
 - (ii) complete the enclosed Application Form and forward it with a cheque drawn for the appropriate amount from an Australian branch of a financial institution made payable to **"Environmental Clean Technologies Limited SPP"** and crossed **"Not Negotiable"** in the enclosed reply envelope so that it is received prior to 5.00pm (AEST) on Friday, 4 June

2021. Shareholders in New Zealand will need to affix the appropriate postage to the reply envelope.

- (d) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$15,000.
- (e) If you wish to subscribe for SPP Shares as a Custodian or nominee for one or more Eligible Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians or nominees that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate or for further information about the custodian application process, please contact the Registry from 8.30am to 7.30pm (AEST) Monday to Friday 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia).
- (f) ECT may accept or reject your application for SPP Shares in whole or in part in its discretion including, without limitation, if:
 - (i) your application does not comply with these terms and conditions;
 - (ii) it appears you are not an Eligible Shareholder;
 - (iii) your Application Form and cheque or BPAY payment is not received by the Closing Date;
 - (iv) if paying by cheque, your Application Form is incomplete or incorrectly completed or is otherwise determined by ECT to be invalid;
 - (v) your cheque is dishonoured or has been incorrectly completed;
 - (vi) it appears that you are applying to purchase more than \$15,000 of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a custodian or nominee arrangement) or your application is not for an amount of in any multiple of \$500.
 - (vii) payment of the application monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian branch of a financial institution; or

- (viii) the amount of your cheque is not equal to the amount of your application. If this occurs, ECT will:
 - A (refund in full your application monies and not issue any SPP Shares to you; or
 - B issue to you the number of SPP Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your application monies (without interest).
- (g) If you are entitled to a refund of all or any of your application monies, the refund will be paid to you, without interest, as soon as is practicable:
 - (i) by direct credit to your nominated account (as recorded on the Register) or cheque; or
 - (ii) by returning your Application Form and cheque, if not processed, to your registered address (as recorded on Register).

4.5 Issue Price

- (a) The Issue Price of the SPP Shares is \$0.0016.
- (b) The current Share price can be obtained from ASX and is listed in the financial and business section of major daily newspapers circulating in Australia.
- (c) You agree to pay the Issue Price per SPP Share for the number of SPP Shares calculated under clause 4.5(a) or, if there is a scale back, the number of SPP Shares calculated under clause 4.9.

4.6 Number of SPP Shares to be issued

- (a) If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your application is accepted, ECT will divide the value of your application monies by the Issue Price (as determined under clause 4.5(a)) in order to determine the number of SPP Shares which, subject to scale back, will be issued to you.
- (b) If this calculation produces a fractional number, the number of SPP Shares issued will be rounded up to the nearest whole SPP Share.

4.7 Issue of SPP Shares

- (a) SPP Shares will be issued on the Issue Date.
- (b) SPP Shares will rank equally with existing Shares as at the Issue Date.

- (c) ECT will apply to ASX for the quotation of SPP Shares. It is anticipated that SPP Shares will be quoted on ASX immediately after their issue.
- (d) The Registry will send you a holding statement, confirming the issue of SPP Shares, on or around Wednesday, 16 June 2021.

4.8 Acknowledgements

By returning an Application Form with a cheque or making a payment via BPAY, you:

- (a) are deemed to have accepted the SPP Offer, and you irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of SPP Shares or subsequently refunded to you for any reason;
- (f) acknowledge that ECT and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) agree to pay the Issue Price per SPP Share up to the maximum of:
 - (i) the value you have selected on the Application Form; or
 - (ii) the maximum value of your BPAY payment or cheque;
- (h) acknowledge and agree that:
 - (i) you are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);
 - (ii) the SPP Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and

accordingly, the SPP Shares may not be offered, sold or otherwise transferred in the United States;

- (iii) you have not, and will not, send this Booklet or any materials relating to the SPP to any person outside of Australia or New Zealand, including in the United States;
 - (iv) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in the regular way for transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person outside of Australia or New Zealand, including in the United States; and
 - (v) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand (and is not in the United States and is not acting for the account or benefit of a person in the United States), and you have not sent this Booklet, or any materials relating to the SPP to any person outside Australia and New Zealand (including, without limitation, to any person in the United States or to any person acting for the account or benefit of a person in the United States);
- (i) if you are applying on your own behalf (and not as a Custodian or nominee) acknowledge and agree that:
- (i) you are not applying for SPP Shares with an application price of more than \$15,000 under the SPP (including by instructing a Custodian or nominee to acquire SPP Shares on your behalf under the SPP); and
 - (ii) the total of the application price for the following does not exceed \$15,000:
 - A the SPP Shares the subject of the application;
 - B any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
 - C any other SPP Shares which you have instructed a Custodian or nominee to acquire on your behalf under the SPP; and
 - D any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian or

nominee to apply for Shares on your behalf under an arrangement similar to the SPP;

- (j) if you are a Custodian or nominee and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - (i) you are a Custodian (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) or a nominee;
 - (ii) you held Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this Booklet;
 - (iii) you are not applying for SPP Shares on behalf of any Eligible Beneficiary with an application price of more than \$15,000 under the SPP; and
 - (iv) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (k) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (l) are responsible for any dishonour fees or other costs ECT may incur in presenting a cheque for payment that is dishonoured;
- (m) agree to be bound by the constitution of ECT;
- (n) acknowledge that none of ECT, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (o) you authorise ECT, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (p) you acknowledge that ECT may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- (q) you authorise ECT, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail

4.9 Scale back

- (a) The SPP aims to raise up to \$2 million.

- (b) ECT may decide to accept applications (in whole or in part) that result in the SPP raising more or less than the amount outlined in clause 4.9(a) in its absolute discretion.
- (c) ECT may in its absolute discretion undertake a scale back of applications for SPP Shares to the extent and in the manner it sees fit.
- (d) If there is a scale back, you may receive less than the parcel of SPP Shares for which you apply.
- (e) If a scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be issued will be rounded up to the nearest whole number of SPP Shares.
- (f) If there is a scale back, the difference between the application monies received from you, and the number of SPP Shares allocated to you multiplied by the Issue Price will be refunded to you (without interest).

4.10 Shortfall

The offer under the SPP is not underwritten. Kaai Capital who was the lead manager to the Placement will manage any shortfall arising under the SPP (**Shortfall**). Any Shortfall SPP Shares will only be placed to sophisticated, professional or exempt investors and is subject to compliance with ASX Listing Rule 7.1. The Company advises that as of the date of this Booklet, the Company has no capacity remaining under ASX Listing Rule 7.1, but that at its upcoming Meeting it will be seeking to refresh this capacity as well as seeking shareholder approval to issue any Shortfall SPP Shares.

4.11 Dispute resolution

- (a) ECT may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with, or by reason of, the operation of the SPP whether generally or in relation to any participant or any application for SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- (b) The powers of ECT under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors.

4.12 Variation and termination

- (a) ECT reserves the right at any time to:
 - (i) amend or vary these Terms and Conditions;
 - (ii) waive strict compliance with any provision of these Terms and Conditions;
 - (iii) withdraw the SPP Offer or suspend or terminate the SPP;

- (iv) vary the timetable for the SPP, including the Closing Date; and
 - (v) not accept an application, not issue SPP Shares or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian or nominee applying on behalf of its Eligible Beneficiaries).
- (b) In the event that the SPP is withdrawn or terminated, all application monies will be refunded. No interest will be paid on any money returned to you.

4.13 Privacy policy

- (a) Chapter 2C of the Corporations Act requires information about a shareholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a shareholder.
- (b) ECT and the Registry may collect personal information to process your application, implement the SPP and administer your holding of Shares. The personal information contained in the Register is also used to facilitate payments and corporate communications (including financial results), annual reports and other information to be communicated to Shareholders, and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- (c) Your personal information may be disclosed to joint investors, the Registry, securities brokers, third party service providers (including print and mail service providers, technology providers and professional advisers), related entities of ECT and its agents and contractors, and ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.
- (d) A copy of ECT's privacy policy, which describes how we manage your personal information, is available at <http://ectltd.com.au/about-us/corporate-governance>.

4.14 Governing law

These Terms and Conditions are governed by the laws in force in Victoria. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of Victoria. By accepting the SPP Offer, you agree to submit to the exclusive jurisdiction of the courts in Victoria.

5. GLOSSARY

The following definitions apply throughout this Booklet unless the context requires otherwise.

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| \$ | Australian dollars |
| ECT or Company | Environmental Clean Technologies Limited (ACN 009 120 405) |
| Application Form | your personalised application form enclosed with this Booklet |
| ASIC | Australian Securities and Investments Commission |
| ASX | ASX Limited (ACN 008 624 691), or the market operated by it, as the context requires |
| Beneficiary | a person on whose behalf a Custodian or nominee is holding Shares at 5.00pm (AEST) on the Record Date |
| Booklet | this document and details contained within which comprises the SPP Offer to Eligible Shareholders |
| Closing Date | 5.00pm (AEST) on Friday, 4 June 2021 (or such other date as ECT determines, in its absolute discretion) |
| Corporations Act | The <i>Corporations Act</i> 2001 (Cth) |
| Custodian | a custodian as defined in paragraph 4 of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 |
| Custodian Certificate | a certificate complying with paragraph 8(3) of ASIC Corporations (Share and Interest Purchase Plans) instrument 2019/547 |
| Directors | the directors of ECT |
| Eligible Beneficiary | a Beneficiary with a registered address in either Australia or New Zealand, provided that such Beneficiary is not in the United States |
| Eligible Shareholder | a Shareholder who is a registered holder of Shares at 5.00pm (AEST) on the Record Date with a registered address in either Australia or New Zealand as shown on the Register |
| ESG Strategy | The environmental, social and corporate governance strategy of the Company |
| Issue Date | Tuesday, 15 June 2021 (before 12.00pm AEST) (or such other date as ECT determines, in its absolute discretion) |

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| Issue Price | the price per SPP Share as determined under section 4.5 of the Terms and Conditions |
| Meeting | a general meeting of the Company to be held in late May 2021 to consider various matters as outlined in the Company's 7 April 2021 ASX announcement |
| Offer Period | the period commencing on the Opening Date and ending on the Closing Date |
| Opening Date | Monday, 24 May 2021 |
| Placement | the placement of Shares to institutional investors, announced to ASX on Tuesday, 7 April 2021 |
| Record Date | 5.00pm (AEST) on Tuesday, 6 April 2021 |
| Register | the register of Shareholders |
| Registry | Automic Registry Services |
| Securities Act | the U.S. Securities Act of 1933, as amended |
| Share | a fully paid ordinary share in the ECT |
| Shareholder | a registered holder of a Share |
| Shortfall | has the meaning given to it in section 4.10 of this Booklet |
| SPP | the Share Purchase Plan offer made to Eligible Shareholders under the terms of this Booklet |
| SPP Offer | the offer in section 4.1 of the Terms and Conditions |
| Terms and Conditions | the terms and conditions contained in section 4 of this Booklet |
| VWAP | volume weighted average price |