

Coal Supply Agreement Signed with EnergyAustralia

3 June 2021: Environmental Clean Technologies Limited (ASX: ECT) (ECT or Company) is pleased to provide the following update on a range of current activities.

Highlights:

- Signing of 5-year coal supply agreement with EnergyAustralia
- ECT to fund recommissioning of lignite delivery infrastructure
- Launch pad to large scale Coldry-enabled low and zero emission future use of Victorian lignite

ECT is pleased to announce the signing of an agreement with EnergyAustralia, owner of Yallourn Power Station, for the supply of lignite to the Company's Coldry-enabled char project, aimed at delivering the small-scale commercial demonstration of its unique, low-cost, zero-emission Coldry lignite drying technology in Victoria, Australia.

The 5-year agreement, which includes the repair and recommissioning of the outfeed delivery system at Yallourn, will enable the Company to access up to 50,000 tonnes per annum of lignite for exclusive use in ECT's Coldry facility at Bacchus Marsh.

ECT Executive Chairman, Glenn Fozard commented, "We have a clear vision for what the future use of lignite (brown coal) looks like. Our zero-emission lignite drying process, Coldry, creates the ideal feedstock for high-value downstream applications including char, syngas, fertiliser and hydrogen.

"We're currently the only company undertaking a demonstration of Yallourn lignite on a new, high-value application at scale, positioning us at the leading edge of advancing the low-emission future use of this valuable resource, enabling lignite resource owners to pivot away from its use in high-emission electricity production."



The two companies have also agreed to jointly repair and recommission the outfeed conveyor terminal to allow for required volumes of run-of-mine lignite to be accessed by ECT. This terminal is directly linked to the Yallourn coal mine ensuring quality of supply and economies of scale commensurate with the lignite currently being supplied to the generators.

Glenn Fozard added, "The availability of large-scale coal supply infrastructure to users other than the power generating companies has always been a significant impediment to developing new lignite technologies and subsequently to developing a viable pathway toward alternative future uses of this

valuable resource. As such, we thank EnergyAustralia for supporting this important initiative. Our investment into the repair and recommissioning of the coal terminal reflects our confidence in supporting the low and zero-emission future use of Yallourn lignite, starting with the successful delivery of our Coldry-enabled char project in Bacchus Marsh.

“Successful completion of our small-scale commercial demonstration plant and the repair and recommissioning of the lignite terminal at Yallourn is part of our broader commercialisation strategy, which involves the further potential scale-up of our Coldry process in Victoria’s Latrobe Valley, supporting the higher value, lower emission utilisation of lignite via a range of downstream applications, including solid fuel, liquid fuel, specialty chemicals and hydrogen production.”

This cost to execute this activity is ~\$450,000 which is included in the current Coldry project budget.

The activity is scheduled to commence during June, subject to operational availability of Yallourn staff and assets, ahead of the planned commissioning of Phase 2 of the Coldry project.

The Company looks forward to providing further updates as the activity progresses.

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

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
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