



COLDRY PROJECT UPDATE

KEY PHASE 2 PROJECT COMPONENT IN TRANSIT

29 July 2021: Environmental Clean Technologies Limited (ASX: ECT) (“ECT” or “Company”) is pleased to provide the following update to the previously announced¹ acquisition of a rotary kiln, a key component of Phase 2 of the Coldry small-scale demonstration project (“Project”), located in Bacchus Marsh, Victoria.



The rotary kiln has departed Geraldton, Western Australia, and will make the 3,600km journey to the Company’s project site in Bacchus Marsh, northwest of Melbourne, for delivery next week.

In addition to the kiln itself (pictured above), peripheral equipment and spare parts will accompany the kiln on its way across Australia.

The total cost of the acquisition (including transport) is estimated to be \$300,000 and is anticipated to deliver savings of up to \$500,000, reducing Phase 2 lead time by up to four months.

ECT Chairman, Mr Glenn Fozard commented:

“Managing to source this key component locally has been a nice win in the context of the delays we’ve experienced during COVID.”

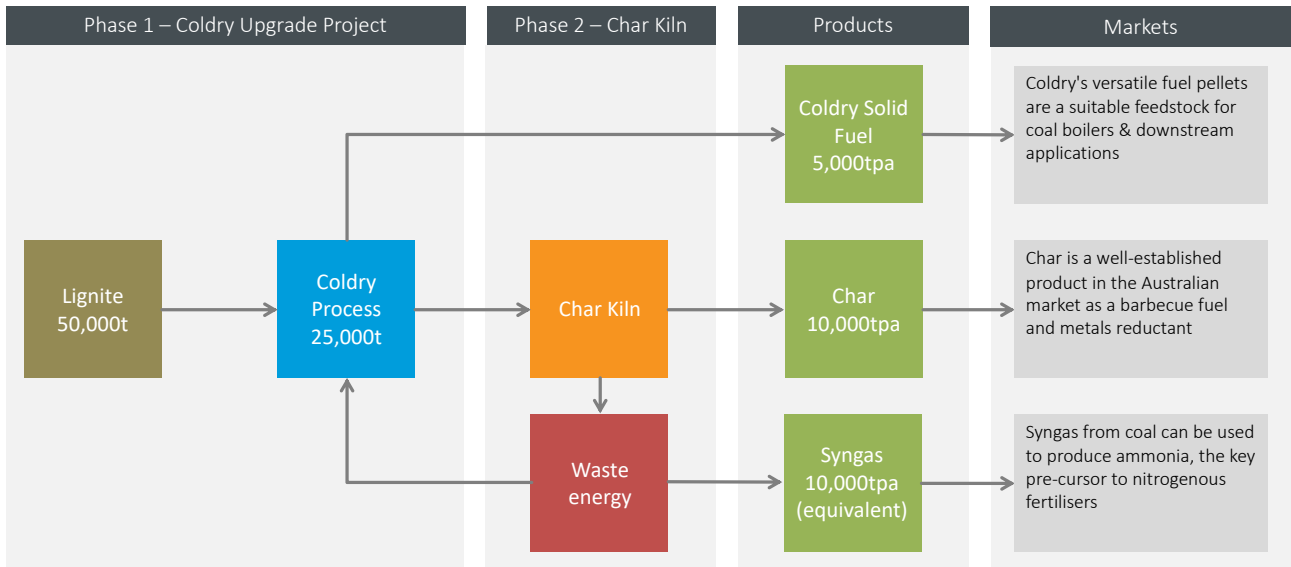
“Phase 1 of the Project, the construction of the Coldry demonstration plant, is currently on track for completion this quarter, and when completed, will deliver a meaningful scale up from our previous pilot plant.”

“Phase 2 entails the installation of the char kiln and its associated plant and equipment, followed by integration with the Coldry plant to demonstrate the harnessing of the waste energy by Coldry from a commercial application.”

¹ See announcement ‘Rotary Kiln Acquisition Fast Tracks Phase 2 of Coldry Project’ on 4 June 2021

“This project aims to validate the technical and economic profile of the Coldry process, paving the way forward to developing a large-scale commercial project in Victoria’s Latrobe Valley, enabling a pivot away from lignite-fired power generation toward the higher value, low and net-zero emission future use of lignite.”

Project Overview



ECT Chief Engineer, Mr Ashley Moore elaborated on the role of the kiln in developing the Coldry demonstration project:

“The Project entails the small-scale commercial demonstration of our unique zero-emission lignite drying process, Coldry.

“The key to Coldry’s zero-emission profile is the unique use of waste energy, which in this instance is provided by the char kiln operating at up to 800 degrees, that provides the warm air needed to evaporate the moisture from the lignite as well as producing a high-value mineral char and syngas product. Contrast this with conventional lignite drying methods, which burn coal as part of the process to generate the high-temperature energy they need for drying, creating a significant CO₂ footprint.

“The delivery of the kiln next week will allow us to advance a range of activities for Phase 2, in parallel with the completion of Phase 1, helping win back some of the time lost to COVID delays over the past year.”

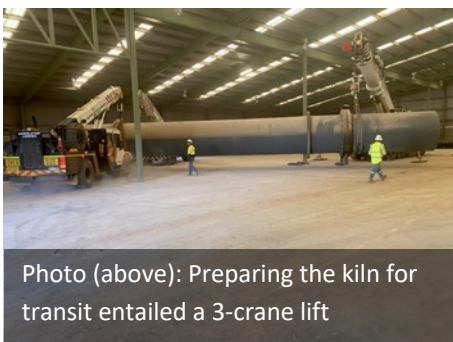


Photo (above): Preparing the kiln for transit entailed a 3-crane lift



Photo (left): The driver reversing the specialised extendable trailer under the kiln.

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This announcement is authorised for release to the ASX by Adam Giles, Company Secretary.

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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. Still, they suffer from high moisture content that must be reduced to enable upgrading and conversion to higher-value products.

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.

Forward-Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of ECT, are or may be forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.