

Ecopropp Pilot Plant Update

ASX ANNOUNCEMENT

8 October 2014

Australian oil and gas technology company, **Coretrack Ltd (ASX: CKK)** ("Coretrack" or the "Company") is pleased to provide the following update on the progress of Ecopropp Pty Ltd's ("Ecopropp") pilot-scale proppant manufacturing plant.

Ecopropp is currently in the process of preparing for the construction of its pilot plant for the manufacture of its unique fly-ash based proppant product for use in the hydraulic fracturing (fracking) of unconventional oil and gas deep shale wells globally.

Ecopropp has commenced the development of a pilot-scale plant at its project site in Clontarf, in Queensland, to validate the "scale-ability" of the product and achieve its first milestone in accordance with the terms of Coretrack's agreement to acquire Ecopropp as announced to the ASX on 12 May 2014.

Coretrack is pleased to advise that with the progress to date the Company remains confident the pilot plant will be completed on time and within budget. The target date for completion of construction is December 2014 and the Company expects that the plant will be ready for commissioning in January 2015.

The majority of long lead-time equipment items were ordered in June 2014. Manufacturing of these component items is currently being completed, and the Company expects that shipping of these items will commence later this month from their manufacturing centres in Shanghai and Zhengzhou, in China.

During September 2014, Ecopropp management and representatives of the pilot plant designers, Bulk Process Equipment of Baltimore, USA, inspected the Chinese manufacturing centres to ensure that design and subsequent minor modifications were undertaken in line with the design specifications of the plant.

The Company is delighted to report that this inspection process was successful which should ensure a smooth construction phase for the pilot plant.

Other critical technical componentry, such as granulation equipment and sophisticated burners, are to be provided by German, US and Australian manufacturers, and the provision of this equipment is on schedule to be delivered in November.

In addition, Ecopropp's team of technical consultants are in the process of relocating from Germany to oversee the construction and operation of the pilot plant.

Coretrack executive director, Siegfried Konig, said:

"We are delighted with the progress achieved in the development of the pilot plant to date, and I commend the co-ordinated efforts of our teams in Australia, China, Germany and the USA which are focussed on the project remaining on schedule and within budget. We are now moving into the construction phase and plan to have the plant ready for commissioning in January next year. This represents an exciting time for the Company as we seek to validate the scale-ability of our unique fly-ash based proppant technology."

About Proppants

Proppants are a sand-like commodity which are a major input and cost item in the hydraulic fracturing (fracking) of oil and gas wells. Proppants are pumped into an oil and gas well under pressure to 'prop' open the tiny fractures created in hydrocarbon-bearing shale rocks during fracking, to allow oil and gas to flow from the ground fractures.

Traditional ceramic proppants are made from clay and/or bauxite. Ecopropp's ceramic proppant is majority manufactured from fly-ash, a by-product of coal fired power stations. The Company is of the view that Ecopropp's unique proppant product has the potential to lead the industry due to;

- a) the widespread availability of fly-ash;
- b) the fly-ash proppants' ultra-light weight; and
- c) its ability to withstand very high pressures in deep wells.

Ecopropp's proppants have been certified to meet or exceed both the American Petroleum Institute standards and the ISO standards.

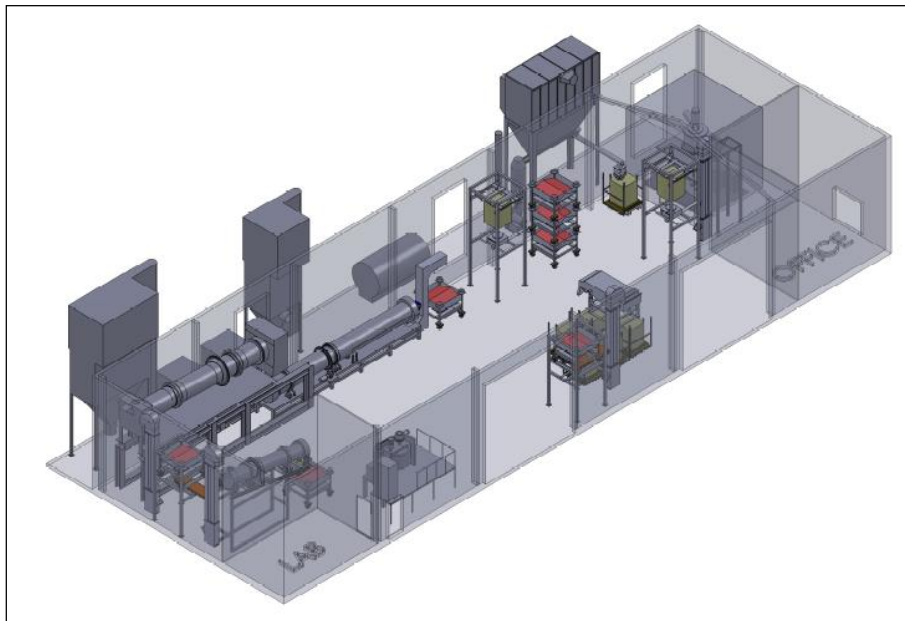


Figure 1: 3 Dimensional view of Pilot Plant

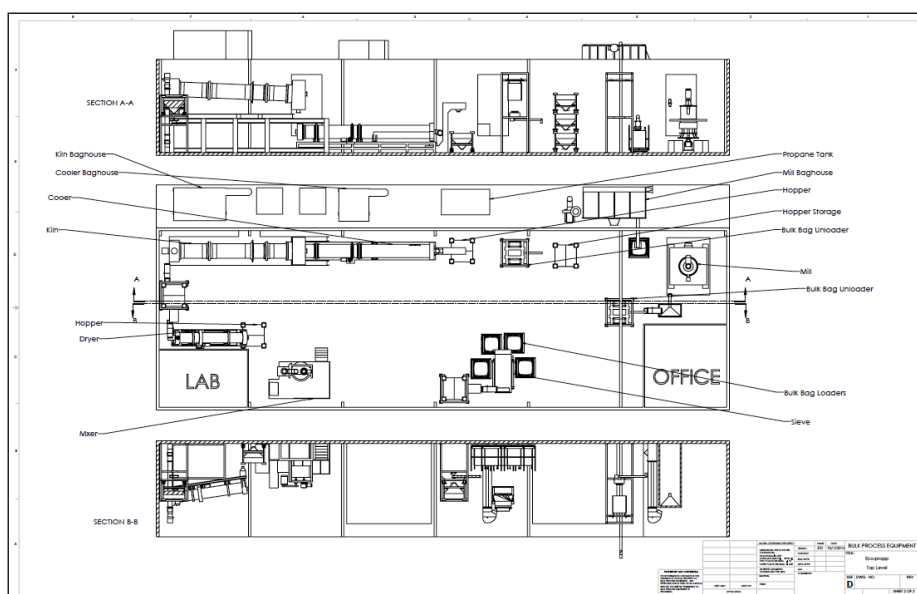


Figure 2: 2 Dimensional view of Pilot Plant

Coretrack Review of Operating Structure

The Coretrack board is continually reviewing best practice and has undertaken a review of its operating structure.

As a consequence the Company will seek approval at its upcoming AGM for Fee Plan and associated approvals whereby directors, employees and consultants may elect to have a portion of their remuneration issued in equity in lieu of cash. All the directors and a number of consultants have indicated they wish to participate in the plan and have accrued a portion of their remuneration for conversion to equity initially at an issue price of \$0.008c per share.

In addition to the above, and subject to shareholder approvals, four of the directors have undertaken to participate in placements of \$20,000 each at an issue price of \$0.008 per share, being the same terms and conditions as those offered to investors under the Company's recent capital raising.

This demonstrates the Board's commitment to the Company's future and further aligns its interests with those of shareholders. The total cash savings to the Company are expected to exceed \$215,500 in the current financial year.

The above initiatives are subject to shareholder approval, which will be sought at the upcoming Annual General Meeting to be held at 1:00pm (AEST) on Monday, 10 November 2014 at the offices of HopgoodGanim, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, QLD, 4000. Full details can be found in the Notice of Annual General Meeting despatched earlier this week.

Coretrack chairman Winton Willesee said:

"We are acting to ensure the Company remains focused on accelerating Ecoprop's business plan, with the sole aim of delivering returns for Shareholders. The implementation of the outcomes of this review of our operating structure will help us in achieving this goal."

Further Information
Siegfried Konig
Executive Director
Ph: 0411 111 193