ENVIRONMENTAL CLEAN TECHNOLOGIES LIMITED

Shareholder Update – Capital Management

Friday, 20 May 2016: Environmental Clean Technologies Limited (ASX: ESI) (ECT or Company) is pleased to provide the following update on its capital management activities.

The Company previously advised shareholders (2 Feb 2016) of the establishment of a funding agreement with Brevet Capital, a New York based funds manager.

Today, the Company advises it has drawn AUD1 million under the arrangement on competitive commercial terms.

The loan facility is secured against future AusIndustry R&D Tax Incentive rebates.

The funds will be applied toward continued project work in India, upgrade activities at the Bacchus Marsh test facility and general working capital.

Managing Director, Ashley Moore, stated "The momentum behind our engineering activities in support of both our India project and upgrading of our local test facility is increasing, and this non-dilutive source of funding will support our drive to get these significant projects up and running."

For further information, contact:

Ashley Moore – Managing Director *info@ectltd.com.au*

About ECT

ECT is in the business of commercialising leading-edge coal and iron making 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 licencing and other commercial mechanisms.

About Coldry

When applied to lignite and some sub-bituminous coals, the relatively simple Coldry beneficiation process produces a black coal equivalent (BCE) in the form of pellets. Coldry pellets have equal or superior energy value to many black coals and produce lower CO2 emissions than raw lignite.

About MATMOR

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

MATMOR is a simple, low cost, low emission, production technology, utilising the patented MATMOR retort, which enables the use of cheaper feedstocks to produce primary iron.
