

ECT Signs MoU with 'K-Coal' of Korea

Monday, 16 January 2012: Environmental Clean Technologies Limited (ECT or Company) (ASX: ESI) advises that following meetings in South Korea it has signed a Memorandum of Understanding (MoU) with Korean based energy company K-Coal Co. Ltd. The MoU provides K-Coal with exclusive sales and marketing rights into Korea for ECT's Coldry technology.

ECT Chairman and Managing Director Mr. Michael Davies stated, "K-Coal is well positioned to participate in supplying Coldry coal into the very large and growing thermal coal consumer industry in Korea. K-Coal will build on the very strong relationships its parent company S&J Group has with the major energy companies in the region".

S&J Chairman Dr. Kim Sung-Ryeal commented "S&J Group evaluated numerous coal drying technologies before we decided on Coldry. We like the fact that Coldry utilises a low temperature and low-pressure process, which means that the water released, is clean. S&J Group is a clean energy company and this is important to us. Also we are confident that ECT's Coldry process is cost effective when compared to other technologies."

S&J Group is a diverse, Busan Korea based group of companies. S&J have interests in Energy Distribution, Food Production, Leisure, Clean Technologies and Information Technology.

For Further Information Contact: *Mike Davies – Managing Director* +61 3 9684 0888 or 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.