



## Victoria Coldry License Deal Signed

**Friday, 25 June 2010:** Business leaders gathered in Melbourne today to officially sign the Coldry license agreement that paves the way to a record export deal that heralds a new, environmentally cleaner future for Victoria's vast brown coal reserves.

A senior Vietnamese trade delegation, led by Vietnam's Minister for Planning and Investment H.E Vo Hong Phuc, joined Australia's Federal Minister for Trade, Hon. Simon Cream, to officially acknowledge the multi-million dollar brown coal deal, between Melbourne technology company Environmental Clean Technologies (ECT) and Vietnam's TinCom.

ECT and TinCom would like to thank representatives from the Victorian Government's various Departments who attended today's ceremony and for their combined efforts toward a project of State and National significance. In addition, we're continually appreciative of Loy Yang Power Station for their vision and assistance; we look forward to working together to advance the project.

The deal, as announced to the ASX last Thursday (17/06), enables ECT and TinCom, through their joint venture company Victoria Coldry Pty Ltd (VCPL), to export two million tonnes a year of COLDRY pellets from early 2014, expanding up to 20 million tonnes a year in its first decade of operations, helping to underpin the energy security of Vietnam's rapidly growing economy.

The agreement signals the first large-scale commercial deployment of ECT's revolutionary brown coal dewatering technology, known as COLDRY, proposed for development at Gippsland's Loy Yang Power site.

This patented process enables brown coal to be economically dewatered from 60% down to 12% moisture producing an exportable, black coal equivalent pellet.

ECT's dewatered pellets are more environmentally sound than using raw brown coal and can cut carbon emissions by 30 per cent.

ECT Chief Executive Mr Kos Galtos said this license agreement was an "historic step" for ECT, and concluded almost two years of intense negotiations.

TinCom chairman, Thang van Luong said this revolutionary technology created an environmentally friendly, sustainable energy supply, which was critical for emerging economies around the globe.

"We will build our Victoria Coldry business by supporting the growth of Vietnamese power stations' consumption of high grade Coldry black coal equivalent pellets, as well as seeking other opportunities to supply the energy needs of China and other emerging nations," he said.

Mr Galtos said the deal meant hundreds of construction jobs could soon be created in the Latrobe Valley, but said the implications of the deal were more far reaching.

"COLDRY technology is a revolutionary way of using what is a world-class lignite asset," he said.

"Victoria has around thirty billion tonnes of economically winnable brown coal which to date has predominantly been used for local power generation."

Under the terms of the agreement, ECT will draw a royalty of \$5 for every tonne, resulting in revenues from this project of \$10M a year in phase one, increasing to \$100M a year after 2020.

The COLDRY plant is expected to be fully operational by late 2013 or early 2014.

## **About TinCom Pty Ltd**

TinCom is an investment and commercial company based in Vietnam with interests in real estate development, trading, fund management, manufacturing, construction, brewing and pharmaceutical industries. It plans to build its Victoria Coldry Pty Ltd business by promoting the use of Coldry black coal equivalent pellets to Vietnamese power stations, as well as seeking opportunities to supply the energy needs of China and other emerging nations.

Its head offices are based in Hanoi.

### **For Further Information Contact:**

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### **About ECT**

ECT is in the business of commercialising and selling disruptive, leading-edge technologies that have game-changing potential within the energy and resources sector that are capable of delivering environmental and commercial benefits.

We are focused on advancing a portfolio of such technologies that have attractive market potential. This potential is largely informed by global markets that exhibit significant potential for growth and enable us to secure sustainable profits through licensing royalties or other commercial mechanisms.

### **About Coldry**

When applied to lignite and some sub-bituminous coals, the mechanically simple Coldry process produces a black coal equivalent (BCE) in the form of pellets that are stable, easily stored, can be transported and which can be of equal or better energy value than many black coals, whilst significantly reducing CO2 emissions.

### **About Matmor**

The Matmor process is positioned to revolutionise primary iron making thanks to the design of our simple, low cost, low emission, patented Matmor retort using cheaper, alternative raw materials.

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