

## Highlights

- Binding agreement to acquire 100% of the issued shares in Terrajoule, which holds an exclusive option with Rice University to licence the proprietary flash joule heating (FJH) technology for the purposes of remediating soil which has been contaminated by Per- and polyfluoroalkyl substances (PFAS) and/or heavy metals.
- Firm commitments received from sophisticated, professional and institutional investors to raise \$3M (before costs) through a strongly supported placement of 50M Shares at an issue price of \$0.06 per Share. Peloton Capital acted as the sole Lead Manager to the Placement.
- Refreshed corporate strategy focused on building a diversified portfolio of high-impact, disruptive technologies, anchored by Terrajoule's Rapid Electrothermal Mineralisation technology.
- Chief Executive Officer, Mr John Tranfield, resigned. Faldi Ismail appointed as Executive Chairman.

**30 October 2025:** Environmental Clean Technologies Limited (**ASX: ECT**) (**ECT** or **Company**) is pleased to present its Quarterly Activity Report and Appendix 4C for the quarter ended 30 September 2025. The period was marked by the announcement of the transformational acquisition of Rice University's Flash Joule Heating Technology for applications across the remediation of PFAS in soil. This pivotal acquisition will aim to set the Company up for future success as the Company aims to expand its innovative solutions and develop a portfolio of high-impact and disruptive technologies.

## Activity Update

### Acquisition of Terrajoule

ECT entered into a binding agreement to acquire 100% of the issued shares in Terrajoule Pty Ltd (**Terrajoule**), who hold an exclusive option with William Marsh Rice University (**Rice University**) to licence its proprietary flash joule heating (**FJH**) technology for the purpose of remediating soil that has been contaminated by per – and polyfluoroalkyl substances (**PFAS**) and/or heavy metals (the **Acquisition**).

Following completion of the Acquisition, ECT will secure access to Rice University's PFAS remediation technology. Developed by Professor James Tour and Rice University, the FJH process, known as Rapid Electrothermal Mineralisation (**REM**), applies a powerful, short electric pulse to soil mixed with a conductive material, rapidly heating it to 1,000°C within seconds.

This extreme but controlled heat breaks the strong carbon-fluorine bonds in PFAS, destroying them and converting them into harmless calcium fluoride (CaF<sub>2</sub>) from calcium naturally present in soil. Laboratory studies showed over 96% defluorination efficiency and 99.98% removal of perfluorooctanoic acid (PFOA),

one of the most persistent and harmful PFAS pollutants. Unlike conventional methods that merely remove or transfer contaminants, REM has been proven to deliver near-complete destruction without secondary aqueous waste, enhances soil quality, and is cost and energy-efficient.

The Acquisition has also enabled ECT to establish a relationship with renowned scientist Professor James Tour and his team at Rice University. The Company has announced its intention to draw on this relationship as it seeks to develop and commercialise the FJH technology.

### Share Purchase Agreement

Under the terms of the Share Purchase Agreement (**SPA**), ECT announced that it will acquire 100% of the issued shares in Terrajoule from third-party sellers (none of whom are related parties of the Company) in consideration for:

- 73,333,332 fully paid ordinary shares (**Consideration Shares**); and
- 66,666,666 performance rights (**Consideration Performance Rights**) comprising:
  - 33,333,333 performance rights which will vest and convert into Shares if, within 12 months, ECT announces that it has developed the FJH Technology such that it is able to remediate 5kg of soil within 30 minutes using a sustained electrothermal system; and
  - 33,333,333 performance rights, which will vest and convert into Shares if, within 24 months:
    - ECT announces the completion of the construction of an electrothermal remediation system, and demonstrates in-situ usability with a pilot demonstration; and
    - ECT announces that it has entered into a commercial contract with a third party under which it will generate at least US\$2.5 million in revenue from the contract, or it receives non-dilutive project funding of at least US\$2.5M.

Completion of the Acquisition is subject to (amongst other matters) ECT obtaining shareholder approval to issue the Consideration Shares, Consideration Performance Right and Shares under the placement, ECT receiving firm commitments in respect to the placement (refer below for details) and Terrajoule and Rice University executing the Licence Agreement.

The parties will utilise their best endeavours to satisfy the conditions precedent under the SPA by the end of 31 December 2025 (this date may be extended by agreement between the parties), and ECT intends to seek shareholder approval for the issue of the Consideration Shares and Consideration Performance Rights at a shareholders' meeting to be held on 24th November 2025 (**AGM**). The Consideration Shares, and Shares issued upon the vesting of the Consideration Performance Rights, will be subject to a six-month escrow period from the date of issue.

### COLDry

The Company's recent focus has been on the development of a fertiliser product using its patented COLDry technology. The Company remains committed to the development of its existing COLDry technology in parallel with the newly acquired FJH technology, and will continue to add technical and corporate expertise as it looks to fast-track its continued development.

## Corporate & Capital Management

### Update to Corporate Strategy

Subsequent to the restructuring efforts undertaken last quarter, the Company has conducted a comprehensive review of its corporate strategy and has resolved to transition into a Company with a diversified portfolio of high-impact and disruptive technologies, designed to deliver sustainable growth and shareholder value. The first step in implementing this refreshed strategy is the proposed acquisition of Terrajoule, which aligns directly with ECT's focus on investing in and developing innovative, scalable technologies with significant commercial potential.

The proposed acquisition of an exclusive licence to use Rice University's Flash Joule Heating technology for PFAS and heavy metal soil remediation complements ECT's ongoing development of its fertiliser product using patented COLDry technology, enhancing and diversifying the Company's technology portfolio.

### Management Changes

As part of the Company's updated corporate strategy, Chief Executive Officer Mr John Tranfield resigned effective the end of October 2025.

Mr Faldi Ismail transitioned from Non-Executive Chairman to Executive Chairman, effective 1 October 2025. The Board considered this change appropriate to support the Company's strategic initiatives and operational priorities, including the acquisition of Terrajoule. With extensive experience in capital markets and business development, Mr Ismail has continued to provide active leadership, enabling a more direct contribution to the execution of the Company's updated corporate strategy.

### Placement

The Company received binding firm commitments from sophisticated, professional and institutional investors to raise \$3M (before costs) through a strongly supported two-tranche placement of a total of 50M Shares at an issue price of \$0.06 per Share (**Placement**).

The Placement will be completed in two tranches as follows: -

- **Tranche 1** – 8,333,333 Shares were issued under the Company's existing Listing Rule 7.1 capacity at an issue price of \$0.06 to raise \$500,000 (before costs).
- **Tranche 2** – subject to the Company obtaining shareholder approval, 41,666,667 Shares will be issued at an issue price of \$0.06 to raise \$2.5M (before costs).

Tranche 1 was completed on 2 October 2025. Completion of the Tranche 2 Placement remains subject to the Company obtaining shareholder approval to be sought at the AGM.

Funds raised from the Placement will be utilised primarily for the development of the flash joule heating technology and the Company's existing technologies, to repay the Company's outstanding convertible loan arrangements (if required) and for working capital purposes.

### Small Shareholding Sale Facility

The Company is undertaking a Small Shareholding Sale Facility for shareholders whose holding of fully paid ordinary shares in the Company has a market value of less than A\$500 at 7.00pm (Melbourne time) on 17 September 2025. The Small Shareholding Sale Facility closes on 7 November 2025.

## Securities Consolidation

The Company completed a consolidation of its issued capital on the basis that every fifteen (15) existing shares be consolidated into one (1) share (with a corresponding consolidation of all other securities on issue) as approved at the Extraordinary General Meeting (EGM) held on 18 August 2025.

## Commentary to Appendix 4C

Operating activities for the quarter consisted of the following:

- Final legacy expenses for South Yarra office and transition costs
- Reduced staffing costs
- Ongoing R&D and testing-related outlays

Key inflows:

- \$500K raised via Tranche 1 placement
- R&D refund of ~\$500K expected in the December 2025 quarter
- No material proceeds yet from licensing or asset sales

The overall cash position was \$559,000 as of 30 September 2025. Taking into consideration the restructuring program and cashflow management detailed above, the Company anticipates reduced cash outflows in the coming periods.

Cash payments to related parties totalled \$43,000 and comprised payments to directors and company secretarial and accounting services provided by a related party of Mr Mouchacca, JM Corporate Services Pty Ltd (\$30,000).

## Outlook

The September 2025 quarter represented a significant transformational milestone for the Company, marking a decisive step toward generating long-term shareholder value. Following its recent restructuring, ECT has reviewed and refreshed its corporate strategy, with the Board and management aligned on the direction to build a diversified portfolio of high-impact, disruptive technologies.

The proposed acquisition of Terrajoule is the first step in this strategic transformation. Terrajoule's exclusive option to licence Rice University's Flash Joule Heating technology for PFAS- and heavy metal-contaminated soil remediation complements ECT's existing fertiliser development using patented COLDry technology, further strengthening and diversifying the Company's technology portfolio. This acquisition not only reinforces the Company's commitment to innovative, scalable solutions but has already contributed to a significant uplift in Company value since its announcement.

Looking ahead, ECT will continue to drive value through a disciplined acquisition strategy, targeting complementary licences and technologies that align with its diversified portfolio approach. By seeking high-impact, commercially scalable opportunities, the Company aims to expand its suite of disruptive solutions, enhance synergies with existing products, and accelerate growth, positioning the Company to deliver sustainable growth, strengthen its technology offering, and create long-term shareholder value.

**//END//**

This announcement is approved for release by the Board of ECT.

**For further information, please contact:**

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**Forward-looking Statement**

This announcement may contain forward-looking statements regarding future events or performance, including but not limited to projections of financial results, anticipated growth, and business strategies. These forward-looking statements are based on current expectations, assumptions, and projections that involve inherent risks and uncertainties. Actual results may differ materially from those anticipated due to various factors, including market conditions, regulatory changes, technological advancements, and economic conditions.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws.

Investors should carefully consider the risks and uncertainties disclosed in the Company's periodic reports filed with the Australian Securities Exchange (ASX) and other regulatory authorities. Forward-looking statements are provided as of the date of this announcement, and the Company disclaims any obligation to update them except as required by law.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Environmental Clean Technologies Limited

**ABN**

28 009 120 405

**Quarter ended ("current quarter")**

30 September 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(12)	(12)
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(148)	(148)
(f) administration and corporate costs	(208)	(208)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(33)	(33)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(389)</b>	<b>(389)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>		

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	500	500
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(31)	(31)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>469</b>	<b>469</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	479	479
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(389)	(389)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	469	469
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>559</b>	<b>559</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	559	479
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>559</b>	<b>479</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	43
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		



<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities (1)	-	-
7.2	Credit standby arrangements		
7.3	Other (R & D lending facility) (2)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(389)
8.2	Cash and cash equivalents at quarter end (item 4.6)	559
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	559
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	1.44
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Yes. The Company is expected to receive tranche 2 of capital raising announced in the September 2025 quarter following the approval via the upcoming AGM. A total of \$2.5 million (before costs) is expected to be received in December 2025.	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Yes, refer to 8.6.2 above.	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2025

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

## **Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.