



Site Purchased for Proposed Hydrogen Refinery Project

23 November 2021: Environmental Clean Technologies Limited (ASX: ECT) (“ECT” or the “Company”) is pleased to announce the purchase of a site, suitable for the deployment of its proposed headline hydrogen refinery project in Victoria’s Latrobe Valley (the **Project**), which is aimed at delivering net-zero emission hydrogen, agricultural char and other valuable products.

Highlights:

- Binding contract of sale for the purchase of property at Yallourn Drive, Yallourn
- Ideal location adjacent Yallourn mine and power station, providing access to lignite¹
- Purchase supports recent Clean Hydrogen Industrial Hub grant application

The property, located immediately adjacent to the Yallourn mine and power station, will host the Project, which was outlined in ECT’s announcement on 15 November 2021, titled “ECT Commences Full Feasibility for its Headline Project”.

Covering an area of 4.2Ha, the property (shown below) will allow the Company to progress its full feasibility study with the confidence that work may start on this site at ECT’s discretion, as and when feasibility results drive activities. The property is also near the T15/16 upgrade project that has been jointly funded by ECT and the owner of Yallourn mine and power station, EnergyAustralia¹.



Above: Overview of the Yallourn power station, with the recently purchased property highlighted (site) in proximity to the current lignite terminal upgrade (T15/16).

¹ See announcement 3 June 2021: “Coal Supply Agreement Signed with EnergyAustralia”

The suitability of the site is reinforced by the fact a previous lignite de-watering and briquetting project in 2013 underwent significant site feasibility and planning approvals. Although this project did not proceed, planning documents are being shared with ECT by the vendor. The site also includes the formerly named "Powerhouse Hotel" building, leveraging existing infrastructure to provide office space, training and laboratory facilities for the Project.

The property acquisition also supports the Company's application under the Federal Government's Clean Hydrogen Industrial Hub grant program, which was submitted yesterday. The Federal Government expects to complete first round reviews in March 2022. In putting this grant application together, ECT has now developed a short-form feasibility document for the Project (the **Project Pack**) which is critical in developing and solidifying relationships essential to the full feasibility study, including, financial, off-take, technical, engineering and construction partners.

In the coming months, in addition to providing the framework for the full feasibility plan, the Project Pack will help structure discussions with the proposed partners, as roles and relationships are formalised.

Managing Director Glenn Fozard commented:

"This is an exciting day for ECT as we move one step closer to realising the dream of helping transition Victoria's vast world-class lignite resource away from its traditional high emission use, toward low and zero emission applications that can deliver a range of economic and environmental outcomes."

The Company looks forward to providing further updates as activities progress.

Material Terms

- Vendor: Essendon Wilson Investments P/L which is not a related party to ECT.
- Purchase price of \$950,000 to be satisfied via a \$475,000 cash payment (funded from existing working capital) and the transfer of 25 million fully paid ordinary shares in ECT.
- The consideration shares will be transferred from the facility established to pay for equipment and contractors as announced on 18 May 2020 and 18 June 2020. As a result, no new shares will be issued. The shares in this facility were issued at 1c per share.
- Negotiations on price for this land commenced in October where the 25 million shares at 1.9c, equated to a 25% discount to the market price at the time which was 2.6c.
- Shares will be transferred from Iain McEwin, acting as the custodian, to the vendor and will be subject to voluntary escrow for 6 months post settlement.
- Settlement is conditional on updated s32 certificate, 14 days' due diligence and receipt of satisfactory EPA contamination report.
- Settlement 90 days (expected late February 2022).

This announcement is authorised for release to the ASX by the Board.

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About ECT

ECT has been developing net-zero emission and hydrogen technologies for over 15 years.

Our solutions aim to transition today's use of resources to tomorrow's zero-emission future, delivering immediate financial and environmental benefits.

We are focused on advancing a portfolio of technologies, which have significant market potential globally.

ECT's business plan is currently focusing on two major projects:

- 1) Zero-Net Emission Coldry Commercial Demonstration at Bacchus Marsh, Victoria, Australia
- 2) Zero-Net Emission Hydrogen Refinery Project at the Latrobe Valley, Victoria, Australia

About our Technology Suite

Coldry

Coldry is the gateway enabler of higher-value applications for waste biomass and lignite.

These streams are a rich source of valuable hydrocarbons. However, they suffer from high moisture content that must be reduced to enable higher value upgrading and conversion to solid fuels, liquid or gaseous hydrocarbons.

Drying is easy. However, drying efficiently, cost-effectively and with a low emissions footprint has been the challenge. Coldry meets this challenge through a combination of 'substrate densification' and waste heat utilisation, delivering the world's first low temperature, low pressure, low cost, zero CO₂ emissions drying process.

HydroMOR

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

HydroMOR is a simple, low cost, low emission, hydrogen-driven technology that enables 'low value' feedstocks to produce primary iron. HydroMOR is the transition solution to a "green steel" future.

COHgen

The COHgen process has the potential to deliver a lower cost, lower emission method for hydrogen production from lignite and other waste biomass streams.

COHgen is currently advancing through fundamental laboratory development intended to form the basis for a patent application ahead of scale-up and commercialisation.

COHgen aims to decouple hydrogen production from CCS, accelerating the race towards <\$2kg production costs, with little to no emissions.

CDP-WTE

The catalytic depolymerisation-based waste-to-energy process converts low-value resources into higher-value diesel and other valuable by-products.

CDP-WTE can be deployed as a standalone solution or integrated with the Coldry process to deliver higher-value, lower-emission energy solutions to lignite resource owners.

Forward-Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of ECT, are or may be, forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Therefore, actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.