



InvestVictoria R&D Loan – Second draw

2 March 2022: Environmental Clean Technologies Limited (ASX: ECT) (“ECT” or “Company”) is pleased to provide the following update on the status of its R&D Loan facility provided by InvestVictoria, a business of the Victorian State Government.

Key points:

- Second draw of \$788,000 received from InvestVictoria
- Loan facility of \$1,968,000 is now fully drawn

InvestVictoria R&D Loan

In line with previous announcements, the Company is pleased to announce it has received its second draw of \$788,000 from the \$1,968,000 R&D loan facility with InvestVictoria, for FY22.

This loan facility allows the forward factoring of accrued R&D Tax Incentive refunds, providing flexibility to the capital management plan by delivering cashflow when required, rather than waiting until after the tax return is lodged each year.

About the InvestVictoria R&D Cash Flow Loan

The R&D Cash Flow Loans program provides low-interest loans of up to \$4 million, for a period of between 12-28 months, to innovative Victorian SMEs that meet certain eligibility criteria including:

- The Company must qualify for the Commonwealth Government’s R&D tax incentive plan
- The Company must demonstrate compelling potential for R&D in Victoria, meeting at least two of the following scenarios:
 - expected to lead to meaningful growth in R&D in Victoria
 - expected to lead to meaningful job creation in Victoria
 - expected to fund meaningful expansion of R&D operations into Victoria
 - headquartered in Victoria.

Managing Director Glenn Fozard noted:

“The InvestVictoria loan provided by the Victorian State Government continues to provide valuable non-dilutive cash flows for the business. Additionally, the savings of over \$100,000 in interest expense is being re-directed into further R&D.”

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.