



Clean Hydrogen Hub Grant Application Outcome

Highlights:

- ECT has been advised that it will not receive a Federal Government Clean Hydrogen Industrial Hub program grant
 - ECT's Net Zero Emission Hydrogen Refinery project planned for Victoria's Latrobe Valley is not contingent upon federal government grant funding
 - Technology partner GrapheneX confirms support for project development and discussions are ongoing with other potential industry partners
 - Commissioning of the small-scale demonstration plant at Bacchus Marsh is currently underway to drive greater partner engagement and proof of concept
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10 May 2022: Environmental Clean Technologies Limited (ASX: ECT) ("**ECT**" or "**Company**") advises that it has received formal notification that it has not received a grant offer under the Federal Government's Clean Hydrogen Industrial Hub grant program.

The Company previously mentioned¹ it had applied under the program, which seeks to support Australian industry to establish hub projects in regional Australia, including a focus on reducing the cost of clean hydrogen production.

ECT Managing Director Glenn Fozard commented:

"In applying for the grant, we presented our compelling business case for a net-zero emission hydrogen refinery, which has a low projected cost per kg of hydrogen at a relatively modest scale, without the need for carbon capture and storage."

"We highlighted within our submission that while we view the project as commercially viable without a grant, and while any grant would have been welcome, it does not change our objective of delivering competitively priced hydrogen to support early market activation well before 2030, and critical mineral (battery anodic materials) and soil health (agricultural char) products."

The Company's planned Net-Zero Emission Hydrogen refinery takes an innovative approach to hydrogen production via a proprietary production process that utilises lignite and biomass. Building on this unique production approach is a similarly innovative downstream process that produces formic acid, a liquid organic hydrogen carrier and product in its own right. Core to delivering this hub of technologies is ECT's partnership with technology firm GrapheneX, which is developing a range of processes around the production and utilisation of formic acid in the hydrogen supply chain.

GrapheneX Managing Director Stephen Wee commented:

"We are in no way discouraged by this news, and our commitment to working with ECT to deliver our projects will not waiver."

¹ See ASX announcement dated 15 November 2021: "ECT commences full feasibility for its headline project"

The Company will provide further updates on the development of its Net Zero Emission Hydrogen Refinery project in due course.

This announcement was approved for release by the Board of the Company.

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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 with 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.