

## ***Matmor milestones extended under new agreement***

**Wednesday, 1 July 2009:** Environmental Clean Technologies Limited (ASX:ESI) wishes to advise it has entered into an agreement with the controller of the Matmor technology (the Maddingley Group) to extend the milestones for the development and construction of the first Matmor plant to the end of 2014. This is important because the milestones need to be achieved to secure ECT's rights.

Under this extension agreement, the Maddingley Group have agreed that the first plant is to be completed by 31 December 2014 and not 31 December 2011 as per the original milestones.

Chief Executive Kos Galtos said this extension strengthened the company's security over the technology and its global right to exploit Matmor.

"We have made significant progress recently in the commercialisation of the Coldry technology," he said.

"We do not want to lose focus on the related Matmor technology, and with this in mind have negotiated an extension of the milestones in relation to development and construction of the first Matmor plant."

ECT will pay \$500,000 to JBD Industrial Park Pty Ltd (a member of the Maddingley Group) as consideration for the extension, to be satisfied by the issue of 12,500,000 shares at 4.0 cents per share.

"This extension agreement has been made with shareholder interests foremost in mind," Mr Galtos said.

"It further secures our opportunity to commercialise Matmor over the next five years and builds further value for our shareholders."

ECT recently announced it had engaged global leaders in furnace engineering Hatch to perform a review and assessment of commercial development of the Matmor process for iron making. The results of this study are expected in the last quarter of this year.

Subject to the outcome of this review and assessment, the next step will be a feasibility study for design and construction of a Matmor pilot plant.

*For further information contact;*

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### **Coldry Process**

The world's first economic method for dewatering brown coal, creating a high energy pellet with significantly reduced CO<sub>2</sub> emissions compared to brown coal, while being suitable for export as a black coal substitute.

### **Matmor Process**

A one-step method for producing low-carbon iron from inexpensive, abundant brown coals and metal bearing media such as mill scale, nickel tailings and low grade iron ore.