



ENVIRONMENTAL CLEAN
TECHNOLOGIES LIMITED

ECT Not Adversely Effected by Vic Government Ban on 'New' Coal allocation

14 December 2009: MESSAGE FROM THE CHIEF EXECUTIVE

Dear Shareholders,

You may have read recent reports about the Victorian Government deferring plans to allocate new reserves of brown coal for mining and export to India.

Let me reassure you that these recent developments do not adversely affect our commercialisation strategy in any way. Our plans are not dependent on a new allocation of brown coal.

Environmental Clean Technologies Limited (ECT) is focused on establishing commercial-scale Coldry projects and creating economically valuable and more environmentally responsible Coldry Black Coal Equivalent (BCE) products and water from high-moisture brown coal and sub-bituminous coal.

The company looking to export brown coal to India, Exergen, has been requesting an allocation of new coal reserves, rather than using an existing supply. ECT's plans involve use of a reserve that has already been allocated by the Victorian government. ECT has chosen to scale-up our technology in Victoria, and we were delighted to announce on Wednesday 25 November that we had entered into a Memorandum of Understanding with the intention of obtaining access to existing Latrobe Valley brown coal reserves from the Loy Yang mine through our partnership with Great Energy Alliance Corporation Pty Ltd.

This mutually beneficial arrangement will assist Loy Yang enhance the value of its existing coal reserves, and provide ECT with access to 100 million tonnes of brown coal over 20 years to satisfy the needs of our planned 2 million tonnes per annum Coldry production plant. In advancing this project, we will vigorously support management of the State's brown coal reserves in ways that deliver real environmental benefits and contribute to Victoria's prosperity.

Our approach in securing a brown coal supply through access to allocated reserves underpins our view that the Victorian Government's recently stated position on brown coal export has no adverse impact on ECT.

Notwithstanding our strong commitment to advancing our Victorian project, this project alone is not our 'end-game'.

In the context of our commitment to our stakeholders in delivering significant environmental and commercial outcomes globally ECT will focus on seeding the development of Coldry projects beyond Victoria. We are working with our partners and clients to meet the growing energy needs of emerging markets, create long-term supplies of Coldry BCEs for use in highly efficient power generation plants, and produce significant volumes of water for industrial use.

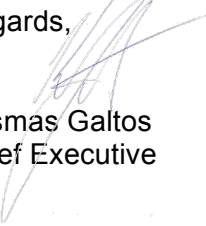
Recently announced intentions to conduct a feasibility study early in 2010 regarding a project located in Indonesia – the leading thermal coal supply hub of Asia – demonstrates this intent and is in line with the guidance provided at our Annual General Meeting on Wednesday 18 November. This guidance included specific reference to our focus on our emerging markets, particularly India, China and Indonesia.

We are looking forward to working with the Victorian Government and our project partners to commercialise our unique coal drying and water recovery technology in Victoria and will maintain

our vigorous stance in identifying, pursuing and securing opportunities to deliver commercial and environmental benefits.

I am looking forward to keeping you abreast of significant developments and our progress.

Regards,



Kosmas Galtos
Chief Executive

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