



Victoria Coldry Project Update

Monday, 15 November 2010: Environmental Clean Technologies Ltd (ASX:ESI) provides the following update on its headline project for the Coldry process in Victoria's Latrobe Valley with Vietnamese partner TinCom:

Key points:

- Preliminary Engineering Studies commenced in June 2010
- Internal project and engineering assessments completed by TinCom
- Project Cost to date borne directly by TinCom
- Progressing toward commencement of detailed engineering design and construction tendering

Project feasibility and localisation studies commenced following the signing of the License Agreement on 25th June and have received significant direct investment and resourcing from TinCom.

The structuring of the project and refinement of scope for detailed design and engineering have progressed significantly, with TinCom now moving toward appointment of external engineering support, at which point operational responsibilities will transfer from TinCom to the joint venture company Victoria Coldry Pty Ltd (VCPL).

TinCom project director, Mr Linh Vu Dac added, "We are very confident of the technical and economic feasibility of the Coldry process. We are fully engaged with this project and are satisfied all appropriate commercial and engineering considerations are falling into place,"

"Our internal engineering work has refined the parameters of the project, our execution planning, and continued progress is being made toward the commencement of formal external engineering works."

TinCom Chairman, Mr. Luong added, "TinCom is very excited about the Coldry project and we look forward to continued progress and imminent commencement of external engineering works."

ECT Chief Executive Kos Galtos noted the fundamental drivers for the project are strong and strengthening, "The need for high quality thermal coal to supply the energy needs of emerging nations continues to grow. This can readily be seen in the robust pricing in the market of late. Coldry Black Coal Equivalent offers our partners a degree of insulation from thermal coal market prices and security of energy supply."

"Just recently we joined TinCom in hosting a delegation of major coal buyers from China and Vietnam who are very impressed with the Coldry technology and keen to advance negotiations for additional off-take arrangements."

Reflective of the large initial capital investment required for this project, the significance of bringing a first-of-kind technology to market and the nuances of international collaboration, the project continues to evolve to meet the challenges and requirements around successful commercialisation.

About the Victoria Coldry Project

The project will enable ECT and its partner TinCom, through their joint venture company Victoria Coldry Pty Ltd (VCPL) to export two million tonnes a year of Coldry pellets from early 2014, expanding up to 20 million tonnes a year in its first decade of operations.

The project is intended to be deployed at the Loy Yang Power Station site in the Latrobe Valley.

Under the terms of the TinCom agreement, ECT is entitled to a royalty of \$5 for every tonne of Coldry produced and a free carry project equity stake of 10%.

The Coldry plant is expected to be operational by late 2013 or early 2014.

For Further Information Contact:

Kos Galtos - Chief Executive +61 3 9684 0888 or info@ectltd.com.au

About ECT

ECT is in the business of commercialising and selling disruptive, leading-edge technologies that have game-changing potential within the energy and resources sector that are capable of delivering environmental and commercial benefits.

We are focused on advancing a portfolio of such technologies that have attractive market potential. This potential is largely informed by global markets that exhibit significant potential for growth and enable us to secure sustainable profits through licensing royalties or other commercial mechanisms.

About Coldry

When applied to lignite and some sub-bituminous coals, the mechanically simple Coldry process produces a black coal equivalent (BCE) in the form of pellets that are stable, easily stored, can be transported and which can be of equal or better energy value than many black coals, whilst significantly reducing CO2 emissions.

About Matmor

The Matmor process is positioned to revolutionise primary iron making thanks to the design of our simple, low cost, low emission, patented Matmor retort using cheaper, alternative raw materials.
