



ECT achieves first local Coldry sale

Wednesday, 9 February 2011:

Key Points:

- First local market off-take agreement signed for 2,000 tonnes per year for 2 years
- Coldry pilot plant upgrade significantly improves cost of production adding commercial capacity
- Coldry well suited to travelling-hearth furnaces
- Further discussions with several potential customers ongoing

Environmental Clean Technologies Limited (ASX:ESI) is pleased to announce it has signed its first local Coldry sale with Maryborough based BAIC Protein, from its Coldry pilot plant in Bacchus Marsh, Victoria.

We announced previously (4th February 2011) that a local market study to identify potential sales had been completed and that we would be pursuing several leads.

Following commissioning over past weeks and the subsequent confirmation of the new, lower cost of production we have sought and achieved our first local sale.

ECT Chief Executive, Kos Galtos said the opportunity to generate even modest sales from the pilot plant will help underpin and off-set the cost of producing large sample quantities destined for both the domestic and global market.

“This is a real bonus as the Coldry pilot plant was never intended to be profitable. We often get asked if we have a commercial plant. Now we do.”

Mr. Michael Mason, General Manager of BAIC said, “Following a series of test burns, we found that Coldry combusts much more thoroughly than briquettes in our furnace, resulting in less tonnage required to do the same job, and less waste material for disposal. That’s good for business”.

ECT Coldry Business Manager Ashley Moore added “The progress we’ve made with JC Steele’s expert assistance has resulted in significant cost reduction, backing up and improving the economic modeling for our commercial scale plant design and by extension, the Victorian Coldry project”.

The Company is scheduled to produce several thousand tonnes of Coldry in coming months to meet the needs of domestic testing by power stations in addition to the sale of pellets to BAIC.

About BAIC

Situated in Maryborough, central Victoria, BAIC are in the business of processing and drying animal blood sourced from abattoirs to produce dry protein meal. The protein meal is used as a high-value feed supplement for livestock.

BAIC operate a 4MW traveling-hearth furnace to generate the heat required for their process.

Coldry Test at BAIC

Several tonnes of Coldry, made from Maddingley coal, were supplied for testing in the traveling-hearth furnace. Photos following illustrate the test process.



Coldry delivered to BAIC for furnace trials



Coldry performed well in the furnace



Coldry Business Manager Ashley Moore (right) inspecting the test with BAIC personnel



The ash tailings from briquettes have a distinctive black colour. This visual cue in addition to test data from BAIC's lab indicates not all carbon is being combusted in the briquettes



Following the introduction of Coldry to the furnace, the ash produced is very low in residual carbon, indicating a superior burn-out translating to better efficiency from the product in generating heat

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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.
