



ENVIRONMENTAL CLEAN
TECHNOLOGIES LIMITED

Shareholder Update: Capital Raising

Tuesday, 10 January 2012: Environmental Clean Technologies Limited (ASX: ESI) (ECT or Company) is pleased to announce the successful completion of a placement of \$695,000. An additional \$405,000 has also been identified, however this amount will be subject to shareholder approval at an Extraordinary General Meeting (EGM) at a date to be fixed.

These placements are in addition to the recently concluded Rights Issue and subsequent Shortfall program (announcement 23 December 2011).

Executive Chairman & Managing Director Mr. Michael Davies stated, "We are very pleased with the ongoing commitment from shareholders as we continue to deliver in line with our stated commercialisation strategy. These funds will provide ECT the opportunity to further the delivery of Coldry and Matmor."

The Board of ECT is in the process of reviewing a number of funding options for the delivery of stages two and three of the Design for Tender (DFT) program for the Victorian Coldry project (announcement 31 October 2011).

Mr. Davies said, "The delivery of the DFT program is central to the activities of ECT. In recent discussions in India with three of that country's largest coal producers and consumers significant interest was shown in Coldry. Strong interest was also shown in Matmor by one of India's largest steel producers. ECT has been invited to present at an energy conference in New Delhi during mid-February to introduce Coldry to the broader Indian power generation industry and to engage in follow-up discussions with the three companies with whom ECT representatives met with during the first week of January."

ECT is progressing discussions with a major South Korean coal trading company which has very strong relationships with the two largest coal consumers in that country. Negotiations are underway to agree an arrangement whereby Coldry is promoted to major Korean coal consumers through this coal trading company, which sought out ECT when it identified Coldry as the preferred coal de-watering technology as part of its own technology evaluation program.

A comprehensive update will be provided to Shareholders by the end of January 2012 and advice as to the EGM will be posted when the date is fixed.

REQUEST TO LIFT TRADING HALT

The Company requests ASX lifts the trading halt to enable the Company's securities to resume trading on ASX at the commencement of trade on Wednesday, 11 January 2012.

For Further Information Contact:

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About ECT

ECT is in the business of commercialising leading-edge coal and iron making technologies, which are capable of delivering financial and environmental benefits.

We are focused on advancing a portfolio of technologies, which have significant market potential globally.

ECT's business plan is to pragmatically commercialise these technologies and secure sustainable, profitable income streams through licencing and other commercial mechanisms.

About Coldry

When applied to lignite and some sub-bituminous coals, the relatively simple Coldry beneficiation process produces a black coal equivalent (BCE) in the form of pellets. Coldry pellets have equal or superior energy value to many black coals and produce lower CO₂ emissions than raw lignite.

About MATMOR

The MATMOR process has the potential to revolutionise primary iron making.

MATMOR is a simple, low cost, low emission, production technology, utilising the patented MATMOR retort, which enables the use of cheaper feedstocks to produce primary iron.