

Environmental Clean Technologies Limited

Fortrend Drawdown

17 November 2008: Environmental Clean Technologies Limited (ASX:ESI) advises that it has made the drawdown from Fortrend under the Standby Subscription Agreement dated 31 August 2007 and advised to market on 11 November 2008.

Under the drawdown ECT has issued shares and options in accordance with the attached Appendix 3B.

The funds from the drawdown go towards meeting the drawdown commitment the company has to Fortrend and provides some interim operational funding pending final execution of the Zero Coupon Convertible Note documentation and subsequent availability of non-escrowed funds.

For further information please contact Chief Executive, Kos Galtos on 03 9684 0800

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

ENVIRONMENTAL CLEAN TECHNOLOGIES LIMITED

ABN

28 009 120 405

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | 1. ORDS
2. Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 3,848,425
2. 962,106 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Fully paid ordinary shares
2. Options exercisable at .03795 per option expiring 17 November 2011 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	yes				
5 Issue price or consideration	1.\$119,493.60 2. nil				
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Draw down from Fortrend Equity Line of Credit				
7 Dates of entering +securities into uncertificated holdings or despatch of certificates	1. 14 November 2008 2. 17 November 2008				
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="724 1398 995 1423">Number</th> <th data-bbox="1000 1398 1273 1423">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="724 1430 995 1625">330,246,759</td> <td data-bbox="1000 1430 1273 1625">ORD</td> </tr> </tbody> </table>	Number	+Class	330,246,759	ORD
Number	+Class				
330,246,759	ORD				

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Number	+Class
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Appendix 3B
New issue announcement

9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	3,500,000	Unlisted options expiring 15 th February 2010 exercisable at 12 cents each
		2,500,000	Unlisted options expiring 15 th February 2010 exercisable at 12 cents each once the VWAP for the preceding 5 days is 15c or more
		5,000,000	Unlisted options expiring 15 th February 2010 exercisable at 20 cents each once the VWAP for the preceding 5 days is 30c or more
		5,000,000	Unlisted options expiring 15 th February 2010 exercisable at 20 cents each once the VWAP for the preceding 5 days is 35c or more
		41,666,666	Unlisted options expiring 15 th October 2010 exercisable at 12 cents each.
		1,252,478	Options exercisable at 15.22 cents each and expiring on 12 December 2010
		1,500,000	Unlisted options exercisable at 25 cents escrowed until 7 December 2008 and expiring on 5 October 2010.
		1,000,000	Unlisted options exercisable at 20c and expiring on 14 th February 2011.
		1,539,145	Options exercisable at 11.3 cents each and expiring on 2 June 2011
		708,306	Options exercisable at 5.59 cents each and expiring on 25 Sept 2011
		794,806	Options exercisable at 4.04 cents each and expiring on 8 Oct 2011
		962,106	Options exercisable at 3.795 cents each and expiring on 17 November 2011

+ See chapter 19 for defined terms.

- | | | |
|----|--|--|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | |
|----|--|--|

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the ⁺ securities will be offered | |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | |
| 15 | ⁺ Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☐ Securities described in Part 1 a), c) and e)
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

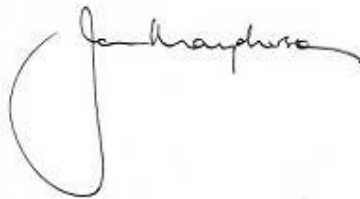
38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 17.11.08
(Company Secretary)

Print name: .Jan Macpherson
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+ See chapter 19 for defined terms.