

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

TO BE HELD AT:

Deacons

Level 15, 485 Bourke Street, Melbourne, Victoria

At 11:00 am on Wednesday, 18th November 2009

TO BE VALID, THE PROXY FORM ENCLOSED FOR USE AT THE MEETING MUST BE COMPLETED AND RETURNED NO LATER THAN 11:00 AM ON MONDAY 16th NOVEMBER 2009

IMPORTANT

This document is important and requires your immediate attention. It should be read in its entirety. If you are in doubt as to the course you should follow, you should consult your legal, financial or other professional adviser immediately.

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A proxy form is enclosed separately

Environmental Clean Technologies Limited

Chairman's Letter

13th October 2009

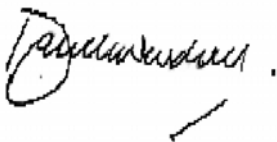
Dear Shareholder

This Year's AGM will be held at Deacons, Level 15, 485 Bourke Street, Melbourne, Victoria commencing at 11:00 am on Wednesday, 18th November 2009. The directors look forward to the opportunity to provide shareholders with an update on the Company's progress at the AGM.

The Meeting will consider the remuneration report, the election of Steve Carter who was appointed a director in May 2009, my re-election as a director as I stand down by rotation and offer myself for re-election, and the approval of prior share issues to refresh the Company's ability to issue up to 15% of the Company's equity.

I encourage you to read the Explanatory Memorandum in full and look forward to seeing you at the Annual General Meeting on 18 November 2009.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dave Woodall', with a small flourish at the end.

Dave Woodall
Chairman

Environmental Clean Technologies Limited

Notice of Annual General Meeting

The Annual General Meeting of Environmental Clean Technologies Limited (ACN 009 120 405) will be held at Deacons, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria, on 18 November 2009 at 11:00 am, Melbourne time.

AGENDA

ORDINARY BUSINESS

The business of the Meeting is to consider and, if thought fit, pass the following resolutions:

1. Accounts

To receive and consider the financial report of the Company for the year ended 30 June 2009 and the related Directors' Report, Directors' Declaration and Auditor's Report.

2. Resolution 1 - Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the remuneration report, contained in the section of the Director's Report entitled Remuneration of Directors and Officers, be adopted".

Please note that the vote on this resolution is advisory only, and do not bind the Directors or the Company.

3. Resolution 2 - Election of Mr Stephen Carter

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That for the purposes of clause 13.4 of the Constitution Mr Steven Carter be elected as a Director."

4. Resolution 3 - Re-election of Mr David Woodall

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That for the purposes of clause 13.2 of the Constitution Mr David Woodall be re-elected as a Director."

5. Resolution 4 - Ratification of prior issue of Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve the prior issue of 13,097,015 Ordinary Shares and 2,127,660 Options as described in the Explanatory Memorandum accompanying the Notice convening this Meeting."

6. Other Business

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

Voting exclusion statement

As required by the ASX Listing Rules, the Company will disregard the votes cast on Resolution 4 by Fiori Pty Ltd, JBD Industrial Park Pty Ltd, InHowse Pty Ltd, Intersuisse Limited and any associate or related party of any of these parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Environmental Clean Technologies Limited

Explanatory Memorandum

The accompanying Explanatory Memorandum forms part of this Notice of Annual General Meeting and should be read in conjunction with it. A Glossary of terms used in this Notice of Annual General Meeting and Explanatory Memorandum is in the Explanatory Memorandum

By order of the Board

A handwritten signature in blue ink, appearing to read 'Kos Galtos', is written over a faint, circular red stamp.

Kos Galtos
Chief Executive
13th October 2009

Environmental Clean Technologies Limited

NOTES REGARDING PROXIES AND VOTING

Appointing a proxy

A shareholder who is entitled to attend and vote can appoint a proxy to attend and vote at the Meeting on their behalf. A proxy need not be a shareholder.

A shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If proportions or numbers are not specified, each proxy may exercise half the available votes.

For an appointment of a proxy to be effective, the proxy's appointment (and, if the appointment is signed by an attorney, the authority under which it was signed or a certified copy of the authority) must be received by Environmental Clean Technologies' share registry by 11:00 am on Monday, 16 November 2009.

A proxy form is included with this Notice. If you require a second proxy form, please contact Environmental Clean Technologies' share registry or you may copy the proxy form.

Proxy forms may be lodged by posting, delivery or facsimile to Environmental Clean Technologies Limited as follows:

Environmental Clean Technologies Limited
Suite 802, 530 Little Collins Street,
Melbourne, Victoria 3000

Facsimile: (03) 9909 7788
Email: info@ectltd.com.au

Corporate shareholders

Corporate shareholders wishing to appoint a representative to attend the Meeting on their behalf must provide that person with a properly executed letter confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this Meeting only or for all meetings of Environmental Clean Technologies.

Eligibility to vote at the Meeting

For the purpose of Regulation 7.11.37 of the Corporations Regulations 2001, Environmental Clean Technologies has determined, for the purposes of voting entitlements at the Meeting, that Environmental Clean Technologies' shares are taken to be held by those shareholders registered at 4pm Melbourne time on Monday, 16 November 2009. Accordingly, only those persons will be entitled to attend and vote at the Meeting.

Registration

If you are attending the Meeting, please bring your personalised proxy form with you. If you do not bring your form with you, you will still be able to attend the Meeting, but on registration, representatives from the Company's share registry will need to verify your identity.

How undirected proxies held by the Chairman of the Meeting will be voted

The Chairman of Environmental Clean Technologies will chair the Meeting and will vote undirected proxies in favour of each Resolution. Environmental Clean Technologies encourages all shareholders who submit proxies to direct their proxy how to vote on the Resolutions.

Explanatory Memorandum

This Explanatory Memorandum (which is included in, and forms part of, the Notice of Annual General Meeting) is provided to shareholders to explain the resolutions to be put to shareholders at the Annual General Meeting and to assist shareholders to determine how they wish to vote on the resolutions. The Annual General Meeting will be held at Deacons, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria on Wednesday, 18th November 2009 at 11:00 am, Melbourne time.

1. Accounts

The *Corporations Act 2001* (Cth) ('**Corporations Act**') requires the Financial Report, Directors' Report and Auditor's Report to be laid before the meeting. There is no requirement in the Corporations Act or the Company's Constitution for shareholders to vote on, approve or adopt these Reports. Shareholders will have a reasonable opportunity at the meeting to ask questions and make comments on these Reports and on the business, operations and management of the Company.

The Auditor of the Company is required to attend the meeting and will be available to take shareholders' questions and comments about the conduct of the audit, and the preparation and content of the Auditor's Report.

Members may forward written questions to the Auditor on these matters for response at the meeting. These should be emailed to info@ectltd.com.au or mailed to the Company Secretary, Suite 802, 530 Little Collins Street, Melbourne, Victoria, 3000 and may be submitted up to 5 business days before the meeting.

The Company is required by law to forward all questions to the Auditor and the Auditor is required to prepare a list of questions that the Auditor considers are relevant to the conduct of the audit and the content of the Auditor's Report. The Auditor may omit questions that are the same in substance to other questions and questions that are not received in a timely manner. At the meeting the Chairman will give the Auditor a reasonable opportunity to answer the questions on the question list. The list of questions prepared by the Auditor will be available on the Company's website, www.ectltd.com.au prior to the meeting. In addition copies of the list of questions will be available at the meeting.

The Auditor of the Company will also be available to take shareholders' questions at the meeting regarding accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the Auditor in relation to the conduct of the audit.

2. Resolution 1 - Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2009 is set out in the Directors' Report in the section entitled 'Remuneration of Directors and Officers' ('**Remuneration Report**'). The Remuneration Report sets out the Company's remuneration arrangements for the Directors and specified executive officers of the Company. The Board has a policy of ensuring that remuneration paid to Directors and management is market competitive while at the same time aligned to the achievement of strategic objectives and the creation of value for shareholders.

Where appropriate the Board has taken advice from independent remuneration consultants to ensure remuneration to Directors and management is in line with the market and similar sized operations.

The Corporations Act requires a resolution in relation to the Remuneration Report to be included in the business of the Annual General Meeting, so that shareholders have opportunity to comment and ask questions on the content of the Remuneration Report, and exercise a vote for its adoption. The vote on the resolution is advisory only and does not bind the Directors of the Company.

Environmental Clean Technologies Limited

3. Resolution 2 - Election of Mr Stephen Carter - MBA, Dip Co. Dir., Dip App. Sc. - Non-Executive Director

This Item deals with the election of a Director. The Company's Constitution provides that a director who was appointed as a Director by the Board under clause 13.4 only holds office until the next general meeting, but is then eligible for re-election. Mr Carter was appointed as a Director on 8 May 2009 and, being eligible, offers himself for re-election at the Meeting.

Stephen Carter brings extensive management and marketing experience and familiarity in the securities and derivatives industry, having most recently been CEO of the Spotlight retail group and the Royal Agricultural Society. He has proven to be a valuable addition to the Board and complementing the skill set of the Board as ECT implements its commercial strategy for the development of the Coldry intellectual property. Further detail of Mr Carter's experience and background is provided in the 2009 Annual Report.

Recommendation

The Board unanimously recommends that shareholders vote in favour of the Resolution.

4. Resolution 3 – Re-election of Mr David Woodall - MBA, Dip Mech Eng, FAICD, FAIM - Non-Executive Director and Chairman

This Item deals with the election of a Director. Under the Company's Constitution and the ASX Listing Rules, a Director must not hold office without re-election after the third Annual General Meeting following the Director's appointment or three years, whichever is longer. Further, under the Constitution, one-third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office at each Annual General Meeting. Mr Woodall was appointed as a director on 22 April 2008 and is retiring from the board under this rotation rule and, being eligible, offers himself for re-election at the Meeting.

Dave Woodall has served as Chairman of the Queensland China Council. He is a Fellow of both the Australian Institute of Directors and Australian Institute of Management and has an outstanding mining and energy industry business history holding senior roles in MIM and international mining commodity trading company, Mintrade Pty Ltd. He is a well seasoned and award winning CEO and company director with significant knowledge of corporate governance and corporate law. He has considerable non-executive Board experience and has greatly contributed to community organisations and was awarded 'Not-for-Profit CEO of the Year' for his work with the Abused Child Trust. Further detail of Mr Woodall's experience and background is provided in the 2009 Annual Report.

Recommendation

The Board unanimously recommends that shareholders vote in favour of the Resolution.

5. Resolution 4 - Ratification of prior issue of Shares

Subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of securities that a company may issue or agree to issue without shareholder approval in any 12 month period to 15% of its issued securities. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

In the twelve months to end September 2009 there have been a number of issues of new securities. In total 295,312,085 new ordinary shares have been issued and 475,471,109 options. Of the shares and options issued 257,388,222 fully paid ordinary shares and 495,747,192 options were either approved (LR 7.1) or ratified (LR 7.4) at a General Meeting of shareholders held on 4 March 2009. New ordinary shares were also issued as the result of the exercise of options. These issues are exempt under ASX Listing Rule 7.1 by virtue of ASX Listing Rule 7.2 Exception 4 which allows for the conversion of options that complied with the

Environmental Clean Technologies Limited

ASX Listing Rules when issued. (Note the Options exercised were issued in compliance with ASX Listing Rules 7.1 or 7.4). A summary of the securities issued or converted are as follows:

New securities issued in the 12 months to end September 2009	Ordinary Shares	Options
- Issues approved or ratified at General Meeting 4 March 2009	257,388,222	493,547,192
- Issue to be ratified at AGM 18 November 2009	14,197,015	4,327,660
- Conversion of Options	23,726,848	(23,726,848)
Total new securities issued	295,312,085	474,148,004

On 2nd April 2009 the Company issued 1,100,000 Ordinary Shares at 2.0 cents per share and 2,200,000 Options exercisable at 2.0 cents on or before 16 January 2014 for nil consideration, to Fiori Pty Ltd, being consideration for an underwriting fee.

On 1st July 2009 the Company issued the following securities:

- The issue of 12,500,000 Ordinary Shares at 4.0 cents per share to JBD Industrial Park Pty Ltd as consideration to extend the milestones for the development and construction of the first Matmor plant to the end of 2014. The value of the shares was agreed at \$500,000.
- The issue of 2,127,660 Options exercisable at 2.0 cents on or before 16 January 2014 at an issue price of 4.7 cents per share to InHowse Pty Ltd, a fully owned subsidiary of Intersuisse Limited as consideration for a rebateable fee (equivalent to \$100,000) for the provision of an option conversion facility to acquire and convert options that will increase the Company's cash resources.
- The issue of 597,015 Ordinary Shares at an issue price of 6.7 cents per share to Intersuisse Limited as consideration for the commissioning and publication of an analyst's report on the Company and ongoing coverage of the Company by the analyst. The value of the shares was agreed at \$40,000.

Resolution 4 requests shareholders to ratify pursuant to ASX Listing Rule 7.4 the issues of new Ordinary Shares and Options to Fiori Pty Ltd, JBD Industrial Park Pty Ltd and Intersuisse Limited as detailed above.

By ratifying the above issues pursuant to ASX Listing Rule 7.4, the Company will retain the flexibility to issue new shares and other securities in the future up to the 15% annual limit set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Under ASX Listing Rule 7.5, the Company is required to provide the following information in relation to Resolution 6:

- (a) A total of 14,197,015 Ordinary Shares and 4,327,660 Options were allotted.
- (b) The price at which the Ordinary Shares and Options were issued as detailed above.
- (c) The Ordinary Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) The Options issued are exercisable at 2.0 cents on or before 16 January 2014 and each Option entitles the holder upon exercise to be issued with one fully paid ordinary share in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The parties to whom the Ordinary Shares and Options were issued are as detailed above.
- (f) The purpose for the issue of the Ordinary Shares and Options were as detailed above.
- (g) The Company will disregard any votes cast on this Resolution by Fiori Pty Ltd, JBD Industrial Park Pty Ltd, InHowse Pty Ltd, Intersuisse Limited and any associate or related party of any of these parties. However, the Company need not disregard a vote if it is cast by a person as proxy for the person who is entitled to vote, in accordance with a direction on the proxy form; or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Environmental Clean Technologies Limited

Glossary

In this Notice and Explanatory Memorandum:

Annual General Meeting and **Meeting** mean the annual general meeting of the Company to be held at 11:00 AM on Wednesday, 18th November 2009;

ASX means ASX Limited ACN 008 624 691;

ASX Listing Rules means the listing rules of the ASX;

Board means the board of Directors;

Convertible Notes means the convertible notes proposed to be issued by the Company to Pacific Capital;

Corporations Act means the *Corporations Act 2001* (Cth);

Directors mean the directors of the Company from to time;

Explanatory Memorandum means the explanatory memorandum which accompanies, and is incorporated as part of, the Notice of Meeting;

Environmental Clean Technologies or **Company** means Environmental Clean Technologies Limited ACN 009 120 405;

Resolution means the resolution to be put to shareholders at the Meeting, as set out in the Notice of Annual General Meeting;

Shares means fully paid ordinary shares in the capital of the Company; and

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

ENVIRONMENTAL CLEAN TECHNOLOGIES LIMITED

REGISTERED OFFICE:
Suite 802
530 Little Collins Street
Melbourne VIC 3000

ABN: 28 009 120 405

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code: ESI

Holder Number:

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐

OR

The meeting Chairperson
(mark with an "X")

The name of the person you are appointing
(if this person is someone other than the Chairperson of the meeting).

or failing the person named, or if no person is named, the Chairperson of the Meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11.00am on Wednesday 18th November 2009 at Deacons, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria and at any adjournment of that meeting.

SECTION B: Voting Directions to your Proxy

Please mark "X" in the box to indicate your voting directions to your Proxy.

Resolution

For Against Abstain*

1. Remuneration Report

☐

2. Election of Mr Stephen Carter

☐

3. Re-election of Mr David Woodall

☐

4. Ratification of prior issue of shares

☐

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

☐

If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote, please mark "X" in the box.

By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution. The Chairperson of the Meeting intends to vote undirected proxies in favour of the resolution.

SECTION C: Please Sign Below

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

1175448998

Reference Number:

1

ESI

1

My/Our contact details in case of enquiries are:

NAME

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TELEPHONE NUMBER

(			)																
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NOTES

1. Name and Address

This is the name and address on the Share Register of Environmental Clean Technologies Limited. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark "X" in the box in Section A. Please also refer to Section B of this proxy form and ensure you mark the box in that section if you wish to appoint the Chairperson as your Proxy.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a Shareholder of Environmental Clean Technologies Limited.

3. Directing your Proxy how to vote

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. Appointment of a Second Proxy

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by telephoning the Company +61 3 9684 0888 or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

5. Signing Instructions

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by the Company no later than 11.00am on Monday 16th November 2009, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting. You are encouraged to submit your proxy by mail or fax 03 9909 7788. The address of ECT is:

Environmental Clean Technologies
Suite 802, 530 Little Collins Street,
Melbourne Victoria 3000

Facsimile +61 3 9909 7788

Email infor@ectltd.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.