Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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. Ordinary Shares(ASX Code: ESI) 2. Options (ESIO)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	1. 634,605,897 Ordinary Shares 2. 317,302,948 Options
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 ranking equally with existing Ordinary Shares 2. Listed Options exercisable at 2.0¢ on or before 16 January 2014

+ See chapter 19 for defined terms.

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, , the New Shares and New Options will ranks equally with the existing ESI and ESIO securities respectively
5	Issue price or consideration	1. ESI $0.006 per Ordinary Shares 2. ESIO Nil.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The intended use of the funds raised by the Offer, is to: • complete Phase 1 of the Design for Tender in respect of the Proposed Coldry Production Plant.; • fund the net cash loss between the cost of producing, and the revenue derived from, the 2,000 tonnes of Coldry BCE to be used by Datang in the Test Burn; • meet short-term, working capital requirements in respect of the Test Burn; and • meet operational expenditure in respect of the on-going development of the Coldry Technology and the MATMOR Technology.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Wednesday, 5 October 2011

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	1,586,514,742 836,442,485	Ordinary shares (ESI) Listed Options exercisable at approximately 2.0¢ on or before 16 January 2014 (ESIO)

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	~2.8	Unsecured Convertible Notes with a total face value of US$646,055 (A$596,112) convertible into ordinary shares based on the average of the three lowest Volume Weighted Average Prices during the 15 trading days prior to the date of conversion of part or all of the Convertible Note in accordance with the terms and conditions as previously advised. All Convertible Notes have a maturity date of 2 November 2013 if not converted beforehand.
		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
		360,999	Options exercisable at 3.12 cents each and expiring on 23 December 2011

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	None

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	2 New Shares for every 3 Shares and Subscribers for New Shares will also receive, at no cost, 1 New Option for every 2 New Shares issued to them.
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	Monday 5 September 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	Rounded up.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	France, Hong Kong, Hungary, Indonesia, Japan, Netherlands, Singapore, Switzerland, Thailand, UK and USA and any other country other than Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	Tuesday 27 September 2011

+ See chapter 19 for defined terms.

20	Names of any underwriters	The Offer is partially underwritten by Mr Iain McEwin. Mr McEwin has agreed to subscribe for New Shares up to the value of $100,000 to be issued under any Shortfall
21	Amount of any underwriting fee or commission	Mr McEwin is not entitled to an underwriting fee.
22	Names of any brokers to the issue	None
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	5% The Directors may offer an additional brokerage fee of 5% of the aggregate issue price of any substantial Shortfall placed to holders of AFSLs.
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Tuesday 6 to Friday 9 September 2011
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	No entitlement to Option holders
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements *in full* through a broker?	N/A
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	Wednesday 5 October 2011

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

(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)

NOT A NEW CLASS OF SECURITIES TO BE LISTED AND BOX 34(b) NOT TICKED SO QUESTIONS 35 to 42 NOT APPLICABLE

+ See chapter 19 for defined terms.

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:
Company secretary

Date: 26th August 2011

Print name: John Osborne

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