

27 January 2026

Highlights

- Completion of the acquisition of 100% of the issued shares in Terrajoule. The Company is now the holder of an exclusive license with Rice University to utilise the proprietary flash joule heating (FJH) technology for the purposes of remediating soil which has been contaminated by Per- and polyfluoroalkyl substances (PFAS) and/or heavy metals.
- Advisory Board established delivering technical and commercial leads with targeted partners.
- Appointment of Chief Technology Officer, Mr Justin Sharp, leading the development and commercialisation of the Company's proprietary Rapid Electrothermal Mineralisation (REM) technology.
- Completion of Tranche 2 of the Placement, raising a total of \$3M, with strong investor demand supporting an additional \$250,000 raised under the Company's placement capacity.

Environmental Clean Technologies Limited (ASX: ECT) ("ECT" or "Company") is pleased to present its Quarterly Activity Report and Appendix 4C for the quarter ended 31 December 2025.

Activity Update

Completion of Terrajoule Acquisition

The Company, through Terrajoule Inc., entered into a formal licence agreement with William Marsh Rice University (Rice) to licence Rice's proprietary flash joule heating technology for the purposes of remediating soil contaminated by per-and polyfluoroalkyl substances (PFAS) and/or heavy metals. Execution of the licence agreement satisfied a key condition precedent to the acquisition of Terrajoule Pty Ltd as first announced by the Company on 25 September 2025.

The Company subsequently completed the acquisition of 100% of the issued shares in Terrajoule. Following completion, the Company (through Terrajoule) now holds an exclusive licence to the Rapid Electrothermal Mineralisation (REM) technology. Consideration for the acquisition comprised the issue of fully paid ordinary shares and performance rights to the vendors, subject to escrow in accordance with the transaction terms.

Advisory Board

During the period, the Company commenced the formation of its Advisory Board, bringing together experts with experience directly relevant to the Company's REM technology for PFAS remediation. The Company welcomed Mr Robert Bilott, Professor James Tour and Mr Lewis Utting, with Mr Hirokazu Minami joining subsequent to the quarter.

The Advisory Board (outlined below) has commenced operating as a working group, delivering early technical and commercial leads across key markets and jurisdictions. Through the Advisory Board, initial commercial discussions with targeted partners were initiated, with the objective of continuing these discussions and expanding engagement to relevant government agencies in the coming weeks.

The Advisory Board was strategically assembled to provide coverage across the PFAS remediation lifecycle, from technology invention and development through to direct engagement with government stakeholders most affected by PFAS contamination.

- **Mr Robert Bilott** - a Partner at the US law firm Taft Stettinius & Hollister LLP, a lecturer at the Yale School of Public Health, and author of “Exposure: Poisoned Water, Corporate Greed, and One Lawyer’s Twenty-Year Battle Against DuPont.” He specialises in environmental law and is widely regarded as a subject matter expert in Per- and polyfluoroalkyl substances (PFAS).
- **Professor James Tour** - Globally recognised expert in chemistry, nanotechnology and advanced materials and is the recipient of numerous awards and accolades, including being inducted into the National Academy of Engineering, National Academy of Inventors and being listed in The World’s Most Influential Scientific Minds by Thomson Reuters.
- **Mr Lewis Utting** – Over 20 years’ experience in the chemical industry, water treatment and mineral processing sectors and was a former BASF minerals processing and speciality chemicals executive. Previously CEO and Managing Director of SciDev (ASX:SDV), where he led the company’s transformation and established the first PFAS remediation business on the ASX through strategic acquisition and commercialisation of PFAS-management technologies.
- **Mr Hirokazu Minami** – A highly respected leader in Japan’s energy and industrial sectors. He has a proven track record of introducing advanced technologies, scaling complex businesses, and leading market entry and business development for both domestic and international companies. Currently serves as Representative Director across nine companies within the Minami Group, where he is the largest shareholder and oversees aviation fuel and petroleum-related businesses.

COLDry

The Company continued the development of its patented COLDry technology through its Zero Quest joint venture with ESG Agriculture Pty Ltd (ZQ).

As previously announced by the Company, ZQ’s primary focus has been on the development of a fertiliser product designed to match or surpass the performance of traditional chemical urea fertilisers but can be produced at a lower cost and with lower emissions (Product).

ZQ produced a batch of the Product and remained focused on two trials of the Product with independent third parties:

- Wheat and Cotton lab trials with Microbiology Laboratories Australia in South Australia (MicrobeLabs). ZQ is part way through this trial, with results expected in Q1 2026. Initial indications show improved growth and lower emissions compared to traditional urea; and
- Pot Trials on Organic Leeks with an independent farmer at Labertouche Organic Farm in Victoria. Trials have been undertaken using the Product against the control of organically certified chicken manure currently being used by the farmer.

ZQ continued to work through its trials during the period.

Corporate & Capital Management

Appointment of Chief Technology Officer

Mr Justin Sharp was appointed Chief Technology Officer following completion of the Company's acquisition of Terrajoule. His appointment marked a key step in advancing the development and commercialisation of the Company's REM technology for the remediation of PFAS-contaminated soil.

Mr Sharp holds a Master's degree in Chemical Engineering from Rice University and a Bachelor of Science in Chemistry from James Madison University. He is currently a Research Assistant in the Department of Chemistry at Rice University and previously served as a USRA Graduate Researcher at NASA. Mr Sharp has developed several patents related to flash joule heating and joule heating technologies. He has also authored numerous publications on mineral separation techniques and flash joule heating.

Placement

Following shareholder approval, the Company completed Tranche 2 of its Placement (as announced on 25 September 2025). Tranche 1 completed on 1 October 2025 raising \$500,000 through the issue of 8,333,333 Shares at an issue price of \$0.06, and the completion of Tranche 2 raised a further \$2.5M through the issue of 41,666,667 Shares at the same issue price.

In response to strong investor demand for the Placement, the Company facilitated additional subscriptions, raising a further \$250,000 through the issue of 4,166,666 shares at the same issue price to unrelated sophisticated and professional investors. These Shares were issued under the Company's 15% placement capacity and rank equally with existing fully paid ordinary shares in the Company.

Convertible Note

The Company received a conversion notice from LJ & K Thomson Pty Ltd (Thomson) to convert its convertible note (Note) into fully paid ordinary shares (Shares) in the Company in November 2025. Full details of the Note are set out in the Company's ASX announcements dated 17 December 2024 and 28 February 2025.

In accordance with the terms of the Note, which carried a face value of \$1,130,000, Thomson received 17,725,490 Shares at a conversion price of \$0.06375 per Share.

Shareholder Sale Facility

The Company successfully completed the small shareholding sale facility (Sale Facility) for shareholders whose holding of fully paid ordinary shares in the Company (Shares) had a market value of less than A\$500 as announced on 23 September 2025.

The final number of Shares sold under the Sale Facility was 3,258,625 held by 2,833 shareholders. The Company received 354 valid share retention forms from shareholders, holding 545,402 Shares, who chose to retain their Shares. The shareholders whose Shares were sold through the Sale Facility will receive \$0.08 per Share without having to pay brokerage or other costs.

Yallourn Property

During the period, the Company received interest in relation to a potential sale of its property in Yallourn, Victoria. ECT initially purchased the Yallourn property in 2022 with the intention of developing its hydrogen refinery project at the site. The Company subsequently shifted its focus to development of its COLDry fertiliser product, and the Yallourn property had largely been left unused and is now surplus to the Company's strategy. The Company remained in active discussions with potential buyers.

Annual General Meeting

The Company hosted its Annual General Meeting (AGM) on 24 November 2025. All resolutions put to the meeting were passed by way of a poll.

Commentary to Appendix 4C

Operating activities for the quarter consisted of the following:

- Final legacy expenses for South Yarra office and transition costs;
- Reduced staffing costs; and
- Ongoing R&D and testing-related outlays.

Key inflows:

- \$2,750,000 raised via Tranche 2 of placement announced on 25 September 2025;
- \$50,000 from the conversion of unlisted options;
- The Company acquired \$369,000 from the acquisition of Terrajoule Pty Ltd;
- No material proceeds yet from licensing or asset sales.

The overall cash position was \$3,035,000 as of 31 December 2025.

Subsequent to the end of the quarter, the Company announced that it had received \$556,698 for its FY25 R&D Tax Incentive rebate from the ATO.

Cash payments to related parties totalled \$130,000 comprising of payments for Director's fees for the past 6 months. The Company also paid \$55,000 for company secretarial and accounting services provided by a related party of Mr Mouchacca, JM Corporate Services Pty Ltd for the past 5 months.

Outlook

The December 2025 quarter marked a foundational period for the Company, with the successful completion of the Terrajoule acquisition and the securing of an exclusive licence to the REM technology establishing a strong platform for future growth for the Company as it looks to build a diversified portfolio of high-impact and disruptive technologies. The formation and activation of a highly credentialed Advisory Board, together with the appointment of an experienced Chief Technology Officer, significantly strengthened the Company's technical, commercial and regulatory capabilities.

These milestones have positioned the Company to transition from technology acquisition into focused execution, with early technical validation and commercial engagement underway. The progress achieved during the quarter is expected to support continued advancement of the REM technology, deeper

engagement with industry and government stakeholders, and the progression of remediation opportunities across key jurisdictions.

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This announcement is approved for release by the Board of ECT.

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Forward-looking Statement

This announcement may contain forward-looking statements regarding future events or performance, including but not limited to projections of financial results, anticipated growth, and business strategies. These forward-looking statements are based on current expectations, assumptions, and projections that involve inherent risks and uncertainties. Actual results may differ materially from those anticipated due to various factors, including market conditions, regulatory changes, technological advancements, and economic conditions.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws.

Investors should carefully consider the risks and uncertainties disclosed in the Company's periodic reports filed with the Australian Securities Exchange (ASX) and other regulatory authorities. Forward-looking statements are provided as of the date of this announcement, and the Company disclaims any obligation to update them except as required by law.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Environmental Clean Technologies Limited

ABN

28 009 120 405

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(25)	(25)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(168)	(316)
(f) administration and corporate costs	(333)	(541)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(24)	(57)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(549)	(938)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (cash acquired from acquisition of Terrajoule Pty Ltd)	369	369
2.6 Net cash from / (used in) investing activities	369	369

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	2,800	3,300
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(128)	(128)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(16)	(47)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	2,656	3,125

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	559	479
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(549)	(938)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	369	369
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,656	3,125
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,035	3,035

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,035	559
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,035	559

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	185
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <small>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</small>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities (1)	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (R & D lending facility) (2)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
8. Estimated cash available for future operating activities			\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)		(549)
8.2	Cash and cash equivalents at quarter end (item 4.6)		3,035
8.3	Unused finance facilities available at quarter end (item 7.5)		-
8.4	Total available funding (item 8.2 + item 8.3)		559
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)		5.53
<small>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</small>			
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:		
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
Answer: N/A			
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?		
Answer: N/A			
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?		
Answer: N/A			
<small>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</small>			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 January 2026

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.