ECT ENVIRONMENTAL CLEAN TECHNOLOGIES LIMITED

Quarterly Activity Report & Appendix 4C

31 July 2026

Highlights

- Expanded the Company's licence agreement with Rice University to apply Flash Joule Heating (FJH) to PFAS-contaminated adsorbents such as granular activated carbon (GAC), broadening ECT's addressable market into water treatment.
- Construction completed of the pilot-scale Rapid Electrothermal Mineralisation (REM) system, delivering 18x the power output of the laboratory prototype, operating additive-free, and 50% smaller and 75% lighter than the lab configuration.
- Lodged a public comment to the U.S. EPA's Interim Guidance on PFAS destruction and disposal, presenting REM performance data against the EPA's Section 5 evaluation framework.
- Commenced the process to list ECT shares on the OTCQB Venture Market under ticker “ECTHF”, with trading targeted for Q3 2026.
- Engaged RSM Corporate Australia Pty Ltd to conduct an independent review of commercialisation pathways for the Company's COLDry technology.
- Extraordinary General Meeting (EGM) held on 17 July 2026.

Environmental Clean Technologies Limited (**ASX: ECT**) (**"ECT" or "Company"**) is pleased to present its Quarterly Activity Report and Appendix 4C for the quarter ended 30 June 2026.

Activity Update

FJH Platform Expansion – PFAS Destruction on Adsorbents (GAC)

During the quarter, the Company expanded its licence agreement with William Marsh Rice University (**Rice**) to include the right to apply Flash Joule Heating (**FJH**) to PFAS-contaminated adsorbents such as granular activated carbon (**GAC**). The expanded licence extends the Company's PFAS remediation strategy and represents the next stage in the development of ECT's FJH platform, building on its established Rapid Electrothermal Mineralisation (**REM**) technology for the remediation of PFAS in soil.

The expansion leverages further core intellectual property developed at Rice University under FJH inventor Professor James Tour, and was identified through ECT's ongoing collaboration with Rice, with technical evaluation conducted by Chief Technology Officer Justin Sharp in consultation with the Advisory Board.

GAC is a highly porous filtration medium widely used in water treatment to remove contaminants such as PFAS from drinking water. Once saturated, PFAS-laden GAC becomes a concentrated hazardous waste that incumbent solutions typically destroy via off-site incineration, a process that can release harmful gases, is energy-intensive, and carries transport-related exposure risk.

Independent peer-reviewed research indicates FJH can achieve greater than 99.9% PFAS removal from contaminated carbon media such as GAC under controlled conditions, converting 90–96% of fluorine into stable inorganic fluoride salts within seconds at temperatures approaching 3,000°C, with favourable lifecycle energy and emissions performance relative to incineration.

The proposed water treatment application leverages the same core power systems and hardware architecture under development for the Company's ex-situ REM soil remediation platform, supporting scalability across multiple PFAS destruction applications and providing a translatable technology between soil and water remediation.

Scalable High-Frequency, High-Power Pilot System

Following the expansion of its license agreement, the Company completed the design and fabrication of its pilot REM power electronics, a significant upgrade from the initial laboratory prototype, and a key milestone in the Company's progression toward commercial in-situ PFAS remediation.

The pilot system incorporates redesigned power electronics and industry-grade components delivering 22kW of power output, approximately 18 times that of the lab-scale prototype, while operating at 170 kHz and 2,200 V (up from 70 kHz and 500 V). The system also operates without conductive additives such as biochar, a capability the Company believes has not previously been demonstrated by any other PFAS remediation process.

The pilot system is approximately 50% smaller in volume and 75% lighter than the laboratory configuration, supporting practical deployment across contaminated sites and mounting onto existing agricultural and construction equipment. Laboratory testing of the pilot system is underway and demonstrating optimal performance across both soil and GAC pathways.

Subject to successful validation, the Company is targeting its first in-field pilot demonstration across both soil and GAC in H2 2026, ahead of conversion into commercial licensing arrangements and OEM partnerships.

U.S. Regulatory Engagement: Submission to the EPA

In June 2026, the Company lodged a public comment with the U.S. Environmental Protection Agency (EPA) in response to its Interim Guidance on the destruction and disposal of PFAS, a consultation process which opens only once every four years. The submission presented REM performance data against the EPA's Section 5 evaluation framework, covering technology readiness, destruction efficacy, mass balance, byproduct safety, and regulatory relevance.

REM was evaluated on GAC samples laden with aqueous film-forming foam (**AFFF**) firefighting solutions supplied by the U.S. Army Corps of Engineers, demonstrating applicability to real-world PFAS waste streams.

In PFAS-contaminated soils, REM removed more than 99% of various PFAS while preserving key soil properties, converting fluorine into non-toxic calcium fluoride. On GAC and IX resins, REM achieved full fluorine mass balance, accounting for 96–99.9% of fluorine as inorganic fluoride, with greater than 99.9% PFAS removal and no detectable volatile organic fluorides.

Traditional PFAS treatment methods often fail to fully destroy the compounds, instead generating secondary waste streams or byproducts that are harder to capture. REM does not simply make PFAS "disappear", it converts the fluorine into known, non-toxic mineral forms, with testing accounting for essentially every fluorine atom.

The Company considers REM's destruction performance, full fluorine mass balance, and use of regulatory-grade analytical methods position it as a leading candidate to meet the EPA's expectations for safe, verifiable PFAS destruction and disposal.

U.S. OTCQB Listing

The Company commenced the process to list its shares on the OTCQB Venture Market in the United States under the ticker "ECTHF", a deliberate step to establish ECT's presence in the United States, one of the Company's largest and most significant near-term commercial markets for its REM PFAS remediation technology platform.

ECT has engaged Viriathus Capital LLC as its U.S. Corporate Adviser to manage the listing process, with trading expected to commence in Q3 2026, subject to OTC Markets Group approval and satisfaction of applicable listing requirements.

The listing is intended to provide U.S. retail and institutional investors with direct access to trade ECT shares in U.S. dollars during U.S. market hours, and to support direct engagement with U.S. environmental regulators, potential strategic partners and commercial counterparties.

COLDry Commercialisation Review

The Company commenced a commercialisation review of its proprietary COLDry low-temperature lignite processing technology, examining a range of potential pathways to bring the technology to market. The review follows increasing commercial interest for COLDry's ability to process lignite into a value-added product suitable for a range of downstream applications.

RSM Corporate Australia Pty Ltd has been engaged to provide an independent commercial and financial assessment of the technology, covering both ECT's existing commercial relationships (including its strategic arrangement with Zero Quest Pty Ltd) and commercial merits, risks, capital requirements, timeframes and strategic implications associated with various commercialisation pathways available to ECT. The review is intended to support Board decision-making regarding the future development and deployment of COLDry.

Coldry™ Technology

During the quarter, the Company continued progressing commercial discussions with prospective strategic counterparties regarding the deployment and commercialisation of its Coldry™ technology. Engagement with ZQ remains ongoing, with discussions focused on identifying mutually beneficial commercial structures. While these discussions are constructive, they remain subject to further negotiation and no binding agreement has been finalised. The Company will provide further updates to the market as and when material developments occur.

Corporate & Capital Management

Extraordinary General Meeting

The Company issued a Notice of Extraordinary General Meeting (**EGM**), held on Friday, 17 July 2026, seeking Shareholder approval for several resolutions including the Selective Buy-Back of ELF shares and the election of Mr Jefferson Harcourt as a Director. Full details of each resolution are set out in the Notice of Meeting released to the ASX on 18 June 2026.

All resolutions put to the meeting were carried by way of a poll.

Yallourn Property Update

There have been no material developments regarding the proposed sale of part of the Company's Yallourn Property since the Quarterly Activities Report released on 30 April 2026. The transaction remains subject to the terms and conditions of the sale agreement. The Company will continue to keep the market informed of any material developments.

Commentary to Appendix 4C

Operating activities for the quarter resulted in net cash outflows of $883,000, which were strategically deployed across parallel technical and commercial workstreams to accelerate our path to market. Key activities included:

- **R&D and Scale-Up Engineering:** Comprehensive scale-up reviews to define the transition from laboratory to pilot-scale deployment, alongside extensive literature reviews to optimize the high-voltage REM configuration being developed in consultation with Rice University.
- **Commercial & Strategic Market Analysis:** Detailed mapping of the global PFAS remediation market and deep-dive end-user analysis to identify immediate, high-value deployment opportunities for both soil and water applications.
- **Intellectual Property & IP Landscape:** Thorough reviews of the current IP landscape to protect ECT’s technological advancements and identify whitespace for future patent applications.
- **Partnership & Ecosystem Development:** Identifying and mapping targeted customers and establishing the groundwork for future engineering partnerships to support commercial plant design.
- **Strategic Asset Review:** Continued commercialization review of the COLDry facility, with the view to assess credible commercial pathways and define a near-term, capital-efficient strategy for the asset.
- Standard administration and corporate costs.

The overall cash position was $1,691,000 as of 30 June 2026.

Cash payments to related parties totalled $85,000 comprising of payments for Director’s fees for the past 3 months. The Company also paid $33,000 for company secretarial and accounting services provided by a related party of Mr Mouchacca, JM Corporate Services Pty Ltd for the quarter.

Outlook

The completion of the pilot REM system represents a key milestone in the Company's transition from laboratory-validated technology to a field-deployable commercial platform and directly supports the Company's targeted first in-field pilot demonstration in H2 2026. This progress is reinforced by the Company's submission to the U.S. EPA, which positions REM's fluorine mass-balance and destruction performance data directly against the regulatory framework U.S. authorities use to evaluate emerging PFAS destruction technologies.

The commencement of the OTCQB listing process is intended to strengthen the Company's profile and accessibility to investors in the United States, its largest addressable market, as it advances toward pilot-scale deployment. Together with the independent commercialisation review of COLDry, the Company is progressing a broader strategy of building a diversified, scalable technology portfolio.

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

For further information, please contact:

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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	Quarter ended ("current quarter")
28 009 120 405	30 June 2026

	Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		-	-
1.2	Payments for			
	(a)	research and development	(416)	(1,193)
	(b)	product manufacturing and operating costs	-	-
	(c)	advertising and marketing	-	-
	(d)	leased assets	-	-
	(e)	staff costs	(85)	(437)
	(f)	administration and corporate costs	(386)	(1,077)
1.3	Dividends received (see note 3)			
1.4	Interest received		4	8
1.5	Interest and other costs of finance paid		-	(57)
1.6	Income taxes paid		-	-
1.7	Government grants and tax incentives		-	555
1.8	Other (provide details if material)		-	-
1.9	**Net cash from / (used in) operating activities**		**(883)**	**(2,201)**

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	4	4
	(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
2.6	**Net cash from / (used in) investing activities**	**4**	**373**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	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	-	(214)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(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**	**-**	**3,039**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,569	479
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(883)	(2,201)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	4	373
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,039
4.5	Effect of movement in exchange rates on cash held	1	1
4.6	**Cash and cash equivalents at end of period**	**1,691**	**1,691**

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	1,691	2,569
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)**	**1,691**	**2,569**

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	85
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** *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.*	**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)	(883)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,691
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,691
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	1.92

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.

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: Yes, the Company does expect to have the current level of net operating cash flows for the time being however, the Company continues to monitor its current level of activities to align with available cash.

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: As an active R&D company, the Company is in regular discussions with financiers and shareholders who can potentially assist with funding the Company's operations.

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: Yes, based on the answers provided in 8.6.1 and 8.6.2

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.

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: 31 July 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.