

# [***Environmental Clean Technologies Limited: ECT signs MoU with Soil Health Solutions Provider***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BR9-4M71-F0YC-N058-00000-00&context=1516831)

Impact Financial News

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**Body**

Sydney, Australia:Environmental Clean Technologies Limited has issued the following news release:

Environmental Clean Technologies Limited (ASX: ECT) (“ECT” or “Company”) is pleased to announce thesigning of a Memorandum of Understanding (MoU) with ESG Agriculture Pty Ltd ('ESG') for the offtake ofsoil ***health*** products.This agreement marks the beginning of a collaborative effort to produce ***soil health*** products utilising theCompany ’ s net-zero COLDry process. The joint venture aims to develop cost-effective ***soil health*** productsaligned with ECT's three-pillar strategy of agriculture, industry, and energy applications.Meeting Market Demand for Sustainable and Cost-Effective AlternativesThe agricultural sector faces unprecedented challenges, grappling with soaring costs of conventionalfertilisers, deteriorating sustainability, collapsing carbon content in ***soils*** and the pervasive impacts of climatechange. In response, ECT and ESG Agriculture are committed to meeting market demand for alternative, costeffectivefertilisers that nourish ***soil*** and crops and put carbon back into our ***soils***.Enhancing ***Soil Health*** with an Innovative ApproachCombining ECT ’ s expertise in low-emission materials processing with ESG's expertise in granulation, soilhealth product development, and farmer networks, this joint venture will drive the development of a soilhealth product stream at ECT ’ s net-zero COLDry project at Bacchus Marsh, which is being developed underits previously announcedi ‘Race to Revenue ’ strategy.

The unique formulation of Maddingley lignite, with specifically chosen nutrients, provides ECT with thecapacity to produce ***soil health*** products customised to the application, varying feedstocks according toavailability and price.Summary of the MOUUnder the binding terms of the MOU, ECT will produce a blended COLDry feedstock for ESG suitable for agranulated ***soil health*** product (“fertiliser”).This project is to be broken into multiple phases: • Phase 1 & 2 – test program to blend and granulate composite COLDry pellets to determine optimalproduct result, followed by assessment of granulation process design and feedstock blends to driveprice and complete the binding offtake agreements this quarter. • Phase 3 – expanded field trials and end-user marketing during the construction phase of the BMproject. • Phase 4 – optimise production up to ~52,000 tonnes per annum of finished product • Phase 5 – with the aim of continuing to expand product options, ECT and ESG will jointly undertakeR&D to optimise production processes and formulations • Phase 6 – once the initial plant capacity volume has been sold under offtake, the joint venture willassess further optimisation of production capacity at the Bacchus Marsh plant as well as developmarkets for the char product produced through ECT ’ s proposed pyrolysis process. • Phase 7 – collaboratively investigate and develop greenfield production at a site in (a) Latrobe Valley,Victoria and (b) South Australia.The MoU sets the groundwork for a comprehensive collaboration between the parties, encompassing variousproject phases, from testing and trial production to production optimisation and research and developmentfor enhanced fertiliser efficiency. This joint venture promises to drive cash flow and shareholder value andopens doors for wider technology deployment, reinforcing ECT ’ s leadership in sustainability. As a forerunnerto a commercial off-take agreement with a growing market, this collaboration holds immense potential forsector-wide impact and future growth.ECT Managing Director Sam Rizzo commented:“The MoU with ESG is a pivotal moment for us. It marks the start of an exciting collaboration toenhance ***soil health***. This joint reflects our commitment to innovation and sustainability and sets thestage for significant growth and impact in agriculture and beyond. While it's just the beginning withinAustralia's $7 billionii fertiliser market, it's one of many steps we're eager to take, both here andglobally.'ESG Agriculture Director, Mark Scanlon commented:“This MoU with ECT is a significant joint venture that enhances our capacity to provide end-to-endvalue chain solutions and to support the agricultural sector through ***soil health*** products, meaningfulreporting and other ESG advisory services.'

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