



## R&D Tax Incentive Refund Received

**Wednesday 17 January 2018:** Environmental Clean Technologies Limited (ASX: ESI) (ECT or Company) is pleased to advise it has received its 2017 financial year R&D Tax Incentive Refund.

### Key points:

- ~2.047 million R&D Tax Incentive refund received
- Current 'Brevet' R&D loan satisfied in full
- Surplus of ~\$600k to support India project

The refund of ~AUD2.047 million is in line with accruals disclosed in the 2017 Annual Report, and repays in full the current R&D loan provided by New York-based financier 'Brevet'.

A surplus of ~AUD600,000 will be allocated to working capital in support of the Company's priority initiatives including the India Project.

The R&D Tax Incentive is a program managed by AusIndustry aimed at supporting eligible research activities.

The Company recently announced (8 Jan 2018) a AUD14 million facility from the same finance provider, Brevet, in support of its Coldry-Matmor R&D project in India.

The India project, which is estimated to cost ~AUD30 million, is covered by an advance overseas ruling for the Coldry portion (~AUD20 million), with a ruling on Matmor expected shortly.

ECT Chairman Mr Glenn Fozard commented, "The R&D Tax Incentive program supports innovation, both in terms of the valuable research generated by companies like ours, and innovation around the financing of that research. It has seen the emergence of financial products such as that provided by Brevet, which allows the forward factoring of anticipated refunds, providing additional cashflow to the business as we work toward delivering on our objectives."

### India Update

Following on from our last India project update (announcement 20 December 2017) the Company has worked diligently with its partners, NLC and NMDC and is pleased to advise that in-principle agreement has been reached on the recommendations stemming from the independent financial review required to finalise the Master Project Agreement, including; structure, intellectual property ownership and global royalty sharing arrangements.

Step	Comment	Status
Draft Report	Delivered to NLC and NMDC on 22 November	Complete
Review & Revise	Deeper review and further information sharing as needed	Complete
MPA Amendment	MPA revisions to address any recommended changes identified during the Review	In progress
Final Report	Update final report to reflect amended MPA	In progress
Board submission	Submission to NLC & NMDC Boards for approval	Pending
NITI Aayog submission	Submission to NITI Aayog to complete project review	Pending

