



ENVIRONMENTAL CLEAN
TECHNOLOGIES LIMITED

PRELIMINARY FINAL RESULTS FOR

Year Ended 30 June 2011

(Previous corresponding period: Year ended 30 June 2010)

Results for announcement to the market

ENVIRONMENTAL CLEAN TECHNOLOGIES LIMITED (ASX CODE: ESI)

Friday, 26 August 2011: Environmental Clean Technologies Limited (ASX:ESI) is pleased to provide the Company's unaudited Financial Statements for the year ended 30 June 2011 and the following background.

				\$
Revenue from ordinary activities	Down	69%	To	274,987
Loss from ordinary activities after tax	Down	16%	To	3,121,709
Loss for the period attributable to members	Down	16%	To	3,121,709

Dividends

No payments made or declared for the year ended 30 June 2011.

Explanation of Results

Please refer to the commentary below

Financial Statements

Refer to the Preliminary Final Report (Appendix 4E) following

Other information required by Listing Rule 4.3A

The remainder of the information requiring disclosure to comply with Listing Rule 4.3A is contained below and in the attached Preliminary Final Report (Appendix 4E)..

Audit

This report is based upon accounts that are in the process of being audited.

COMMENTARY

Board and Management are now focussed on achievement of the five point plan as outlined in our announcement of 18 August 2011:

- Completing the 2000 tonne Test Burn Sample for China Datang
- Collecting the key data sets while producing the test burn sample to support the Design for Tender
- Establishing the schedule for, and executing upon the Design for Tender
- Performing a comprehensive review of all expenditure, contracts and market opportunities
- Recapitalising the company

An overview of the 2010/2011 year's performance is as follows:

ECT set about the following key activities:

- Progress the Victoria Coldry project with JV partner TinCom of Vietnam
- Progress global sales opportunities
- Advance MATMOR commercialisation toward pilot plant feasibility study

Victoria Coldry Project

As advised to the market on 31 May 2011, the Victoria Coldry project Joint Venture Agreement was terminated due to certain conditions precedent not being satisfied.

Sales Activity

The most significant achievement was the establishment of a relationship with China Datang, which has led to the signing of a Memorandum of Understanding regarding future Coal Supply Agreements. The first concrete step in this is the Test Burn sample lot program. It has been mutually agreed to revise the delivery schedule to meet operational requirements in communications today, with both parties' expressing their continued enthusiasm for the program.

While project opportunities in Europe continue to be explored, the companies' main focus is on East Asia and India.

MATMOR Advancement

The milestone for scale up to pilot plant was extended to 2014, providing ECT with the time necessary to complete key activities whilst retaining the rights to the MATMOR IP.

Key activities to 30 June 2011 included scoping work for the preliminary design of the Pilot Plant. At present MATMOR development is on hold as resources are focused on progressing Coldry.

Revenue

In the year to 30 June, we received R&D Tax Offsets as noted in the accounts. Though minor in quantum, we recognised our first revenue from sales of Coldry BCE product.

The Future

The Board and Management are taking the appropriate steps to deliver upon the key objectives as outlined.

For Further Information Contact:

Michael Davies – Managing Director on +61 3 9684 0888 or info@ectltd.com.au

About ECT

ECT is in the business of commercialising and selling disruptive, leading-edge technologies that have game-changing potential within the energy and resources sector that are capable of delivering environmental and commercial benefits. We are focused on advancing a portfolio of such technologies that have attractive market potential. This potential is largely informed by global markets that exhibit significant potential for growth and enable us to secure sustainable profits through licensing royalties or other commercial mechanisms.

About Coldry

When applied to lignite and some sub-bituminous coals, the mechanically simple Coldry process produces a black coal equivalent (BCE) in the form of pellets that are stable, easily stored, can be transported and which can be of equal or better energy value than many black coals, whilst significantly reducing CO2 emissions.

About Matmor

The Matmor process is positioned to revolutionise primary iron making thanks to the design of our simple, low cost, low emission, patented Matmor retort using cheaper, alternative raw materials.

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited - ACN 009 120 405 (formerly Environmental Solutions International Limited)

1 Details of the reporting period and the previous corresponding period.

Reporting Period	Financial Year ending	30 June 2011
Previous Corresponding Period	Financial Year ending	30 June 2010

2 Results for announcement to the market

2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.

Revenue from ordinary activities	\$	274,987
Previous corresponding period	\$	884,085

Percentage change up or down from the previous corresponding period of revenue from ordinary activities	%	-68.90%
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2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.

Loss from ordinary activities after tax	\$	(3,121,709)
Previous corresponding period	\$	(3,728,403)

Percentage change up or down from the previous corresponding period of loss from ordinary activities after tax attributable to members.	%	16.27%
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2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.

Profit (loss) attributable to members	\$'000	(3,121,709)
Previous corresponding period	\$'000	(3,728,403)

Percentage change up or down from the previous corresponding period of net loss for the period attributable to members.	%	16.27%
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2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.

No dividends proposed relating to the reporting period

2.5 The record date for determining entitlements to the dividends (if any).

Not applicable

2.6 A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.

Refer to separate media release lodged with this Appendix 4E.

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited (formerly Environmental Solutions International Limited)

3 A consolidated statement of comprehensive income together with notes to the statement, prepared in compliance with AASB 101.

Statement of Comprehensive Income For the year ended 30 June 2011

	Notes	Consolidated 2011 \$	2010 \$
Revenue from ordinary activities	2	274,987	884,085
Corporate costs		(719,652)	(1,202,171)
Depreciation and amortisation		(571,479)	(594,506)
Employee benefits expense		(1,171,414)	(1,052,797)
Finance Costs		(47,948)	(369,843)
Legal Costs		(430,354)	(368,009)
Sales & Marketing		(90,275)	(216,133)
Occupancy expense		(99,658)	(90,134)
Plant		(211,960)	(115,930)
Travel and accommodation		(254,621)	(216,780)
Unwinding of Earn Out		271,667	(265,287)
Other expenses from ordinary activities		(71,002)	(120,899)
Loss before Income Tax Expense	3	(3,121,709)	(3,728,404)
Income tax benefit	4	-	-
Loss attributable to members of Environmental Clean Technologies Limited		(3,121,709)	(3,728,404)
Other Comprehensive Income		-	-
Total Comprehensive Income attributable to members of Envor Environment Clean Technologies Limited		(3,121,709)	(3,728,404)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited (formerly Environmental Solutions International Limited)

- 4 A consolidated balance sheet together with notes to the statement. The balance sheet may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.

Statement of Financial Positions As at 30 June 2011

	Notes	Consolidated 2011 \$	2010 \$
Current Assets			
Cash and Cash Equivalents Assets	5	670,653	1,016,760
Trade and Other Receivables	6	63,557	56,632
Other	7	90,457	410,126
Total Current Assets		824,667	1,483,518
Non Current Assets			
Investments	8	2	2
Property Plant & Equipment	9	270,001	234,315
Intangible Assets	10	8,640,000	9,120,000
Total Non Current Assets		8,910,003	9,354,317
TOTAL ASSETS		9,734,670	10,837,835
Current Liabilities			
Trade and Other Payables	11	453,840	454,023
Interest Bearing Liabilities	12	293,489	-
Provisions	13	80,088	58,885
Total Current Liabilities		827,417	512,908
Non Current Liabilities			
Other	14	654,620	926,287
Total Non Current Liabilities		654,620	926,287
TOTAL LIABILITIES		1,482,037	1,439,195
NET ASSETS		8,252,633	9,398,640
Equity			
Contributed Equity	15	44,989,191	43,228,522
Other reserves	16	221,033	433,497
Accumulated Losses	17	(36,957,591)	(34,263,379)
TOTAL EQUITY		8,252,633	9,398,640

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formerly Environmental Solutions International Limited)

- 5 *A statement of changes in equity together with notes to the statement. The statement of changes in equity may be condensed but must comply with the disclosure requirements of AASB 101*

Statement of Changes in Equity For the year ended 30 June 2011

Consolidated	Issued Share Capital \$	Convertible Note Reserve \$	Share Options Reserve \$	Accumulated Losses \$	Total \$
Balance at 30 June 2009	37,716,486	767,849	427,497	(31,302,825)	7,609,007
Loss for the financial year	-	-	-	(3,728,403)	(3,728,403)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(3,728,403)	(3,728,403)
Issued share capital	5,512,036	-	-	-	5,512,036
Transfer between reserve	-	(767,849)	-	767,849	-
Share based payments	-	-	6,000	-	6,000
Balance at 30 June 2010	43,228,522	-	433,497	(34,263,379)	9,398,640
Loss for the financial year	-	-	-	(3,121,709)	(3,121,709)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(3,121,709)	(3,121,709)
Issued share capital	1,760,669	-	-	-	1,760,669
Equity component of convertible notes issue	-	211,658	-	-	211,658
Transfer between reserve	-	-	(427,497)	427,497	-
Share based payments	-	-	3,375	-	3,375
Balance at 30 June 2011	44,989,191	211,658	9,375	(36,957,591)	8,252,633

The above statement of changes in equity should be read in conjunction with the accompanying notes

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formally Environmental Solutions International Limited)

- 6 *A cash flow statement together with notes to the statement. The cash flow statement may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Cash Flow Statements, or for foreign entities, the equivalent foreign accounting standard.*

Statement of Cash Flows

For the year ended 30 June 2011

	Notes	Consolidated	
		2011	2010
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		533,602	234,316
Payments to suppliers and employees (inclusive of GST)		(3,035,668)	(3,234,645)
Interest Paid		-	(81,667)
Interest received		63,750	67,398
Net cash outflow from operating activities	18	<u>(2,438,316)</u>	<u>(3,014,598)</u>
Cash flows from investing activities			
Payments for property plant and equipment		<u>(127,166)</u>	<u>(32,356)</u>
Net cash outflow from investing activities		<u>(127,166)</u>	<u>(32,356)</u>
Cash flows from financing activities			
Proceeds from the issuing of shares and notes		<u>2,219,375</u>	<u>3,177,133</u>
Net cash inflow from financing activities		<u>2,219,375</u>	<u>3,177,133</u>
Net increase (decrease) in cash held		(346,107)	130,179
Cash at the beginning of the financial year		<u>1,016,760</u>	<u>886,581</u>
Cash at the end of the financial year	5	<u><u>670,653</u></u>	<u><u>1,016,760</u></u>

The above statements of cash flows should be read in conjunction with the accompanying notes

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formerly Environmental Solutions International Limited)

Notes to Sections 3, 4, 5 & 6.

1. Summary of Accounting Policies

Statement of compliance

The preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A, the disclosure requirements of ASX Appendix 4E, and in accordance with the recognition and measurement requirement but not the disclosure requirements of Accounting Standards and Australian Accounting Interpretations and The Corporations Act 2001. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS). Compliance with A-IFRS ensures that the consolidated financial statements and notes of the consolidated entity comply with International Financial Reporting Standards (IFRS).

The preliminary final report does not include notes of the type normally included in an annual report and should be read in conjunction with the 30 June 2010 Annual Financial Report.

Basis of Preparation

The preliminary final report is to be read in conjunction with the 2010 annual report, the December 2010 half-year report and any public announcements made by Environmental Clean Technologies Limited and its controlled entities during the year in accordance with the continuous disclosure obligation arising under the ASX Listing Rules.

The preliminary final report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the company's Annual Financial Report for the year ended 30 June 2010, other than as detailed below.

2. Revenue	Notes	Consolidated	
		2011	2010
		\$	\$
Operating Revenue			
Sales		7,678	-
Non-Operating Revenue			
Interest received		42,572	88,576
R & D Tax Offset		224,737	543,182
Other		-	252,327
		<u>274,987</u>	<u>884,085</u>

3. Operating loss		Consolidated	
		2011	2010
		\$	\$
Net losses and expenses			
Loss before income tax includes the following specific expenses			
Depreciation & Amortisation			
Plant and equipment		<u>(571,479)</u>	<u>(594,506)</u>
Financing costs			
Interest and finance charges paid/payable		<u>(47,948)</u>	<u>(369,843)</u>
Rental expense relating to operating leases			
Minimum lease payments		<u>(54,744)</u>	<u>(51,948)</u>

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited (formerly Environmental Solutions International Limited)

Notes to Sections 3, 4 & 5.

4. Income tax	Consolidated	
	2011	2010
	\$	\$
Numerical reconciliation of income tax expense to prima facie tax payable		
Operating loss before income tax expense	<u>(3,121,709)</u>	<u>(3,728,403)</u>
Tax at the Australian tax rate of 30% (2007: 30%)	<u>(936,513)</u>	<u>(1,118,521)</u>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Tax benefit not recognised	<u>936,513</u>	<u>1,118,521</u>
Income tax expense/(benefit)	<u><u>-</u></u>	<u><u>-</u></u>

5. Current assets - Cash assets	Consolidated	
	2011	2010
	\$	\$
Cash at bank and on hand	<u><u>670,653</u></u>	<u><u>1,016,760</u></u>

6. Current assets - Trade and other receivables	Consolidated	
	2011	2010
	\$	\$
Trade debtors	<u>8,446</u>	<u>-</u>
Goods and services tax (GST) recoverable	<u>55,111</u>	<u>56,632</u>
	<u><u>63,557</u></u>	<u><u>56,632</u></u>

7. Current assets - Other	Consolidated	
	2011	2010
	\$	\$
Deposits paid	<u>33,359</u>	<u>18,689</u>
Other Debtors	<u>100</u>	<u>21,179</u>
Prepayments	<u>39,944</u>	<u>32,714</u>
Loan - Kos Galtos	<u>-</u>	<u>11,625</u>
R & D Tax Offset	<u>-</u>	<u>308,865</u>
Loan - Coldry East Kalimantan	<u>17,054</u>	<u>17,054</u>
	<u><u>90,457</u></u>	<u><u>410,126</u></u>

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formerly Environmental Solutions International Limited)

Notes to Sections 3, 4 & 5.

	Consolidated	
	2011	2010
	\$	\$
8. Investments		
Investment - Coldry East Kalimantan Pty Ltd	1	1
Investment - Victoria Coldry Pty Ltd	1	1
	<u>2</u>	<u>2</u>

	Consolidated	
	2011	2010
	\$	\$
9. Non-current assets		
Property, Plant & Equipment		
Plant and equipment		
At cost	829,242	702,077
Less: Accumulated depreciation	(559,241)	(467,762)
	<u>270,001</u>	<u>234,315</u>

	Consolidated	
	2011	2010
	\$	\$
10. Intangible Assets		
Patents/Intellectual Property	9,600,000	9,600,000
Less: Amortisation	(960,000)	(480,000)
	<u>8,640,000</u>	<u>9,120,000</u>

	Consolidated	
	2011	2010
	\$	\$
11. Current liabilities - Payables		
Trade payables	201,614	224,627
Other payables	252,226	229,396
	<u>453,840</u>	<u>454,023</u>

	Consolidated	
	2011	2010
	\$	\$
12. Interest Bearing Liabilities		
Unsecured		
Convertible notes	293,489	-
	<u>293,489</u>	<u>-</u>

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited (formerly Environmental Solutions International Limited)

Notes to Sections 3, 4 & 5.

13. Current liabilities - Provisions	Consolidated	
	2011	2010
	\$	\$
Employee provisions	80,088	58,885
	<u>80,088</u>	<u>58,885</u>
14. Non Current Liabilities	Consolidated	
	2011	2010
	\$	\$
Earn Out Creditor	654,620	926,287
	<u>654,620</u>	<u>926,287</u>
15. Contributed equity	Consolidated	
	2011	2010
	\$	\$
Balance at the beginning of the year	43,228,522	37,716,486
Issue of shares by the Group	1,760,669	5,512,036
Balance at the end of the financial year	<u>44,989,191</u>	<u>43,228,522</u>
16. Other reserves	Consolidated	
	2011	2010
	\$	\$
Share option reserve		
Balance at the beginning of the year	433,497	427,497
Fair value of options issued during the year	(424,122)	6,000
Balance at the end of the financial year	<u>9,375</u>	<u>433,497</u>
Convertible note equity reserve		
Balance at the beginning of the year	-	767,849
Equity component of convertible notes issues	211,658	-
Transfer between reserves	-	(767,849)
Balance at the end of the financial year	<u>211,658</u>	<u>-</u>
Total other reserves	<u>221,033</u>	<u>433,497</u>

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formerly Environmental Solutions International Limited)

Notes to Sections 3, 4 & 5.

17. Accumulated losses	Consolidated	
	2011	2010
	\$	\$
Accumulated losses at the beginning of the financial year	(34,263,379)	(31,302,825)
Transfer between reserves	427,497	767,849
Net loss attributable to members of the Group	(3,121,709)	(3,728,403)
Accumulated losses at the end of the financial year	<u>(36,957,591)</u>	<u>(34,263,379)</u>

18. Reconciliation of operating loss after income tax to net cash inflow from operating activities

	Consolidated	
	2011	2010
	\$	\$
Operating loss after income tax	(3,121,709)	(3,728,403)
Depreciation and amortisation	571,479	594,506
Unwinding of Earnout	(271,667)	265,287
Change in operating assets and liabilities		
(Increase)/Decrease in deferred tax asset	-	-
(Increase)/Decrease in Trade debtors and receivables	312,744	(259,031)
(Decrease)/Increase in Trade creditors and accruals	70,837	113,043
Net cash outflow from operating activities	<u>(2,438,316)</u>	<u>(3,014,598)</u>

19. Segment reporting

The company operates within one business segment, being the research and development of dewatering and related technology, and in one geographic segment being Australia.

20. Contingent Asset

Environmental CleanTechnologies Limited's 2010 income tax return and research and development tax concession schedule has been lodged. The total claim (including the concession) is \$515,746.

The company has chosen to claim a refundable tax offset of \$188,782 instead of a deduction.

The above amount is subject to approval by the Australian Taxation Office.

21. Events Subsequent to Balance Date

The non-executive directors Dennis Brockenshire and John Hutchinson of ECT as at 30 June 2011 resigned on 4 and 5 July 2011 respectively and the Chairman, David Woodall, retired on 8 July 2011. Following the first two resignation Michael Davies joined the Board as a non-executive directors on 5 July 2011. Following Mr Woodall's resignation the company was suspended from official quotation from Friday, 8 July 2011 due to insufficient directors, however the appointment of Iain McEwin as a non-executive director on Monday, 11 July 2011 resulted in the company's securities being reinstated to official quotation on the same day. The Chief Executive, Kos Galtos resigned with effect on 15 August 2011 and as part of his resignation agreement the Company has agreed to issue 3.5 million fully paid ordinary shares to Mr Galtos on or about 16 February 2012. Following Mr Galtos' resignation Mr Davies was appointed Managing Director and Executive Chairman of ECT and Ashley Moore was appointed Chief Operating Officer and an Executive Director with both appointments being effective from 17 August 2011.

On 18th July 2011 ECT issued a US\$200,000 convertible note to La Jolla Cove, this being the final note to be issued under the funding agreement signed in October 2010 and taking total drawings to the US\$2,500,000 limit of the facility. Since 30 June 2011 conversions of outstanding convertible notes have occurred on occurred on 16th and 19th August 2011 resulting in 13,049,733 ordinary shares being issued to the note holder. As at the date of this report there are convertible notes outstanding have a face value of US\$646,055 (A\$596,112).

As at the date of this report ECT is finalising a prospectus for a non-renounceable rights issue to raise approximately \$3.8 million to fund the Datang test burn, complete stage one of the design for tender for the proposed production plant in the Latrobe Valley and support ongoing operations. The Company will offer approximately 634 million new shares at \$0.006 per new share to raise the \$3.8 million before expenses on the basis of 2 new shares for every 3 fully paid ordinary shares in ECT. Subscribers for new shares will receive 1 new free options (ESIO) for every 2 new shares issued. It is anticipated that the prospectus will be lodged with ASIC and ASX on 26th August 2011.

In order to further support ongoing operations ECT accepted an offer on 17 August 2011 from Menzies Securities Pty Ltd to place approximately 43.8 million fully paid ordinary shares at \$0.006 per share to raise \$262,500 from sophisticated investors. With each 2 new shares subscribed for, the investors receive one new listed option (ESIO) being a total of approximately 21.9 million new options.

It is ECT's intention to have its 2011 Annual General Meeting on Wednesday 16 November 2011 at 10:00 AM at a venue to be advised.

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formally Environmental Solutions International Limited)

- 6** *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.*

No payments made

- 7** *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

No plans approved

- 8** *A statement of retained earnings showing movements.*

See Statement of Changes in Equity

- 9** *Net tangible assets per security with the comparative figure for the previous corresponding period.*

Reporting Period	Cents	(0.04)
Previous Corresponding Period	Cents	0.04

- 10** *Details of entities over which control has been gained or lost during the period.*

- 10.1** *Name of the entity.*

ECT Fuels Pty Ltd

- 10.2** *The date of the gain or loss of control.*

9 February 2011

- 10.3** *Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.*

Not material

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formally Environmental Solutions International Limited)

11 Details of associates and joint venture entities including the following.

11.1 Name of the associate or joint venture entity.

Victoria Coldry Pty Ltd
Coldry East Kalimantan Pty Ltd

11.2 Details of the reporting entity's percentage holding in each of these entities.

Victoria Coldry Pty Ltd	50%
Coldry East Kalimantan Pty Ltd	50%

11.3 Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

Reporting Period	\$'000	N/A
Previous Corresponding Period	\$'000	N/A

12 Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

Refer to explanatory notes below

13 For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

Not applicable

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formerly Environmental Solutions International Limited)

- 14** *A commentary on the results for the period. The commentary must be sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of the following.*

- 14.1** *The earnings per security and the nature of any dilution aspects.*

	Consolidated	
	2011	2010
	Cents	Cents
Basic earnings per share	(0.38)	(0.54)
Diluted earnings per share	N/a	N/a
Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic earnings per share	815,622,259	693,336,238
Diluted Earnings per share		
Weighted average number of shares used as the denominator in calculating diluted earnings per share	(i)	(i)

- (i) Not materially different to basic earnings per share

- 14.2** *Returns to shareholders including distributions and buy backs.*

None made

- 14.3** *Significant features of operating performance.*

Refer to section 2.6

- 14.4** *The results of segments that are significant to an understanding of the business as a whole.*

The consolidated entity operated solely within the research and development of dewatering and related technology industry in Australia during the year.

- 14.5** *A discussion of trends in performance.*

Refer to section 2.6

Appendix 4E

Preliminary final report

Environmental Clean Technologies Limited

(formally Environmental Solutions International Limited)

- 14.6** *Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.*

Refer to section 2.6

- 15** *A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed*

This report is based on accounts that are in the process of being audited.

- 16** *If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.*

No change anticipated from the results reported.

- 17** *If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.*

No dispute or qualification known at the date of lodgement of this report.

JOHN OSBORNE
Company Secretary
26 August 2011
