
Environmental Clean Technologies signs deal to exploit large Indonesian coal resource

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Environmental Clean Technologies has signed a Heads of Agreement for the establishment of a Special Purpose Vehicle with Alexis Minerals International, to construct a plant for the production of 10 million tonnes per annum of Coldry over the next 30 years.

AMI holds rights for extensive low rank coal reserves in East Kalimantan, Indonesia. The reserves exhibit high levels of moisture and responded successfully to Coldry production trials and independent testing earlier this year.

Leslie Pereira director of AMI said that "We are very keen to explore the value adding opportunity Coldry technology represents. Coldry will allow us to improve the economic value associated with our coal reserves through dewatering, and provide a more competitive Black Coal Equivalent to address our target markets of neighbouring South East Asian countries such as China, India, Bangladesh, Thailand, Vietnam and the Philippines."

This agreement provides for ECT to contribute access to its Coldry intellectual property, plant designs and expertise, and for AMI to contribute sufficient coal reserves as well as a suitable plant location in Indonesia for the project.

Both parties will contribute sufficient resources to the SPV to commence the preparation on an Investment Memorandum to attract further investment to fund a formal feasibility study. The feasibility study is expected to be completed before the end of Q4 CY 2010.

(Sourced from www.miningcoal.com.au)

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