

2 December 2020

Additional \$3 million Share Placement Agreed

MELBOURNE, Australia – Co-Chairman, Robert Friedland, and Managing Director and CEO, Sam Riggall, of Clean TeQ Holdings Limited ('Clean TeQ' or 'Company') (ASX:CLQ; OTCQX:CTEQF) announce that the Company has agreed a private placement totalling 12,000,000 fully paid ordinary shares at an issue price of \$0.25 per share to raise proceeds of \$3 million ('Pengxin Placement') in conjunction with, and at the same price as, the approximately \$19 million placement announced on 25 November 2020 ('Placement'). The Pengxin Placement increases the total number of shares subscribed for under the Placement to 87,900,000 shares at \$0.25 per share for total proceeds of \$21.975 million.

The Pengxin Placement has been subscribed for by existing substantial shareholder Pengxin International Group Limited, an entity associated with Mr Jiang Zhaobai, Co-Chairman and Non-Executive Director of the Company. As Mr Jiang is a director of the Company, the Pengxin Placement is subject to shareholder approval at a meeting of shareholders to be held on or around 8 January 2021 and is scheduled to settle on or around 12 January 2021.

The Company is also conducting a Share Purchase Plan ('SPP') for eligible shareholders to apply for shares at the same price as the Placement. The SPP will allow Clean TeQ's approximately 7,000 eligible shareholders with a registered address in Australia or New Zealand the opportunity to subscribe for up to \$30,000 worth of new fully paid ordinary shares without paying any brokerage or other transaction costs. Shares will be issued under the SPP at \$0.25 per share, which represents a 16.3% discount to the volume weighted average market price of shares traded on ASX over the five trading days prior to and including 20 November 2020, being the last trading day prior to announcement of the SPP. Participation in the SPP is optional and shares issued under the SPP will be fully paid ordinary shares and will rank equally with existing shares.

The proceeds raised under the Placement and SPP are to be used as follows:

- Funding for the ongoing development and growth of our water purification business, including provision of initial working capital for its proposed spin out into a new stand-alone entity;

- Progressing our work in the research and development of graphene oxide membranes as part of the NematiQ joint venture;
- Permitting, land access, environmental monitoring and long-lead activities at our Sunrise Battery Materials Complex, while we continue to pursue a financing package for the project;
- Mineral exploration activities at our suite of tenements including the Phoenix Platinum Zone beneath the Sunrise laterite and the Minore Project near Dubbo, NSW; and,
- General corporate and working capital.

The indicative timetable¹ for the SPP is tabled below.

Record Date for SPP	7.00 pm (Melbourne time) 24 November 2020
Announcement of SPP	25 November 2020
SPP Offer opens	3 December 2020
SPP Offer closes	5.00 pm (Melbourne time) on 8 January 2021
Announcement of results of SPP	13 January 2021
New SPP offer shares issued and application for quotation on ASX lodged	19 January 2021
New SPP offer shares expected to commence trading on ASX	19 January 2021
Despatch of new holding statements	End of January 2021

Further details regarding the SPP will be made available to eligible shareholders in due course.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should seek appropriate professional advice before making any investment decision.

For more information, please contact:

Ben Stockdale, CFO and Investor Relations

+61 3 9797 6700

This announcement is authorised for release to the market by the Board of Directors of Clean TeQ Holdings Limited.

¹ This timetable is indicative only, and subject to change. Clean TeQ reserves the right to alter the above dates at its discretion, subject to the ASX Listing Rules and the Corporations Act.

For personal use only

About Clean TeQ Holdings Limited (ASX: CLQ) – Based in Melbourne, Australia, Clean TeQ is a global leader in metals recovery and industrial water treatment through the application of its proprietary Clean-iX[®] continuous ion exchange technology. For more information about Clean TeQ please visit the Company's website www.cleanteq.com.

About the Clean TeQ Sunrise Project – Clean TeQ is the 100% owner of the Clean TeQ Sunrise Project, located in New South Wales. Clean TeQ Sunrise is one of the largest cobalt deposits outside of Africa, and one of the largest and highest-grade accumulations of scandium ever discovered.

About Clean TeQ Water – Through its wholly owned subsidiary Clean TeQ Water, Clean TeQ is also providing innovative wastewater treatment solutions for removing hardness, desalination, nutrient removal and zero liquid discharge. The sectors of focus include municipal wastewater, surface water, industrial waste water and mining waste water. For more information about Clean TeQ Water please visit www.cleanteqwater.com.

For personal use only