Melbourne, 26th June, 2015

Clean TeQ Extends High Grade Scandium Zones at Syerston

Highlights:

- **34-Hole RC Drill Program extends existing high-grade scandium zones.**
- **New areas of high-grade scandium identified for further exploration.**
- **Results have identified shallow high-grade scandium zones for bulk sampling for upcoming large scale pilot plant program in Q3, 2015.**

Clean TeQ Holdings Limited (CLQ:ASX) is pleased to announce the assay results of a drill program completed in May 2015 at the Syerston Scandium Project in New South Wales. The 34-hole reverse circulation (RC) drill program confirms the extension of the high grade scandium zones identified in a 2014 drill program and historical drilling completed during the initial assessment of the deposit in the 1990's. Best Intersections from the drilling program include:

- **Hole SRC1302 20m @ 690ppm (0 to 20m) inc: 2m @ 1090ppm Sc (12-14m)**
- **Hole SRC1305 20m @ 590ppm (2 to 22m) inc: 2m @ 1020ppm Sc (12-14m)**
- **Hole SRC1306 16m @ 650ppm (2 to 18m) inc: 2m @ 1050ppm Sc (14-16m)**
- **Hole SRC1310 12m @ 640ppm (8 to 20m) inc: 2m @ 1100ppm Sc (14-16m)**
  (Calculated with 300ppm cut-off – Borate Fusion Sc analysis)

The highest grade scandium results to date have been discovered in this program, and a number of very shallow (within 16m of surface) high-grade scandium zones defined. The drilling program investigated the extent of the scandium mineralisation identified by historical drilling and tested new areas prospective for scandium. The program also identified suitable zones to allow a bulk sample for a large-scale pilot plant program. This program is due for operation in Q3 this year.

Additional in-fill drilling is planned for later in the year, with results being used for an updated scandium mineral resource. The updated resource will then be used as the basis for a Feasibility Study, also planned to commence later in the year.

The General Manager of Clean TeQ Metals, Mr John Carr, commented: "*The recent drill results confirm that the Syerston project hosts some of the highest naturally occurring grades of scandium mineralisation in the world. Combined with our recent Scoping Study results and key infrastructure and approvals in place, Syerston is ideally placed to allow fast-track development of the world's first primary mine for scandium*."

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Review of Syerston May 2015 Drill Program

In May Clean TeQ completed a 34-hole shallow vertical reverse circulation (RC) drill program in the vicinity of the old Syerston homestead and the 2014 drill program previously reported. A total of 944m was drilled. The area is on the North West edge of the Tout Ultramafic Complex (Figure 1). The scandium is hosted in soft shallow laterites developed over ultramafic geology.

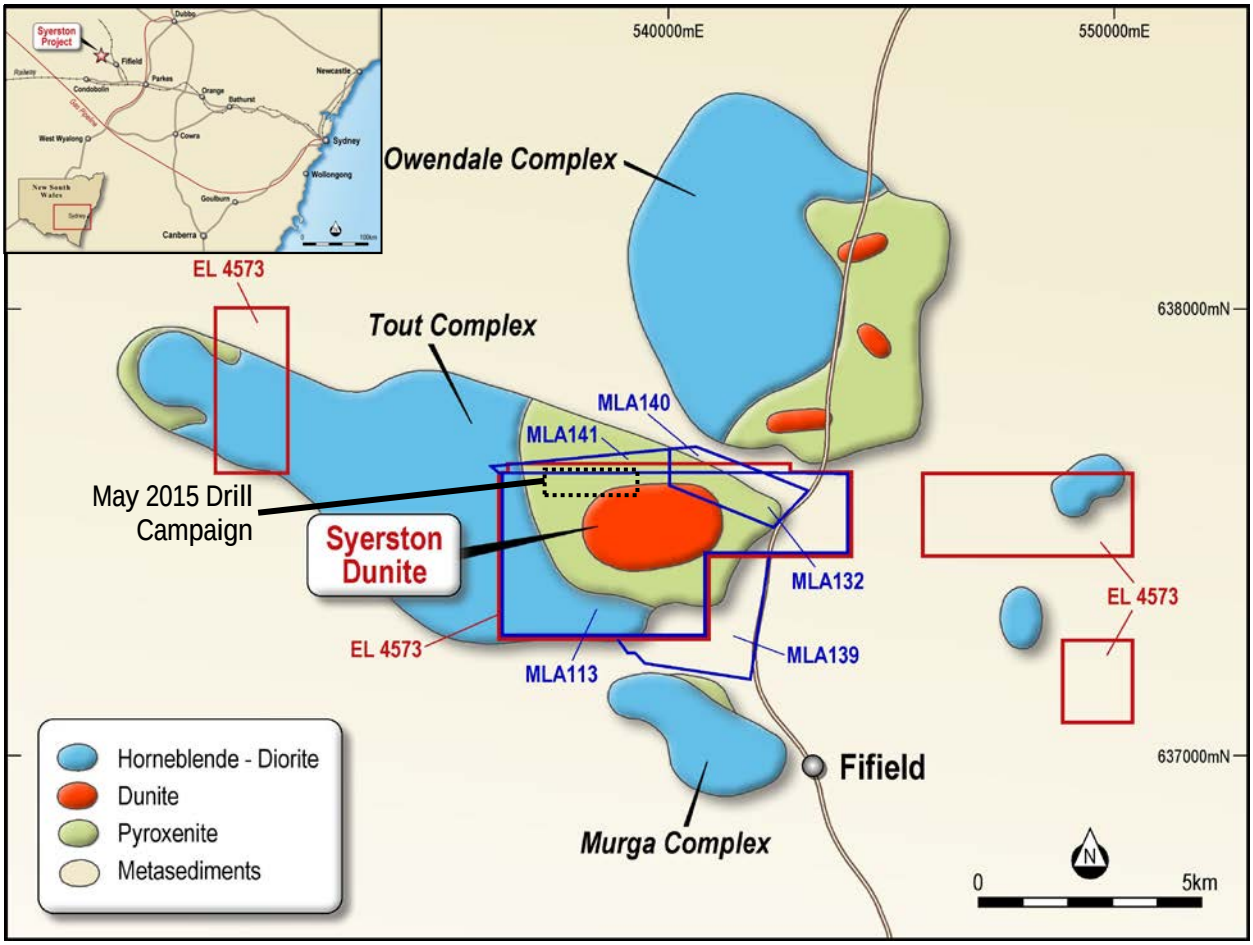

***Figure 1: Location of the Syerston Exploration Licence and Mining Licence Applications in the Fifield District (*The May 2015 drilling is located on the northern edge of the Syerston Deposit, indicated by the dotted line.)**

A number of historical (1995-2000) holes were re-drilled in this program to add additional data to the historical drill-hole database for the area. Scandium has been confirmed in these holes and at grades and thickness well correlated to the historical drilling results. A number of new holes were also targeted to extend and also detail/infill the exceptional scandium results from the 2014 drill program. Assays for scandium returned significant results in thirty of the thirty four holes drilled in the program.

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As demonstrated in the 2014 program, the scandium levels are high and quite shallow and are primarily contained in the laterite developed over ultramafic rocks. The laterite also contains significant nickel and cobalt mineralisation, which was the focus of previous development studies.

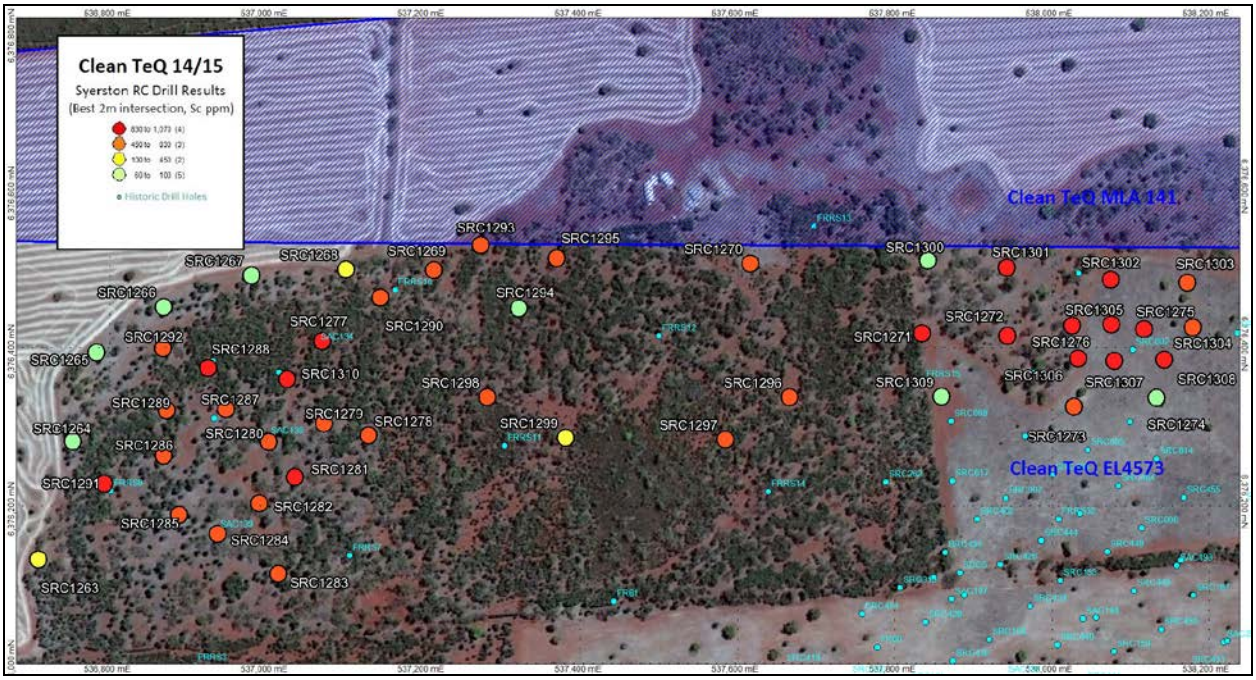

Figure 2: Syerston 2014 and 2015 completed holes (large dots) and historic holes (light blue dots)

The scandium results from a selection of the May 2015 holes are tabled below. Intersections have been calculated using a 300ppm cut-off with no internal dilution, utilising two separate assay methods. Some higher grade individual intersections have been averaged out in these results; however a number of significant higher grade zones are also noted.

- **SRC1277 - 08m @ 618ppm Sc (04 to 12m) inc. 2m @ 832ppm Sc (Analytical Method - Borate Fusion)**
  or - 08m @ 506ppm Sc (04 to 12m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1279 - 12m @ 573ppm Sc (10 to 22m) inc. 2m @ 802ppm Sc (Analytical Method - Borate Fusion)**
  or - 10m @ 489ppm Sc (12 to 22m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1280 - 14m @ 556ppm Sc (14 to 28m) inc. 2m @ 674ppm Sc (Analytical Method - Borate Fusion)**
  or - 10m @ 503ppm Sc (18 to 28m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1281 - 14m @ 593ppm Sc (16 to 30m) inc. 4m @ 859ppm Sc (Analytical Method - Borate Fusion)**
  or - 10m @ 548ppm Sc (20 to 30m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1284 - 26m @ 500ppm Sc (10 to 36m) inc. 2m @ 601ppm Sc (Analytical Method - Borate Fusion)**

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or - 18m @ 411ppm Sc (18 to 36m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1288 - 08m @ 772ppm Sc (06 to 14m) inc. 6m @ 845ppm Sc (Analytical Method - Borate Fusion)**
  or - 06m @ 577ppm Sc (08 to 14m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1290 - 18m @ 593ppm Sc (00 to 18m) inc. 4m @ 751ppm Sc (Analytical Method - Borate Fusion)**
  or - 18m @ 513ppm Sc (00 to 18m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1291 - 16m @ 649ppm Sc (02 to 18m) inc. 6m @ 865ppm Sc (Analytical Method - Borate Fusion)**
  or - 16m @ 516ppm Sc (08 to 14m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1296 - 14m @ 583ppm Sc (00 to 14m) inc. 6m @ 845ppm Sc (Analytical Method - Borate Fusion)**
  or - 14m @ 458ppm Sc (00 to 14m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1302 - 20m @ 690ppm Sc (00 to 20m) inc. 8m @ 922ppm Sc (Analytical Method - Borate Fusion)**
  or - 18m @ 621ppm Sc (02 to 20m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1304 - 16m @ 565ppm Sc (06 to 22m) inc. 2m @ 718ppm Sc (Analytical Method - Borate Fusion)**
  or - 12m @ 496ppm Sc (10 to 22m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1305 - 20m @ 590ppm Sc (02 to 22m) inc. 6m @ 884ppm Sc (Analytical Method - Borate Fusion)**
  or - 14m @ 518ppm Sc (08 to 22m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1306 - 16m @ 650ppm Sc (02 to 18m) inc. 2m @ 1050ppm Sc (Analytical Method - Borate Fusion)**
  or - 04m @ 544ppm Sc (12 to 16m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1307 - 14m @ 643ppm Sc (00 to 14m) inc. 2m @ 978ppm Sc (Analytical Method - Borate Fusion)**
  or - 14m @ 492ppm Sc (00 to 14m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1310 - 12m @ 640ppm Sc (08 to 20m) inc. 2m @ 1100ppm Sc (Analytical Method - Borate Fusion)**
  or - 06m @ 627ppm Sc (12 to 18m) (Analytical Method - 4 Acid ICP-MS)

Drilling Procedures, Sampling, Analysis, Quality Control/Quality Assurance (QA/QC)

A URD 650 drill rig was used for the reverse circulation (RC) drill program provided by Drillit Drillers who operate from nearby town of Parkes.

Figure 3: Drill rig on site at Syerston

Two meter samples were collected using a riffle splitter on the drill rig then sent to ALS in Brisbane via preparation lab in Orange to be assayed using both ICP-MS and Borate Fusion analytical techniques. Both Techniques were used to assess any differences in the scandium results for future reference and to assist with interpretation of historical drill results. One fully certified scandium standard and two identical duplicates per hole were also assayed for QA-QC purposes.

Figure 4: Hole SRC1310 chip tray showing 1m intervals through laterite profile, ending in basement ultramafic

Initial examination of QA/QC results did not indicate any significant problems with assaying; however, there were slight differences in the reported scandium levels between the ICP-MS and Borate Fusion analytical techniques, with the ICP-MS giving slightly lower results.

Table 1: Syerston May 2015 Drill Program Summary Hole Information

Hole ID	E – GDA94	N – GDA94	RL (m)	DIP	AZIMUTH	EOH	Drill Date
SRC1277	537071	6376410	311	90	0	34	30/04/2015
SRC1278	537130	6376290	305	90	0	28	30/04/2015
SRC1279	537073	6376305	306	90	0	28	1/05/2015
SRC1280	537003	6376282	307	90	0	30	1/05/2015
SRC1281	537036	6376237	305	90	0	34	1/05/2015
SRC1282	536991	6376205	306	90	0	50	1/05/2015
SRC1283	537015	6376115	303	90	0	52	3/05/2015
SRC1284	536937	6376165	306	90	0	46	3/05/2015
SRC1285	536889	6376190	308	90	0	28	3/05/2015
SRC1286	536869	6376265	312	90	0	18	3/05/2015
SRC1287	536948	6376324	310	90	0	28	3/05/2015
SRC1288	536926	6376376	313	90	0	20	4/05/2015
SRC1289	536872	6376322	313	90	0	16	4/05/2015
SRC1290	537145	6376465	312	90	0	22	4/05/2015
SRC1291	536793	6376229	314	90	0	22	4/05/2015
SRC1292	536868	6376401	310	90	0	10	4/05/2015
SRC1293	537273	6376532	313	90	0	18	4/05/2015
SRC1294	537321	6376452	313	90	0	40	4/05/2015
SRC1295	537370	6376515	316	90	0	34	5/05/2015
SRC1296	537666	6376339	310	90	0	34	5/05/2015
SRC1297	537584	6376285	307	90	0	16	5/05/2015
SRC1298	537281	6376339	309	90	0	40	5/05/2015
SRC1299	537380	6376287	307	90	0	28	5/05/2015
SRC1300	537842	6376512	308	90	0	24	5/05/2015
SRC1301	537943	6376503	308	90	0	38	6/05/2015
SRC1302	538075	6376488	310	90	0	24	6/05/2015
SRC1303	538173	6376484	307	90	0	16	6/05/2015
SRC1304	538180	6376428	306	90	0	34	6/05/2015
SRC1305	538076	6376431	310	90	0	28	6/05/2015

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Hole ID	E – GDA94	N – GDA94	RL (m)	DIP	AZIMUTH	EOH	Drill Date
SRC1306	538034	6376388	310	90	0	22	6/05/2015
SRC1307	538080	6376385	309	90	0	16	6/05/2015
SRC1308	538144	6376386	307	90	0	28	6/05/2015
SRC1309	537859	6376340	306	90	0	10	7/05/2015
SRC1310	537026	6376361	310	90	0	28	7/05/2015

An internal evaluation was completed in 2014 to compare the ICP-MS analysis method with the lithium borate fusion method. This indicated that in many instances, particularly for higher grade scandium, the 4-acid digestion method was under reporting the scandium relative to the lithium borate fusion results. Clean TeQ's previous resource statement was reported on ICP-MS assay results. Therefore, for the assays reported in this announcement, the Company considers it prudent to include results from both assay processes. The assay processes do not, of themselves, provide conclusive data concerning the ultimate recoverability of contained scandium in the resource, and hence this will be a focus of the upcoming piloting program.

For more information about Clean TeQ contact:
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About Clean TeQ Holdings Limited (ASX: CLQ) – Based in Melbourne, Clean TeQ, using its proprietary Clean-iX® continuous ion exchange technology, is a world leader in resource recovery and industrial water treatment. Clean TeQ Metals Pty Ltd has been established as Clean TeQ's wholly owned subsidiary to build a metal recovery business through securing and developing projects which significantly benefit from Clean TeQ's unique hydrometallurgical processing capability.

For more information about Clean TeQ please visit the Company's website at www.cleanteq.com.

About The Syerston Scandium Project – Clean TeQ owns the Syerston Scandium Project, located in New South Wales, the Syerston Project is one of the largest and highest grade scandium deposits in the world. A scoping study was recently completed and more details can be found the ASX announcement dated 25 May 2015.

For more information about Syerston please visit www.cleanteq.com/metals/syerston-scandium/.

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Andrew Johnstone has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Andrew Johnstone, who is a consultant to the Company, consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This release may contain forward-looking statements. The actual results could differ materially from a conclusion, forecast or projection in the forward-looking information. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information.

Appendix 1: JORC 2012 edition – Table 1 Report for Syerston Scandium Project – May 2015 Reverse Circulation (RC) Drill Program – 34 Holes

Section 1	Sampling Techniques and Data
Sampling Techniques	2m composite samples were collected from a riffle splitter attached to a cyclone on the drill rig. The 2m composites were collected into individual numbered calico bags which delivered directly from site to ALS labs in Orange for preparation and geochemical analysis. Every 1m of material expelled by the drill rig was collected via a cyclone and placed in large plastic sample bags also individually numbered. These bags are currently stored onsite at each hole location for future use/reference. Two Duplicate samples were collected from bagged one meter intervals. Meters 4 to 5 and 5 to 6 were samples using a spear and then combined to form a composite matching that collected from the riffle splitter for the same combined interval. 2 identical duplicates were collected to ensure consistency of spearing the material. In addition a (one) Certified Standard was also added to the samples for each hole. The standard was sourced Ore Research Exploration based in Melbourne, The standard is coded as ORES45e and a complete certified analysis of the standard is available from their web site. http://www.ore.com.au/
Drilling techniques	A UDR650 Reverse Circulation drill rig was used to conduct the drilling. Nominal 5.5" diameter sampling hammer was used to minimize risk of sample contamination. Samples were collected using a cyclone and riffle splitter connected directly to the drill rig.
Drill sample recovery	Sample recovery was constantly monitored; no samples were weighed however consistent size/volume of material was monitored from the cyclone and the riffle splitter.
Logging	Logging took place by taking a speared sample from each 1m bag of drill chips collected from the cyclone. This material was then placed in a sieve and washed to remove dust and fine particles, leaving residual coarse chips for logging. A sample of these chips was then collected to represent each one meter and placed in a chip tray. Visual logging of the material employed a methodology focused on identifying laterite lithology and basement geology where intersected: lithology, weathering, alteration, veining and structure were all recorded.
Subsampling techniques and sample preparation	Samples were delivered to ALS in Orange for sample preparation/grinding/pulverization to produce homogeneous material/subsamples for transfer to ALS in Brisbane for analysis.
Quality of assay data and laboratory tests	Quality of assay data has been assessed by examining both results from Standard ORES45e and duplicates. ALS Laboratories also has its own internal QA/QC procedures. All ALS Geochemistry laboratories in Australia are certified to ISO 9001:2008 and our Brisbane laboratory holds NATA technical accreditation to ISO 17025:2005. In addition assessment of the principal target mineral was done via 2 different analytical methods. Both Borate Fusion and 4 acid digest ICP-MS techniques were used. This has also provided additional comparative data to assess the performance of the Laboratories.

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Section 1	Sampling Techniques and Data
Verification of sampling and assaying	Use of an independent standard and duplicates enable verification of both analysis and sample acquisition via a riffle splitter. By offering know accurate geochemical results to compare to ALS/Laboratory results. And alternative sampling method to compare sample collected from Riffle splitter on the drill rig.
Location of data points	A modern Garmin Oregon hand held GPS was used to locate drill holes. All holes were surveyed using a differential GPS after completion by a Registered Surveyor from Geolyse Pty Ltd, Orange NSW.
Data spacing and distribution	The location and distribution of the May 2015 RC drill program was largely orientated along the northern boundary of EL 4573 at a variable spacing to target historic 1990's drilling and infill and extend 2014 drilling. The location of the drill holes was restricted to known farm tracks, open pasture and in lightly vegetated scrub land.
Orientation of data in relation to geological structure	The Laterite soil being targeted has developed over an ultramafic intrusion. This intrusion has intruded into the surround geology as a pipe/plug like body. The orientation of the drilling is approximately along an east west axis in the vicinity of the northern boundary of the ultramafic body.
Sample security	Sample were collected and then immediately delivered to ALS Laboratories in Orange by Ivanplats supervising geologist. Submission forms and accurate labelling of sampling bag should ensure no errors are introduced into the analysis of samples. Residual pulps from preparation of samples at ALS have been retained by at ALS so to enable further QA/QC to take place if required.
Audits or reviews	No audits or reviews have taken place.

Section 2	Reporting of Exploration Results
Mineral tenement and land tenure status	Clean TeQ acquired a 100% interest in the holding company for the Syerston Mining Licence Applications and Exploration Licence in March 2015. Further information on the agreement can be found in the ASX releases by Clean TeQ (ASX:CLQ). All licenses are in good standing with government departments with rents paid up to date and annual reports current.
Exploration done by other parties	PGM mineralisation has been known about for many years with pioneers mining alluvial PGE minerals at nearby Fifield as early as 1920's. At Syerston Exploration begun in 1986 for PGMs, However drilling showed considerable Ni-Co mineralisation, which became the focus of exploration and development for the next 25 years. Extensive drilling and development to date: – 2000: Black Range Minerals completed a feasibility study for Ni/Co, including 732 RC drill holes and 9 bulk met samples. – 2005: Ivanhoe Mines completed another feasibility study for Ni/Co after acquiring the project from Black Range, including an additional 175 RC drill holes for 6,748m.

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Section 2	Reporting of Exploration Results
	Clean TeQ has access to all the historic data, and in addition has access to original samples collected from drilling by Ivanplats and Black Range.
Geology	The Syerston scandium mineralisation is hosted within a lateritic soil profile developed from weathering and seasonal water table movements over the Tout Ultramafic Complex. The Complex has a dunite core at the centre with outer more mafic units including pyroxenite surrounding. Historically, no focus was given to scandium at Syerston; however recent work by other companies and Ivanplats has shown the scandium grades are very high by global standards. Neighbouring EL's also covering the Tout Ultramafics have recently (2014) delivered Laterite Scandium resources of with grades of approximately 400ppm Sc.
Drill hole information	This Release relates to May 2015 Drill program of 34 RC holes. Basic hole location information is provided in the release and a selection of the best scandium intersections has also been reported along with a Plan map showing the hole locations over geo-located aerial photogrammetry. Many elements were assessed through analysis by ALS labs for every 2m composite collected. However that data is not reported in this release.
Data aggregation methods	Principally Excel and MAPINFO have been used to assess and integrate data.
Relationship between mineralisation widths and intercept lengths	Shallow Vertical Drilling was undertaken at Syerston. Little or no deviation from vertical is expected when drilling soft laterite soils using a large Reverse Cycle Drill Rig. In addition laterites are generally horizontal in nature. There for it could be assumed that the intersections from the drilling represent a true with of mineralisation.
Diagrams	A plan of the drill holes is show in Figure 2. The colour of the dots representing the location of each hole represents the best 2m composite Scandium value in parts per million from the Borate Fusion analysis carried out by ALS labs in Brisbane.
Balanced reporting	Clean TeQ will endeavour to produce balanced reports which reflect and accurately report the results obtained from exploration carried out. Any external information included in reports will be adequately referenced to allow scrutiny.
Other substantive exploration data	Detailed Geophysical data (magnetic and gravity) Detailed Satellite Data, Detailed topography data, Detailed 3d geochemical database from historical drilling, and detailed surface geology is available for the Syerston Project in line with a project that had been through 2 full feasibility studies and development consent. This collective information/data is available to Clean TeQ to exploit and is independently validated and certified.
Further work - 4573	The May 2015 drilling has shown significant Scandium is present in 30 of the 34 of the drill holes completed. The results have given enough encouragement to warrant the collection of a Bulk Sample.

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Section 2	Reporting of Exploration Results
	It is hoped that the May 2015 drilling can be integrated with the August 2014 drilling and historic drilling results to produce a refined scandium resource for the area. A scandium resource has recently been compiled and released to the ASX based on only the historic drilling. Additional drilling may be required to ensure an adequate density and quality of drilling/sampling/analysis are present to support a higher category JORC resource calculation. And if required, this drilling may take place in late 2015.

Tenements/Licences – Syerston Project New South Wales, Australia

Licence No.	Application Date	Grant	Interest	Location
EL4573	--	Yes	100%	North North West of Fifield, Central New South Wales
MLA141	10 Dec 1999	pending	100%	North North West of Fifield, Central New South Wales
MLA140	10 Dec 1999	pending	100%	North North West of Fifield, Central New South Wales
MLA139	10 Dec 1999	pending	100%	North North West of Fifield, Central New South Wales
MLA113	10 Aug 1998	pending	100%	North North West of Fifield, Central New South Wales
MLA132	20 Sept 1999	pending	100%	North North West of Fifield, Central New South Wales
MLA162	27 Sept 2000	pending	100%	North North West of Fifield, Central New South Wales

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