

Melbourne, 14 March 2014

## **Cleansing Statement in accordance with Section 708A of the Corporations Act 2001**

This notice is given by Clean TeQ Holdings Limited (**Company**) under Section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company hereby confirms that:

- (a) it has issued 37,032,755 fully paid ordinary shares (**Shares**) at an issue price of \$0.05 (5.0 cents) per Share.
- (b) the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (c) the Company is providing this notice under paragraph 5(e) of section 708A of the Corporations Act;
- (d) as at the date of this notice the Company, as a disclosing entity under the Corporations Act, has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - (ii) section 674 of the Corporations Act as it applies to the Company; and
- (e) as at the date of this announcement, there is no excluded information of the type referred to in Sections 708A(7) and 708A(8) of the Corporations Act.

### **For more information:**

|                                   |                |
|-----------------------------------|----------------|
| Cory Williams, CEO                | +613 9797 6700 |
| Melanie Leydin, Company Secretary | +613 9797 6700 |

### **About Clean TeQ Holdings Limited (ASX: CLQ)**

Clean TeQ (ASX: CLQ) is a world leader in water treatment and resource recovery technology and the Australian leader in biological air purification. Clean TeQ develops technologies in-house and partners with leading technology suppliers worldwide.

The Company offers a range of business models to potential clients including licensing our technology, building and commissioning complete installations (both transportable and fixed), and building and operating installations in joint ventures, in return for a share of revenues generated through resources recovered. Clean TeQ will also acquire mining assets where its technologies can make exploitation of uneconomic ore bodies or re-processing of tailings profitable.

For more information about Clean TeQ please visit the Company's website at [www.cleanteq.com](http://www.cleanteq.com).

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Clean TeQ Holdings Limited

ABN

34 127 457 916

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                            |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued   | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 37,032,755                 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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|    |   |  |
|----|---|--|
| 4  | <p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | <p>Yes</p>   |
| 5  | <p>Issue price or consideration</p>   | <p>\$0.05 (5.0 cents) per share</p>  |
| 6  | <p>Purpose of the issue<br/>         (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>  | <p>The shares issued will strengthen the Company's balance sheet and fund the delivery of the Company's pipeline of new projects and working capital requirements.</p> |
| 6a | <p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>   | <p>Yes</p>   |
| 6b | <p>The date the security holder resolution under rule 7.1A was passed</p>   | <p>21 November 2013</p>  |
| 6c | <p>Number of <sup>+</sup>securities issued without security holder approval under rule 7.1</p>  | <p>22,240,086 fully paid ordinary shares</p>   |
| 6d | <p>Number of <sup>+</sup>securities issued with security holder approval under rule 7.1A</p>  | <p>14,792,669 fully paid ordinary shares</p>   |
| 6e | <p>Number of <sup>+</sup>securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>   | <p>N/A</p>   |

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

|    |  |  |  |
|----|--|--|--|
| 6f | Number of securities issued under an exception in rule 7.2   | N/A  |  |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | The 15 day VWAP as calculated under rule 7.1A.3 and price of at least 75% was \$0.05 (5.0 cents) per share. The shares have been issued on 14 March 2014. The calculation of the 15 day VWAP was carried out by the Company. |  |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements  | The shares have been issued for cash.  |  |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements   | LR 7.1<br>LR 7.1A<br>TOTAL   | Nil<br><u>143,058</u><br>143,058   |
| 7  | Dates of entering <sup>+</sup> securities into uncertificated holdings or despatch of certificates   | 14 March 2014  |  |
| 8  | Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX ( <i>including</i> the securities in section 2 if applicable)   | Number   | <sup>+</sup> Class   |
|    |  | 186,553,530  | Ordinary fully paid shares   |
| 9  | Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX ( <i>including</i> the securities in section 2 if applicable)   | 8,540,000<br><br>18,406,116<br><br>17,317,866<br><br>5,000,000   | Options over ordinary shares<br><br>Convertible Notes with a face value \$0.10 and maturity date of 20 May 2016 with interest payable at a rate of 10% p.a.<br><br>Convertible Notes with a face value \$0.10 and maturity date of 1 August 2016 with interest payable at a rate of 10% p.a.<br><br>Convertible Notes with a face value \$0.10 and maturity date of 20 November 2015 with interest payable at a rate of 10% p.a. |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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|----|--|-----|--|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A |  |
|----|--|-----|--|

**Part 2 - Bonus issue or pro rata issue**

|    |   |     |  |
|----|---|-----|--|
| 11 | Is security holder approval required?   | N/A |  |
| 12 | Is the issue renounceable or non-renounceable?  | N/A |  |
| 13 | Ratio in which the +securities will be offered  | N/A |  |
| 14 | +Class of +securities to which the offer relates  | N/A |  |
| 15 | +Record date to determine entitlements  | N/A |  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?  | N/A |  |
| 17 | Policy for deciding entitlements in relation to fractions   | N/A |  |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> | N/A |  |
| 19 | Closing date for receipt of acceptances or renunciations  | N/A |  |
| 20 | Names of any underwriters   | N/A |  |
| 21 | Amount of any underwriting fee or commission  | N/A |  |

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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|    |   |     |
|----|---|-----|
| 22 | Names of any brokers to the issue   | N/A |
| 23 | Fee or commission payable to the broker to the issue  | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders                             | N/A |
| 25 | If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting  | N/A |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled  | N/A |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable)  | N/A |
| 29 | Date rights trading will end (if applicable)  | N/A |
| 30 | How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?   | N/A |
| 31 | How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?                                    | N/A |
| 32 | How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?   | N/A |
| 33 | <sup>+</sup> Despatch date  | N/A |

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<sup>+</sup> See chapter 19 for defined terms.

### **Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### **Entities that have ticked box 34(a)**

#### **Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of securities for which  
+quotation is sought 

|  |
|--|
|  |
|--|

39 Class of +securities for which  
quotation is sought 

|  |
|--|
|  |
|--|

40 Do the +securities rank equally in all  
respects from the date of allotment  
with an existing +class of quoted  
+securities?

If the additional securities do not  
rank equally, please state:

- the date from which they do
- the extent to which they  
participate for the next dividend,  
(in the case of a trust,  
distribution) or interest payment
- the extent to which they do not  
rank equally, other than in  
relation to the next dividend,  
distribution or interest payment

|  |
|--|
|  |
|--|

41 Reason for request for quotation  
now

Example: In the case of restricted securities, end of  
restriction period

(if issued upon conversion of  
another security, clearly identify that  
other security)

|  |
|--|
|  |
|--|

|   | Number | +Class |
|---|--------|--------|
| 42 Number and +class of all +securities<br>quoted on ASX (including the<br>securities in clause 38) |        |        |

+ See chapter 19 for defined terms.



**Appendix 3B**  
**New issue announcement**

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**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

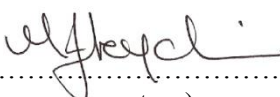
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here

  
.....  
(Company secretary)

Date: 14 March 2014

Print name: Melanie Leydin

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

#### Part 1

| <b>Rule 7.1 – Issues exceeding 15% of capital</b>   |                             |
|---|-----------------------------|
| <b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>   |                             |
| <b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue  | 143,793,514                 |
| <b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul> | 5,563,757 – 8 November 2013 |
| <b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period  | -                           |
| <b>“A”</b>  | 149,357,271                 |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

|   |   |
|---|---|
| <b>Step 2: Calculate 15% of “A”</b>   |   |
| “B”   | 0.15<br><i>[Note: this value cannot be changed]</i>                           |
| <b>Multiply</b> “A” by 0.15   | 22,403,590  |
| <b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>  |   |
| <p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul> | <p>163,504 – 5 November 2013<br/> 22,240,086 – 14 March 2014</p>              |
| “C”   | <b>22,403,590</b>   |
| <b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>   |   |
| “A” x 0.15<br><i>Note: number must be same as shown in Step 2</i>   | 22,403,590  |
| <b>Subtract</b> “C”<br><i>Note: number must be same as shown in Step 3</i>  | 22,403,590  |
| <b>Total</b> [“A” x 0.15] – “C”   | Nil<br><i>[Note: this is the remaining placement capacity under rule 7.1]</i> |

+ See chapter 19 for defined terms.

## Part 2

| <b>Rule 7.1A – Additional placement capacity for eligible entities</b>  |   |
|---|---|
| <b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>   |   |
| <b>“A”</b><br><i>Note: number must be same as shown in Step 1 of Part 1</i>   | 149,357,271                                       |
| <b>Step 2: Calculate 10% of “A”</b>   |   |
| <b>“D”</b>  | 0.10<br><i>Note: this value cannot be changed</i> |
| <b>Multiply “A” by 0.10</b>   | 14,935,727  |
| <b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>   |   |
| <b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A<br><br><i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul> | 14,792,669 – 14 March 2014                        |
| <b>“E”</b>  | 14,792,669  |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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| <b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b> |  |
|--|--|
| “A” x 0.10<br><i>Note: number must be same as shown in Step 2</i>                                      | 14,935,727   |
| <b>Subtract</b> “E”<br><i>Note: number must be same as shown in Step 3</i>                             | 14,792,669   |
| <b>Total</b> [“A” x 0.10] – “E”  | 143,058<br><i>Note: this is the remaining placement capacity under rule 7.1A</i> |

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+ See chapter 19 for defined terms.