

Melbourne, 8th December, 2014

Clean TeQ Confirms High Scandium Grades at Syerston

Highlights:

- **August 2014 drilling confirms exceptional scandium mineralisation at Syerston in central New South Wales.**
- **Results and historical data to underpin further work aimed to deliver a maiden scandium resource in coming months.**

Clean TeQ Holdings Limited (CLQ:ASX) is pleased to announce that assessment of recent drilling by Ivanplats Syerston Pty Ltd (“Ivanplats”), completed in August 2014, has revealed exceptional scandium grades in an number of drill holes at the northern section of its exploration license.

The new drill data along with historical Ivanplats drilling is currently being assessed to determine what additional work, including new drilling, may be required to produce a scandium resource at Syerston.

In August 2014 Ivanplats Syerston Pty Ltd completed a 14 hole shallow vertical reverse circulation drill program in the vicinity of the old Syerston homestead. The area is south trending from neighbouring licenses on which high scandium grades were previously reported. Best Intersections from the Ivanplats August 2014 drilling program include:

- **Hole SRC1272 20m @ 606ppm (6 to 26m) inc: 4m @ 921ppm Sc**
- **Hole SRC1275 16m @ 541ppm (6 to 22m) inc: 4m @ 922ppm Sc**
- **Hole SRC1276 16m @ 605ppm (2 to 18m) inc: 4m @ 928ppm Sc (and/or 2m @ 1070ppm Sc)**
(Calculated with 300ppm cut-off – Borate Fusion Sc analysis)

The scandium levels are considered very high and are quite shallow, being primarily contained in a laterite soil developed over ultramafic rocks. The laterite also contains significant nickel and cobalt mineralisation, which has been the primary focus of previous development studies.

The head of Clean TeQ Metals division, Mr John Carr, commented: *“The drill results confirm that the Syerston project is a rare geological anomaly, hosting some of the highest naturally occurring grades of scandium mineralisation in the world. As a rare earth mineral with significant functional properties for the next generation of light weight industrial alloys and fuels cells, our focus will be to apply Clean TeQ’s intellectual property and extensive experience in hydrometallurgical extraction of scandium to build a long-term and stable source of mineable scandium.”*

As announced on 24 November 2014, Clean TeQ has agreed to acquire the Syerston Project from a wholly owned subsidiary of Ivanhoe Mines Ltd (TSX: IVN). The acquisition remains subject to a number of conditions precedent, including government approval for the transfer and Clean TeQ shareholder approval. The acquisition is a significant first step in implementing the Board's strategy to build Clean TeQ's metal recovery business by identifying and securing projects which are able to benefit significantly from Clean TeQ's unique hydrometallurgical processing capability.

This recent data will be combined with extensive historic drill data from Ivanplats and Black Range Minerals to outline an in-fill drilling program and to establish a maiden scandium resource early in 2015.

Review of Syerston August 2014 Drill Program

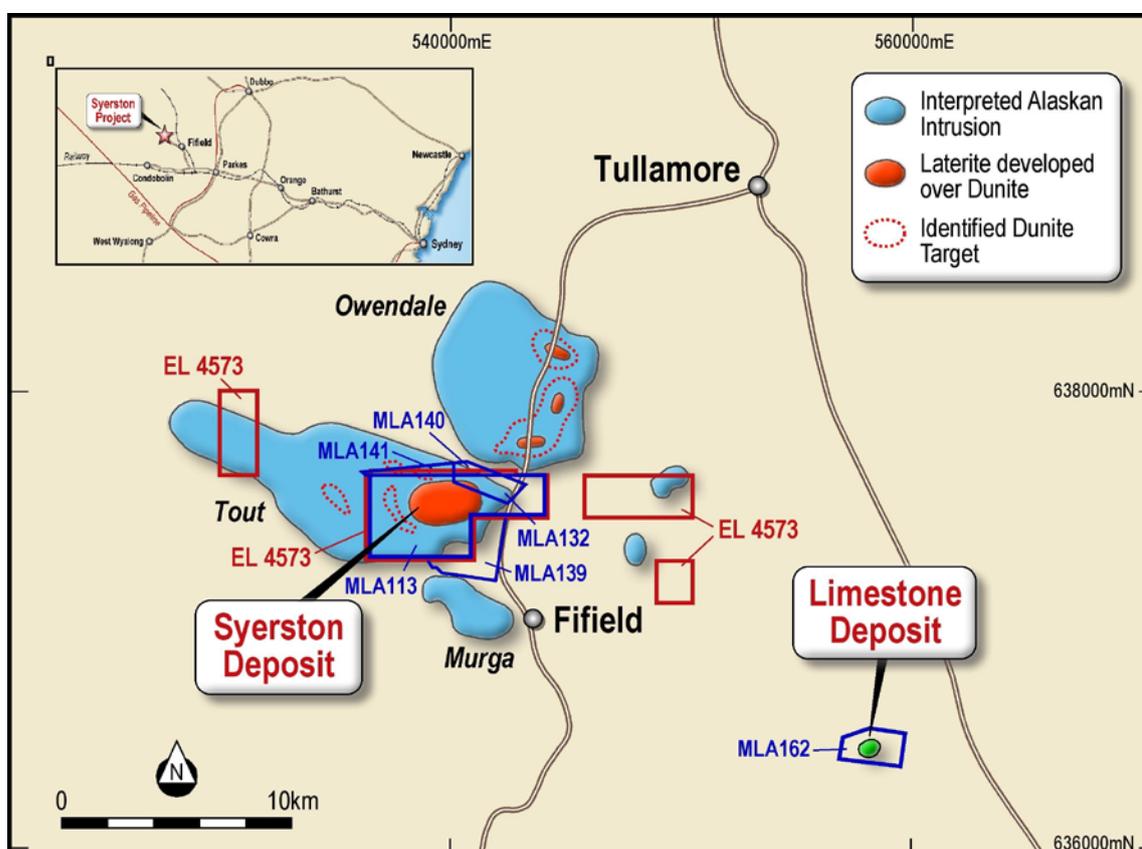


Figure 1: Location of the Syerston Exploration License and Mining License Applications in the Fifield District. The August 2014 drilling is located on the northern edge of the labelled Syerston Deposit.

Ivanplats completed a 14 hole shallow RC drill program on the Syerston Project in early August 2014, targeting laterites developed over ultramafics in the area. Assays for scandium returned significant results in six of the fourteen holes clustered in an area on the northern boundary of previous drilling campaigns. The six holes had a lateral strike length of approximately 1,000 metres in east west direction.

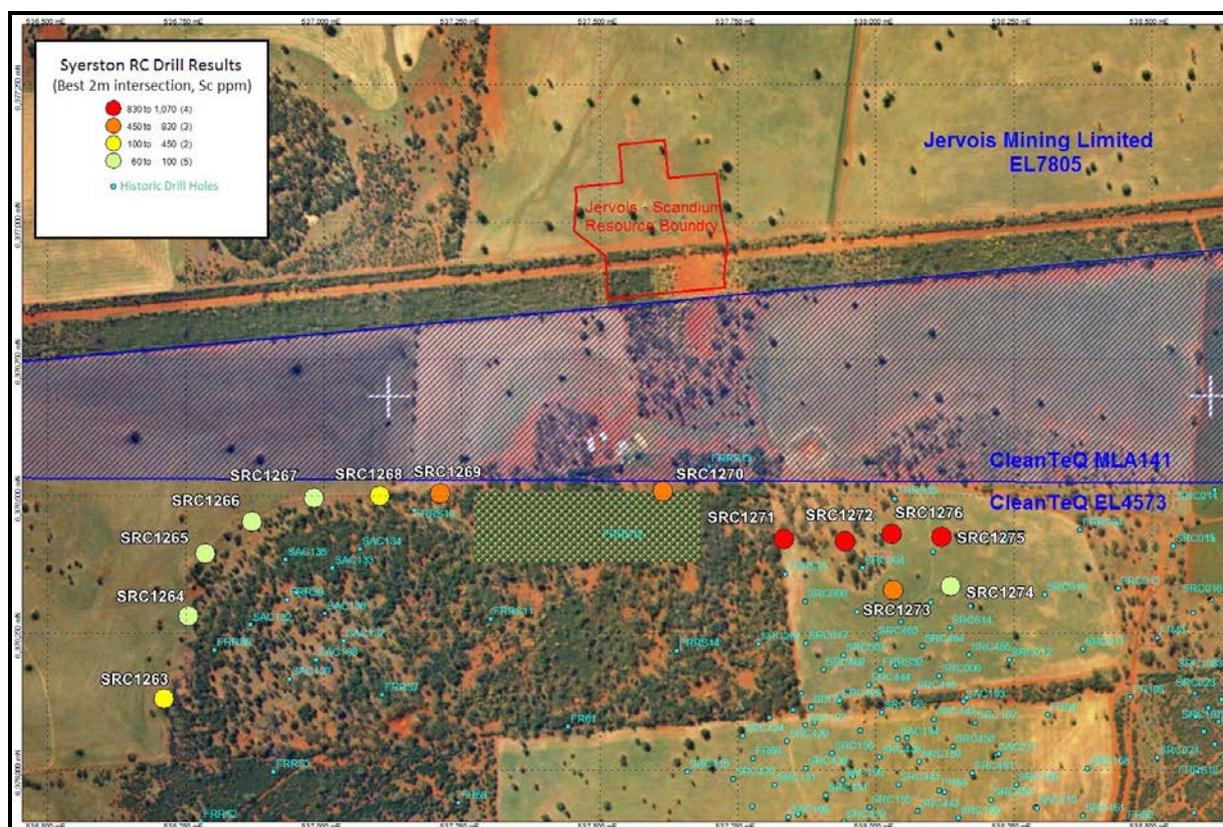


Figure 2: Syerston 2014 completed holes (large dots) and historic Ivanplats holes (light blue dots). The Jervois Mining Limited resource (red poly) is shown north of the road. Grid is 250x250m

The scandium results from the six 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.

- **SRC1269** - 22m @ 477ppm Sc (02 to 24m) (Analytical Method - Borate Fusion)
 or - 22m @ 428ppm Sc (02 to 22m) (Analytical Method - 4 Acid ICP-MS)
- **SRC1271** - 12m @ 572ppm Sc (0 to 12m) inc. 2m @ 832ppm Sc (Analytical Method - Borate Fusion)
 or - 10m @ 519ppm Sc (02 to 12m) (Analytical Method - 4 Acid ICP-MS)
- **SRC1272** - 20m @ 606ppm Sc (06 to 26m) inc. 4m @ 921ppm Sc (Analytical Method - Borate Fusion)
 or - 14m @ 512ppm Sc (12 to 26m) (Analytical Method - 4 Acid ICP-MS)
- **SRC1273** - 16m @ 523ppm Sc (14 to 26m) (Analytical Method - Borate Fusion)
 or - 16m @ 479ppm Sc (14 to 26m) (Analytical Method - 4 Acid ICP-MS)

- **SRC1275 - 16m @ 541ppm Sc (06 to 22m) inc. 4m @ 922ppm Sc (Analytical Method - Borate Fusion) or - 10m @ 438ppm Sc (10 to 22m) (Analytical Method - 4 Acid ICP-MS)**
- **SRC1276 - 16m @ 605ppm Sc (02 to 18m) inc. 4m @ 928ppm Sc (Analytical Method - Borate Fusion) or - 10m @ 650ppm Sc (08 to 18m) (Analytical Method - 4 Acid ICP-MS)**

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

A Halco 1200 drill rig was used for the reverse circulation (RC) drill program provided by Drillit Drillers who operate from nearby town of Parkes.

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 3: Hole SRC1272 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 August Drill Program Summary Hole Information

Hole ID	E - WGS84	N - WGS84	RL (m)	EOH	Drill Date
SRC1263	536710	6376131	316	12	6/08/2014
SRC1264	536754	6376282	320	13	6/08/2014
SRC1265	536785	6376395	318	19	6/08/2014
SRC1266	536869	6376453	303	31	7/08/2014
SRC1267	536982	6376496	307	18	7/08/2014
SRC1268	537101	6376501	317	18	7/08/2014
SRC1269	537211	6376505	317	36	7/08/2014
SRC1270	537614	6376509	312	12	7/08/2014
SRC1271	537833	6376422	314	48	7/08/2014
SRC1272	537944	6376417	310	49	8/08/2014
SRC1273	538031	6376325	289	37	8/08/2014
SRC1274	538136	6376335	311	30	8/08/2014
SRC1275	538119	6376426	350	34	8/08/2014
SRC1276	538029	6376431	348	24	8/08/2014

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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 .

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

The Syerston acquisition is subject to satisfaction of certain conditions precedent. For further information, please see the Clean TeQ ASX announcement made on the 24th November, 2014.

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 – August 2014 Reverse Circulation (RC) Drill Program – 14 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 Halco 1200 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. The only hole which indicated problems with recovery was SRC 1274, where the drill rods become stuck in the hole and took some effort to dislodge, unfortunately this hole was abandoned before hitting basement.
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.

Section 1	Sampling Techniques and Data
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.
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 in the WGS84 SUTM55 projection. If any holes are used for resource calculations then hole locations will be surveyed using a differential GPS.
Data spacing and distribution	The location and distribution of the August 2014 RC drill program was largely orientated along the northern boundary of EL 4573 at a spacing of 75 m in the east west direction. The location of the drill holes was restricted to known farm tracks and positioned directly south (200m) of a known Scandium Resource defined by in 2013.
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 has agreed to acquire a 100% interest in the Syerston Mining License Applications and Exploration License. Further information on the agreements can be found in the ASX released by Clean TeQ on the 24 th November, 2014. All licenses are in good standing with government departments with rents paid up to date and annual reports current.
Exploration done by other parties	<p>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.</p> <p>Extensive drilling and development to date:</p> <ul style="list-style-type: none"> - 2000: Black Range Minerals completed a feasibility study for Ni/Co, including 732 RC drill holes and 9 bulk met samples. - 2004: 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. <p>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.</p>
Geology	<p>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.</p> <p>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.</p> <p>Neighbouring EL's also covering the Tout Ultramafics have recently (2014) delivered Laterite Scandium resources of with grades of approximately 400ppm Sc.</p>
Drill hole information	This Release relates to August 2014 Drill program of 14 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 has been used to assess and integrate data.

Section 2	Reporting of Exploration Results
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 width 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	<p>The August 2014 drilling has shown significant Scandium is present in a number of the drill holes completed. The results have given enough encouragement to warrant a reassessment of the Historic Ivanplats/Black Range drilling results particularly focused on Scandium.</p> <p>It is hoped that the August 2014 drilling can be integrated with the historic drilling results to produce a scandium resource for the area. However the historic data may have adequate scandium results in its own right to produce a resource. Additional drilling may be required to ensure an adequate density and quality of drilling/sampling/analysis are present to support a JORC resource calculation. And if required, this drilling may take place in early 2015.</p>

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
MLA141	10 December 1999	pending	100%	North North West of Fifield, Central New
MLA140	10 December 1999	pending	100%	North North West of Fifield, Central New
MLA139	10 December 1999	pending	100%	North North West of Fifield, Central New
MLA113	10 August 1998	pending	100%	North North West of Fifield, Central New
MLA132	20 September 1999	pending	100%	North North West of Fifield, Central New
MLA162	27 October 2000	pending	100%	North North West of Fifield, Central New