

Appendix 4C – Quarterly Report

Clean TeQ Holdings Limited (ASX: CLQ) presents its Appendix 4C for the quarter ending 31 December 2014, which is attached.

At the end of December 2014 the Company had a cash balance of \$3.5m.

The closing cash balance includes all proceeds from the Company's recent share placement.

For more information:

Sam Riggall, Chairman

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Melanie Leydin, Company Secretary

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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 waste treatment.

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

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Clean TeQ Holdings Limited

ABN

34 127 457 916

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter	Year to date (6 months)
	\$A'000	\$A'000
1.1 Receipts from customers	1,759	2,877
1.2 Payments for (a) staff costs	(1,119)	(1,773)
(b) advertising and marketing	(28)	(51)
(c) research and development	(63)	(119)
(d) leased assets	-	-
(e) other working capital	(1,736)	(3,500)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	28
1.5 Interest and other costs of finance paid	(195)	(212)
1.6 R&D tax incentive payment received	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(1,366)	(2,750)

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,366)	(2,750)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(1)	(18)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	345	345
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	344	327
1.14 Total operating and investing cash flows	(1,022)	(2,423)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.(net of costs)	3,112	3,517
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(3)	(123)
1.19 Dividends paid	-	-
1.20 Term deposits provided as security over guarantee and credit card facilities	-	-
Net financing cash flows	3,109	3,394
Net increase/(decrease) in cash held	2,087	971
1.21 Cash at beginning of quarter/year to date	1,424	2,540
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	3,511	3,511

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	\$124
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

Cash payments to directors for executive director salaries, non-executive director fees and consulting services for the quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

As announced to the market on 2 October 2014, the Clean TeQ Holdings Limited Group (CLQ) and Aromatrix Technologies agreed to merge their respective air businesses during the December 2014 quarter. As part of the merger process Clean TeQ Air Pty Ltd (Clean TeQ Air), a subsidiary of CLQ, acquired from Aromatrix Technologies the Australian air business of Aromatrix for a price of \$1.5 million. The purchase price payable was settled by way of an issue of Clean TeQ Air shares to Aromatrix, which resulted in Aromatrix holding a 33% shareholding in the merged air business. CLQ retains a controlling interest in Clean TeQ Air.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Refer item 2.1 above.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	Nil	Nil

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Reconciliation of cash

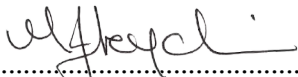
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	3,387	1,300
4.2 Deposits at call	124	124
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.23)	3,511	1,424

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
 (Company Secretary)

Date: 29 January 2015

Print name: Melanie Leydin