

Melbourne, 16 July, 2015

Scandium Pilot Plant Commissioning Commences

Clean TeQ Holdings Limited (**ASX: CLQ**) is pleased to announce that commissioning of its Clean-iX[®] Resin-in-Pulp (RIP) demonstration pilot plant has commenced at ALS Metallurgy in Perth. The plant will be used to process representative ore taken from the Syerston site in central New South Wales to produce scandium oxide.

Clean TeQ's technical team will work with ALS staff to operate the plant continuously (24/7) over a 3 week period in August. The plant simulates Clean TeQ's scandium recovery process including the proprietary ion-exchange metal recovery process. This initial program will process 10-15 tonnes of ore and produce high purity scandium oxide (Sc_2O_3).

Potential offtake partners will use the scandium oxide for testing and verification purposes. The pilot plant campaign and additional metallurgical test work programs currently underway will also provide the process design parameters for the upcoming Feasibility Study, due to commence later this year.

It is expected that a number of potential off-take parties will be visiting the site to view the piloting program.



Clean TeQ's Resin-In-Pulp (RIP) pilot plant at ALS' facilities in Perth

The Clean-iX® RIP plant will remain at the ALS facility to allow for further optimisation work or future development of other projects.



Bulk Sample being taken on site



Sample Bags ready for loading into containers bound for Perth (June 2015)

Clean TeQ's CEO, Sam Riggall, commented: *"Clean TeQ's pilot plant is key to demonstrating the robustness of Clean TeQ's scandium extraction process and the ability of the Syerston Project to produce high quality scandium at exceptionally low cost. As we speak to potential off-takers, we are increasingly confident that scandium will play a key role in the development of the next generation of high performance, lightweight aluminium alloys for a range of industries, and in particular the global transportation sector."*

ALS Minerals Chief Executive-Metallurgy, Ron Grogan, commented: *"ALS is excited to be involved with Clean TeQ's scandium extraction process using both Clean-iX® RIP and High Pressure Acid Leach technologies in the one pilot operation. We look forward to a long and beneficial relationship with Clean TeQ not only on this scandium extraction process program but with many other projects in the future."*

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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/.

About ALS Metallurgy – Forms part of the ALS Minerals group and is the leading testing services provider for the global mining group. The Geochemistry, Metallurgy, Mine Site Laboratories and Inspection services cover the entire resources life cycle from exploration, feasibility, production, design development, trade and rehabilitation. ALS Metallurgy conducts World-Class Bankable Metallurgy, Mineral process flow sheet development and optimisation, bench and large-scale pilot plant facilities and expert metallurgists to provide mineral processing, hydrometallurgical and mineralogical testing services.

For more information about ALS Metallurgy please visit the Company's website at www.alsglobal.com.

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.