

1 March 2016

Samples of High Purity Scandium Dispatched

Clean TeQ Holdings Limited (**Clean TeQ** or **Company**) is pleased to announce that samples of high purity (99.9%) scandium oxide (Sc_2O_3) have been dispatched to potential offtake customers in the aluminium and solid oxide fuel cell sectors. The samples will be used for quality verification testing.

The samples were produced from processing of Syerston ore at Clean TeQ's scandium recovery and purification demonstration plant at ALS Metallurgy in Perth and the Clean TeQ laboratory facility in Victoria.

Clean TeQ has also assisted in securing a supply of scandium master alloy for our collaboration partner, Universal Alloy Corporation (UAC). The master alloy will be used by UAC for testing in the development of extruded aluminium alloy components for the aerospace sector.



High purity scandium oxide produced from processing of Syerston ore

As announced in early 2015, Clean TeQ has entered into collaboration agreements with KBM Affilips and Airbus APWorks GmbH, a subsidiary of the Airbus Group. KBM is an innovator and cost leader in the production of highly specialised aluminium based master alloys, including aluminium-scandium master alloys.

Clean TeQ has also entered into a collaboration agreement with UAC and Deakin University. UAC is a US based global supplier of extruded alloy aerospace components with a vertically integrated manufacturing process incorporating casting, extrusion, machining, surface treatment, kitting, and assembly. Recognised as one of Australia's leading materials research organisations, Deakin University's Institute for Frontier

Materials focuses on innovation and development in materials science and engineering, with the aim of commercialising new, more cost-effective manufacturing technologies.

The Syerston feasibility study is due for completion by the end of 2Q 2016. Work will continue over coming months with the aim of securing offtake commitments to support financing and development of the project following completion of the feasibility study. While securing offtake commitments is one of the highest priorities for the Company, the timeframe in which this objective may be achieved is inherently uncertain.

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 leader in metals recovery and industrial water treatment. For more information about Clean TeQ please visit the Company's website at www.cleanteq.com.

About the Syerston Scandium Project – Clean TeQ is the 100% owner of 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. The Syerston Scandium Project Scoping Study was completed in May 2015 – for details see the ASX announcement dated 25 May 2015.

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.