

3 November 2016

Clean TeQ undertakes \$15 million placement for completion of Syerston Nickel and Cobalt Bankable Feasibility Study

Clean TeQ Holdings Limited (ASX:CLQ) (**Clean TeQ** or **Company**) has agreed a placement of 33,333,333 new shares at an issue price of \$0.39 per share to raise proceeds of \$13.0 million. The placement was made to AustralianSuper, a large Australian institutional investor.

An additional placement of 5,128,205 new shares at an issue price of \$0.39 per share was also made to a number of institutional investors who are existing shareholders who are clients of BW Equities to raise additional proceeds of \$2.0 million

The placement price of \$0.39 per share represents a 2.4% premium to Clean TeQ's 10 day volume weighted average share price (**VWAP**) of 38.1 cents per up to and including 31 October 2016.

The shares will be issued in accordance with Clean TeQ's 15% annual placement capacity (the placement comprises an 8.04% increase in shares on issue) under ASX Listing Rule 7.1. Settlement of the subscription proceeds and issue of shares is scheduled to occur on 8 November 2016.

The \$15 million subscription proceeds will be used to complete the Syerston Nickel and Cobalt Project Bankable Feasibility Study (**BFS**) and additional general working capital. The BFS is now fully funded to completion and is on track for release in Q4, 2017. While the BFS is being completed over the next 12 months the Company will be undertaking a range of activities to secure the financing required for the development of the Syerston Nickel & Cobalt Project (**Project**), including progressing a range of options in relation to offtake finance, project level financing and debt financing.

The Company has entered into a small number of non-binding offtake Memoranda of Understanding (**MoU**), representing a proportion of Syerston's anticipated production of nickel sulphate and cobalt sulphate over the first five years of the mine life, with counterparties who are well established in the lithium ion battery supply chain. The MoU's define certain key terms of the offtake contracts including volumes, pricing structure and delivery terms. A number of these potential offtake customers have made inquiries about providing assistance with funding for the development of the Project. The Company will continue to explore options in relation to securing financing support from one or more customer(s), as discussions progress to convert the MoU's into binding offtake commitments.

Given the robust Project economics demonstrated by the PFS (for details see ASX announcement of 5 October 2016), and the strong demand for offtake that is currently being indicated by potential customers, the Company believes that the Project has the capacity to attract a significant level of debt funding. Initial discussions with debt financiers have commenced with a view to securing debt finance for a portion of the total Project funding. The Company is also considering options to develop the Project in conjunction with one or more strategic partners.

Clean TeQ Chairman and CEO Sam Riggall stated, “We are delighted to welcome this additional high calibre institutional investor to our register. As a significant ‘long only’ fund it signals strong support for the Company’s ambitions, as we look to implement our fundraising plans. Clean TeQ is in a strong financial position as we continue to progress current activities in respect of the completion of the Bankable Feasibility Study, nickel, cobalt and scandium marketing and the development of our water business in China.”

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.

About the Syerston Project – Clean TeQ is the 100% owner of the Syerston Project, located in New South Wales. The Syerston Project is one of the largest and highest grade scandium deposits in the world and one of the highest grade and largest nickel and cobalt deposit outside of Africa.

For more information about Clean TeQ please visit the Company’s website www.cleanteq.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.