

21 February 2017

Clean TeQ wins CRC-P Grant with Partners, Ionic Industries and Monash University

Clean TeQ Holdings Limited (CLQ:ASX; CTEQF:OTCQX) announced today that it has been awarded a grant under the second round of the Cooperative Research Centre's Project (CRC-P) program. Government funding of \$632,285 has been approved for the project which is scheduled to commence in March 2017.

The funding is provided by the Department of Industry, Innovation and Science to develop energy efficient wastewater treatment technology using graphene oxide technology. The technology development will be undertaken in association with Ionic Industries Ltd. and Monash University.

Graphene oxide (GO) is regarded as a new wonder material with its ability to form super-strong ultra-thin 2-D matrices. Researchers at Monash University have developed a method of producing graphene oxide which is suitable for the production of water and wastewater filtration products. The method has the potential to be readily and economically scaled to meet commercial needs.

Clean TeQ developed Continuous Ionic Filtration (CIF®) technology which is used for water and wastewater filtration. The CIF® technology works by capturing charged ions in contaminated water and wastewater streams and producing clean water for reuse. The use of graphene oxide adsorbents in our process will allow the capture of non-ionic species and so extend the range of waters we can successfully treat.

The grant also provides for the further development of graphene oxide based nanofiltration membranes. Associate Professor Majumder and his colleagues at Monash University have already produced GO-membranes in the laboratory which have shown the potential for low pressure nanofiltration. The development of low pressure, low fouling potential GO-membrane cartridges is expected to be a game changer for water and wastewater filtration.

The water and wastewater treatment market is growing rapidly and is expected to reach US\$54 billion per annum by 2020. Freshwater scarcity is driving the uptake of new technology in many developing areas around the world. Freshwater is a critical input for power generation, food production, potable water and many industrial applications. Technology that can treat contaminated freshwater sources such as groundwater, surface water and municipal and industrial wastewater to a quality level for reuse and at an affordable operating cost will be a game changer for the industry. Graphene oxide based water treatment products have the potential to meet these requirements.

Clean TeQ aims to be at the forefront of disruptive changes to the water treatment industry.

For more information about Clean TeQ contact:

Sam Riggall, Co-Chairman and CEO or Ben Stockdale, CFO

+61 3 9797 6700

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.