

23 May 2017

Syerston Development Consent Modification Approved

Melbourne, Australia – Sam Riggall, Managing Director, today announced that the NSW Government Department of Planning and Environment has approved Clean TeQ’s application to modify the Development Consent for the Syerston Nickel/Cobalt Scandium Project in NSW.

The Development Consent is one of the primary instruments of authorisation issued by the NSW Government for the development of any mining project. A Development Consent requires an applicant to carry out the development generally in accordance with an approved Environmental Impact Statement (**EIS**) and the conditions of the Development Consent itself. Syerston has already received approval of its EIS for the proposed operation to mine and process up to 2.5 million tonnes per annum of ore.

The original Development Consent approval for the Syerston Nickel/Cobalt Project was granted by the Minister for Urban Affairs and Planning in May 2001. The current modification (Modification 3) was sought by the Company to include scandium oxide as a by-product of nickel and cobalt production.

The Development Consent confirms the approval for the Company to carry out mining operations at the mine for 21 years from the day upon which mining operations start in order to produce and transport up to 180 tonnes of scandium oxide and up to 40,000 tonnes of nickel and cobalt metal equivalents (as either sulphide or sulphate precipitate products) from the mine. For a high level overview of the approved Syerston Project layout see Appendix A – Syerston Nickel/Cobalt/Scandium Project: Approved Development Layout Plan

As advised in Clean TeQ’s March Quarterly Activities Report on 27 April 2017, the nickel grade of the Syerston ore is reasonably evenly distributed throughout the deposit, however, several areas of higher grade cobalt mineralisation exist (see Figure 1: cobalt distribution in Syerston Deposit) for a graphical illustration. As part of the optimisation process being run in parallel with the Definitive Feasibility Study, the team is assessing the potential to adopt a more selective mining method than was assumed in the Pre-Feasibility Study. The objective of this exercise is to determine the extent to which cobalt production can be increased in the early years of operation within the existing planned 2.5 million tonnes per annum ore throughput rate.

A further modification to the Development Consent has been sought (Modification 4) to allow for the potential increase in metal production as well as for a range of factors including the increased consumption of certain reagents that may be required at a higher rate of cobalt sulphate production in earlier years of the mine’s operation. Modification 4 is expected to be the final modification application prior to a development decision.

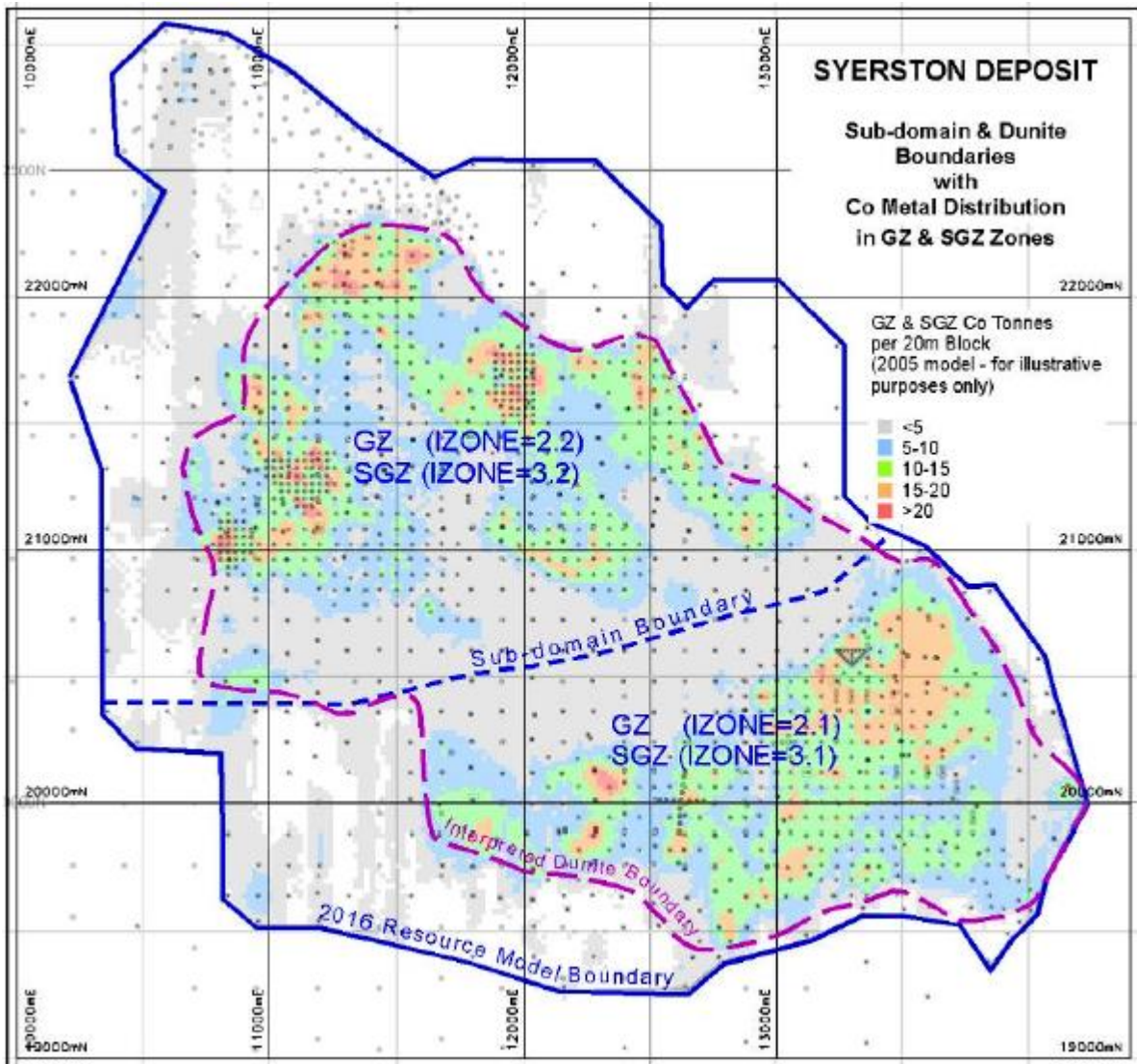


Figure 1: Cobalt distribution in the Syerston Deposit

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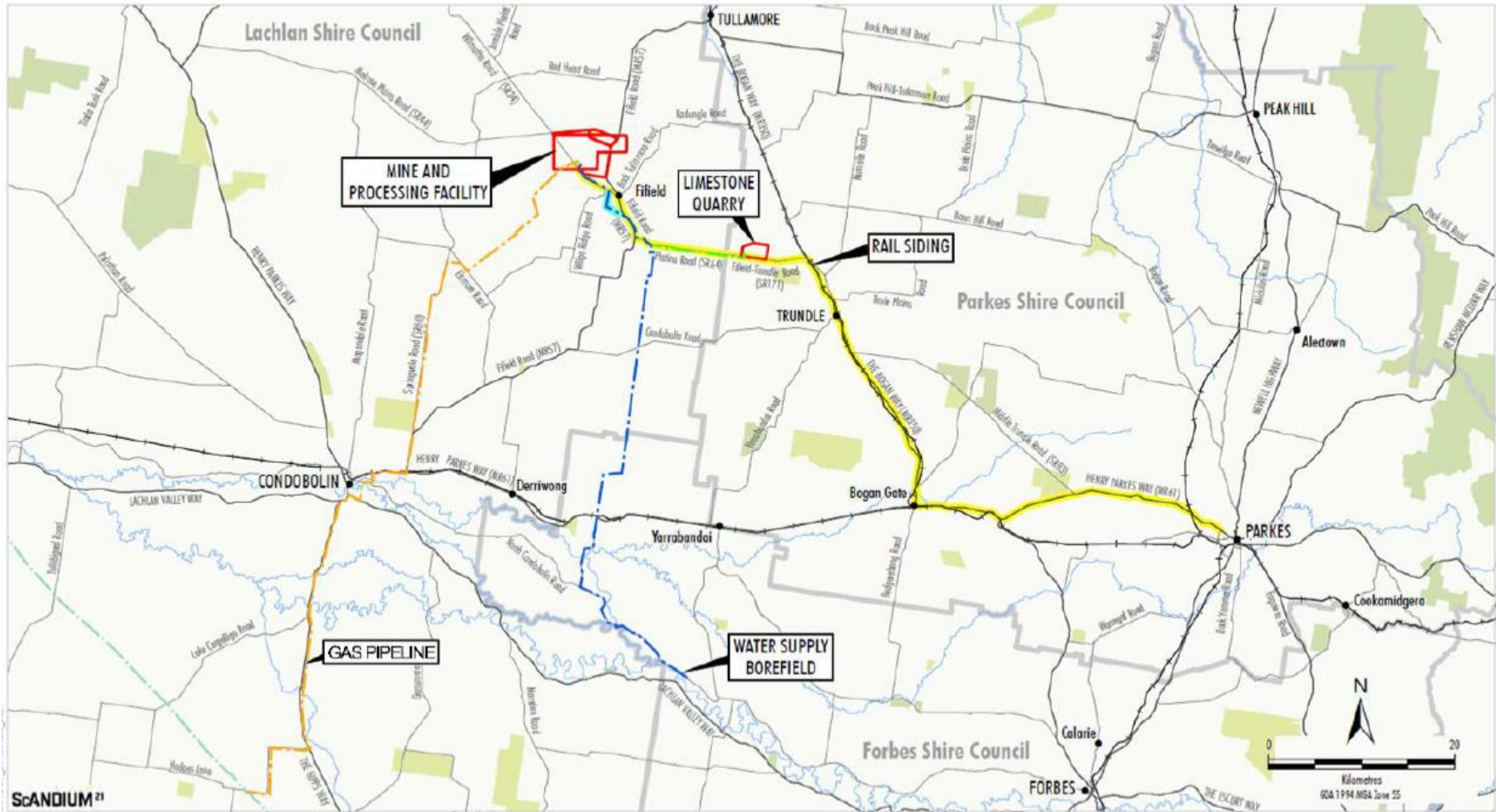
About Clean TeQ Holdings Limited (ASX: CLQ) – Based in Melbourne, Clean TeQ, using its proprietary Clean-iX® continuous ion exchange technology, is a leader in metals recovery and industrial water treatment.

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.

APPENDIX A – Syerston Nickel/Cobalt/Scandium Project: Approved Development Layout Plan



- LEGEND**
- National Park/Conservation Area
 - State Forest
 - Local Government Boundary
 - Mining Lease Application Boundary
 - Water Supply Pipeline
 - Limestone Quarry Water Supply Pipeline
 - Gas Pipeline
 - Existing Gas Pipeline

- Heavy Vehicle Access Route
- Fifeild Bypass

Source: Black Range Minerals (2000);
NSW Department of Industry (2015);
NSW Land & Property Information (2015)

Note: The Fifeild Bypass, Limestone Quarry, Rail Siding, Limestone Quarry Water Supply Pipeline and Gas Pipeline would not be constructed during the Initial Production Phase.

SYERSTON NICKEL COBALT PROJECT
SCANDIUM OXIDE MODIFICATION
Regional Location