



**CLEAN TEQ HOLDINGS LIMITED**  
**ACN 127 457 916**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Thursday, 22 November 2018**

Time of Meeting:  
**10.00am (AEDT)**

Place of Meeting:  
**Stamford Plaza Melbourne**  
**111 Little Collins Street**  
**Melbourne Victoria 3000**

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.  
If Shareholders are in doubt as to how they should vote, they should seek advice from their  
accountant, solicitor or other professional advisor without delay.*

# CLEAN TEQ HOLDINGS LIMITED

ACN 127 457 916

Registered office: 12/21 Howleys Road, Notting Hill Victoria 3168

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members of Clean TeQ Holdings Limited (the "Company") will be held at Stamford Plaza Melbourne, 111 Little Collins Street, Melbourne Victoria 3000 at 10.00am (AEDT) on Thursday, 22 November 2018 ("Annual General Meeting" or "Meeting").

### AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

#### **Receipt and Consideration of Accounts & Reports**

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2018.

*Note: Except for as set out in Resolution 1, there is no requirement for Shareholders to approve these reports. Accordingly, no Resolution will be put to Shareholders on this item of business.*

#### **Resolution 1: Adoption of Remuneration Report**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial year ended 30 June 2018 be adopted."*

#### **Resolution 2: Election of Ms Judith Downes as a Director of the Company**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That Ms Judith Downes, having been appointed as a Director during the year, vacates office in accordance with the Constitution of the Company and being eligible offers herself as a Director of the Company."*

#### **Resolution 3: Re-Election of Mr Robert Friedland as a Director of the Company**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That Mr Robert Friedland, being a Director who retires by rotation pursuant to the Constitution of the Company and being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

#### **Resolution 4: Re-Election of Mr Ian Knight as a Director of the Company**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That Mr Ian Knight, being a Director who retires by rotation pursuant to the Constitution of the Company and being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

**Resolution 5: Approval to Issue 100,757 Performance Rights to Mr Sam Riggall**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant up to 100,757 Long Term Incentive Plan Performance Rights (being a right to acquire up to 100,757 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) for no consideration to Mr Sam Riggall (a Director and Chief Executive Officer of the Company), as described in the Explanatory Statement accompanying this Notice of Meeting.”*

**Resolution 6: Approval to Issue 142,341 Performance Rights to Mr Sam Riggall**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant up to 142,341 Long Term Incentive Plan Performance Rights (being a right to acquire up to 142,341 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) for no consideration to Mr Sam Riggall (a Director and Chief Executive Officer of the Company), as described in the Explanatory Statement accompanying this Notice of Meeting.”*

**Resolution 7: Approval to Issue 78,192 Shares to Mr Sam Riggall**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to issue 78,192 fully paid ordinary shares in the Company for no consideration to Mr Sam Riggall (a Director and Chief Executive Officer of the Company) in lieu of a cash bonus payable to Mr Riggall for the financial year ending 30 June 2018 pursuant to the Company’s Short Term Incentive Plan, as described in the Explanatory Statement accompanying this Notice of Meeting.”*

**BY ORDER OF THE BOARD**



**Melanie Leydin  
Company Secretary**

8 October 2018

## Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its Constitution or the Corporations Act.
  - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
  - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority.
  - h. To be effective, Proxy Forms must be received by the Company's share registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10.00am (AEDT) on Tuesday, 20 November 2018. Any proxy received after that time will not be valid for the scheduled Meeting.

#### 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

#### 5. Voting Exclusion Statement:

##### Resolution 1

The Company will disregard any votes cast on this Resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the Proxy Form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the Proxy Form, you acknowledge that the Chairman of the Meeting will vote in favour of this item of business as your proxy.

##### Resolutions 2, 3 and 4

There are no voting exclusions on each Resolution.

##### Resolutions 5 and 6

The Company will disregard any votes cast in favour of each Resolution by:

- (a) any Director of the Company who is eligible to participate in the Company's Long Term Incentive Plan; or
- (b) an associate of such a Director.

However, the Company need not disregard a vote on this Resolution if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a Key Management Personnel for the Company.

##### Resolution 7

The Company will disregard any votes cast in favour of this Resolution by Mr Sam Riggall or by his associates.

However, the Company need not disregard a vote on this Resolution if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a Key Management Personnel for the Company.

#### Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

## EXPLANATORY STATEMENT

### Receipt and Consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2018 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditor's report) is not enclosed. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website: [www.cleanteq.com](http://www.cleanteq.com) or via the Company's announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

### Resolution 1: Adoption of Remuneration Report

#### **Background**

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2018 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

#### **Board Recommendation**

The Board recommends that all eligible Shareholders vote in favour of this Resolution to adopt the Remuneration Report. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

### Resolution 2: Election of Ms Judith Downes as a Director of the Company

#### **Background**

Ms Judith Downes was appointed as a Non-Executive Director on 1 October 2018 as a casual vacancy and is eligible for election under the Company's Constitution.

Ms Downes has over 20 years of accounting and senior management experience, with a strong background in finance, audit and risk management with large ASX listed companies, as well as strong experience in governance, equity and debt markets, acquisitions, divestments and financial reporting.

Ms Downes most recent executive position was as Chief Financial Officer at Alumina Limited, where she was responsible for finance, accounting, treasury, investor relations and taxation. Prior this, she worked for Australia and New Zealand Banking Group Limited (ANZ) for 12 years across various financial and accounting roles including as Chief Financial Officer and Chief Operating Officer (Institutional Division).

She currently holds other Board roles including Chairman of Bank Australia, Non-Executive Director of ASX listed medical technology company ImpediMed Limited and as a member of the Commonwealth Government's Financial Reporting Council.

#### **Board Recommendation**

The Board (with Ms Downes abstaining) recommends that Shareholders vote in favour of the election of Ms Downes. The Chairman of the Meeting intends to vote undirected proxies in favour of Ms Downes election.

### **Resolution 3: Re-Election of Mr Robert Friedland as a Director of the Company**

#### ***Background***

In accordance with ASX Listing Rule 14.4 and Rule 58 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. Further, in accordance with the Company's Constitution, at the close of each AGM one-third of the Directors (excluding the Managing Director), or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire. The Directors to retire by rotation at the AGM are those Directors who have been longest in office since their last election. Mr Robert Friedland being eligible, offers himself for re-election.

Mr Friedland joined the Board of Clean TeQ Holdings Limited as Co-Chairman and Non-Executive Director in September 2016. He is also the founder, Executive Chairman, and a director of Ivanhoe Mines Ltd and is the Chairman and President of Ivanhoe Capital Corporation. He directed the assembly by Ivanhoe Mines Ltd. of a portfolio of interests in several countries over 15 years and led the company's discoveries and initial development of the Oyu Tolgoi copper-gold-silver deposits in southern Mongolia.

Mr Friedland has received wide recognition for his work in the industry including Mining Personality of the Year at the inaugural Asia Mining Awards in 2012 and the Dealmaker of the Year award for Ivanhoe Mines Ltd. from Australia's Diggers and Dealers Mining Forum in 2011.

#### ***Board Recommendation***

The Board (with Mr Friedland abstaining) recommends that Shareholders vote in favour of the re-election of Mr Friedland. The Chairman of the Meeting intends to vote undirected proxies in favour of Mr Friedland's re-election.

### **Resolution 4: Re-Election of Mr Ian Knight as a Director of the Company**

#### ***Background***

In accordance with ASX Listing Rule 14.4 and Rule 58 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. Further, in accordance with the Company's Constitution, at the close of each AGM one-third of the Directors (excluding the Managing Director), or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire. The Directors to retire by rotation at the AGM are those Directors who have been longest in office since their last election. Mr Ian Knight being eligible, offers himself for re-election.

Mr Knight is a graduate in Business Studies and is also a fellow of the Institute of Chartered Accountants, a member of the Australian Society of Certified Practising Accountants, an Associate Fellow of the Australian Institute of Management and a member of the Institute of Company Directors. His experience includes presenting and working with boards of public, private and private equity ownership, State and Federal Governments and has extensive experience in strategising and implementing mergers, acquisitions, divestments and capital raising initiatives.

Mr Knight was also formerly a Partner of KPMG where he held the position of Head of Mergers and Acquisitions and Head of Private Equity for KPMG Corporate Finance. Currently he is Managing Director of nem Corporate Pty Ltd and a partner of nem Australasia Pty Ltd.

#### ***Board Recommendation***

The Board (with Mr Knight abstaining) recommends that Shareholders vote in favour of the re-election of Mr Knight. The Chairman of the Meeting intends to vote undirected proxies in favour of Mr Knight's re-election.

## Resolution 5: Approval to Issue 100,757 Performance Rights to Mr Sam Riggall

### Background

The Company proposes, subject to Shareholder approval, to grant Managing Director and Chief Executive Officer, Mr Sam Riggall up to 100,757 performance rights which, upon vesting, will result in the issue of up to 100,757 fully paid ordinary shares (**Performance Rights**) pursuant to the Company's Long Term Incentive Plan (**Plan**) and the Employee Incentive Plan Rules approved by Shareholders in July 2017 (**EIP Rules**).

The provision of Performance Rights to Mr Riggall pursuant to the Plan comprises a significant component of his 'at risk' remuneration. These Performance Rights are intended to align Mr Riggall's long term performance over the vesting period with the interests of Shareholders.

The Board has concluded that the remuneration package for Mr Riggall is reasonable and appropriate having regard to the circumstances of the Company and his respective duties and responsibilities as Managing Director and Chief Executive Officer.

### Conditions and Hurdles for Performance Rights

Performance Rights	
<b>Vesting Date:</b>	1 January 2021
<b>Vesting Period:</b>	1 January 2018 to 31 December 2020
<b>Vesting Conditions:</b>	The vesting of any of the Performance Rights is dependent on Mr Riggall meeting the Service and Performance Conditions.  Collectively these conditions are known as the <b>Vesting Conditions</b> .
<b>Service Condition:</b>	Continuous employment by Mr Riggall in his current position (or equivalent) from Grant Date to Vesting Date. Subject to the EIP Rules, Performance Rights will generally lapse on resignation or dismissal.
<b>Other Conditions:</b>	The other conditions of the Performance Rights are as per the EIP Rules.
Performance Condition:	
Up to 100% of the Performance Rights granted will vest in the following proportions if the Total Shareholder Return ( <b>TSR</b> ) for Clean TeQ Holdings Limited ( <b>CLQ TSR</b> ) outperforms the TSR of the Company's 2018 Comparator Group over the Performance Period.  TSR is defined as the total return of a share to an investor (capital gain plus dividends reinvested as at the ex-dividend date).	
CLQ TSR Result	% of Performance Rights that will vest
CLQ TSR < 50 <sup>th</sup> percentile	0%
CLQ TSR =/> 50 <sup>th</sup> percentile	50%
CLQ TSR =/> 75 <sup>th</sup> percentile	100% (pro-rata straight line vesting between 50 <sup>th</sup> and 75 <sup>th</sup> percentile)
The 2018 H1 Comparator Group consists of 17 ASX listed companies which were selected by Mercer Consulting (Australia) Pty Ltd ( <b>Mercer</b> ) as part of a director and executive management remuneration benchmarking review undertaken by them in Q2 2017. Mercer's remuneration recommendations were provided directly to the Chair of the Nomination, Remuneration and Governance Committee. Mercer's recommendations were made free of undue influence by members of Key Management Personnel to whom the recommendations relate.	
The Volume Weighted Average Price ( <b>VWAP</b> ) of Clean TeQ Shares ( <b>CLQ</b> ) traded on the ASX in the one month preceding the commencement of the Vesting Period compared to the VWAP of CLQ Shares in the one month preceding the Vesting Date will be used in measuring TSR over the Performance Period.	
There is no ability to re-test whether or not the Vesting Conditions have been satisfied after the Vesting Period has ended.	

Any Performance Rights which fail to vest on the Vesting Date will immediately lapse unless the Nomination, Remuneration & Governance Committee decide exceptional circumstances justify the reduction or waiver in whole or in part of the Vesting Conditions.

## **ASX Listing Rules**

Listing Rule 10.14 requires shareholder approval for the issue of shares to directors under an employee incentive scheme. If the resolution is passed, it will also mean that the grant of Performance Rights to Mr Riggall will not utilise any of the Company's placement capacity under Listing Rule 7.1. No further shareholder approval under Listing Rule 7.1 is required for that purpose.

Listing Rule 10.15A requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.14:

- (a) the maximum number of Performance Rights that can be granted under this approval is 100,757 to Mr Riggall. Subject to satisfaction of the vesting conditions will receive one Share in the Company for each Performance Right granted;
- (b) the Performance Rights to be granted to Mr Riggall (and any Shares to be issued on vesting of those Performance Rights) shall be issued for no consideration;
- (c) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Riggall;
- (d) details of any Performance Rights issued under the Plan including that approval for the grant of Performance Rights was obtained under Listing Rule 10.14 will be published in each annual report of the Company relating to the period in which the Performance Rights have been issued.
- (e) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the Plan after this resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14;
- (f) persons referred to in Listing Rule 10.14 who have received securities under the Plan since the last approval of the Plan on 19 July 2017 are as follows:

<b>Name of Recipient</b>	<b>Number of Securities Received</b>	<b>Acquisition Price of Each Security</b>
Mr Sam Riggall	411,546 Performance Rights	Nil

- (g) only Mr Riggall is entitled to participate in the Plan after Resolution 5 is approved;
- (h) if Shareholder approval is obtained, the Performance Rights will be granted no later than one month after the Meeting; and
- (i) a voting exclusion statement is included in the Notice of General Meeting.

In addition, it is noted that:

- (a) Mr Riggall's security interests in the Company are:
  - 26,362,055 fully paid ordinary shares;
  - 1,242,571 unlisted performance rights;
- (b) the dilution effect of the proposed 100,757 Performance Rights is in aggregate of 0.01% of the total Shares on issue as at 8 October 2018.

## **Board Recommendation**

The Board (with Mr Riggall abstaining) recommends that Shareholders vote in favour of this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution to grant Mr Riggall Performance Rights.

## Resolution 6: Approval to Issue 142,341 Performance Rights to Mr Sam Riggall

### Background

The Company proposes, subject to Shareholder approval, to grant Managing Director and Chief Executive Officer, Mr Sam Riggall up to 142,341 performance rights which, upon vesting, will result in the issue of up to 142,341 fully paid ordinary shares (**Performance Rights**) pursuant to the Company's Long Term Incentive Plan (**Plan**) and the Employee Incentive Plan Rules approved by Shareholders in July 2017 (**EIP Rules**).

The provision of Performance Rights to Mr Riggall pursuant to the Plan comprises a significant component of his 'at risk' remuneration. These Performance Rights are intended to align Mr Riggall's long term performance over the vesting period with the interests of Shareholders.

The Board has concluded that the remuneration package for Mr Riggall is reasonable and appropriate having regard to the circumstances of the Company and his respective duties and responsibilities as Managing Director and Chief Executive Officer.

### Conditions and Hurdles for Performance Rights

Performance Rights	
<b>Vesting Date:</b>	1 July 2021
<b>Vesting Period:</b>	1 July 2018 to 30 June 2021
<b>Vesting Conditions:</b>	The vesting of any of the Performance Rights is dependent on Mr Riggall meeting the Service and Performance Conditions.  Collectively these conditions are known as the <b>Vesting Conditions</b> .
<b>Service Condition:</b>	Continuous employment by Mr Riggall in his current position (or equivalent) from Grant Date to Vesting Date. Subject to the EIP Rules Event, Performance Rights will generally lapse on resignation or dismissal.
<b>Other Conditions:</b>	The other conditions of the Performance Rights are as per the EIP Rules.
Performance Condition 1:	
Up to 50% of the Performance Rights granted will vest in the following proportions if the Compound Annual Growth Rate ( <b>CAGR</b> ) of the Total Shareholder Return ( <b>TSR</b> ) for Clean TeQ Holdings Limited ( <b>CLQ CAGR TSR</b> ) outperforms over the Performance Period the CAGR hurdles detailed below.  TSR is defined as the total return of a share to an investor (capital gain plus dividends reinvested as at the ex-dividend date).	
<b>CLQ CAGR TSR Result</b>	<b>% of Performance Rights that will vest</b>
<7.5% CAGR	0%
= 7.5% CAGR	50%
=/> 12.5% CAGR	100% (pro-rata straight line vesting between 7.5% and 12.5% CAGR)
Performance Condition 2:	
Up to 50% of the Performance Rights granted will vest in the following proportions if the Total Shareholder Return ( <b>TSR</b> ) for Clean TeQ Holdings Limited ( <b>CLQ TSR</b> ) outperforms the TSR of the Company's 2018 Comparator Group over the Performance Period.  TSR is defined as the total return of a share to an investor (capital gain plus dividends reinvested as at the ex-dividend date).	
<b>CLQ TSR Result</b>	<b>% of Performance Rights that will vest</b>
CLQ TSR < 50 <sup>th</sup> percentile	0%
CLQ TSR =/> 50 <sup>th</sup> percentile	50%
CLQ TSR =/> 75 <sup>th</sup> percentile	100% (pro-rata straight line vesting between 50 <sup>th</sup> and 75 <sup>th</sup> percentile)
The 2018 H2 Comparator Group consists of 17 ASX listed companies which were selected based on the S&P/ASX300 Metals and Mining Index, excluding gold and mining services companies and excluding companies with >\$5B market capitalisation.	

The Volume Weighted Average Price (**VWAP**) of Clean TeQ Shares (**CLQ**) traded on the ASX in the one month preceding the commencement of the Vesting Period compared to the VWAP of CLQ Shares in the one month preceding the Vesting Date will be used in measuring TSR over the Performance Period.

There is no ability to re-test whether or not the Vesting Conditions have been satisfied after the Vesting Period has ended.

Any Performance Rights which fail to vest on the Vesting Date will immediately lapse unless the Nomination, Remuneration & Governance Committee decide exceptional circumstances justify the reduction or waiver in whole or in part of the Vesting Conditions.

### **ASX Listing Rules**

Listing Rule 10.14 requires shareholder approval for the issue of shares to directors under an employee incentive scheme. If the resolution is passed, it will also mean that the grant of Performance Rights to Mr Riggall will not utilise any of the Company's placement capacity under Listing Rule 7.1. No further shareholder approval under Listing Rule 7.1 is required for that purpose.

Listing Rule 10.15A requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.14:

- (a) the maximum number of Performance Rights that can be granted under this approval is 142,341 to Mr Riggall. Subject to satisfaction of the vesting conditions will receive one Share in the Company for each Performance Right granted;
- (b) the Performance Rights to be granted to Mr Riggall (and any Shares to be issued on vesting of those Performance Rights) shall be issued for no consideration;
- (c) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Riggall;
- (d) details of any Performance Rights issued under the Plan including that approval for the grant of Performance Rights was obtained under Listing Rule 10.14 will be published in each annual report of the Company relating to the period in which the Performance Rights have been issued.
- (e) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the Plan after this resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14;
- (f) persons referred to in Listing Rule 10.14 who have received securities under the Plan since the last approval of the Plan on 19 July 2017 are as follows:

<b>Name of Recipient</b>	<b>Number of Securities Received</b>	<b>Acquisition Price of Each Security</b>
Mr Sam Riggall	411,546 Performance Rights	Nil

- (g) only Mr Riggall is entitled to participate in the Plan after Resolution 6 is approved;
- (h) if Shareholder approval is obtained, the Performance Rights will be granted no later than one month after the Meeting; and
- (i) a voting exclusion statement is included in the Notice of General Meeting.

In addition, it is noted that:

- (a) Mr Riggall's security interests in the Company are:
  - 26,362,055 fully paid ordinary shares;
  - 1,242,571 unlisted performance rights;
- (b) the dilution effect of the proposed 142,341 Performance Rights is in aggregate of 0.02% of the total Shares on issue as at 8 October 2018.

### ***Board Recommendation***

The Board (with Mr Riggall abstaining) recommends that Shareholders vote in favour of this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution to grant Mr Riggall Performance Rights.

### **Resolution 7: Approval to Issue 78,192 Shares to Mr Sam Riggall**

#### ***Background***

The Board is committed to ensuring that remuneration arrangements are implemented to attract, retain and appropriately motivate high caliber employees. The Board must balance this objective with its responsibility to ensure that the Company maintains cash resources adequate to carry on the Company's objectives. Given this, in August 2018 the Board resolved to offer fully paid ordinary shares to certain employees of the Company in lieu of part of a cash bonus payable to those employees for the financial year ended 30 June 2018 pursuant to the Company's Short Term Incentive Plan.

The issue of 78,192 Shares is proposed to be made to Mr Riggall in lieu of a \$62,100 cash bonus payable to Mr Riggall for the financial year ended 30 June 2018 pursuant to the Company's Short Term Incentive Plan in recognition of Mr Riggall's achievement of agreed performance objectives during the year.

The Board has determined the number of Shares proposed to be issued to Mr Riggall be based on the Company's 30 day Volume Weighted Average Price up to and including 31 July 2018.

The Board is seeking the required Shareholder approval for the Share issue to Mr Riggall.

#### ***ASX Listing Rules***

Shareholder approval is required under Listing Rule 10.11 to issue the Shares to Mr Riggall as he is a related party of the Company.

If approval for the issue of Shares is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of Shares to Mr Riggall pursuant to Listing Rule 10.11 means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 10.13 requires that the following information be provide to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 10.11:

- (a) the Shares will be issued to Mr Riggall;
- (b) the maximum number of Shares the Company can issue to Mr Riggall is 78,192;
- (c) the Company will issue the Shares to Mr Riggall no later than one month after the Meeting;
- (d) the Shares will be issued for nil consideration in payment \$62,100 remuneration owed to Mr Riggall and accordingly no funds will be raised from the issue of the Director Shares;
- (e) the Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the existing Shares on issue;
- (f) as Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required; and
- (g) a voting exclusion statement is included in the Notice of General Meeting.

#### ***Board Recommendation***

The Board (with Mr Riggall abstaining) recommends that Shareholders vote in favour of this Resolution. The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution to issue Mr Riggall Shares.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“AEDT” means Australian Eastern Daylight Time;

“AGM” means Annual General Meeting;

“Annual Report” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2018;

“ASX” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“Auditor’s Report” means the auditor’s report on the Financial Report;

“Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“Chairman” means the person appointed to chair the Meeting of the Company convened by the Notice;

“Company” means Clean TeQ Holdings Limited ACN 127 457 916;

“Constitution” means the constitution of the Company as at the date of the Meeting;

“Corporations Act” means the Corporations Act 2001 (Cth);

“Director” means a director of the Company;

“Directors’ Report” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“Explanatory Statement” means the Explanatory Statement which forms part of the Notice;

“Financial Report” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“Listing Rules” means the Listing Rules of the ASX;

“Meeting” has the meaning given in the introductory paragraph of the Notice;

“Notice” means the Notice of Meeting including this Explanatory Statement;

“Proxy Form” means the proxy form attached to the Notice;

“Remuneration Report” means the remuneration report which forms part of the Directors’ Report of Clean TeQ Holdings Limited for the financial year ended 30 June 2018 and which is set out in the 2018 Annual Report.

“Resolution” means a resolution referred to in the Notice;

“Share” means a fully paid ordinary share in the capital of the Company; and

“Shareholder” means shareholder of the Company.

### **Disclosure Required by Canadian National Instrument 71-102**

*The Company is a “reporting issuer” subject to the securities laws of certain provinces of Canada, including disclosure requirements relating to proxies, notices of shareholder meetings and disclosure in connection with those meetings. However, the Company currently has the status of a “designated foreign issuer” as such term is defined by Canadian National Instrument 71-102. As such, the Company is exempt from certain requirements otherwise imposed on reporting issuers in Canada, including proxies, notices of shareholder meetings and disclosure in connection with those meetings, provided generally that the Company complies with the relevant foreign disclosure requirements of an approved foreign jurisdiction. The Company is subject to the foreign regulatory requirements of the ASX and the Australian Securities & Investments Commission.*

*Canadian shareholders are cautioned that the disclosures contained in this Notice of Meeting and Explanatory Statement may not be comparable to what would otherwise be disclosed by reporting issuers that are not designated foreign issuers.*

CLQ

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Lodge your vote:

  **Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10.00 am (AEDT) on Tuesday, 20 November 2018**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Clean TeQ Holdings Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Clean TeQ Holdings Limited to be held at Stamford Plaza Melbourne, 111 Little Collins Street, Melbourne Victoria 3000 on Thursday 22 November 2018 at 10.00 am (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5, 6 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5, 6 and 7 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Ms Judith Downes as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Robert Friedland as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Mr Ian Knight as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to Issue 100,757 Performance Rights to Mr Sam Riggall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to Issue 142,341 Performance Rights to Mr Sam Riggall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to Issue 78,192 Shares to Mr Sam Riggall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /