

28 February 2023

Clean TeQ Water Half-Year results and Progress

MELBOURNE, Australia – Clean TeQ Water Limited ('Clean TeQ Water' or 'Company') (ASX: CNQ & OTCQX: CNQQF) today announced Clean TeQ Water's half-year 2023 financial results.

1H FY23 Highlights:

- Practical completion of the Laramba Water Treatment Plant, NT which is the first plant to be delivered as part of the Northern Territory Government's \$28 million program to improve water quality and supply infrastructure to prioritised areas of critical need.
- Secured our largest project, valued at \$10 million for the delivery of a 15 megalitres a day ('MLD') Recycled Water Treatment Facility ('WTF'), at Cleveland Bay Purification Plant as a part of a head contract for water treatment and distribution for Townsville City Council ('TCC').
- Completed a \$5 million two-tranche placement to institutional and sophisticated investors.
- EBITDA loss improved by 53% at -\$2.7 million (31 Dec 21: EBITDA of -\$5.6 million).
- Gross margins increased 30% from the comparative period as performance on individual projects progressively improved. Gross margins, which are represented by the net of revenues and raw materials and other direct costs, in the reporting period were 39% / \$2.7 million (31 Dec 21: 9% / \$0.7 million).
- Sales revenue was close to the previous interim reporting period at \$6.8 million (31 Dec 21: \$7.3 million). The previous reporting period was for a period of 10.5 months being the date from the Company's incorporation, 15 February 2021 to 31 December 2021.

Events occurring after the 1H FY23 balance sheet date:

- Formal completion and handover of the ion exchange water treatment plant in Koumala for Mackay Regional Council in Queensland.
- In February 2023 the Company entered into a distribution agreement with Stitchwise Pty Ltd for the use of ATA™ technology as an aid to backfilling mine cavities. Stitchwise is the market leader in this field in South Africa.
- In February 2023, the Company formally established a joint venture (Go2Lithium) with Computational Geosciences Inc. The Joint Venture will bring together the intellectual property and know-how to identify lithium brine assets and provide the most economical and environmentally sustainable extraction and purification process of battery-grade lithium salts. The joint venture is currently testing Clean TeQ Water's proprietary Direct Lithium Extraction (cDLE™) technology on a number of brine samples from North America.

- Excellent results from its on-site pilot testing at Schreurs & Sons for the application of NematiQ's Graphene membranes to treat agricultural processing wastewater for recycling.

Summary and Outlook

The Company continues to deliver on its strategy of growth in key sectors building on the Company's portfolio of key solutions, with a continually expanding footprint of successfully implemented projects and new partnerships. Meanwhile, the successful delivery of its projects enabled the Company to improve its margins alongside revenue growth.

Substantial progress is also being made in the Company's metal recovery division. The Company tailings management has received a substantial boost through the Company's intended large-scale application of ATA™ for backfilling of underground mines by distribution partner Stitchwise. The Company's recent focus on using the Company's Continuous Direct Lithium Extraction (cDLE™) for lithium extraction in North America has progressed from the LOI stage to the formal establishment of the Go2Lithium JV in Canada together with Computation Geosciences Inc. (a subsidiary of Ivanhoe Electric (NYSE US: IE; TSX: IE)). Go2Lithium will be the main vehicle used by the parties to attract investment, acquire brine assets, and deploy the cDLE™ technology.

Finally, NEMATIQ continues to move towards full commercialization by proving the benefits of its Graphene Membranes across an increasingly diverse spectrum of waste waters, while the Company has started to successfully deploy larger scale pilots for longer duration on-site demonstrations.

CEO, Willem Vriesendorp commented:

"I am delighted by the results of the past 6 months showing excellent profitability of our water solutions projects. Meanwhile, we are making substantial progress towards commercialization of our metal recovery business with the establishment of Go2Lithium, and in NEMATIQ through satisfactory results from on-site pilot testing of our Graphene Membranes."

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This announcement is authorised for release to the market by the Board of Directors of Clean TeQ Water Limited.

About Clean TeQ Water Limited (ASX: CNQ) – Based in Melbourne, Australia, Clean TeQ Water provides innovative metals recovery and water treatment solutions for governments and companies. Its sectors of focus include municipal wastewater, surface water, industrial wastewater and mining wastewater. Clean TeQ Water has offices in Melbourne,

Perth, Beijing and Tianjin, and partners in Africa and Latin America. It provides turnkey metals recovery and water treatment plants across the world.

For more information about Clean TeQ Water please visit www.cleanteqwater.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified using words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the Company’s current expectations regarding future events, performance, and results, and speak only as of the date of this new release. Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.