

# **CLEAN TEQ WATER LIMITED**

## **ACN 647 935 948**

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## **PROSPECTUS**

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### **Offer**

This Prospectus is being issued for the offer of up to 1,000 Shares in the capital of the Company at an issue price of \$0.31 per Share to raise up to \$310.00.

The Offer closes at 5.00pm (AEST) on 10 May 2024. Valid Applications must be received before that time.

### **Cleansing**

This Prospectus has been prepared and issued for the purposes of section 708A(11) of the Corporations Act to remove any secondary trading restrictions on the sale of Placement Shares issued by the Company under the Placement.

### **Important Information**

This Prospectus is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered speculative.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act.

**Not for distribution in the USA or to USA Persons.**

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## 1. CORPORATE DIRECTORY

### Directors

Mr. Ian Knight (Chairman)  
Mr. Peter Voigt (Interim CEO and Executive Director)  
Mr. Sam Riggall (Non-Executive Director)  
Ms. Robyn McLeod (Non-Executive Director)

### Registered Office and Principal Place of Business

Unit 12, 21 Howleys Road  
Notting Hill, Victoria 3168

**Website:** [www.cleanteqwater.com](http://www.cleanteqwater.com)

### Company Secretary

Ms. Anita Addorisio

### Share Registry

Computershare Investor Services Pty Ltd  
Yarra Falls, 452 Johnson Street  
Abbotsford, Victoria 3067  
Telephone: +61 3 9415 5000  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

**ASX Code:** CNQ

ASX Code: CNQ

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## **2. IMPORTANT INFORMATION**

### **2.1 Prospectus**

This Prospectus relates to the offer of Shares by Clean TeQ Water Limited ACN 647 935 948 (**Clean TeQ** or **Company**) under the Offer.

This Prospectus is dated 5 May 2024 and was lodged with the ASIC on that date. None of ASIC, ASX or their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Company will apply to ASX within 7 days of the date of this Prospectus for Official Quotation by ASX of the Shares offered by this Prospectus. This Prospectus expires 13 months from the date it was lodged with ASIC. No Shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Securities will only be accepted on an Application Form, which is attached to, or provided by the Company with a copy of this Prospectus. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that ASX maintains a database of publicly disclosed information about the Company, that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to potential investors and professional advisers with whom potential investors may consult.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. It does not contain the same level of disclosure as an initial public offering prospectus. It is intended to be read in conjunction with publicly available information, as described in Section 8.3 below.

### **2.2 Electronic prospectus**

A copy of this Prospectus can be downloaded from the Company's website at <https://www.cleanteqwater.com/investors/>. If you access the electronic version of this Prospectus you should ensure that you download and read the entire Prospectus.

The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. A hard copy of this Prospectus may be obtained by contacting the Company.

Shareholders in other jurisdictions (including the United States), or who are, or are acting for the account or benefit of, a person in the United States are not entitled to access the electronic version of this Prospectus.

### **2.3 Risk Factors**

Potential investors should be aware that subscribing for Shares involves a number of risks. The key risk factors which investors should be aware are set out in Section 7 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer detailed in this Prospectus.

The Shares on offer under this Prospectus should be considered speculative.

## **2.4 Investors outside Australia**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

## **2.5 Forward looking statements**

Some of the statements appearing in this document may be in the nature of forward looking statements.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected.

Neither the Company nor any of its officers, or any person named in this document or involved in the preparation of this document, make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, and prospective investors are cautioned not to place undue reliance on those statements.

The forward looking statements in this document reflect views held only as at the date of this document. The Company does not have an obligation to disseminate after the date of this document any updates or revisions to any such statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any of those statements are based unless required to do so under the Corporations Act to update or correct this document or pursuant to the Company's continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

## **2.6 Prospectus does not contain investment advice**

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that any prospective investor reads this Prospectus carefully and in full before deciding whether to invest in the Company. In considering the prospects of the Company, a prospective investor should consider the risks that could affect the financial performance or position of the Company. A prospective investor should carefully consider these risks in the light of their investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from their accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares offered under this Prospectus, or otherwise. No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus.

## **2.7 Definitions**

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 10.

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### 3. INDICATIVE TIMETABLE

The indicative timetable for the Offer is as follows:

Event	Date
Lodgement of Prospectus with ASX	Monday, 6 May 2024
Opening Date of Offer	Monday, 6 May 2024
Closing Date of Offer*	5:00pm AEST Friday, 10 May 2024
Issue of Shares pursuant to the Offer	Monday, 13 May 2024

\*Subject to the Corporations Act and ASX Listing Rules, the Company reserves the right to vary these times and dates (other than in respect of events that have already occurred) in its absolute discretion by sending a revised timetable to ASX. All times are references to time in Sydney, NSW.

The Directors, subject to the requirements of the ASX Listing Rules and the Corporations Act, reserve the right to:

- (a) withdraw the Offer without prior notice; or
- (b) vary any of the key dates set out in this Prospectus, including extending or closing the Offer.

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## 4. DETAILS OF THE OFFER

### 4.1 The Offer

The Company is offering, pursuant to this Prospectus, up to 1,000 Shares at an issue price of \$0.31 per Share to raise up to \$310.00 before costs (**Offer**).

The Offer will only be extended to specific parties at the invitation of the Directors. Application Forms will only be provided by the Company to these parties, together with a copy of this Prospectus.

There is no minimum amount sought to be raised by the Offer. There is no provision for oversubscriptions.

The Offer is not underwritten.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. A summary of the rights and liabilities attaching to Shares is set out in Section 6.

### 4.2 Purpose of the Offer

As announced on 29 April 2024, the Company has received firm commitments to raise \$2 million (before costs) by way of a Share placement, which involves an issue of approximately 6,451,613 Shares (**Placement Shares**) to sophisticated and professional investors at an issue price of \$0.31 per Share, and will raise \$2 million if the Placement Shares are fully subscribed (**Placement**). The Company will issue the Placement Shares under the Company's placement capacity under Listing Rule 7.1A.

The Company also announced that it intended to offer a Share Purchase Plan to eligible shareholders targeting to raise approximately \$1 million (before costs) at an issue price of \$0.31 per Share (**SPP**).

The Placement and the SPP also includes the offer, to be made pursuant to a separate prospectus, to receive one (1) option for every three (3) Shares subscribed for, exercisable at \$0.45 each and expiring 30 April 2026 (**Options**). The Options are also intended to be listed, subject to satisfying the quotation requirements of ASX.

Further details of the SPP and Options offer will be included in a separate prospectus which will shortly be lodged for the SPP offer and released to ASX as an announcement. The SPP is not a condition of the Offer or the Placement.

Refer to the Company's announcement released to ASX on 29 April 2024 for further details regarding the Placement, the SPP and the Options.

Generally, section 707(3) of the Corporations Act requires a prospectus to be issued in order for a person to whom securities were issued without disclosure under Part 6D.2 of the Corporations Act to on-sell those securities within 12 months of the date of their issue. The Corporations Act provides an exception to section 707(3) where an entity issues a cleansing notice under section 708A(5) of the Corporations Act.

One of the requirements to be able to issue a cleansing notice under section 708A(5) of the Corporations Act is that trading in the Company's securities be suspended for no more than 5 trading days in the previous 12 months.

The Company's securities were continuously suspended from trading from 19 April 2024 until 10:17am on 29 April 2024). Due to processing times associated with the lifting the Company's voluntary suspension from trading on 29 April 2024, the Company's securities were therefore suspended from trading for a total of 5 trading days plus 17 minutes. While the Company has received legal advice that the additional 17 minutes should not preclude it from being able to issue

a cleansing notice, ASX has declined to express a view about this technical issue. However, given the serious consequences associated with a failure to properly cleanse newly issued Shares, the Company has therefore chosen not to issue a cleansing notice unless and until it receives appropriate confirmation and/or relief from ASIC (which the Company is now seeking) and, instead, to issue this Prospectus in order to satisfy Section 708A(11) of the Corporations Act (see below).

Section 708A(11) of the Corporations Act provides another exception from the general requirement under section 707(3) to allow for securities issued without disclosure under Chapter 6D of the Corporations Act (including Shares) to be sold where:

- (a) the relevant securities are in a class of securities that are quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
  - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) before the day on which the relevant securities are issued and offers of securities under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

This Prospectus has been issued, and the Offer is being undertaken, for the purpose of section 708A(11) of the Corporations Act to remove any secondary trading restrictions on the on-sale of the Placement Shares.

Participation in the Offer is by invitation only, and application for the Shares under the Offer must be made using the Application Form. You should not complete an Application Form unless specifically directed to do so by the Company.

The Company is not issuing the Placement Shares, with the purpose of the persons to whom they are being issued selling or transferring their Shares, or granting, issuing or transferring interests in those Shares within 12 months of the issue but this Prospectus provides them the ability to do so should they wish.

Accordingly, the purpose of this Prospectus is to:

- (a) make the Offer; and
- (b) ensure that the on-sale of the Placement Shares does not breach Section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in Section 708A(11) of the Corporations Act.

#### **4.3 Opening and Closing Dates**

The Company will accept Application Forms until 5.00pm (AEST) on the Closing Date, being 10 May 2024, or such other date as the Directors in their absolute discretion may determine, subject to the requirements of the Listing Rules.

#### **4.4 Applications**

If you wish to subscribe for Shares pursuant to the Offer, you should complete and return the Application Form, which will be provided with a copy of this Prospectus by the Company at the Board's discretion, in accordance with the instructions in the Application Form. Completed Application Forms must be received by the Company prior to 5.00pm (AEST) on the Offer Closing Date. Application Forms should be mailed to the following address:



Company Secretary  
Clean Teq Water Limited  
Unit 12, 21 Howleys Road  
Notting Hill, Victoria 3168

If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares.

The Application Form does not need to be signed to be a binding Application for Shares.

If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final.

#### **4.5 Underwriter and fees**

The Company has not engaged an underwriter in relation to the Offer and there is no sponsoring broker to the Offer.

No capital raising fees will be paid in relation to applications under the Offer.

#### **4.6 ASX quotation**

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

#### **4.7 Issue of Shares**

The issue of Shares will take place in accordance with the timetable set out at the commencement of this Prospectus and otherwise in accordance with the ASX Listing Rules. Application moneys will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued. Each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares offered under this Prospectus. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Shareholder Approval. Where no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Shareholder Approval. Interest will not be paid on moneys refunded.

#### **4.8 CHESS**

The Company participates in the Clearing House Electronic Subregister System, known as CHESS.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares. If you are broker sponsored, ASX will send you a CHESS statement.

The CHESS statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Computershare Investor Services Pty Limited and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored holding statement will routinely be sent to Share Holders at the end of any calendar month during which the balance of their Security holding changes. Share Holders may request a statement at any other time; however, a charge may be made for additional statements.

#### **4.9 Risks**

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 7 of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

#### **4.10 Restrictions on the distribution of the Prospectus**

The distribution of this Prospectus outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws.

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

#### **4.11 Taxation implications**

Potential investors should be aware that there may be taxation implications associated with applying for Shares.

The Directors do not consider it appropriate to give Share Holders advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Share Holders. As a result, Share Holders should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

#### **4.12 Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2023 is in the Annual Report that was lodged with ASX on 21 September 2023 and is available on the Company's website at <https://www.cleanteqwater.com/investors/>.

The Company's Half-year Financial Report for the period ended 31 December 2023 that was lodged with ASX on 29 February 2024 is also available on the Company's website.

The Company's continuous disclosure notices (i.e. ASX announcements) since the date of lodgement of the Company's latest full year statutory accounts and before lodgement of this Prospectus with ASIC are listed in Section 8.3.

Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offer.

#### **4.13 Privacy**

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies, authorised securities brokers, print service providers, mail houses and the share registry. You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the *Privacy Act* 1988, the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares offered under this Prospectus, the Company may not be able to accept or process your application.

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## 5. PURPOSE AND EFFECT OF THE OFFER

### 5.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any secondary trading restrictions on the on-sale of the Placement Shares.

Under the Offer, an amount of up \$310 (before expenses) will be raised. All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 8.12 for further details relating to the estimated expenses of the Offer.

### 5.2 Effect of the Offer on capital structure

Below is a summary of the effect of the Offer on the capital structure of the Company as at the date of this Prospectus (assuming all Shares offered under this Prospectus are issued and no other Securities are issued).

Shares <sup>1</sup>	Number	% of Total Securities
Shares on issue as at the date of the Prospectus	65,168,671	-
Placement Shares <sup>2</sup>	6,451,613	9.0
Shares offered under the Offer	1,000	0.0
<b>Total Shares on issue on completion of the Offer<sup>3</sup></b>	<b>71,621,284</b>	<b>100</b>

**Notes:**

1. The rights and liabilities attaching to the Shares are summarised in Section 6 of this Prospectus.
2. This assumes the Offer is fully subscribed.
3. Assumes the Company will not issue any other Shares or Options during the Offer Period,
4. The total above does not include the SPP Shares and Options referred to at Section 4.2.

### 5.3 Financial Effect of the Offer

After paying the expenses of the Offer, there will be no net proceeds from the Offer. The expenses of the Offer will be met from the Company's existing reserves and/or the proceeds of the Placement. The effect of the Offer will be a net decrease in cash held of approximately \$9,690 (exclusive of GST).

### 5.4 Potential effect on control of the Company

Based on public information as at the date of this Prospectus, the persons who (together with their associates) have a relevant interest in 5% or more of the Company's securities are out below:

Shareholder	No. of Shares	% of total Securities	Voting power
Robert Martin Friedland	11,383,637	17.50	17.50%
Soane Labs LLC	7,178,033	11.03	11.03%
Pengxin International Group Limited	5,225,944	8.03	8.03%
FMR LLC and its related entities	3,770,956	5.80	5.80%

If the Offer is fully subscribed, the Offer will not have a material effect on the control (as defined by section 50AA of the Corporations Act) of the Company.

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## **6. RIGHTS AND LIABILITIES ATTACHING TO SHARES**

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### **6.1 General meetings**

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of Clean TeQ and receive all notices, accounts and other documents required to be sent to Shareholders under the Clean TeQ Constitution, Corporations Act and ASX Listing Rules. Clean TeQ must give at least 28 days' written notice of a general meeting.

### **6.2 Voting rights**

At a general meeting of Clean TeQ, every Shareholder present in person or by proxy, representative or attorney and entitled to vote is entitled to one vote on a show of hands and, on a poll, one vote for each Clean TeQ Share held by the Shareholder (with adjusted voting rights for partly paid shares). If the votes are equal on a proposed resolution, the chair of the meeting does not have a casting vote.

### **6.3 Dividend rights**

The Clean TeQ Board may pay any dividends that, in its judgement, it thinks appropriate and fix the time and method of payment. Each share of a class on which the Clean TeQ Board resolves to pay a dividend carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share bears to the total issue price of the share.

### **6.4 Winding-up**

If Clean TeQ is wound up, any assets available for distribution will, subject to the Constitution, the Corporations Act, the ASX Listing Rules and any special rights attaching to shares issued on special terms and conditions, be distributed among the members to return capital paid up on their Shares and distribute any surplus in proportion to the amount paid up on Shares held by them.

If Clean TeQ is wound up, the liquidator may, with the approval of a special resolution, divide among the shareholders of Clean TeQ all part of the assets of Clean TeQ and decide how the division is to be carried out.

### **6.5 Unmarketable parcels**

Subject to the Corporations Act, the Clean TeQ Board may sell Clean TeQ Shares that constitute less than a marketable parcel by following the procedures in the Clean TeQ Constitution. A marketable parcel of Clean TeQ Shares is defined in the ASX Listing Rules and is generally a holding of Clean TeQ Shares with a market value of not less than \$500.

### **6.6 Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

### **6.7 Transfer of shares**

Generally, Subject to the Constitution, the Corporations Act, the ASX Listing Rules and the ASX Operating Rules and any restrictions attaching to a Clean TeQ Share, a Shareholder may transfer a Clean TeQ Share by transfer document submitted to the company. The Clean TeQ Board may

request ASX to apply a holding lock to prevent a transfer, or may decline to register an instrument to transfer in accordance with the Corporations Act or the ASX Listing Rules.

## **6.8 Future increase in capital**

Subject to the Constitution, ASX Listing Rules and the Corporations Act, the Clean TeQ Board may allot, issue, cancel or otherwise dispose of Clean TeQ Shares on such terms as the Clean TeQ Board thinks fit.

## **6.9 Preference Shares**

Clean TeQ may issue preference shares including preference shares which are, or at the option of Clean TeQ or a holder are, liable to be redeemed or convertible to Clean TeQ Shares. The rights attaching to preference shares are those set out in the Constitution unless other rights have been approved by special resolution of Clean TeQ.

## **6.10 Variation of rights**

The procedure set out in the Clean TeQ Constitution must be followed for any variation of rights attached to the Clean TeQ Shares. Under the Constitution and subject to the Corporations Act and the terms of issue of a class of shares, the rights attached to a class of shares in Clean TeQ may be varied by:

- the written consent of the holders of at least 75% of the issued shares in the class; or
- a special resolution passed at a separate meeting of the holders of shares in that class.

## **6.11 Directors – appointment and removal**

Under the Constitution, the Clean TeQ Board must have at least three and not more than eight Clean TeQ Directors. The Clean TeQ Board may, at any time, increase the maximum number of Clean TeQ Directors that are elected or re-elected by ordinary resolution at general meetings of Clean TeQ.

No Clean TeQ Director (excluding the managing director) may hold office without re-election beyond the third annual general meeting following the Clean TeQ director's appointment. Subject to the limit on the maximum number of directors who may be appointed to the Clean TeQ Board, the Clean TeQ Board may also appoint a Clean TeQ director in addition to the existing Clean TeQ directors or to fill a casual vacancy on the Clean TeQ Board, and that Clean TeQ director (apart from the managing director) must retire from office and will be eligible for re-election at the next annual general meeting from that Clean TeQ director's appointment.

A person is eligible for election to the office of a Clean TeQ director at a general meeting if they are nominated or recommended by the Clean TeQ Board or a member.

## **6.12 Directors – voting**

Questions arising at a meeting of the Clean TeQ Board must be decided by a majority of votes cast by the Clean TeQ directors present at the meeting and entitled to vote on the matter. If the votes of present Clean TeQ directors are equal on a proposed resolution, the chairperson of the meeting does have a second or casting vote but not where there are only two Clean TeQ directors present and entitled to vote.

A written resolution of the Clean TeQ Board may be passed without holding a meeting of the Clean TeQ Board if a majority of the eligible Clean TeQ directors sign or consent to the resolution.

## **6.13 Directors – remuneration**

Under the Clean TeQ Constitution, the Clean TeQ Board may decide the remuneration from Clean TeQ to which each Clean TeQ director is entitled for his or her services as a Clean TeQ director.

However, the total amount payable to all non-executive Clean TeQ directors for their services as non-executive Clean TeQ directors must not exceed in aggregate in any financial year the amount fixed by Shareholders in a general meeting or consist of a commission on, or percentage of, operating revenue.

Clean TeQ directors may be paid for travel and other expenses incurred in attending to Clean TeQ affairs, including attending and returning from meetings of Clean TeQ directors or Clean TeQ Board committees or general meetings. If any Clean TeQ director performs extra services or makes special exertions, such Clean TeQ director may be remunerated for the services.

#### **6.14 Powers and duties of Clean TeQ directors**

The business of Clean TeQ is to be managed by or under the direction of the Clean TeQ Board. The power of the Board must be exercised in accordance with the Corporations Act and the Clean TeQ Constitution.

#### **6.15 Indemnities**

Subject to and so far as permitted by the Corporations Act and any other applicable law, Clean TeQ must indemnify each officer of Clean TeQ against all losses or liabilities incurred by that person as an officer of Clean TeQ or any Related Body Corporate.

Clean TeQ may, to the extent permitted by law, purchase and maintain insurance or pay, or agree to pay, a premium for insurance for each officer of Clean TeQ against any liability incurred by that person as an officer of Clean TeQ or of a related body corporate, including but not limited to, liability for negligence or for reasonable legal costs incurred in defending a proceeding brought against that person.

#### **6.16 Alteration of constitution**

Clean TeQ's Constitution may only be amended by a special resolution passed by Shareholders at a general meeting.

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## **7. RISK FACTORS**

### **7.1 Introduction**

The Shares offered under this Prospectus should be considered speculative because of the nature of the Company's Business.

There are a number of risk factors specific to Clean TeQ and of a more general nature which may, either individually or in combination, affect the future operating and financial performance, or financial position of Clean TeQ or the value of Clean TeQ Shares.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Shares.

### **7.2 Key Risks**

#### **(a) Future capital requirements**

Clean TeQ is currently loss making and is cash flow negative. The future capital requirements of Clean TeQ will depend on many factors including the pace and scale of the growth of its business and sales. Clean TeQ believes that its available cash and future margins from currently contracted projects will be adequate to satisfy its anticipated current working capital and other capital requirements. However, Clean TeQ may need to raise additional funds from time to time to finance the ongoing development and commercialisation of its technology and to meet its other long-term objectives.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit Clean TeQ's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on reasonable terms to Clean TeQ or at all. If Clean TeQ is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on Clean TeQ's activities and could affect Clean TeQ's ability to continue as a going concern.

#### **(b) Ability to win and retain key customers**

Clean TeQ's business is dependent on the securing of contracts to provide product design and engineering services to customers in the water, mining, industrial, municipal and other sectors. Clean TeQ has no control over the timing of these opportunities or in respect of the awarding of such contracts or customer demands for its products. The performance of services contracts may incur additional, unexpected costs or be subject to delays and changes to budgeted scope and deliverables, which may require Clean TeQ to revise its timetable or delay the successful development of the business.

If Clean TeQ fails to maintain or secure future services contracts, revenue could be adversely affected. There is also a risk that contracts it believes it may be able to enter into will not be able to be successfully negotiated or existing contracts may be terminated at short notice or not extended or replaced.

#### **(c) Competition**

Clean TeQ is not unique in developing and marketing many of its products and services. Clean TeQ's ability to enter into contracts for the supply of products and services at profitable prices may be adversely affected by the introduction of new suppliers and any



increase in competition in the global water technology market either of which could increase the global supply of these services/products and thereby potentially lower prices.

**(d) Reliance on key personnel**

Clean TeQ currently employs a number of qualified key personnel, who are integral to Clean TeQ's operations. Clean TeQ's future depends on its ability to continue retaining, motivating and attracting suitably qualified personnel. The loss of key personnel, or the inability to access and retain the services of qualified staff, could adversely affect Clean TeQ and its activities. Clean TeQ has, to the extent practicable and legally possible, established contractual mechanisms through employment and consultancy contracts to limit the ability of key personnel to join a competitor, or compete directly with Clean. Despite these measures, there is no guarantee that Clean TeQ will be able to attract and retain suitably qualified personnel.

**(e) Go2Lithium JV – Lithium**

Clean TeQ can make no representation that the technologies from the partners in the G2L JV will be successful in reliably extracting economically viable quantities of lithium from brine resources that the technologies are applied to nor that Clean TeQ or the JV will be successful in attracting funding for the scale-up, and in securing access to specific brine resources.

Clean TeQ can make no guarantee that the licensed technology to LithiumBank will be used for the Boardwalk Brine Project in line with the milestone agreement and be issued with further tranches, representing 10,000,000 shares, in LithiumBank.

**(f) NematiQ - Commercialisation**

Clean TeQ can make no representation that any development or subsequent commercialisation of NematiQ' products and the associated Intellectual Property Rights will be successful, that key milestones to move NematiQ through its current phase will be achieved or that NematiQ and the associated intellectual property can or will reliably yield products and services that are exploitable at an ongoing commercial level having regard to market demand for such products and services.

Achievement of NematiQ's objectives will depend on its ability to successfully implement its growth strategy. Depending on the Company's ability to generate income from its operations, it may require further financing to achieve these objectives.

**(g) Mine Tailings Management**

Clean TeQ cannot guarantee the success of its technologies in rehabilitating economically viable quantities of tailings to which they are applied. Additionally, Clean TeQ or our partners may not be successful in securing funding for the scale-up, or in achieving sufficient economic value and net environmental risk reduction through the project Joint Ventures or partnerships.

**(h) Intellectual Property Rights**

The success of Clean TeQ depends, in part, on its continued ability to protect its intellectual property and to use any trademarks accordingly to increase brand awareness. Clean TeQ will depend on its intellectual property to protect its brands and trade secrets, and any pending patents on its products and processes.

Given the dependence of Clean TeQ on intellectual property and the quality of its products and brands, in the event that Clean TeQ is unable to protect its intellectual property adequately, then the value of Clean TeQ's products and brands could be

adversely affected. This may further impact the overall business, with respect to its financial position and overall profitability and operational output..

Within the water industry, there exists an ongoing risk of third parties claiming involvement in technological discoveries. Clean TeQ has taken steps to protect and confirm its interest in its intellectual property and will endeavour to implement all reasonable processes to protect its intellectual property. Clean TeQ is not aware of any third party interests in relation to its intellectual property rights, however as stated above, the risk of third parties claiming involvement exists, which may result in litigation risks, and there can be no assurance that the measures in place by Clean TeQ will be sufficient.

(i) **Risks in international growth**

Clean TeQ's current business model includes offering design and engineering services to clients outside Australia. Clean TeQ conducts its business globally and has assets and operations in jurisdictions outside Australia which may be material to Clean TeQ. As such, Clean TeQ may be exposed to risks associated with conducting business outside Australia.

Pursuit of growth opportunities internationally may require significant investment for an extended period before returns, if any, are realised, and there can be no assurance that Clean TeQ's expansion plans would be successful.

Clean TeQ's prospects in this regard could be adversely affected by factors such as delays in the opening of foreign markets, the exchange rate, a preference for the use of local suppliers, current or future legislation or regulatory or technical standards which discriminate against overseas suppliers.

In addition, Australian laws and policies affecting foreign trade, investment and taxation, as well as laws and regulations in other jurisdictions in which Clean TeQ operates, could also adversely affect Clean TeQ's Australian and international operations and growth.

### 7.3 Other risks

(a) **Competition Risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(b) **General market conditions**

The value of the Company's Shares may fluctuate.

Investments in equity markets are generally speculative in nature and potential investors should carefully consider this risk before making any investment in New Options.

There is no guarantee that the Shares will trade at or above the issue price. Potential investors should also note that past performance of the Shares on ASX provides no guidance as to the future performance of these Shares on ASX.

Many factors will affect the price of securities including local and international stock markets, movements in interest rates, economic conditions and investor sentiment generally. In addition, the commencement of, or escalation in, any war, armed conflict, hostilities between nations, civil unrest or terrorist activities may affect the price of securities.

(c) **Liquidity risk**

There can be no guarantee that an active trading market for Clean TeQ's shares is maintained. There may be relatively few or many potential buyers and sellers of the shares on the ASX at any time. This may increase the volatility of the value of the shares and/or prevent investors from acquiring or disposing shares

(d) **Economic factors**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption in Australia, the rate of growth of

Australia's gross domestic product, interest rates, exchange rates and the rate of inflation.

(e) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, pandemics or quarantine restrictions.

(f) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and exploitation and exploration activities of the Company.

(g) **Regulatory risks**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

(h) **Climate Change**

Climate change risk is becoming increasingly relevant to the minerals industry including new or changing regulation, introduction of carbon taxes, consumer, investor and community action. Climate change may also cause physical and environmental risks that cannot be predicted such as increased severity of weather patterns and incidents of extreme weather events. The Company is not able to accurately predict the effect of

changes to environmental laws and regulations and the effect they would have on the cost of doing business.

(i) **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

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## **8. ADDITIONAL INFORMATION**

### **8.1 Nature of Prospectus**

The Shares to be issued pursuant to this Prospectus are continuously quoted securities. This Prospectus is issued under the special prospectus content rules for continuously quoted securities in Section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of the effect of the Offer on the Company and the rights and liabilities attaching to the Shares offered pursuant to this Prospectus. It is not necessary to, and this Prospectus does not, include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the Company.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

### **8.2 Company is a disclosing entity**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC (see Section 8.3 below).

This Prospectus is a 'transaction specific prospectus'. In general terms a 'transaction specific prospectus' is only required to contain information in relation to the effect of the offer on a Company and the rights attaching to the securities to be issued. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing Company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been provided to ASX and does not include all of the information that would be included in a Prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

### 8.3 Copies of documents

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide you with a copy (upon request and free of charge prior to the Closing Date) of:
  - (i) the annual financial report most recently lodged by the Company with the ASX;
  - (ii) any half-year financial report lodged by the Company with the ASX after the lodgement of the annual financial report referred to in (a) and before the lodgement of this Prospectus with the ASIC; and
  - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (a) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of ASX Announcement
21/09/2023	Appendix 4G and Corporate Governance Statement
28/09/2023	Notice of Annual General Meeting/Proxy Form
28/09/2023	CNQ awarded \$5.6M contract for Uranium Processing Plant
02/10/2023	Application for quotation of securities - CNQ
02/10/2023	Becoming a substantial holder
04/10/2023	Notification of cessation of securities - CNQ
04/10/2023	Change in substantial holding
04/10/2023	Change in substantial holding
18/10/2023	Change in substantial holding
31/10/2023	September 2023 Quarterly Activities Report and Appendix 4C
01/11/2023	AGM Presentation
01/11/2023	Results of Annual General Meeting
01/11/2023	Notification regarding unquoted securities - CNQ
01/11/2023	Change of Director's Interest Notice - Peter Voigt
06/11/2023	Revised Appendix 4C

Date	Description of ASX Announcement
14/11/2023	Clean TeQ and Future Element establish Mine Tailings JV
06/12/2023	CNQ Achieves Practical Completion - NESR project
19/12/2023	CNQ Signs Technology License Agreement with BEIE
27/12/2023	CNQ Awarded Contract to pilot DESALX in Belgium
08/01/2024	Notification of cessation of securities - CNQ
15/01/2024	Notification of cessation of securities - CNQ
17/01/2024	Section 708A Cleansing Notice
17/01/2024	Application for quotation of securities - CNQ
17/01/2024	Change of Director's Interest Notice - Peter Voigt
29/01/2024	December 2023 Quarterly Activities Report and Appendix 4C
19/02/2024	NematiQ sells Graphene Membranes into Hemp Processing Market
29/02/2024	Appendix 4D and Half Year Report
02/04/2024	Clean TeQ receives FY2023 R&D Tax Incentive
08/04/2024	Notification of cessation of securities - CNQ
17/04/2024	Trading Halt
19/04/2024	Suspension from Quotation
29/04/2024	CNQ announces \$5M funding package
29/04/2024	Reinstatement to Quotation
29/04/2024	Proposed issue of securities - CNQ
29/04/2024	Proposed issue of securities - CNQ
29/04/2024	Investor Presentation
30/04/2024	March 2024 Quarterly Activities Report and Appendix 4C

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours. The announcements are also available through the Company's website at <https://www.cleanteqwater.com/investors/>.

#### 8.4 Information excluded from continuous disclosure notices

At the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules and which the Board considers would reasonably be required in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to Shares in the Company.

#### 8.5 Determination by ASIC

ASIC has not made a determination that would prevent the Company from relying on section 713 of the Corporations Act in issuing Shares under this Prospectus.

#### 8.6 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the most recent

dates of those sales were:

Shares	Price	Date
Highest	\$0.40	09/02/2024
Lowest	0.305	03/05/2024
Last	0.305	03/05/2024

## 8.7 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

## 8.8 Litigation

Other than as disclosed in this Prospectus, as at the date of this Prospectus, the Company is not involved in any legal proceedings, and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

## 8.9 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed director of the Company, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director of the Company:

- (d) as an inducement to become, or to qualify as, a director of the Company; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

### ***Security Holdings***

The securities in which the Directors and their associates have or are proposed to have relevant interests in at the date of this Prospectus are set out below:

Director	Shares	Options	Performance Rights
Ian Knight	105,921	Nil	Nil
Peter Voigt	1,266,339	Nil	555,863



Sam Riggall	1,425,519	Nil	Nil
Robyn McLeod	13,158	Nil	Nil

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus.

### **Remuneration**

The cash remuneration (including superannuation) paid to the Directors for the two financial years prior to the date of this Prospectus, and proposed to be paid to the Directors for the current financial year (on an annualised basis), is set out below:

<b>Director</b>	<b>Remuneration for the year ended 30 June 2022</b>	<b>Remuneration for the year ended 30 June 2023</b>	<b>Proposed remuneration for the year ended 30 June 2024</b>
Ian Knight	\$85,000	\$89,285	\$89,675
Peter Voigt	\$431,963	\$319,750	\$321,349
Sam Riggall	\$60,000	\$63,300	\$63,586
Robyn McLeod	\$42,742	\$63,300	\$63,586

## **8.10 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years before the date of lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer or the Offer itself; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid (in cash, Shares or otherwise) and no other benefit has been given or agreed to be given to any of the above persons for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

## **8.11 Consents**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), and certain other parties, including the Directors, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus,

the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

#### **8.12 Estimated expenses of Offer**

The estimated expenses of the Offer are estimated to be approximately \$10,000 (excluding GST) and are expected to comprise legal fees (\$5,000 excluding GST) and other administrative expenses, including ASIC and ASX fees. The estimated expenses will be paid out of the Company's existing working capital.

#### **8.13 Electronic Prospectus**

Pursuant to ASIC Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on + 61 3 9797 6700 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at [www.cleanteqwater.com](http://www.cleanteqwater.com).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

#### **8.14 Material contracts**

The Company has not entered into any material contracts other than those which have been the subject of prior ASX announcements or referred to in this Prospectus.

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**9. DIRECTORS' CONSENT**

This Prospectus is dated 5 May 2024 and is issued by Clean TeQ Water Limited.

The Directors have made all reasonable enquires and, on that basis, have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of the Company has authorised the lodgement of this Prospectus in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

Signed for and on behalf of Clean TeQ Water Limited



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**Mr Ian Knight**  
Chairman  
**CLEAN TEQ WATER LIMITED**

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## 10. DEFINITIONS

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Applicant** means an investor who applies for Shares pursuant to the Offer.

**Application Form** means an application form either attached to or accompanying this Prospectus.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

**Board** means the Directors meeting or acting as a board, unless the context indicates otherwise.

**CHESS** means ASX Clearing House Electronic Subregister System.

**Closing Date** means the date specified in the timetable in Section 3 (unless extended or brought forward by the Directors, subject to the Listing Rules).

**Company** or **Clean TeQ** means Clean TeQ Water Limited (ACN647 935 948).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company as at the date of this Prospectus.

**Group** means the Company and its subsidiaries.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the Listing Rules published by ASX.

**Placement** means the placement of approximately 6,451,613 Shares at an issue price of \$0.31 per Placement Share to sophisticated and professional investors to raise approximately \$2 million (before costs) on the terms and conditions set out in Section 4.2 of this Prospectus.

**Offer** means the offer of Shares as set out in Section 4.1 of this Prospectus.

**Official List** means the official list of ASX.

**Official Quotation** means quotation on the Official List on ASX.

**Opening Date** means the opening date of the Offer as specified in the timetable set out in Section 3 (unless varied).

**Option** means an option to acquire a Share.

**Performance Right** means a right which entitles the holder to be issued with one Share subject to the satisfaction of any service and performance hurdles.

**Placement Shares** means Shares to be allotted and issued under the Placement.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Share Registry** means the share registry of the Company as specified in the corporate directory in this Prospectus.