

**May 16, 2024**

## **SPP AND OPTION PROSPECTUS UPDATE**

MELBOURNE, Australia – Clean TeQ Water Limited (**Clean TeQ** or **Company**) (ASX: CNQ & OTCQX: CNQQF) refers to its prospectus dated 16 May 2024 (**Original Prospectus**) released to ASX earlier today and advises that it has today lodged a replacement prospectus (**Replacement Prospectus**) with the ASIC that replaces the Original Prospectus. The Replacement Prospectus corrects two typographical errors in the Original Prospectus incorrectly describing the exercise price of the New Options. The correct exercise price is \$0.45 per New Option.

A copy of the Replacement Prospectus is attached.

This announcement has been authorised for release to the ASX by the Company Secretary.

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**About Clean TeQ Water Limited (ASX: CNQ & OTCQX: CNQFC)** – Clean TeQ Water is a global technology leader headquartered in Melbourne, Australia, specialising in providing economic and environmentally sustainable solutions to address critical issues related to freshwater scarcity, mine tailings, and metal recovery. While the company has traditionally implemented projects using the engineering, procurement, and construction (EPC) approach, there is a strategic shift towards projects that generate annuity income or equity through technology license agreements to provide a more sustainable and long-term business model. Clean TeQ Water's core markets include water and wastewater recycling, lithium production, and the remining and rehabilitation of mine tailings. These markets reflect a commitment to addressing environmental challenges and promoting responsible resource management. The company has a presence in various locations, with offices in Melbourne, Perth, Darwin, Leeuwarden (Netherlands), Beijing, and Tianjin. Additionally, Clean TeQ Water has established partnerships in Africa and Latin America, showcasing its commitment to addressing global challenges and collaborating with stakeholders on an international level.

For more information about Clean TeQ Water please visit [www.cleanteqwater.com](http://www.cleanteqwater.com). To subscribe to our company updates, please visit [Subscribe For Updates | Clean TeQ Water](#).



**CLEAN TEQ WATER LIMITED**  
**ACN 647 935 948**

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**PROSPECTUS**

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**SPP Offer**

For an offer to Eligible Shareholders to subscribe for up to \$30,000 of new fully paid ordinary shares in the Company (**SPP Shares**), subject to any scale back, under a “share purchase plan” (**SPP**) at an issue price of \$0.31 per SPP Share, with one free option for every three SPP Shares subscribed for, exercisable at \$0.45 each on or before 30 April 2026 (**New Options**), targeting to raise \$1 million (before costs), with the ability to accept oversubscriptions (**SPP Offer**). The SPP Offer is not underwritten.

**Placement Options Offer**

For an offer to Placement Participants to subscribe for New Options on the basis of one New Option for every three Placement Shares subscribed for under the Placement, (**Placement Options Offer**),

**Cleansing**

This Prospectus has also been prepared for the purpose of facilitating any potential secondary trading of the New Securities and of any Shares which may be issued upon exercise of the New Options under the Offers, pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

**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 Securities 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. In preparing this Prospectus, regard has been had to the fact that the Company is a “disclosing entity” for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

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

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## IMPORTANT INFORMATION

### Replacement Prospectus

This replacement prospectus is issued by Clean TeQ Water Limited ACN 647 935 948 (**Company**), is dated 16 May 2024 and was lodged with the ASIC on that date. It is a replacement prospectus which replaces the prospectus dated 16 May 2024 and lodged with ASIC on that date (**Original Prospectus**). For the purposes of this document, this replacement prospectus will be referred to as the **Prospectus**.

This Prospectus corrects two typographical errors in the Original Prospectus which incorrectly described the Exercise Price of the New Options. The Exercise Price of the New Options is \$0.45 each.

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 New Securities offered by this Prospectus. This Prospectus expires 13 months from the date it was lodged with ASIC. No Securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Unit 12, 21 Howleys Road Notting Hill, Victoria 3168 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (refer to Section 9.3).

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 Options over continuously quoted securities 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 and options over those 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 9.3 below.

This Company is listed on the ASX and its Shares are quoted on the ASX. Accordingly, no exposure period applies to this Prospectus under the Corporations Act as the Offers are being made pursuant to *ASIC Corporations (Exposure Period) Instrument 2016/74* which exempts the Company from complying with section 727(3) of the Corporations Act to the extent that that section prohibits the Company from issuing securities in the seven-day period after the date of lodgement of a prospectus with ASIC.

### Speculative Investment and risks

Potential investors should be aware that subscribing for any New Securities involves a number of risks. The key risk factors which investors should be aware are set out in Section 6 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 New Securities.

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

An investment in any of the New Securities should be considered highly speculative. Refer to Section 6 for a non-exhaustive list of key risks applicable to an investment in the Company.

### Application Form

Applications for New Securities under any Offers can only be made on an Application Form that is attached to, or provided by the Company with a copy of, this Prospectus in either paper or electronic form (or

alternatively, in the case of the SPP Offer, by paying the aggregate Issue Price for the relevant SPP Shares by BPAY® or EFT payment without lodging the Application Form). 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.

Please read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of an Offer.

By completing an Application Form, lodging an Application Form with the Company or a stockbroker or otherwise arranging for payment of SPP Shares in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the relevant Offer to which the Application Form relates and agrees to all of the terms and conditions as detailed in this Prospectus and in the relevant Application Form.

### **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 Eligible Shareholders and Placement Participants 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.

### **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 Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

The SPP Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the Offer of the SPP Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. The Company is issuing the New Options to Placement Participants for no consideration.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### **Notice to nominees and custodians**

Shareholders resident in Australia and New Zealand holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that applying for and receiving any New Securities does not breach regulations in the relevant jurisdiction.

### **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.

### **Important information on price risk**

Before deciding whether to apply for New Securities, you should refer to the current market price of the Shares, which can be obtained from your stockbroker, your financial adviser or via the ASX website.

Subscription for New Securities is a highly speculative investment and the market price of Shares may change between the date you apply for New Securities and the issue of New Securities to you (if the Company elects to issue New Securities to you). Accordingly, the value of New Securities applied for is likely to rise or fall.

Importantly, there is a risk that during the period between the time of the Offers and when any New Securities are issued to you (if any), the price at which Shares are traded on ASX may decrease (and it may continue to be less than the Issue Price of \$0.31 per SPP Share). There is also a risk that the market price of Shares may rise or fall between when the New Options are granted and when the Holder may wish to exercise the New Options. This means that the value of the New Options at any time prior to their exercise or expiry may be less or more than the value of the New Options as at the date of grant. You must rely on your own knowledge of the Company and previous disclosures made by the Company to the ASX (including disclosure regarding risks of making an investment in the Company).

In determining whether you wish to apply to participate in an Offer (if eligible) and the extent to which you apply to participate, you should seek your own personal financial and/or taxation advice referable to your personal circumstances.

### **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 Securities offered under this Prospectus, or otherwise. No person is authorised to give any information or make any representation in connection with the Offers which is not contained in this Prospectus.

### **Target Market Determination**

In accordance with the product design and distribution obligations under the Corporations Act, the Company has determined the target market for the New Options offered under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website at <https://www.cleanteqwater.com/investors/>. By making an Application for New Options under an Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

## **ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547**

In certain circumstances, a listed company may undertake a security purchase plan in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC Instrument)*. The ASIC Instrument allows a security purchase plan to be conducted without the use of a prospectus provided that certain requirements are met.

The Company is unable to rely on the ASIC Instrument as (without limitation) the ASIC Instrument only applies to the issue of SPP Shares (and not Options). Accordingly, the Company is conducting the SPP Offer pursuant to this Prospectus.

### **No cooling off rights**

Cooling off rights do not apply to an investment in New Securities offered under this Prospectus. This means that, unless required or permitted by applicable law, you cannot withdraw your Application. The Directors may at any time decide to withdraw this Prospectus and/or any Offer.

### **Withdrawal of the Offers**

The Company reserves the right to withdraw all or part of the Offers and this Prospectus at any time, subject to applicable laws. If the Company withdraws the SPP Offer, the Company will refund Application Monies in relation to New Securities not already issued in accordance with the Corporations Act and without payment of interest. To the fullest extent permitted by law, an Applicant agrees that any Application Monies paid by them to the Company will not entitle them to receive any interest and that any interest earned in respect of Application Monies will belong to the Company.

### **No incorporation by reference**

Any references to documents included on the Company's website or the ASX website are for convenience only, and none of the documents or other information available on those websites is incorporated in this Prospectus by reference.

### **Currency**

All financial amounts detailed in this Prospectus are expressed as Australian dollars unless otherwise stated.

### **Rounding**

Any discrepancies between totals and sums and components in tables detailed in this Prospectus are due to rounding. Any potential fractional entitlements to New Securities will be disregarded (i.e., rounding down to the relevant whole number of New Securities), without refunding any relevant Application Monies in relation to such fractions.

### **Time**

All references to time in this Prospectus are references to AEST, unless otherwise stated.

### **Definitions**

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 11.

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## CHAIRMANS LETTER

16 May 2024

Dear Investor

On behalf of the Board, I am pleased to offer you the opportunity to participate in the Company's share purchase plan (**SPP**) recently announced by Clean TeQ Water Limited (**Clean TeQ** or **Company**) targeting to raise up to \$1 million, with the ability to accept oversubscriptions.

The SPP provides Eligible Shareholders with an opportunity to apply for up to \$30,000 in new Shares (i.e. up to 96,774 SPP Shares), irrespective of the number of Shares they currently own, without having to pay brokerage or transaction costs (the **SPP Offer**). Eligible Shareholders whose Application pursuant to the SPP Offer is successful will be issued one free attaching option to acquire one fully paid ordinary share by way of issue in the Company exercisable at \$0.45 (on the terms and conditions in Section 8) (**SPP Option**) for every three SPP Shares issued under the SPP Offer. Full details of the SPP Offer are set out in this Prospectus.

The launch of the SPP Offer follows the recent announcement by Clean TeQ regarding the placement of up to approximately 6,451,613 new Shares, each at an issue price of \$0.31 (**Placement Shares**) to sophisticated and professional investors to raise approximately \$2 million (**Placement**). For every three Shares issued under the Placement, each Placement Participant is also entitled to apply for one free attaching option to acquire one fully paid ordinary share by way of issue in the Company, each exercisable at \$0.45 (**Placement Option**). The Company has issued 4,466,901 Placement Shares under the Placement at \$0.31 each to raise approximately \$1,385,000. The funds for the balance of the Placement Shares are expected to be received prior to the Closing Date of the SPP Offer and the Company will issue these Placement Shares (being approximately 1,984,712 Placement Shares) prior to the Closing Date.

The Issue Price of Shares to be issued under the SPP Offer is \$0.31 per Share (**Issue Price**) and was calculated as being an amount equal to the issue price of the Placement Shares, and which represents a 16.22% discount to Clean TeQ's closing price of \$0.37 per Share on 16 April 2024 (being the last trading day prior to the announcement of the Placement and SPP Offer).

### Use of funds

The net funds raised from the Placement and the SPP Offer will be used as follows:

- evaluation and test work associated with the potential acquisition of lithium brine assets;
- an additional pilot plant facility for demonstration of the attributes of the cDLE® process in targeted lithium brine assets;
- pilot plant facilities for the demonstration of ATA® rapid dewatering and dry-stacking technology to replace wet tailings storage for mining companies; and
- working capital.

The proposed uses of funds are indicative only. The Board reserves the right to reallocate funds for alternative purposes, as may be deemed necessary by the Board.

### Participation in SPP

Clean TeQ is committed to ensuring that all Eligible Shareholders have the opportunity to participate in the SPP.

The SPP Offer is being made to all Eligible Shareholders as at 7:00 pm (AEST) on Friday 26 April 2024 (**Record Date**). The SPP is also being offered to Eligible Shareholders who are Custodians to participate in the SPP Offer on behalf of certain Eligible Beneficiaries, subject to the terms and conditions in the Prospectus.



Participation in the SPP Offer is entirely voluntary and all SPP Shares issued under the SPP Offer will rank equally with existing Shares and will carry the same voting rights and entitlement to receive distributions.

The SPP is not underwritten and there is no guarantee the Company will raise the targeted amount. If valid applications are received for more than the targeted \$1 million, the Company may accept oversubscriptions or scale back applications. Any scale back will be applied to the extent and in the manner the Company sees fit.

### **Eligible Shareholders**

Eligible Shareholders will be those Shareholders that satisfy all of the below:

- who were registered as a holder of Shares as at 7:00pm (AEST) on the Record Date;
- who were recorded on the Register with an Australian or New Zealand address;
- who are not resident or located in the United States, and not acting for the account or benefit of persons in the United States; and
- who are not resident or located in any other jurisdiction in or into which an offer of SPP Securities would be unlawful.

**The SPP Offer will close at 5:00 pm (AEST) on 7 June 2024** (unless extended). Late Applications may be accepted or rejected in the absolute discretion of the Company. Clean TeQ also reserves the right to vary the Closing Date without prior notice subject to the Corporations Act and the ASX Listing Rules.

### **Additional Offer**

In addition to the SPP Offer, the Placement Options Offer (as defined in Section 4) is also being offered pursuant to this Prospectus.

### **Questions and further information**

Participation in the Offers is optional and the Board recommends that you read this Prospectus carefully and in its entirety, before you decide whether to participate in the Offers. None of the Offers take into account your individual investment objectives, financial or taxation situation or particular needs. If you have any questions in relation to the Offers, you should seek professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser.

If you have any questions in relation to how to participate in the SPP Offer, please call the Offer Information line, on +61 (0) 450 648 064, between the hours of 8:30am and 5:00pm (AEST), Monday to Friday or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in Clean TeQ through the SPP Offer is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

On behalf of the Board, I invite you to consider participating in the Offers and thank you for your ongoing support of the Company.

Yours faithfully



Ian Knight  
Chairman

## 1. KEY METRICS

### 1.1 Timetable

The indicative timetable for the Offers is as follows:

Event*	Date
Record Date to identify Eligible Shareholders entitled to participate in the SPP Offer	7.00pm (AEST) on Friday, 26 April 2024
Announcement of Placement and SPP Offer	Monday, 29 April 2024
Lodgement of Prospectus with ASIC and ASX	Thursday, 16 May 2024
Opening Date of Offers	Thursday, 16 May 2024
Closing Date of Offers	5.00pm (AEST) on Friday, 7 June 2024
Announcement of SPP Offer results	Wednesday, 12 June 2024
Issue of New Securities	Thursday, 13 June 2024
Official Quotation of SPP Shares on ASX	Friday, 14 June 2024
Subject to satisfying ASX requirements, Official Quotation of New Options under the Offers	Friday, 14 June 2024

\* These dates are indicative only and subject to change. The commencement of trading and quotation of the New Securities is subject to confirmation from the ASX. 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.

### 1.2 Key Placement details

Offer	Details
Price per new Share under the Placement	\$0.31
New Shares to be issued under the Placement <sup>(a)</sup>	6,451,613
New Options offered under the Placement Options Offer (offered under this Prospectus) <sup>(b)</sup>	2,150,537
Total expected cash proceeds of the Placement (before costs) <sup>(a)</sup>	~\$2 million

(a) The Tranche 1 Placement Shares have already been issued. Assumes the Tranche 2 Placement settles and the Placement raises \$2 million in aggregate.

(b) Assumes the Placement raises \$2 million and all Placement Participants apply for, and are issued, their full entitlement of Placement Options.

### 1.3 Key SPP Offer details

Offer	Details
Price per SPP Share under the SPP Offer	\$0.31
SPP Shares to be issued under the SPP Offer*	3,225,806
SPP Options offered under the SPP Offer*	1,075,268
Cash proceeds of the SPP Offer (before costs) *	~\$1 million

\* Assumes the Company raises \$1 million under the SPP Offer and there are no oversubscriptions.

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## 2. INVESTMENT OVERVIEW

This Section 4 provides a summary of the Offers. You should read the Prospectus in full before deciding to invest in any of the New Securities.

### 2.1 Key aspects of the Offers

Key SPP details	Summary
<b>What is the SPP Offer?</b>	<p>The SPP provides Eligible Shareholders with an opportunity to apply for up to \$30,000 in new SPP Shares and free attaching SPP Options (subject to any scale back) irrespective of the number of Shares they currently own without having to pay brokerage or transaction costs targeting to raise up to \$1 million (before costs), with the ability to accept oversubscriptions. The SPP Offer is not underwritten and is subject to certain terms and conditions.</p>
<b>Why is the Company making the SPP Offer?</b>	<p>The SPP Offer is part of a capital raising being implemented in conjunction with the Placement, details of which was announced to the ASX on 29 April 2024.</p> <p>The SPP Offer gives Eligible Shareholders the opportunity to apply to invest in the Company at the same issue price per Share as investors under the Placement.</p> <p>Funds raised from the Placement and the SPP Offer will be applied to:</p> <ul style="list-style-type: none"><li>• evaluation and test work associated with the potential acquisition of lithium brine assets;</li><li>• an additional pilot plant facility for demonstration of the attributes of the cDLE® process in targeted lithium brine assets;</li><li>• pilot plant facilities for the demonstration of ATA® rapid dewatering and dry-stacking technology to replace wet tailings storage for mining companies; and</li><li>• working capital.</li></ul>
<b>What is the Issue Price of SPP Shares?</b>	<p>The issue price for each SPP Share will be \$0.31 per Share (<b>Issue Price</b>), which is equal to the issue price per Share under the Placement, and which represents:</p> <ul style="list-style-type: none"><li>• a 16.22% discount to the Company's closing price of \$0.37 per Share on ASX on 17 April 2024 (being the last day on which trades of Shares occurred before the Company announced the Placement and SPP Offer); and</li><li>• a discount of 18.41% to the Company's 5-day VWAP of \$0.38 to 17 April 2024 (being the last trading day prior to the announcement of the Placement and SPP).</li></ul>
<b>What is the amount that will be raised under the Offers and how many new Securities will be issued under the Offers?</b>	<p>The Company is targeting to raise up to \$1 million (before costs) under the SPP Offer but may accept oversubscriptions in its discretion.</p> <p>If the Company raises only the targeted \$1 million under the SPP Offer, the number of New Securities that will be issued under the SPP Offer is 3,225,806 new SPP Shares and 1,075,268 SPP Options (subject to rounding).</p> <p>The maximum number of Options that will be issued under the Placement Options Offer is 2,150,537 Options (subject to rounding). No funds will be raised from the issue of Options under the Placement Options Offer.</p>

<b>Do I have to participate in the SPP Offer?</b>	<p>No. Participation in the SPP Offer is entirely voluntary.</p> <p>Before deciding on whether to participate in the SPP Offer, you should consider the Company's latest financial statements and recent announcements to ASX (ASX: CNQ) and, if you are in any doubt, consult your independent financial and taxation advisers.</p> <p>If you do not wish to participate in the SPP Offer, do nothing.</p> <p>Please note that Eligible Shareholders who do not participate will have their percentage shareholding in the Company reduced, for example as a result of any issue of SPP Shares to participating Eligible Shareholders.</p>
<b>Who is eligible to participate in the SPP Offer?</b>	<p>Only Eligible Shareholders (as defined in Section 3.7) may apply to participate in the SPP Offer. Broadly, you are an Eligible Shareholder who is eligible to participate in the SPP Offer if you:</p> <ul style="list-style-type: none"> <li>• were registered on the Register as a holder of one or more Shares in the Company at 7:00pm (AEST) on the Record Date;</li> <li>• have a registered address in either Australia or New Zealand; and</li> <li>• are not in the United States and are not acting for the account or benefit of a person in the United States.</li> </ul> <p>Shareholders that are not Eligible Shareholders are not eligible to apply to participate in the SPP Offer.</p> <p>The Company has determined that the SPP Offer may only be accepted by residents of Australia and New Zealand. To the extent that you hold Shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that acceptance of the SPP complies with all applicable laws.</p>
<b>How long is the SPP Offer period?</b>	<p>The SPP Offer opens for acceptances on Thursday 16 May 2024 and all Applications and payments of Application Monies must be received by no later than 5:00pm (AEST) on Friday, 7 June 2024, subject to any variation of the Closing Date by the Directors.</p>
<b>What are the rights attached to SPP Shares issued under the SPP Offer?</b>	<p>SPP Shares will rank equally with other Shares as at the date of issue.</p> <p>Further detail on the rights and liabilities attaching to Shares is set out in Section 7.</p>
<b>What are the terms of the SPP Options issued under the SPP Offer?</b>	<p>The SPP Options have an exercise price of \$0.45 each and expire at 5.00pm (AEST) on 30 April 2026.</p> <p>The full terms of the SPP Options are set out in Section 8.</p>
<b>Will the SPP Options be quoted?</b>	<p>The Company proposes to seek quotation of the SPP Options subject to satisfying the quotation requirements of ASX. The SPP Options will only be admitted to Official Quotation by ASX if the conditions for quotation of a new class of securities are satisfied.</p> <p>Failure to obtain Official Quotation of the SPP Options will not prevent the issue of the SPP Options and will not cause any such issue to be void pursuant to the Corporations Act, as the SPP Offer is not conditional upon Official Quotation of the SPP Options being granted. However, the SPP</p>

	<p>Offer is conditional on the relevant SPP Shares which are issued pursuant to the SPP Offer being admitted to Official Quotation by ASX before the expiration of three months after the date of issue of this Prospectus (or within such longer period as may be permitted by law).</p> <p>If Official Quotation of the SPP Options is not granted, the SPP Options issued pursuant to the SPP Offer will not be able to be traded on ASX.</p>																
<b>What is the Placement Options Offer?</b>	<p>The Placement Options Offer is an offer to each Placement Participant to apply for New Options under the Placement Options Offer, as contemplated by the Company when undertaking the Placement.</p> <p>Only Placement Participants who participated in the Placement may participate in the Placement Options Offer. Placement Participants will be invited by the Company to apply for New Options under the Placement Options Offer and will be provided with a copy of this Prospectus and the relevant Application Form.</p>																
<b>What are the key risks of an investment in the Company?</b>	<p>The SPP Securities offered should be considered highly speculative because of the nature of the business activities of the Company and no assurances can be made that the Company’s particular business or projects will be successful. Potential investors should consider whether the Securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors detailed in Section 6.</p>																
<b>How do I apply under the SPP Offer?</b>	<p>If you are an Eligible Shareholder and you wish to subscribe for SPP Securities under the SPP Offer, please pay your Application Monies by:</p> <p>(a) making a BPAY® payment to using the personalised customer reference number which is required to identify your holding as shown on your SPP Application Form; or</p> <p>(b) for Eligible Shareholders with a registered address in New Zealand, make a payment via electronic funds transfer (EFT).</p> <p>in accordance with the instructions shown on the website at: <a href="http://www.computersharecas.com.au/cnqspp">www.computersharecas.com.au/cnqspp</a> and outlined in this Prospectus and the SPP Application Form.</p> <p>When applying via BPAY®, there is no need to return your SPP Application Form, unless you want to update your records at the Share Registry to elect to receive email communication.</p> <p>Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of SPP Shares (being 96,774 SPP Shares and the corresponding 32,258 SPP Options).</p> <p>Eligible Shareholders may participate by selecting one of the following options to make an Application for SPP Securities under the SPP Offer:</p> <table><tr><th>Parcel</th><th>Application Monies</th><th>Number of SPP Shares</th><th>Number of attaching SPP Options</th></tr><tr><td>A</td><td>\$30,000</td><td>96,774</td><td>32,258</td></tr><tr><td>B</td><td>\$25,000</td><td>80,645</td><td>26,881</td></tr><tr><td>C</td><td>\$20,000</td><td>64,516</td><td>21,505</td></tr></table>	Parcel	Application Monies	Number of SPP Shares	Number of attaching SPP Options	A	\$30,000	96,774	32,258	B	\$25,000	80,645	26,881	C	\$20,000	64,516	21,505
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	E	\$10,000	32,258	10,752
	F	\$5,000	16,129	5,376
	G	\$2,000	6,451	2,150
	H	\$1,000	3,225	1,075
	<p>The above table details the number of SPP Securities that would be issued for different amounts of Application Monies (assuming there is no scale back of Applications) and assuming the Company accepts the Application and elects to issue those SPP Securities (which election is in the Company's sole discretion).</p> <p>If you do not pay the exact amount of Application Monies, the Company reserves its right to return your Application Monies or round your Application Monies down to the next valid parcel. If the Company returns all your Application Monies, no SPP Securities will be issued to you.</p> <p>If an Eligible Shareholder applies for an amount which is not exactly divisible by the Issue Price, in calculating the number of SPP Shares to be issued, all fractional entitlements will be rounded down to the nearest whole number of Shares. The Company will not refund any resulting small excess in subscription monies (i.e., \$5 or less) which will be deemed to form part of the aggregate issue price for the SPP Shares.</p> <p>Applications may be scaled back or rejected, at the absolute discretion of the Company.</p>			
<b>Can I withdraw my Application?</b>	Cooling off rights do not apply to an investment in New Securities under the Offers. SPP Application Forms and payments under the SPP Offer are irrevocable and may not be withdrawn once the Company receives it subject to applicable law.			
<b>Is the SPP Offer transferable?</b>	The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to apply for any SPP Securities under the SPP Offer.			
<b>What if I am a Custodian or nominee?</b>	<p>The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for SPP Shares and SPP Options on behalf of certain Eligible Beneficiaries.</p> <p>If you are a Custodian and you hold Shares on behalf of one or more persons that are not Custodians but are Eligible Beneficiaries (each a <b>Participating Beneficiary</b>), you may contribute a maximum of \$30,000 in applying for SPP Securities for each Participating Beneficiary on whose behalf you or a downstream Custodian holds Shares (but joint holders are taken to be a single holder). This is subject to you providing Clean TeQ with a Custodian certificate (<b>Custodian Certificate</b>) that contains further certifications and details as specified in this Prospectus:</p> <p>Custodians who wish to apply on behalf of one or more Participating Beneficiaries should contact Hannah Howlett, on +61 (0) 450 648 064 to obtain a Custodian Certificate. Applications by Custodians must be accompanied by a completed Custodian Certificate.</p>			

	If you are not a Custodian, the rules for multiple single holdings apply and you may only contribute a maximum of \$30,000 in applying for SPP Securities. Custodians are not eligible to participate on behalf of a person who resides outside Australia or New Zealand.
<b>When will the SPP Securities be issued?</b>	The SPP Securities to be issued under the SPP Offer are expected to be issued on Thursday 13 June 2024 or as soon as possible after that date. Clean TeQ expects the Securities issued under the Offers to be quoted on ASX on Friday, 14 June 2024.
<b>How many SPP Shares can I apply for?</b>	<p>The amount that each Eligible Shareholder can apply for under the SPP is capped at \$30,000. The Company is seeking to raise up to \$1 million (before costs), with the ability to accept oversubscriptions, under the SPP Offer. The SPP Offer is not underwritten and there is no guarantee that the Company will raise the targeted amount.</p> <p>If demand from Eligible Shareholders is greater than the \$1 million sought, the Company may accept oversubscriptions in its discretion or undertake a scale back of applications for New Securities to the extent and in the manner it sees fit.</p> <p>If there is a scale back, you may receive less than the amount of New Securities for which you have applied. If a scale back produces a fractional number of New Shares when applied to your application, the number of New Shares you will be allotted will be rounded down to the nearest whole number of New Securities. If there is a scale back, the difference between the Application Monies received from you, and the number of New Shares allocated to you multiplied by the Issue Price, will be refunded to you without interest.</p>
<b>What if there is a Shortfall?</b>	The Directors reserve the right to issue any SPP Shares not allocated under the SPP Offer ( <b>Shortfall</b> ) in their discretion in compliance with the Corporations Act and as contemplated within the Listing Rules.
<b>Does an Application for SPP Shares involve risk?</b>	Yes. Shareholders should be aware that an investment in the Company involves risks. The key risks identified by the Company are summarised in section 6 of this Prospectus.
<b>Where can I get more information?</b>	If you have any further queries in relation to the SPP Offer, please contact Hannah Howlett, on +61 (0) 450 648 064.

## 2.2 Risk factors

*Investing in the Company involves risk. There are a range of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, dependent on the policies adopted and approaches taken by regulatory authorities or cannot otherwise be mitigated.*

*Prior to making any decision to subscribe for New Securities, you should carefully consider the risk factors applicable to the Company which are set out in Section 6 of this Prospectus. If you still are unsure about subscribing for SPP Options, you should first seek advice from your stockbroker, accountant, financial or other professional adviser.*

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### 3. DETAILS OF THE SPP OFFER

#### 3.1 Background

On 29 April 2024 the Company announced that it:

- (a) had received firm commitments for a placement of new Shares to raise approximately \$2 million (before costs), which, if fully subscribed, would involve an issue of approximately 6,451,613 Shares (**Placement Shares**) to sophisticated and professional investors at an issue price of \$0.31 per Share together with one free attaching New Option (on the terms and conditions in Section 8) for every three Shares issued under the Placement, which New Option is exercisable at \$0.45 and expiring on 30 April 2026 (**Placement Options**), together, (**Placement**); and
- (b) intended to offer a Share Purchase Plan giving Eligible Shareholders the opportunity to apply for:
  - (i) up to \$30,000 worth of Shares each, at an issue price of \$0.31 per Share (the same price as the Shares offered under the Placement) targeting to raise up to \$1 million (before costs) via the issue of up to 3,225,806 Shares (**SPP Shares**); and
  - (ii) one free attaching New Option (on the terms and conditions in Section 8) for every three SPP Shares issued under the SPP Offer (**SPP Options**),together, the **SPP Offer**.

The Placement comprises:

- (c) the issue of 4,466,901 Placement Shares to professional and sophisticated investors on 6 and 7 May 2024 at \$0.31 each which raised approximately \$1,385,000 pursuant to the Company's available placement capacity under ASX Listing Rule 7.1A together with the proposed issue of 1,488,967 Placement Options (**Tranche 1 Placement**); and
- (d) a further 1,984,712 Placement Shares and 661,570 Placement Options expected to be issued to professional and sophisticated investors prior to the Closing Date using the Company's available placement capacity under ASX Listing Rule 7.1 or 7.1A (**Tranche 2 Placement**).

A cash fee of 6% on the total funds to be raised under the Placement is payable to Viriathus Capital Pty Ltd, the Lead Manager to the Placement (comprising, in total, \$120,000 (plus goods and services tax).

The issues of the New Securities under this Prospectus are proposed to be issued pursuant to the Company's available placement capacity under Listing Rule 7.1. The Company proposes to seek quotation of the New Options subject to satisfying the quotation requirements of ASX.

None of the Offers are conditional upon the completion of any other Offer.

Refer to the Company's ASX announcements on, and after, 29 April 2024 for further details of the Placement and the Offers.

#### 3.2 The SPP Offer

By this Prospectus, the Company is making the SPP Offer under which Eligible Holders are offered up to \$30,000 of new SPP Shares for subscription, subject to any scale back at an issue price of \$0.31 per SPP Share, with one SPP Option for every three SPP Shares subscribed for, exercisable at \$0.45 each on or before 30 April 2026, targeting to raise \$1 million (before costs), with the ability to accept oversubscriptions and in accordance with the terms and conditions set out in the Prospectus.



Eligible Shareholders can each acquire up to \$30,000 worth of SPP Shares without paying any brokerage or transaction costs. Participation in the SPP Offer is entirely voluntary.

No funds will be raised from the issue of the SPP Options pursuant to this Prospectus as the SPP Options are issued for free attaching to the SPP Shares.

The SPP Options offered under this Prospectus will be issued on the terms set out in Section 8 of this Prospectus.

The SPP Shares and all of the Shares issued upon the future exercise of the SPP Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 7 for further information regarding the rights attaching to Shares.

If you choose not to participate in the SPP, your right to participate lapses on the Closing Date (or such other date as the Company determines).

The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.

### **3.3 Opening date and Closing Date**

The SPP Offer will open on the Opening Date and close on the Closing Date.

### **3.4 Issue Price**

The Issue Price per SPP Share will be \$0.31 (31 cents) being the same price paid by investors under the Placement announced on 29 April 2024.

The Company notes that:

- (a) on the last trading day immediately prior to the announcement date of the SPP Offer, the closing price of the Shares traded on ASX was \$0.37 per Share. The Issue Price is a 16.22% discount to that closing price and a 18.41% discount to the volume weighted average market price of Shares in the 5-day period prior to that last trading date;
- (b) the market price of the Shares in the Company may rise and fall between the date of the SPP Offer and the date that any Shares are issued to you as a result of your acceptance of the SPP Offer; and
- (c) if you participate in the SPP Offer by making a payment by BPAY or EFT, you are accepting the risk that the market price of Shares may change between the date on which you make a payment by BPAY or EFT and the issue date for the SPP Shares. This means that, although the Issue Price is at a discount to the closing price specified in (a) above, Shares are a speculative investment and the price of Shares on ASX may change between the date of the Company announcing its intention to make the SPP Offer up to and/or after the issue date for the SPP Shares and you may be able to buy Shares on the ASX at a lower price than the Issue Price and that the value of the SPP Shares received under the SPP Offer may rise or fall accordingly; and
- (d) there is also a risk that the market price of Shares may rise or fall between when the Options are granted and when the Option holder may wish to exercise the Options. This means that the value of the Options at any time prior to their exercise or expiry may be less or more than the value of the Options as at the date of grant.

The current Share price can be obtained from the ASX. Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.

You agree to pay the Issue Price per SPP Share for the number of SPP Shares you have applied for or, if there is a scale-back, the number of SPP Shares calculated in accordance with Section 3.13.

### **3.5 No minimum subscription**

There is no minimum subscription condition for the SPP Offer.

### **3.6 No Underwriting**

The SPP Offer is not underwritten and there is no guarantee that the Company will raise the targeted amount of \$1 million.

### **3.7 Eligible Shareholders**

Eligible Shareholders will be those Shareholders that satisfy all of the below:

- (a) who were registered as a holder of Shares as at 7:00pm (AEST) on 26 April 2024 (**Record Date**);
- (b) who were recorded on the Register with an address in Australia or New Zealand;
- (c) who are not resident or located in the United States, and not acting for the account or benefit of persons in the United States; and
- (d) who are not resident or located in any other jurisdiction in or into which an offer of SPP Securities would be unlawful,

(an **Eligible Shareholder**).

The SPP Offer to each Eligible Shareholder is made on the same terms and conditions.

Your rights under the SPP Offer are personal to you and the SPP Offer is non-renounceable (i.e., you may not transfer your right to apply for SPP Securities to anyone else).

To apply to participate in the SPP Offer, follow the instructions in this Prospectus (including in Sections 3.9 and 3.10) and the SPP Application Form.

If you are the only registered Eligible Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of SPP Securities with a value of up to \$30,000 (which may be subject to scale back in accordance with Section 3.13).

The Company reserves the right to reject any Application for SPP Securities under this Prospectus for any reason, such as to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with the requirements in this Prospectus.

### **3.8 Joint holders/Custodians**

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Subject to the terms and conditions set out in this Prospectus, Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding Shares.

### **3.9 Applications for SPP Securities**

If you wish to subscribe for SPP Securities under the SPP Offer, please pay your Application Monies in accordance with the instructions in the SPP Application Form and Section 3.10.

Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of SPP Securities (being up to 96,774 SPP Shares and the corresponding 32,258 SPP Options). Eligible Shareholders may participate by selecting one of the following options to make an application for SPP Securities under the SPP Offer:

<b>Parcel</b>	<b>Application Monies</b>	<b>Number of SPP Shares</b>	<b>Number of attaching SPP Options</b>
A	\$30,000	96,774	32,258
B	\$25,000	80,645	26,881
C	\$20,000	64,516	21,505
D	\$15,000	48,387	16,129
E	\$10,000	32,258	10,752
F	\$5,000	16,129	5,376
G	\$2,000	6,451	2,150
H	\$1,000	3,225	1,075

The above table details the number of SPP Securities that would be issued for different amounts of Application Monies (assuming there is no scale back of applications) and assuming the Company accepts the Application and elects to issue those SPP Securities (which election is in the Company's sole discretion). Where the amount applied for results in a fraction of a SPP Security, the number of SPP Securities issued will be rounded down to the nearest whole number.

If you do not provide the exact amount of Application Monies, the Company reserves its right to return your Application Monies or round your Application Monies down to the next valid parcel. If the Company returns all your Application Monies, no SPP Securities will be issued to you.

If an Eligible Shareholder applies for an amount which is not exactly divisible by the Issue Price, in calculating the number of SPP Shares to be issued, all fractional entitlements will be rounded down to the nearest whole number of Shares. The Company will not refund any resulting small excess in subscription monies (i.e., \$5 or less) which will be deemed to form part of the aggregate issue price for the SPP Shares.

The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to apply for any SPP Securities offered under the SPP Offer.

SPP Application Forms and payments under the SPP Offer are irrevocable and may not be withdrawn once the Company receives it, subject to applicable law. Applications may be scaled back or rejected, at the absolute discretion of the Company.

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

Payment by the Applicant (who is an Eligible Shareholder) to the Company of Application Monies (whether with or without lodgement of an Application Form) and subsequent allocation of SPP Securities by the Company to that Applicant (which decision is in the sole discretion of the Company) together create a legally binding contract between the Applicant and the Company for the number of SPP Securities accepted by, and allocated by, the Company.

An SPP Application Form does not need to be lodged, as payment of the Application Monies in accordance with the procedures set out in the Application Form and Sections 3.10 and 3.11 constitute an Application for SPP Securities. Any Application Form which is lodged with the Company or the Company's share registry does not need to be signed to be a binding application for SPP Securities.

Applications must comply with this Prospectus and the instructions on the Application Form. An Application is an offer by the Applicant to the Company to apply for the number of SPP Securities the subject of the relevant Application Monies paid to the Company by BPAY® or EFT payment with or without lodging the Application Form, or any lesser number of New Securities determined by the Company, on the terms set out in this Prospectus.

The Company's decision on the number of SPP Securities to be issued to an Applicant under the SPP Offer (or whether to refuse to issue SPP Securities) will be final.

### **3.10 Payment of Application Monies**

The Issue Price of SPP Shares under the SPP Offer is \$0.31 per SPP Share.

For Eligible Shareholders participating in the SPP Offer, Application Monies must be received by the Company by 5:00pm (AEST) on the Closing Date.

#### **(a) Payment by BPAY® (Australian Applicants)**

For payment by BPAY®, please follow the instructions on the SPP Application Form.

You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the SPP Application Form, but are taken to have made the declarations in the SPP Application Form; and
- (ii) if you do not pay an amount equal to one of the amounts of Application Monies detailed in the table in Section 3.9, you will be deemed to have applied for the number of SPP Securities which correspond to the amount of Application Monies in that table that is the next lowest compared to your payment. In this event, the additional Application Monies will be refunded promptly, and without interest, following the Closing Date (or such other date as the Board determines).

It is your responsibility to ensure that your BPAY® payment is received by the Company's share registry by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with respect to electronic payment and you should therefore take this into consideration when making payment. No interest will be paid on any Application Monies received or refunded.

#### **(b) Payment by EFT (New Zealand Applicants)**

If you are an Eligible Shareholder located in New Zealand, you may elect to make payment by EFT. Please follow the instructions on the SPP Application Form for details on how to pay via EFT. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form;
- (ii) if you do not pay an amount equal to one of the amounts of Application Monies detailed in the table in Section 3.9, you will be deemed to have applied for the number of SPP Securities which correspond to the amount of Application

Monies in that table that is the next lowest compared to your payment. In this event, the additional Application Monies will be refunded promptly, and without interest, following the Closing Date (or such other date as the Board determines); and

- (iii) if you have multiple holdings, you will have multiple EFT unique reference numbers. You must use the unique reference number shown on a particular personalised SPP Application Form when paying for any SPP Shares that you wish to apply for in respect of that holding. Payments in excess of the amount payable for one holding will not be treated as payment for another holding, and the excess will be refunded to the Applicant without interest. If you receive more than one SPP Offer (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of SPP Shares with a value of up to \$30,000 (which may be subject to scale back in accordance with Section 3.13).

If you make a BPAY® or EFT payment to apply for SPP Shares, you do not need to return the SPP Application Form. However, you must quote your reference number provided on your personalised SPP Application Form which will process your payment to your Application. Please ensure you make a payment for the exact amount of the SPP Share parcel for which you wish to subscribe. You will be deemed to have applied for such parcel of SPP Shares for which you have paid.

### **3.11 Acknowledgments**

If you apply for SPP Securities (including (without limitation) by submitting payment by BPAY® or EFT), will be deemed to have represented and warranted to the Company that you:

- (a) are an Eligible Shareholder and are eligible to participate in the SPP Offer; have read and understood the terms and conditions of the SPP Offer detailed in this Prospectus and the accompanying SPP Application Form and have applied for SPP Securities in accordance with those terms and conditions; have read and understood the TMD and that you fall within the target market set out in the TMD; and agree to be bound by the Constitution as in force from time to time;
- (b) irrevocably and unconditionally agree to the terms and conditions of the SPP Offer detailed in this Prospectus and the terms of the SPP Application Form;
- (c) acknowledge that once any payment of Application Monies via BPAY® or EFT is made, you may not withdraw your Application or funds provided except as allowed by law;
- (d) accept the risk associated with any refund that may be dispatched to you at your address as shown on the Register;
- (e) acknowledge that this Prospectus does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (f) acknowledge the statement of risks in Section 6 and that investments in the Company are subject to risk;
- (g) acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;
- (h) acknowledge and agree that if you are acting as a trustee, nominee or custodian:
  - (i) each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand; and

- (ii) you have not sent this Prospectus, the SPP Application Form or any other material relating to the SPP Offer to any person in the United States;
- (i) certify and represent to the Company that the total of the Application Monies for the following does not exceed \$30,000 (irrespective of whether you may have received more than one SPP Offer or received SPP Offers in more than one capacity):
  - (i) the SPP Shares the subject of your Application under the SPP Offer;
  - (ii) any other SPP Shares which you have applied for under the SPP Offer; and
  - (iii) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP Offer,

(subject, if applicable, to any valid Custodian Certificate (which is acceptable to the Company) which you have provided to the Company pursuant to Section 3.12 in your capacity as a Custodian); and
- (j) will be deemed to have made the following declarations and representations to the Company:
  - (i) you acknowledge that the SPP Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly the SPP Securities may not be offered or sold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
  - (ii) you are purchasing SPP Shares and SPP Options outside the United States in an “offshore transaction” (as defined in Rule 902(h) under the US Securities Act);
  - (iii) you represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
  - (iv) you agree not to send this Prospectus, the SPP Application Form or any other material relating to the SPP Offer to any person in the United States or elsewhere outside of Australia or New Zealand;
- (k) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are making an application is resident in Australia or New Zealand (except, with the written consent of the Company, in another country in compliance with the applicable laws), and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent and will not send, this Prospectus, the SPP Application Form or any other material relating to the SPP Offer to any person outside of Australia or New Zealand (except, with the written consent of the Company, in another country in compliance with the applicable laws); and
- (l) acknowledge that the market price of Shares may rise or fall between the Opening Date of the SPP Offer and the date when SPP Securities are allotted and issued under the SPP Offer and that the Issue Price you pay per SPP Share pursuant to the SPP Offer may exceed the price of Shares at the time the SPP Securities are allotted and issued under the SPP Offer.

### 3.12 Custodians

If you wish to apply as a Custodian under the SPP to receive SPP Securities for one or more Eligible Beneficiaries (each a **Participating Beneficiary**), you must complete and submit an additional custodian certificate (**Custodian Certificate**) certifying the following:

- (a) that you are a Custodian (as that term is defined in paragraph 4 of ASIC Instrument 2019/547);
- (b) that you held Shares on behalf of the Participating Beneficiary as at the Record Date who has instructed you to apply for Shares on their behalf under the SPP Offer and that the Participating Beneficiary was provided with a copy of this Prospectus before giving such instruction;
- (c) there are no Participating Beneficiaries in respect of which the aggregate amount for the following exceeds \$30,000;
  - (i) the SPP Securities applied for by you under the SPP Offer are in accordance with the instructions of the Participating Beneficiaries; and
  - (ii) any other Shares issued to you in the 12 months before the application as a result of an instruction given by a Participating Beneficiary to you or a downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP Offer; and
- (d) that the matters required by paragraph 8(3) of ASIC Instrument 2019/547 have been complied with, and that the information given by the Custodian in that Custodian Certificate is true, correct and not misleading;

By making payment of Application Monies on behalf of a Participating Beneficiary, you certify that you are the Custodian for the Participating Beneficiary and that the above information in this Section 3.12 (as you provide via a Custodian Certificate) and the information detailed in the SPP Application Form is true and correct as at the date of the Application.

Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate and if you would like further information on how to apply, you should contact +61 (0) 450 648 064 before the Closing Date.

The Company reserves the right to reject any Application for SPP Securities under this Prospectus, such as to the extent that it considers that the Application (whether alone or in conjunction with other applications) does not comply with these requirements.

### **3.13 Oversubscriptions and scale-back**

The Company is targeting to raise up to \$1 million (before costs) under the SPP Offer. The SPP Offer is not underwritten and there is no guarantee that the Company will raise the targeted amount.

If demand from Eligible Shareholders is greater than the targeted \$1 million, the Company may accept oversubscriptions, or undertake a scale back of applications, in each case to the extent and in the manner it sees fit.

The amount raised under the SPP and the number of New Securities to be issued under the SPP will depend on the aggregate value of valid applications received from Eligible Shareholders and, if the SPP is oversubscribed, whether the Company elects to undertake a scale back or accept oversubscriptions. If there is a scale back, Applicants may receive less than the amount of New Securities for which they have applied.

Applications under the SPP Offer will be allocated at the absolute discretion of the Company and the final allocation decision will be at the sole discretion of the Board.

If the scale back produces a fractional number of SPP Securities when applied to your parcel, the number of SPP Securities with which you will be issued will be rounded down to the nearest whole number. If the Company scales back an Application or purported Application, the Company will as soon as practicable return to the Shareholder the relevant Application Monies, without interest, following issue of the SPP Shares and SPP Options.

### **3.14 Shortfall**

Any SPP Securities not taken up pursuant to the SPP Offer (**Shortfall**) will form the SPP shortfall offer (**SPP Shortfall Offer**) which is made by the Company to any investors by way of this Prospectus. In the event of a Shortfall, investors will be identified by the Company and requested to apply under the SPP Shortfall Offer by a SPP Shortfall Securities Application Form. Applicants for Shortfall Securities may therefore not be a Shareholder.

The Company will also issue one SPP Option for every three SPP Shares subscribed for by an investor under the SPP Shortfall Offer.

The issue price for Shares to be issued under the SPP Shortfall Offer will be \$0.31 each, being the price at which Shares have been offered under the Placement and SPP Offer and the price of the SPP Options will be nil as they are free attaching to the SPP Shares.

There is no maximum limit on the number of SPP Shares (with free attaching SPP Options) that an investor may apply for under the SPP Shortfall Offer however investors will be limited to the extent that there is a Shortfall.

The Directors reserve the right to issue SPP Shortfall Securities at their absolute discretion and may issue to an applicant a scaled back, lesser number of, or no, SPP Shortfall Securities than the number for which the Applicant applies pursuant to the SPP Shortfall Securities Application Form.

### **3.15 Variation and termination of the SPP Offer**

The Company reserves the right at any time to:

- (a) amend or vary the terms and conditions of the SPP Offer;
- (b) waive strict compliance with any provision of the terms and conditions of the SPP Offer;
- (c) withdraw the SPP Offer or suspend or terminate the SPP Offer;
- (d) vary the timetable for the SPP Offer, including the Closing Date; and
- (e) not accept an Application, not issue SPP Securities or issue SPP Securities to a value less than that applied for under the SPP Offer by an Eligible Shareholder (including a Custodian applying on behalf of its Eligible Beneficiaries).

In the event that the SPP Offer is withdrawn or terminated all Application Monies will be refunded as soon as practicable in accordance with the requirements of the Corporations Act. No interest will be paid on any money returned to you.

### **3.16 Dispute resolution**

The Company may settle, in any manner it deems appropriate, any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the SPP Offer whether generally or in relation to any participant or any application for New Securities, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates. The powers of the Company under the terms and conditions in this Prospectus may be exercised by the directors of the Company or any delegate or representative of them.

### **3.17 ASX quotation – SPP Shares**

Application for Official Quotation of the SPP 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 SPP



Shares and will repay all application monies for the SPP Shares within the time prescribed under the Corporations Act, without interest.

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

### **3.18 ASX quotation – SPP Options**

Application for Official Quotation of all SPP Options offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus.

The SPP Options will only be admitted to Official Quotation by ASX if the conditions for quotation of a new class of securities are satisfied.

Failure to obtain Official Quotation of the SPP Options will not prevent the issue of the SPP Options and will not cause any such issue to be void pursuant to the Corporations Act, as the SPP Offer is not conditional upon Official Quotation of the SPP Options being granted.

If Official Quotation of the SPP Options is not granted, the SPP Options issued pursuant to the SPP Offer will not be able to be traded on ASX.

However, the SPP Offer is conditional on the relevant SPP Shares which are issued pursuant to the SPP Offer being admitted to Official Quotation by ASX before the expiration of three months after the date of issue of this Prospectus (or within such longer period as may be permitted by law). If the SPP Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of issue of this Prospectus (or within such longer period as may be permitted by law) any issue of SPP Securities will be void and the Company will repay all Application Monies for the SPP Shares within the time prescribed under the Corporations Act, without interest.

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

### **3.19 Issue**

- (a) SPP Securities will be issued on or about the date for issue specified in Section 1.1.
- (b) SPP Shares will rank equally with existing Shares on the date of issue.
- (c) The Share Registry will send you a holding statement, confirming the number of SPP Securities issued to you.

### **3.20 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 holdings of SPP Securities. If you are broker sponsored, ASX will send you a CHESS statement.

The CHESS statement will set out the number of SPP Securities 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 SPP Shares and SPP Options respectively.

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 SPP Securities 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 holders at the end of any calendar month during which the balance of their Security holding changes. Holders may request a statement at any other time; however, a charge may be made for additional statements.

### **3.21 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 6 of this Prospectus. The Securities 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.

### **3.22 Taxation implications**

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

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

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

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## **4. DETAILS OF THE PLACEMENT OPTIONS OFFER**

### **4.1 The Placement Options Offer**

Under this Prospectus, the Company invites Placement Participants to apply for one Placement Option for every three Shares subscribed for under the Placement on the same terms as the SPP Options (**Placement Options Offer**).

### **4.2 Issue Price**

Placement Participants are being offered the opportunity to acquire Placement Options for nil consideration.

### **4.3 Participation in the Placement Options Offer**

Participation in the Placement Options Offer is optional and is only open to Placement Participants. Placement Participants may apply for a maximum number of one Placement Option for every three Shares subscribed for by them under the Placement.

The Company reserves the right to reject any Application for Placement Options under this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements. If you are in any doubt about the Placement Options Offer, whether you should participate in the Placement Options Offer or how such participation will affect you, you should seek independent financial and taxation advice before making a decision as to whether or not to take up any Placement Options under the Placement Options Offer.

### **4.4 Application**

Placement Participants may apply for Placement Options under the Placement Options Offer by completing and lodging the Application Form. The Placement Options Offer is non-renounceable, which means that eligible participants may not transfer their rights to any Options offered under the Placement Options Offer to anyone else.

Your completed personalised Application Form can be returned by:

- (a) mail to the following address:

Clean Teq Water Limited  
Unit 12, 21 Howleys Road  
Notting Hill, Victoria 3168.  
OR

- (b) Email [info@cleanteqwater.com](mailto:info@cleanteqwater.com)

Your completed Application Form must reach the Company by no later than 5.00pm (AEST) on the Closing Date.

You cannot withdraw or revoke your Application once you have sent in an Application Form.

### **4.5 Effect of making an Application**

If you apply for Placement Options under the Placement Options Offer, you:

- (a) acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;

- (b) agree that your Application is made on the terms and conditions of the Placement Options Offer set out in this Prospectus, the Application Form and the Company's Constitution;
- (c) accept that you will not be able to withdraw or revoke your Application once you have sent it in;
- (d) authorise the Company (and its officers and agents) to correct any error or omission in your Application Form and to complete the Application Form by the insertion of any missing details;
- (e) acknowledge that the Company may at any time determine that your Application Form is valid, in accordance with the terms and conditions set out in this Prospectus, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (f) acknowledge that the Company is not liable for any exercise of its discretions referred to in this Prospectus; and
- (g) are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act and laws and regulations designed to restrict terrorism financing and/or money laundering).

#### **4.6 Underwriting**

The Placement Options Offer is not underwritten.

#### **4.7 ASX quotation**

Application for Official Quotation of all Placement Options offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus.

Failure to obtain Official Quotation of the Placement Options will not prevent the issue of the Placement Options and will not cause any such issue to be void pursuant to the Corporations Act, as the Placement Offer is not conditional upon Official Quotation of the Placement Options being granted.

If Official Quotation of the Placement Options is not granted, the Placement Options issued pursuant to the Offers will not be able to be traded on ASX. The fact that ASX may grant Official Quotation to the Placement Options is not to be taken in any way as an indication of the merits of the Company or the Placement Options now offered for subscription.

#### **4.8 Variation and termination of the Placement Options Offer**

The Company may modify or terminate the Placement Options Offer at any time including closing the Placement Options Offer early. The Company will notify the ASX of any modification to, or termination of, the Placement Options Offer.

The omission to give notice of any modification to, or termination of, the Placement Options Offer or the failure of ASX to receive such notice will not invalidate the modification or termination.

The Company may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the Placement Options Offer, whether generally or in relation to any participant or Application, and the decision of the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

The Company reserves the right to waive strict compliance with any provision of the terms and conditions of this Prospectus. The powers of the Company under this Prospectus may be exercised by the Directors or any delegate of the Directors.

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## **5. PURPOSE AND EFFECT OF THE OFFER**

### **5.1 Company Overview**

The Company's principal activities are the provision and development of technology solutions for water treatment and water reuse and resource recovery to government entities and companies.

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 9.3.

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 Offers.

### **5.2 Purpose of the Offers**

The Placement and SPP Offer are being undertaken for the Company to raise up to approximately \$3 million (before costs) subject to the Company's right to accept oversubscriptions under the SPP Offer. Of that total amount which may be raised, approximately \$1,385,000 has already been received by the Company as the aggregate issue price for the Tranche 1 Placement. The Tranche 2 Placement of approximately \$615,000 is expected to be received prior to the Closing Date.

The above amounts exclude any funds which may be raised in future from any exercise of the New Options issued pursuant to this Prospectus.

Funds raised from issue of Placement Shares and from the issue of SPP Shares, and any exercise of the New Options, are indicatively proposed to be used towards:

- (a) evaluation and test work associated with the potential acquisition of lithium brine assets;
- (b) an additional pilot plant facility for demonstration of the attributes of the cDLE® process in targeted lithium brine assets;
- (c) pilot plant facilities for the demonstration of ATA® rapid dewatering and dry-stacking technology to replace wet tailings storage for mining companies; and
- (d) working capital.

The secondary purpose of the Offers is to provide for the offer and issue of the Placement Options. The Placement Options Offer opens on the same date that the SPP Offer opens and remains open until after 14 June 2024 which is the intended day on which the Placement Options are intended to be issued.

### 5.3 Use of Funds

The table below provides a breakdown of the proposed use of funds from the SPP Offer (\$1 million) and the Placement (\$2 million) assuming the Company does not accept oversubscriptions under the SPP Offer:

<b>Use of Funds from Placement and SPP Offer</b>	<b>Placement and SPP Offer (\$3,000,000) Millions</b>
Evaluation and test work associated with the potential acquisition of lithium brine assets;	\$1.0
An additional pilot plant facility for demonstration of the attributes of the cDLE® process in targeted lithium brine assets;	\$0.5
Pilot plant facilities for the demonstration of ATA® rapid dewatering and dry-stacking technology to replace wet tailings storage for mining companies; and	\$0.5
Working capital.	\$0.8
Expenses of the Offers	\$0.2
<b>TOTAL</b>	<b>\$3.0</b>

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied.

To the extent the SPP Offer is not fully subscribed, the Company will seek to appropriately scale back and or delay its discretionary spending, while it seeks alternative sources of funding (as required).

No funds will be raised from the issue of the New Options (other than funds which may be raised if those Options are subsequently exercised) as the New Options are free attaching to Shares issued under the SPP Offer and the Placement (respectively) on a one for three basis.

The expenses of the Offers will be met from the Company's Placement and the Company's existing cash reserves. The expenses of the Offers will have an effect on the Company's financial position of reducing the cash balance by approximately \$200,000. Refer to Section 9.12 for details on the estimated expenses of the Offers.

The Company will receive \$0.45 (before costs) for each New Option which is exercised (if any) during the exercise period for the New Options. If the funds for the Tranche 2 Placement are received and the SPP raises the targeted amount of \$1 million, the maximum number of 3,225,806 New Options (subject to rounding) are issued pursuant to the Offers and are subsequently exercised into Shares, the Company would receive approximately \$1,451,612 (before costs). There is no certainty that, and no forecast is made of whether, any of the New Options will be exercised.

### 5.4 Effect of the Offers on capital structure

Assuming the targeted amount of \$1 million is raised under the SPP Offer and all Placement Participants apply for (and are issued) New Options, the anticipated effects of the Offers on the Company are as follows:

- (a) the Company will issue 3,225,806 SPP Shares at \$0.31 per SPP Share and the total number of Shares on issue will increase to approximately 74,846,090 Shares (including the 1,984,712 Placement Shares comprising the Tranche 2 Placement;

- (b) the Company will issue 1,075,268 SPP Options (subject to rounding) under the SPP Offer and 2,150,537 Placement Options under the Placement Options Offer, each with an exercise price of \$0.45 for nil consideration bringing the total number of Options to 3,225,806.

A comparative table of changes in the capital structure of the Company as a consequence of the Offers (assuming no oversubscriptions) is set out below:

<b>Capital Structure<sup>(a)</sup></b>	<b>Subscription of \$1 million under SPP</b>	<b>% of Total Securities</b>
Shares on issue as at the date of the Prospectus <sup>(b)</sup>	69,635,572	93
Tranche 2 Placement Shares to be issued prior to Closing Date <sup>(c)</sup>	1,984,712	3
Number of SPP Shares to be issued under this Prospectus <sup>(d)</sup>	3,225,806	4
<b>Total Shares<sup>(e) (f)</sup></b>	<b>74,846,090</b>	<b>100</b>
Options on issue as at the date of this Prospectus	-	-
Number of New Options to be issued under this Prospectus	3,225,806	100
<b>Total Options</b>	<b>3,225,806</b>	<b>100</b>
Performance Rights on issue as at the date of this Prospectus	2,815,674	100
Number of Performance Rights to be issued under this Prospectus	-	0
<b>Total Performance Rights</b>	<b>2,815,674</b>	<b>100</b>

**Notes:**

(a) These numbers are indicative only and ignores the impact of rounding. The capital structure of the Company may differ upon completion of the Offers to what is shown in the above table depending on the number of Applications received.

(b) This includes the 4,466,901 Tranche 1 Placement Shares issued on 6 May and 7 May 2024.

(c) Excludes performance rights and any other equity securities on issue and assumes no equity securities convert into Shares or are issued, other than pursuant to the Placement. Excludes any SPP Shares issued under the SPP or on exercise of the New Options.

(d) Assumes the Company raises the targeted amount of \$1 million under the SPP Offer and does not accept oversubscriptions.

(e) This includes the 1,984,712 Tranche 2 Placement Shares to be issued prior to the Closing Date. Also assumes the Company raises the targeted amount of \$1 million under the SPP Offer, and no equity securities convert into Shares and no Shares are issued other than pursuant to the Placement.

(f) The Company notes that 7,178,033 Shares are subject to voluntary escrow arrangements.

The rights and liabilities attaching to the Shares are summarised in Section 7 of this Prospectus.

## 5.5 Financial Effect of the Offers

Detailed below is:

- (a) the reviewed statement of financial position of the Company as at 31 December 2023; and
- (b) the unaudited pro forma statement of financial position of the Company as at 31 December incorporating the effect of the SPP Offer and the Placement, assuming the targeted \$1 million is raised under the SPP Offer.

The unaudited pro forma statement of financial position has been derived from the reviewed statement of financial position of the Company, for the half year ended 31 December 2023, and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the SPP Offer and the Placement had occurred on 31 December 2024.

The pro forma statement of financial position of the Company as at 31 December 2023 has been adjusted for the following:

- (a) the issue of 6,451,613 Shares pursuant to the Placement to raise \$2 million (before costs), noting that settlement of the Tranche 1 Placement has already occurred (on 6 and 7 May 2024) with the Company issuing 4,466,901 Placement Shares at \$0.31 per Placement Share which raised approximately \$1,385,000 (before costs);
- (b) the issue of 3,225,806 New Shares pursuant to the SPP to raise \$1 million (before costs) (which assumes the Company receives valid applications for, and raises the targeted amount of, \$1 million under the SPP and that there are no oversubscriptions);
- (c) and the estimated expenses of the Placement and SPP of approximately \$200,000.

	31 Dec 23 (audited)	Share Placements *		Pro-forma Statement unaudited
	\$	Placement \$	SPP \$	\$
<b>Current Assets</b>				
Cash & cash equivalents	2,255,869	1,873,700	926,300	5,055,869
Restricted Cash & other financial assets	216,201	-	-	216,201
Receivables and other financial assets	3,038,349	-	-	3,038,349
Contract assets	675,831	-	-	675,831
Research and development incentive receivable	1,125,340	-	-	1,125,340
Inventories	28,837	-	-	28,837
<b>Total Current Assets</b>	<b>7,340,427</b>	<b>1,873,700</b>	<b>926,300</b>	<b>10,140,427</b>
<b>Non-Current Assets</b>				
Contract assets	237,755	-	-	237,755
Property, Plant and Equipment	603,715	-	-	603,715
Right-of-use assets	34,587	-	-	34,587
Investments in Joint Ventures	2,136,929	-	-	2,136,929
Intangible Assets	5,081,449	-	-	5,081,449
<b>Total Non-Current Assets</b>	<b>8,094,435</b>	<b>0</b>	<b>0</b>	<b>8,094,435</b>
<b>TOTAL ASSETS</b>	<b>15,434,862</b>	<b>1,873,700</b>	<b>926,300</b>	<b>18,234,862</b>
<b>Current Liabilities</b>				
Trade & Other Payables	2,364,105	-	-	2,364,105
Contract liabilities	1,018,522	-	-	1,018,522
Lease liabilities	73,951	-	-	73,951
Employee Benefits	574,921	-	-	574,921
Loans and borrowings	81,435	-	-	81,435
Provisions	338,219	-	-	338,219
<b>Total Current Liabilities</b>	<b>4,451,153</b>	<b>0</b>	<b>0</b>	<b>4,451,153</b>
<b>Non-Current Liabilities</b>				
Employee Benefits	73,629	-	-	73,629
Provisions	788,958	-	-	788,958
<b>Total Non-Current Liabilities</b>	<b>862,587</b>	<b>0</b>	<b>0</b>	<b>862,587</b>
<b>TOTAL LIABILITIES</b>	<b>5,313,740</b>	<b>0</b>	<b>0</b>	<b>5,313,740</b>
<b>NET ASSETS</b>	<b>10,121,122</b>	<b>1,873,700</b>	<b>926,300</b>	<b>12,921,122</b>
<b>Equity</b>				<b>0</b>
Contributed Equity	7,685,834	1,873,700	926,300	10,485,834
Reserves	20,199,610	-	-	20,199,610
Accumulated losses	(17,764,322)	-	-	(17,764,322)
<b>TOTAL EQUITY</b>	<b>10,121,122</b>	<b>1,873,700</b>	<b>926,300</b>	<b>12,921,122</b>

\* Cash and cash equivalents received from Placement and SPP includes approximately \$200,000 in relation to the cost of the Placement and the Offers.



## Notes to the pro-forma balance sheet

The unaudited pro forma statement of financial position has been prepared by the Company and is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements. It has been prepared on the basis of the accounting policies normally adopted by the Company.

The unaudited pro forma statement of financial position:

- 1 includes \$3,000,000 comprising gross proceeds that may be raised pursuant to the Placement and the SPP Offer, less estimated Offer costs of \$200,000 (which assumes the Company receives valid applications for, and raises only the targeted amount of, \$1 million under the SPP Offer);
- 2 assumes that and no existing performance rights are vested and excludes the impact of any exercise of New Options following their issue; and
- 3 does not take into account any transactions between 31 December 2023 and the date of this Prospectus. The unaudited pro forma statement of financial position reflects only the transactions the subject of this Prospectus and in the manner described.

### 5.6 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	16.35	16.35%
Soane Labs LLC	7,178,033	10.31	10.31%
Pengxin International Group Limited	5,225,944	7.5	7.5%
FMR LLC and its related entities	3,770,956	5.42	5.42%

The Company is of the view that the Placement and the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a Voting Power greater than 20% as a result of the completion of the Offers.

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## **6. RISK FACTORS**

### **6.1 Introduction**

The Securities offered under this Prospectus should be considered highly speculative because of the nature of the business activities of the Company and no assurances can be made that the Company's particular interests or projects will be successful. Potential investors should consider whether the Securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors detailed below.

Potential investors should be aware of the risks specific to an investment in the Company, which may include, but are not limited to those risks detailed below.

This list is not exhaustive and potential investors should read this Prospectus in its entirety and the Company's ASX announcements and if in any doubt consult their professional adviser before deciding whether to participate in the Offers.

### **6.2 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.

### **6.3 Other risks**

(a) **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.

(b) **Liquidity risk**

There can be no guarantee that an active trading market for Shares or New Options is maintained. There may be relatively few or many potential buyers and sellers of the Shares or Options 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.

(c) **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.

(d) **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.

(e) **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.

(f) **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.

(g) **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.

(h) **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 Securities offered under this Prospectus.

Therefore, the Securities 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 Securities.

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

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

The following is a summary of the more significant rights and liabilities attaching to the SPP 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.

### **7.1 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.

### **7.2 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.

### **7.3 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.

### **7.4 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.

### **7.5 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.

### **7.6 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.

### **7.7 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.

## **7.8 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.

## **7.9 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.

## **7.10 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.

## **7.11 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.

## **7.12 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.



### **7.13 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.

### **7.14 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.

### **7.15 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.

### **7.16 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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## 8. TERMS OF NEW OPTIONS

The New Options entitle the holder of the Option (**Holder**) to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Holder the right to subscribe for one fully paid ordinary Share.
- (b) The New Options will expire at 5.00pm (AEST) on 30 April 2026 (**Expiry Date**).
- (c) Any New Options not exercised before 5.00pm (Melbourne time) on the Expiry Date will automatically lapse at that time and be cancelled by the Company.
- (d) The amount payable upon exercise of each Option will be \$0.45 (**Exercise Price**).
- (e) The Company will provide to each Holder a notice that is to be completed when exercising the Options (**Notice of Exercise**).
- (f) Options must be exercised in multiples of ten thousand (10,000) unless fewer than ten thousand (10,000) Options are held by a Holder in which case all Options held must be exercised at the same time.
- (g) The New Options may be exercised by the Holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Company Secretary at Company's registered office (or such other address notified by the Company to the holder) to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
- (h) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the applicable Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (i) As soon as practicable after the relevant Exercise Date, the Company will:
  - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
  - (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued on the exercise of the Options.
  - (iii) All Shares issued upon the exercise of the Options will upon issue rank equally in all respects with the then issued Shares.
- (j) The New Options are transferable subject to compliance with the Corporations Act 2001 (Cth).
- (k) A Holder who holds Options is not entitled to:
  - (i) notice of, or to vote or attend at, a meeting of the shareholders;
  - (ii) receive any dividends declared by the Company; or
  - (iii) participate in any new issues of securities offered to shareholders during the term of the Options,

unless and until the Options are exercised and the Holder holds Shares as at the relevant record date for determining entitlements.

- (l) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):
  - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and
  - (ii) no change will be made to the Exercise Price.
- (m) If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the Exercise Price of an Option will be reduced according to the formula provided in Listing Rule 6.22 (whether or not the Company is listed on the ASX at the time).
- (n) If at any time the issued capital of the Company is reconstructed or re-organised, all rights of an Option Holder are to be changed in a manner required by the Corporations Act and the ASX Listing Rules at the time of the reconstruction or re-organisation.
- (o) Subject to the above, an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (p) The Company will apply for official quotation of the Options on ASX. Subject to satisfying the ASX requirements for quotation as an additional class and subject to ASX granting official quotation, the Options would be quoted on ASX. If the ASX requirements are not satisfied, then the Options will not be quoted on ASX.

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## **9. ADDITIONAL INFORMATION**

### **9.1 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 Offers and the information reasonably necessary to make an informed assessment of the effect of the Offers 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.

### **9.2 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 9.3 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.

### 9.3 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
06/05/2024	Proposed issue of securities - CNQ
06/05/2024	Cleansing Prospectus
06/05/2024	Application for quotation of securities - CNQ
07/05/2024	Application for quotation of securities - CNQ
15/05/2024	Change in substantial holding

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/>.

#### **9.4 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.

#### **9.5 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.

## 9.6 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	\$0.395	23/02/2024
Lowest	\$0.26	09/05/2024
Last	\$0.275	15/05/2024

## 9.7 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.

## 9.8 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.

## 9.9 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 Offers; or
- (c) the Offers,

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 Offers.

### ***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:

<b>Director</b>	<b>Shares</b>	<b>Options</b>	<b>Performance Rights</b>
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

#### **9.10 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 Offers or the Offers themselves; or
- (f) the Offers,

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 Offers.



## 9.11 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.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of this Prospectus other than being named as the Company's Share Registry. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for any part of this Prospectus.

## 9.12 Estimated expenses of Offers

The estimated expenses of the Offers are estimated to be as follows:

<b>Expenses<sup>(a)</sup></b>	
ASIC Fees	\$3,206
ASX Fees <sup>(b)</sup>	\$11,842
Legal Expenses	\$25,000
Broker Fees <sup>(c)</sup>	\$126,300
Share registry fees (including printing and other expenses)	\$33,652
<b>TOTAL</b>	<b>\$200,000</b>

Notes:

(a) The fees do not include GST, if payable.

(b) This estimate is based on the issue of 3,225,806 SPP Shares offered under this Prospectus as well as the issue of all 6,451,613 Placement Shares.

(c) The fees are part of the broader capital raising which includes the \$2 million Placement (which is not made under this Prospectus) in addition to the Offers under this Prospectus. As set out in this Prospectus, the Placement Options Offer is only open to participants in the Placement.

## 9.13 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 (0) 450 648 064 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.

#### **9.14 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.

#### **9.15 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 Securityholder and to facilitate distribution payments and corporate communications to you as a Securityholder.

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 Registry. You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the 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 Securities offered under this Prospectus, the Company may not be able to accept or process your Application.

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**10. DIRECTORS' CONSENT**

This Prospectus is dated 16 May 2024 and is issued by Clean TeQ Water Limited.

The Directors have made all reasonable enquiries 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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## 11. DEFINITIONS

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

\$ means Australian dollars.

**Applicant** means a person who submits an Application or who otherwise applies for SPP Securities via making a BPAY® or EFT payment of the Application Monies to the Company without lodging the Application Form.

**Application** means a valid application for New Securities under an Offer made pursuant to an Application Form (or alternatively, in the case of the SPP Offer, payment of the aggregate issue price for the relevant SPP Shares by BPAY® or EFT payment without lodging the Application Form).

**Application Form** means an SPP Application Form or a Placement Options Application Form (as the context requires).

**Application Monies** means monies paid (at the Issue Price per SPP Share) to the Company by Eligible Shareholders in respect of SPP Shares the subject of an application pursuant to the SPP Offer.

**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 1 (unless extended, withdrawn or brought forward by the Directors, subject to the Listing Rules).

**Company** or **Clean TeQ** means Clean TeQ Water Limited (ACN 647 935 948).

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

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

**Custodian** means a person that provides a custodial or depository service in relation to Shares and who:

- (a) holds an Australian financial services licence covering the provision of a custodial or depository service;
- (b) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
- (c) holds an Australian financial services licence covering the operation of an investor directed portfolio service (IDPS) or is a responsible entity of an IDPS-like scheme;
- (d) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
- (e) is a registered holder of Shares and is noted on the Register as holding the Shares on account of another person.

**Custodian Certificate** has the meaning given in Section 3.12.

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

**EFT** means electronic funds transfer.

**Eligible Beneficiary** means a Beneficiary of a Custodian with a registered address in either Australia or New Zealand as at the Record Date, provided that such Beneficiary is not an Ineligible Shareholder.

**Eligible Shareholder** has the meaning given in Section 3.7.

**Exercise Price** has the meaning given in Section 8.

**Expiry Date** has the meaning given in Section 8.

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

**Holder** has the meaning given in Section 8.

**Ineligible Shareholder** means any of the following registered holders of Shares (including a Custodian) to the extent they:

- (a) hold Shares on their own account and reside outside Australia or New Zealand;
- (b) hold Shares on behalf of another person who resides outside Australia, or New Zealand; or
- (c) are in the United States, or they hold Shares on behalf of a person in the United States, or are acting for the account or benefit of a person in the United States (to the extent they are participating in the SPP on behalf of those persons).

**Issue Price** has the meaning given in Section 3.4.

**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.

**New Option** means an Option offered pursuant to an Offer under this Prospectus, on the terms and conditions in Section 8.

**New Securities** means the Securities offered pursuant to this Prospectus, being any one or more of the following, as the context requires the:

- (a) SPP Securities under the SPP Offer; and
- (b) Placement Options under the Placement Options Offer.

**Offer** means the SPP Offer or Placement Options Offer, as the context requires, and **Offers** means both of them.

**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 Offers as specified in the timetable set out in Section 1 (unless varied).

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

**Participating Beneficiary** has the meaning given in Section 3.12.

**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** means the placement of up to 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 3.1 of this Prospectus.

**Placement Options** has the meaning given in Section 3.1.

**Placement Options Application Form** means the Application Form attached to, or accompanying this Prospectus, to be used for the purposes of applying for Placement Options under the Placement Options Offer.

**Placement Options Offer** has the meaning given in Section 4.

**Placement Participant** means a person who participated in the Placement and is a sophisticated or professional investor (each, as defined in the Corporations Act).

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

**Prospectus** means this prospectus.

**Record Date** has the meaning given in Section 3.7.

**Register** means the share register maintained by or on behalf of the Company in Australia.

**Relevant Interest** has the meaning given in section 9 of the Corporations Act.

**Securities** means any securities (including Shares and Options) issued or granted by the Company.

**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.

**Shortfall** means the difference between the amount sought to be raised under the SPP, being \$1 million and the dollar value of valid applications received under the SPP.

**Shortfall Securities** means any SPP Share and SPP Options not taken up under the SPP Offer that make up the Shortfall.

**SPP Application Form** means the Application Form attached to, or accompanying this Prospectus, to be used for the purposes of applying for SPP Securities under the SPP Offer.

**SPP Offer** has the meaning given in Section 3.

**SPP Options** has the meaning given in Section 3.1.

**SPP Securities** means the SPP Shares and the SPP Options offered pursuant to the SPP Offer in this Prospectus.

**SPP Shares** has the meaning given in Section 3.1.

**SPP Shortfall Offer** means the offer under this Prospectus of the Shortfall Securities.

**SPP Shortfall Securities Application Form** means the application for to acquire Shortfall Securities that accompanies this Prospectus.

**TMD** means target market determination.

**Tranche 1 Placement** has the meaning given in Section 3.1.

**Tranche 2 Placement** has the meaning given in Section 3.1.

**VWAP** means Volume Weighted Average Price

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## 12. 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

**ASX Code:** CNQ

### 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)