

July 30, 2024

CLEAN TEQ SECURES \$2 MILLION NON-DILUTIVE FUNDING FACILITY

MELBOURNE, Australia – Clean TeQ Water Limited (**Clean TeQ** or **Company**) (ASX: CNQ) is pleased to announce it has entered into a term loan funding agreement with Amal Security Services Pty Limited (as trustee for Causeway Wholesale Private Debt Master Fund) (**Causeway**) for a debt financing facility (**Term Loan Facility**) of up to \$2 million.

The Term Loan Facility consists of a Senior Secured Debt Facility of \$2 million. The initial loan term is 2 years, with an option for Clean TeQ to extend the Term Loan Facility for a further 12 months.

The key terms of the Term Loan Facility are outlined in Appendix A of this announcement.

The intention to utilise a debt financing facility was announced as part of the total funding package on 29 April 2024 and follows the completion of a share purchase plan (**SPP**) raising \$608k as announced on the 19 July 2024. Through the SPP and share placement Clean TeQ has successfully raised \$2.2 million to date. The Company continues to work with the Lead Manager to secure the outstanding proceeds of the share placement. Inclusive of this Term Loan Facility, Clean TeQ has now secured a debt and equity funding package of up to \$4.6 million (**Funding Package**), before costs.

The proceeds of the Funding Package, including the Term Loan Facility, will enable Clean TeQ to advance a range of strategic growth initiatives as well as for general working capital purposes.

Evolution Capital acted as sole arranger and advisor for the establishment of the Term Loan Facility and will receive an arranger fee equivalent to 3% of funds raised (based on full drawdown) and payable at the time of each drawdown.

ABOUT CAUSEWAY

Causeway is a boutique private debt and alternate asset manager with approximately \$600 million in assets under management and advice and more than two decades of experience in providing private debt to emerging companies, as well as generating consistent returns through all market cycles.

Clean TeQ Interim CEO Peter Voigt commented: *“As part of our recent updates, including our successful \$2.2 million SPP and share placement, we disclosed our intention to establish a suitable working capital facility, to meet the broader funding requirements of our growing and now much larger business.*”

As an emerging company with ambitious growth plans, having access to non-dilutive growth capital is of critical importance, as it enables us to not only fund our growth plans, but also provides our various stakeholders with confidence about our financial capacity.

As we move into the new financial year, we have an aggressive growth and commercialisation strategy that will see us deepen, strengthen and expand our commercial collaborations to deliver ambitious project structures with our partners and clients.

We look forward to providing further updates regarding our continued progress.”

This announcement has been authorised for release to the ASX by the Board of Directors of Clean TeQ Water Limited.

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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 re-mining 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. To subscribe to our company updates, please visit [Subscribe For Updates | Clean TeQ Water](#).

FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified using words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur

Clean TeQ Water Limited (ACN 647 935 948)

ASX: CNQ

or be achieved. These statements reflect the Company's current expectations regarding future events, performance, and results, and speak only as of the date of this new release.

Readers are cautioned not to place undue reliance on forward-looking information or statements.

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

Appendix A

Term Loan Facility

Key Terms of the Term Loan Facility are as follows:

Loan Facility	Key Terms
Financier	Causeway Wholesale Private Debt Master Fund
Borrower:	Clean TeQ Water Limited (CNQ)
Guarantors	All subsidiaries of CNQ
Facility	Secured Term Loan Facility
Facility Amount:	\$2.0 million senior secured term loan facility comprising
Purpose	Working capital, payment of upfront costs for technology on new lithium joint venture, mining tailings demonstrations and general corporate purposes
Conditions Precedent	All conditions for the Term Loan Facility have been satisfied except for customary draw-down conditions.
Maturity/Term:	<ul style="list-style-type: none">The Facility is interest only.Payment of the Facility will be due 2 years after the date of financial close and may, at the election of CNQ (and subject to compliance with the terms of the Facility), be extended for a further 12 months. If extended, a further Establishment Fee of 1% of the total Facility Amount is payable.
Availability Period	The Availability Period to draw the loan is 12 months from the initial draw date
Draws	<ul style="list-style-type: none">A minimum of \$1 million at financial close/settlement; andSubsequent draws of a minimum \$250,000 at any time during the Availability Period.
Security	General Security Agreement over CNQ and all Guarantors covering all present and future assets, undertakings and rights.
Interest rate benchmark	BBSW
Interest Rate:	The Facility is interest-only as follows: <ul style="list-style-type: none">Drawn amounts – Interest rate benchmark (subject to floor of 3%) plus 8.0% p.a.Undrawn amounts - Interest rate benchmark (subject to floor of 3%). Interest is payable quarterly in arrears from the settlement date.
Covenants	Customary covenants, representations and events of default for a secured corporate facility.
Events of Default	Events of default will be as customary for a facility of this nature with market standard grace periods and carve outs. For example, failure to pay amounts when due, failure to perform material covenants and insolvency events.
Reporting	Quarterly, half-yearly and annual reporting requirements.

Other Terms	<p>The Facility Agreement will include usual terms and conditions for facilities of this nature, including Representations & Warranties, Undertakings (including Permitted Disposals, Permitted Distributions, and Permitted Debt), and Events of Default (include financial covenants, non-payment, insolvency, material adverse effect, and misrepresentation – non-payment defaults generally subject to cure periods) including:</p> <ul style="list-style-type: none">• Restrictions on dividends and asset sales; and• No further future indebtedness whether secured (including equipment financing) or unsecured without consent.
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