

6 December 2024

Convertible note for long-term shareholder

Clean TeQ Water Limited (ASX: CNQ) (the “Company” or “Clean TeQ”) is pleased to announce it has entered into a Convertible Note Subscription Agreement with Ivanhoe Capital Holdings Pte Ltd, an entity associated with the Company’s largest shareholder Mr Robert Friedland. The Convertible Note Subscription Agreement provides for the issue of 1 million convertible notes (“Notes”) with a face value of \$1.00 each.

The funds received under the Convertible Note Subscription Agreement will be utilised to support the Company’s on-going working capital requirements.

The key terms of the Notes are as follows;

- **Maturity Date:** 24 months from date of issue, being 9 December 2026.
- **Face Value:** \$1.00 per Note.
- **Security:** The Notes are unsecured.
- **Conversion:** Each Note may be converted into fully paid ordinary shares in the capital of the Company at the Conversion Price (below).
- **Conversion Price:** \$0.31 being at the same price as the company’s most recent capital raise¹.
- **Variation to Conversion Price:** In the event the Company undertakes a bonus issue, rights issue or capital reorganization (including consolidation, subdivision, reduction or return), the conversion price will be varied to the extent applicable to place investors in substantially the same economic position as they would have been had no such event occurred. Any adjustment is subject to the ASX Listing Rules.
- **Interest:** Interest of 10% p.a. accruing daily and payable every six months in arrears. Interest will not be capitalised
- **Conversion:** The Notes can be converted into ordinary shares in the Company at any time up until the Maturity Date at the election of the Noteholder.
- **Redemption:** The Notes must be redeemed by the Company on the Maturity Date. The Noteholder may also require the Company to redeem the Notes while an Event of Default is subsisting.
- **No Participation Rights:** A Note carries no right to participate in any offering of securities by the Company or the right to vote at any general meeting of the Company.
- **Events of Default:** Customary events of default including insolvency events or payment default.

¹ [As announced on 29 April 2024 on the ASX.](#)

- **Change of Control:** If a change of control event occurs, the Noteholder in its discretion may require the Company to either convert or redeem the Notes.
- **Transfer:** The Notes may only be transferred with the Company's prior written consent.

The issue of the Convertible Notes is within the Company's placement capacity under ASX Listing Rule 7.1 and is not subject to shareholder approval.

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

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About Clean TeQ Water Limited (ASX: CNQ) – 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. To subscribe to our company updates, please visit [Subscribe For Updates | Clean TeQ Water](#).