

20 December 2018

Clean TeQ Sunrise Project – Approval of Development Application Modification 4

MELBOURNE, Australia – Clean TeQ Holdings Limited (**Clean TeQ** or **Company**) (ASX/TSX:CLQ; OTCQX:CTEQF) is pleased to advise of the approval of Modification 4 to the Development Application for the Clean TeQ Sunrise Project (Project) by the New South Wales Independent Planning Commission (IPC). This represents another important milestone as the Project advances through engineering and financing phases, before a targeted commencement of construction in mid-2019.

Modification 4 allows Clean TeQ to implement a number of improvements designed to optimise and further de-risk the Clean TeQ Sunrise operation. The key features of Modification 4 include amendments to the processing plant design and layout, mine plan and general logistics, diversification of water supply via approval to access surface water from the Lachlan River as well as consent to produce up to 100,000 tonnes per annum of ammonium sulphate for sale as a by-product – as described in the Definitive Feasibility Study (**DFS**) published in June 2018. These are important changes which will enable the Project to more effectively respond to the rapidly growing global demand for nickel and cobalt.

The approval follows a period of extensive consultation with local residents and communities across the Shires of Parkes, Lachlan and Forbes, as well as working through a formal process with the IPC. It also concludes the final outstanding modification under application, with Modification 6 having been approved in May 2018.

Sam Riggall, Chief Executive Officer, commented, *“While Clean TeQ Sunrise already had development approval, Modification 4 optimises and further enhances the operability of this globally significant development Project. We appreciate the input of our community stakeholders to the modification process; this has been vital in ensuring our future co-existence and Clean TeQ’s social licence to operate.”*

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About Clean TeQ Holdings Limited (ASX/TSX: CLQ) – Based in Melbourne, Australia, Clean TeQ is a global leader in metals recovery and industrial water treatment through the application of its proprietary Clean-iX® continuous ion exchange technology. For more information about Clean TeQ please visit the Company's website www.cleanteq.com.

About the Clean TeQ Sunrise Project – Clean TeQ is the 100% owner of the Clean TeQ Sunrise Project, located in New South Wales. Clean TeQ Sunrise is one of the largest cobalt deposits outside of Africa, and one of the largest and highest-grade accumulations of scandium ever discovered.

About Clean TeQ Water – Through its wholly owned subsidiary Clean TeQ Water, Clean TeQ is also providing innovative wastewater treatment solutions for removing hardness, desalination, nutrient removal, zero liquid discharge. The sectors of focus include municipal wastewater, surface water, industrial waste water and mining waste water. For more information about Clean TeQ Water please visit www.cleanteqwater.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, the Clean TeQ Sunrise Project, 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 by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this new release.

Statements in this news release that constitute forward-looking statements or information include, but are not limited to statements regarding: the expectation that Modification 4 will allow Clean TeQ to implement a number of improvements designed to optimise and further enhances the operability of the Clean TeQ Sunrise Project. Readers are cautioned that actual results may vary from those presented. All such forward-looking information and statements are based on certain assumptions and analyses made by Clean TeQ's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; changes in commodity prices; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, and the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Other important factors that could cause actual results to differ from these forward-looking statements also include those described under the heading "Risk Factors" in the Company's most recently filed Annual Information Form available under its profile on SEDAR at www.sedar.com.

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.