

19 December 2019

Clean TeQ to Collaborate with Panasonic Corporation Global Procurement Company to Develop Applications for Scandium Aluminium Alloys for Consumer and Electronics Products

Heads of Agreement Signed for Scandium Offtake

MELBOURNE, Australia – Sam Riggall, Chief Executive Officer of Clean TeQ Holdings Limited (**Clean TeQ** or **Company**) (ASX/TSX:CLQ; OTCQX:CTEQF), is pleased to announce a collaboration with Panasonic Corporation Global Procurement Company to develop applications for Scandium Aluminium Alloys for Panasonic Group. The two companies have also agreed a binding Scandium Offtake Heads of Agreement for Clean TeQ to supply up to five tonnes per annum of scandium oxide (volumes to be determined at Panasonic's election) from the Company's Sunrise Project in Australia.

The collaboration is consistent with Clean TeQ's long term strategy to work with, and assist, established industry players to investigate and develop new applications for scandium-aluminium alloys. The Company's aim is to stimulate growth in demand for the material which will be converted into sales of scandium from the Sunrise Project once it is in operation. Clean TeQ, through its scandium technical and marketing team, will support Panasonic research and development to investigate the functional and commercial benefits of using scandium-containing aluminium alloys for certain applications in consumer and electronic products. Clean TeQ will also contribute to the program by supplying scandium master alloy, procured from one of the Company's industry partners.

Clean TeQ is developing its wholly owned Sunrise Project in New South Wales, Australia. Sunrise is one of the largest and most advanced nickel-cobalt laterite projects in the world. While the Project is being developed to become a major global producer of nickel sulphate and cobalt sulphate – key cathode materials for the electric vehicle battery market – it also hosts one of the largest and highest-grade scandium deposits ever discovered, positioning Clean TeQ to be a major supplier of low-cost scandium for production of next-generation lightweight aluminium alloys for use in a variety of industries, including aerospace, automotive and consumer products.

Panasonic Corporation Global Procurement Company is the strategic procurement entity within the Panasonic Corporation (**Panasonic**) group. Panasonic Corporation is a worldwide leader in the development of diverse electronics technologies and solutions for customers in the consumer electronics, housing, automotive, and B2B businesses. The company, which celebrated its 100th anniversary in 2018, has expanded globally and now operates 582 subsidiaries and 87 associated companies worldwide, recording consolidated net sales of US\$72.10 billion for the year ended 31 March 2019. Committed to pursuing new value through innovation across divisional lines, the company uses its technologies to create a better life and a better world for its customers.



Panasonic is a leading global supplier of consumer electronics and lithium ion batteries

Clean TeQ's Chief Executive Officer, Sam Riggall, commented, "We are seeing strong interest in scandium-aluminium alloys from a range of industries. Scandium allows us to create a new generation of aluminium alloys with unrivalled functionality – alloys that are stronger, lighter, corrosion-resistant and weldable. As the largest resource in the world of this rare metal, Clean TeQ Sunrise is expected to become an important source of global supply for decades to come. We are pleased to have initiated this relationship with Panasonic and hope that it will result in new design and engineering opportunities for Panasonic's diverse product range."

Under the terms of the Scandium Offtake Heads of Agreement, Clean TeQ will supply up to five tonnes per annum of scandium oxide to Panasonic Corporation Global Procurement

Company from the Company's Sunrise Project once production commences. Annual volumes will be determined by Panasonic. The parties have agreed a fixed price for scandium supplied to Panasonic. The Heads of Agreement is for a maximum ten-year term, and may be terminated by Panasonic on notice, or by Clean TeQ if certain defined minimum volumes are not met. The parties have agreed the terms set out in the Heads of Agreement and intend to be immediately legally bound by them, but also propose to restate them, prior to the commencement of deliveries of scandium from the Project, in a form which will be fuller or more precise but not have a different effect, being in the form of a formal detailed Scandium Offtake Contract.

For more information, please contact:

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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 and 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.

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

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 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 development of the Sunrise Project, Sunrise becoming an important supplier of low-cost scandium and the development of the scandium market. 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.

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