

11 September 2023

## Clean TeQ enters North American lithium market via technology-for-equity agreement between Go2Lithium Inc and LithiumBank Resources Corp

### Highlights:

- Partnership established between LithiumBank Resources Corp and Go2Lithium Inc
- Go2Lithium is a 50/50 joint venture between Clean TeQ and Computational Geosciences Inc (a subsidiary of NYSE-listed Ivanhoe Electric) to commercialise Clean TeQ's continuous direct lithium extraction (cDLE®) process
- Go2Lithium to become a strategic shareholder in LithiumBank through the issue, upon satisfaction of specific milestones, of up to 14 million shares which represents approximately 25% of LithiumBank
- Licensing arrangement provides Clean TeQ with exposure to some of North America's largest brine assets:
  - The Boardwalk Project (NI 43-101 PEA completed in June 2023) contains over 6Mt of contained lithium carbonate equivalent
  - The Park Place Project comprises a land package of over 1.6 million acres over the Leduc Formation, with a NI 43-101 Resource Estimate expected in 2H 2023
- Licensing agreement provides LithiumBank with access to Clean TeQ's cDLE® technology that, based on laboratory test results, is expected to significantly improve the economics of North American lithium brine projects
- Clean TeQ to ship its cDLE® pilot plant to Canada in coming months to accelerate piloting on LithiumBank brines
- Transaction represents the first of several potential transactions for Go2Lithium with developers of lithium brine assets



*Figure 1: LithiumBank Executive Chairman Paul Matysek and Go2Lithium CEO Livia Mahler at the signing of the landmark technology licensing and equity earn-in agreement*

Peter Voigt, CEO of Clean TeQ Water Limited (ASX:**CNQ**, the **Company** or **Clean TeQ**), is pleased to announce an agreement between Go2Lithium Inc (**G2L**) (via its wholly-owned subsidiary G2L Greenview Resources Inc) and LithiumBank Resources Corp. (**LithiumBank**) (TSX.V: **LBNK**) under which G2L will license its continuous direct lithium extraction technology (cDLE®) to support development of LithiumBank’s North American lithium brine assets. In consideration for the license, LithiumBank has agreed to issue LithiumBank shares to G2L on satisfaction of certain milestones, which if fully vested, would constitute G2L as LithiumBank’s largest shareholder.

Commenting on the transaction, Mr Voigt said:

*“This is a significant and potentially transformational transaction for Clean TeQ. We are delighted to be working with LithiumBank and look forward to adding value to their lithium projects. Having developed and deployed ion exchange technologies in both metal recovery and water treatment applications for over two decades we are uniquely experienced in chemical and engineering solutions that are optimised to maximize recoveries from low concentration feed sources.*”

*In coming months, we will be shipping to Canada what will be one of the largest pilot-scale DLE plants in North America. Results from our test work on LithiumBank brines gives us confidence that we can not only accelerate development of the Boardwalk and Park Place projects, but also position them as the most efficient and sustainable sources of lithium supply for the North American market.”*

LithiumBank’s Executive Chairman, Paul Matysek, said:

*“This licensing agreement with G2L provides LithiumBank with access to best-in-class direct lithium extraction technology that we expect to have a significant impact on the economics of our Alberta projects. We are pleased to be partnering with a team that has over 20 years of experience in designing and constructing ion exchange systems for both water treatment and metal recovery applications. Furthermore, access to G2L’s operational pilot plant will expedite the development of all our projects and provide the necessary information to begin pre-feasibility assessments.”*

## **Go2Lithium: 50/50 JV**

G2L was formed in early 2023 as a 50/50 joint venture with Computational Geosciences Inc (**CGI**), a subsidiary of the Robert Friedland-chaired Ivanhoe Electric Inc. (NYSE:**IE**). CGI is an established leader in applying advanced geophysical modelling, data analytics and machine learning to resource exploration and discovery.

G2L was established to identify and unlock significant value in lithium brine assets, utilising CGI’s geophysical sub-surface modelling capability and Clean TeQ’s suite of cDLE® technologies to provide a lower-cost and more environmentally sustainable extraction and purification process for battery-grade lithium salts.

Clean TeQ Water will continue its in-house development and optimisation of the cDLE® process and the provision of pilot plant facilities to enable Go2Lithium to fully engage with lithium asset owners.

## **LithiumBank Resources Corp**

Lithium Bank is a publicly traded lithium company on 3 stock exchanges (TSX.V: LBNK; OTCQX: LBNKF; FRA: HY9) with a current market capitalisation of \$46.38M Canadian dollars<sup>1</sup> (AUD\$53.19M).

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<sup>1</sup> Market capitalisation as at 7 September 2023.

LithiumBank holds one of the largest portfolios of lithium-bearing mineral claims across the Leduc Formation in western Canada.

Located on leases which were previously developed for oil and gas extraction, over 1,000 wells have been drilled to date on LithiumBank's claims within the Leduc Formation. The extensive history of well production data has enabled LithiumBank to rapidly delineate a large-scale brine resource within its mineral claims. Furthermore, the presence of existing road, rail and power infrastructure provides essential support to these operations.

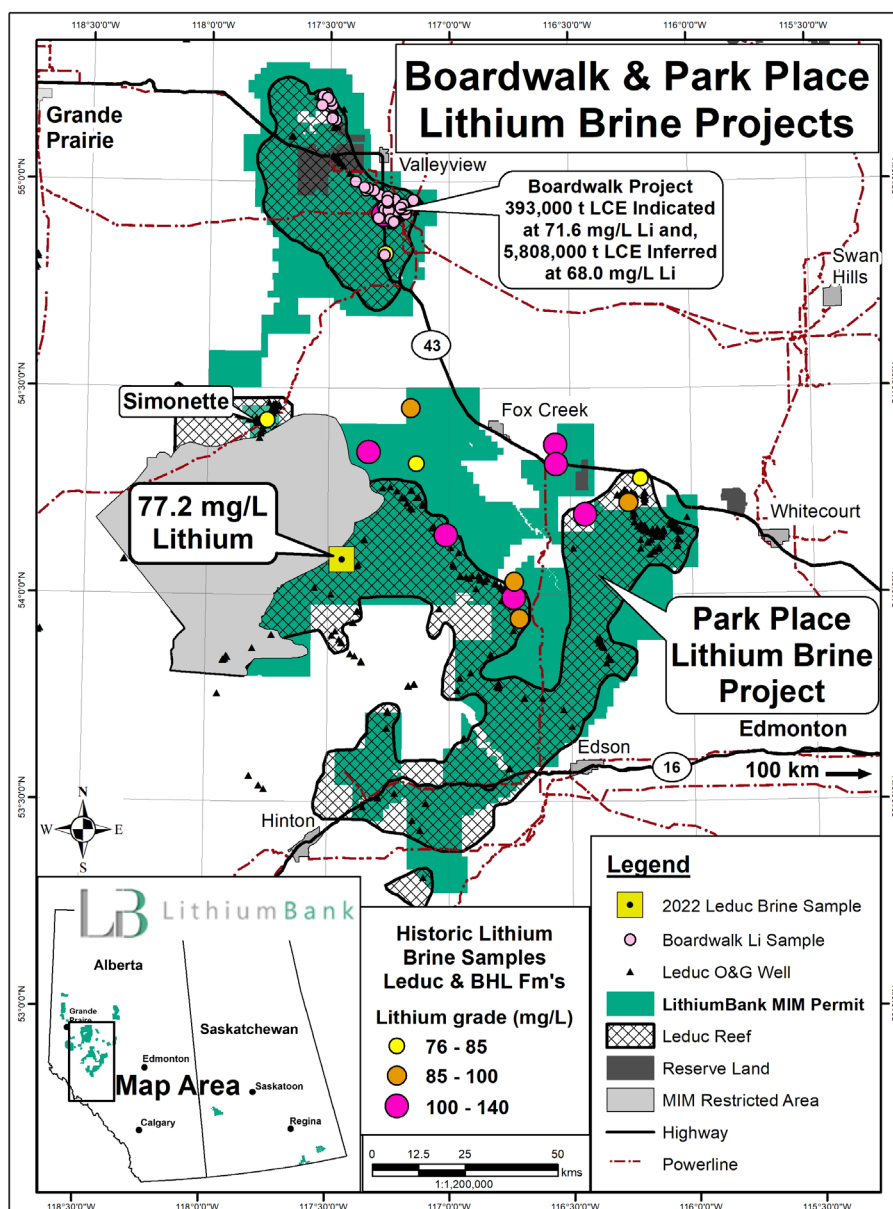


Figure 2: LithiumBank mineral claims in western Canada



## Boardwalk Project

LithiumBank’s most advanced asset, the Boardwalk Project in Alberta, comprises a total land package of approximately 570,000 acres. LithiumBank’s NI 43-101 Technical Report on the Boardwalk Project estimates an indicated and inferred mineral resource at Boardwalk of over 6.2 million tonnes of contained lithium carbonate equivalent (**LCE**), grading at approximately 70g/L. This makes Boardwalk one of the largest lithium brine resources in North America.

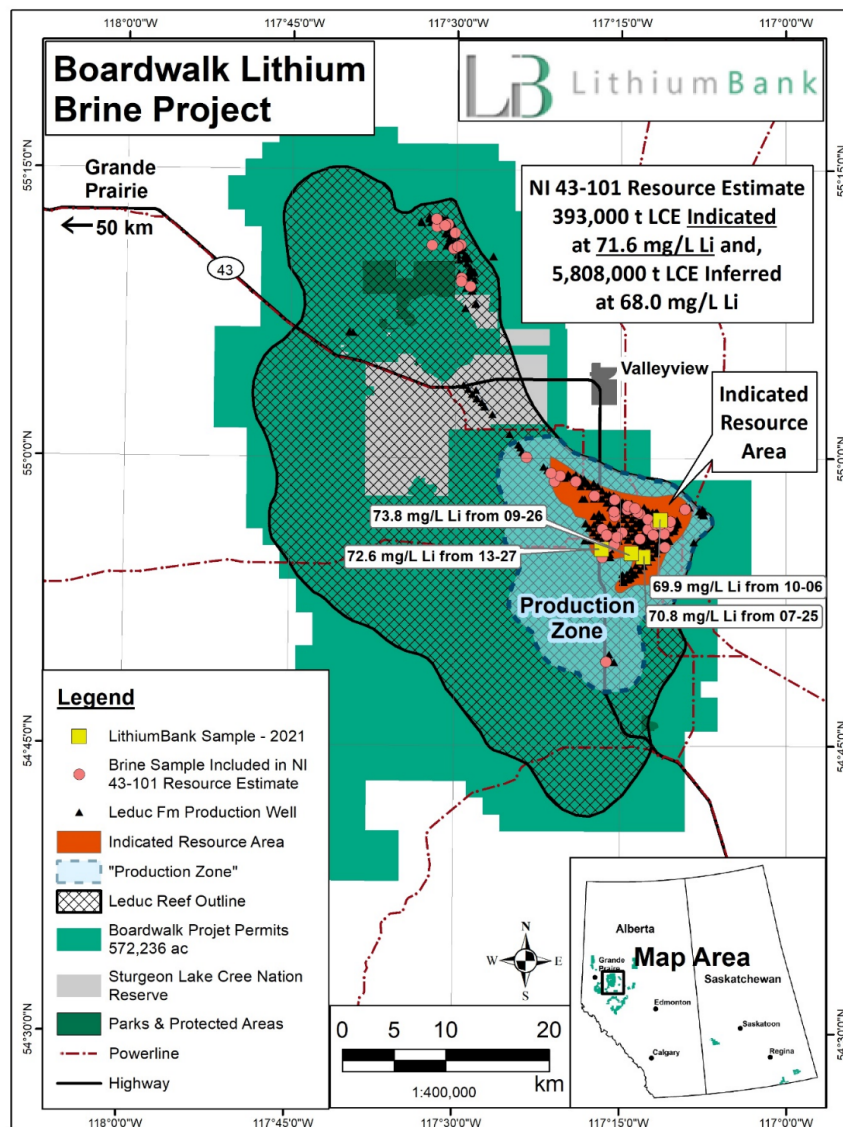


Figure 3: Boardwalk Lithium Brine Project

## *Park Place Project*

LithiumBank's Park Place Project (50km south of Boardwalk), also in Alberta, consists of a land package covering 1.6 million acres. The company has recently consolidated the mineral rights that cover over 95% of the Leduc Formation carbonate reef complex in the region.

Recent hydrogeological studies indicate that Park Place hosts approximately 76 km<sup>3</sup> of brine, making it one of the largest lithium-bearing aquifers, by volume, held by a single operator in North America.

### **G2L-LithiumBank technology licensing agreement and equity terms**

The Intellectual Property and Licensing Agreement (**IPLA**) provides LithiumBank with an exclusive license (subject to certain limited carve-outs) to utilise G2L's cDLE® technology in Alberta and Saskatchewan.

In consideration for the license, G2L will be issued 4 million common shares in LithiumBank upon signing the IPLA. Additionally, G2L retains the right to be issued up to an additional 10 million common shares in tranches, subject to achievement of certain technical and study milestones.

The 14 million shares, if fully issued, represent as of the date of this release approximately 25% of LithiumBank's current issued and outstanding shares (on a post-issue basis). G2L will be entitled to nominate a director to the LithiumBank Board and have representation on the Technical Committee.

G2L will be granted anti-dilution rights and a right to participate in any future equity raises, on terms no more favourable than those offered to existing or incoming shareholders. G2L has agreed to not sell or trade any LithiumBank shares for a 12-month period following signing of the IPLA.

The current look-through value of the equity deal to Clean TeQ is around AUD\$7M based on LithiumBank's current market capitalisation<sup>2</sup>.

### **G2L-LithiumBank technical services agreement**

In addition to the IPLA, LithiumBank and G2L have entered into a Technical Services Agreement. Under this agreement G2L will facilitate the delivery of the cDLE® package to LithiumBank, by sub-contracting services to Clean TeQ. These services include the

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<sup>2</sup> Market capitalisation as at 7 September 2023.

establishment and commissioning of the pilot plant in Canada, engineering design and, where necessary, economic trade-off studies. Clean TeQ will be compensated for these services at market rates. Revenue generation from the agreement is estimated to be in the order of AUD\$500k in the first 12 months.



*Figure 4: LithiumBank's mineral claims over Boardwalk Project, Alberta, Canada*

### **Next steps Boardwalk Project status**

Clean TeQ and G2L remain focussed on accelerating the development timeline for LithiumBank's projects, most immediately through the conclusion of test work and delivery of the pilot plant to Canada.

The demonstration plant, which Clean TeQ expects to ship from Australia in coming months, will have brine feed capacity of approximately 8,000 – 10,000 litres/day. Results from the piloting will provide key inputs into the Boardwalk mass balance and process design criteria, which will form the basis for a NI 43-101 Pre-Feasibility Study.

Both Clean TeQ and G2L are encouraged by the results from early test work. Two decades of experience in designing and constructing ion exchange parts around the world has positioned Clean TeQ to play an important role in bringing its unique IP and technical solutions to lithium recovery, combining advanced chemistry with efficient engineering design.

## For more information, please contact:

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

**About Clean TeQ Water Limited (ASX: CNQ & OTCQX: CNQFC)** – Based in Melbourne, Australia, Clean TeQ Water provides innovative metals recovery and water treatment solutions for governments and companies. Our sectors of focus include municipal wastewater, surface water, industrial wastewater and mining wastewater. Clean TeQ Water has offices in Melbourne, Perth, Leeuwarden (Netherlands), Beijing, and Tianjin, and partners in Africa and Latin America. We provide turnkey metals recovery and water treatment plants everywhere in the world.

For more information about Clean TeQ Water please visit [www.cleanteqwater.com](http://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 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 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 effectiveness and cost effectiveness of Clean TeQ Water’s proprietary water treatment processes and the potential for the Company to expand its sales of water treatment plants. 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 Water’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.

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.