

25 October 2021

## Quarterly Activities Report and Appendix 4C to 30 September 2021

### Clean TeQ Water Limited

ACN: 647 935 948

ASX:CNQ

OTCQX:CNQQF

### Corporate Information<sup>#</sup>

Ordinary shares: 44.7M

Performance rights: 2.9M

Cash at bank: A\$13.8M

### Executive Chairman

Peter Voigt

### CEO

Willem Vriesendorp

### Non-Executive Directors

Ian Knight

Stefanie Loader

Sam Riggall

Robyn McLeod

### Company Secretary

Anita Addorisio

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# As at 30 September 2021

## QUARTER HIGHLIGHTS

### Q1 FY22 Cash Flow

- Growing quarterly cash receipts of A\$1.6 million
- Net cash used in operating activities of A\$2.1 million including A\$0.3 million one-off expenditure items and A\$0.6 million of upfront payments incurred on future project phases that will be recovered in subsequent quarters
- The Company had A\$13.8 million cash on hand as at 30 September 2021

### FY22 Trading and Operational Highlights and Outlook

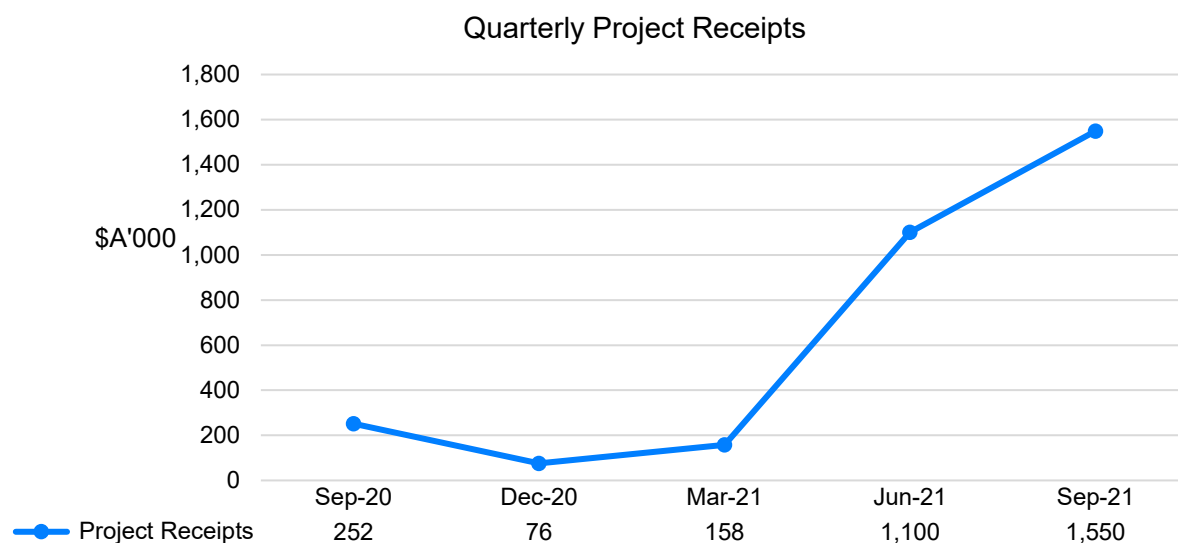
- Two new contracts signed this quarter to a value of A\$5 million, leading to five projects under construction with a total contract value of A\$13 million:
  - First project with National Energy Services Reunited Corp (NESR) in the Oil and Gas sector with the Company pursuing multiple follow-up opportunities
  - First EVAPX contract outside of China to treat agricultural brine at much reduced carbon footprint compared to current method
  - Three projects in construction in municipal and mining sectors each using our unique ion exchange technology
- Technical services contract on battery metals recycling underway with Sunrise Energy Metals (ASX:SRL)
- NematIQ's novel Graphene Membranes successfully produced in hundreds of square meters, with additional patent applications

- Diversified pipeline of future opportunities providing a good spread across our portfolio of technologies and sectors
- Clean TeQ Water commenced trading independently on the ASX on 2 July 2021 following its demerger from Sunrise Energy Metals (ASX:SRL)
- Strengthening of board with the recent appointment of Robyn McLeod effective 8 October 2021
- Ms Magda Klapakis was appointed as Chief Financial Officer (CFO) of the Company, effective 1 July 2021
- The Company has significant activities planned for the current quarter including commercial discussions on potential projects after pilots

### Message from the CEO

During the quarter Clean TeQ Water successfully demerged from Sunrise Energy Metals, hailing a new era for our organisation. We look forward to delivering value for our shareholders using our suite of unique water technologies and our strong pipeline of existing projects and new opportunities.

## Q1 FY22 CASH FLOW



*# Pre-demerger revenue was recognised under SRL's group structure*

Cash inflow from project revenue has increased in Q1 FY2022 to A\$1.6 million, with a further A\$0.5 million received on 1st October.

Net cash used in operating activities of A\$2.1 million included one-off expenditure items of prior period committed employee costs (\$278k) and insurances premiums not financed (\$126k). In addition to this, due to long lead times on project equipment, upfront payments of A\$0.6 million were incurred on future project phases that will be recovered in subsequent quarters.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C include payments for remuneration of directors' fees to executive and non-executive directors in the normal course of business at commercial rates.

At 30 September 2021 the Company had cash reserves of A\$13.8 million. The company has no debt or convertible instruments. A summary of the revenue and expenditure incurred during the quarter is detailed in the attached Appendix 4C.

## FY22 TRADING AND OPERATIONAL HIGHLIGHTS AND OUTLOOK

### Trading Highlights

Two new contracts signed this quarter to a value of A\$5 million, leading to five projects under construction with a total contract value of A\$13 million. Each of the five contracts includes around the one of Company's unique technology solutions including our HIROX®, BIONEX™ and EVAPX®. Each of these projects will provide an important additional demonstration in one of our target sectors (Mining, industrial brine and municipal re-use) including our first large scale plant in China.

Reducing energy use and carbon footprint for treating brines was one of the decisive factors for our new EVAPX contract in New South Wales that we expect to provide an excellent demonstration for other companies in this sector looking to reduce their footprint.

This quarter the Company also signed the project with National Energy Services Reunited Corp (NESR) for a bore water recycling plant that will provide water to a major international oil company. NESR is one of the largest oilfield services providers in the MENA (Middle East and North Africa) and Asia Pacific regions and is listed on NASDAQ (NASDAQ: NESR). NESR has established a Water Conservation and Management business focused on improving water availability and reuse in the oil and gas sector. The Company is working closely together with NESR on multiple follow-up opportunities.

A technical services contract on battery metals recycling is underway with Sunrise Energy Metals (SRL).

### **New Contracts Awarded**

#### NESR HIROX® Project

On 13 August 2021, the Company was awarded a significant contract valued around A\$ 3 million to design, procure, deliver, and install a HIROX (High Recovery Reverse Osmosis) plant to treat bore water used for enhanced oil recovery in the Middle East. The contract counterparty is the National Energy Services Reunited Corp ('NESR'), Clean TeQ Water's strategic partner for the oil and gas sector in the Middle East. NESR is one of the largest oilfield services providers in the MENA (Middle East and North Africa) and Asia Pacific regions and is listed on NASDAQ (NASDAQ: NESR).

NESR has established a Water Conservation and Management business focused on improving water availability and reuse in the oil and gas sector. Clean TeQ Water's suite of water technologies is targeted for such applications and provides NESR with a competitive advantage in this market sector. Clean TeQ Water's HIROX solution allows for the ultra-high recovery of water with minimum waste. The objective of this treatment is to reduce sulphate in bore water to prevent scaling when the water is used for reinjection. The HIROX solution will achieve >90% water recovery compared to around 30% recovery by traditional solutions. The result is a more efficient use of scarce bore water resources, with a 60% reduction of water withdrawn from the bore and an 80% reduction of liquid waste. Moreover, HIROX will reuse the recovered salt, instead of adding imported salt, to achieve the targeted water density. This results in substantial operational cost savings for the end-user and further reduces their environmental footprint.

#### EVAPX® Technology Project

On 23 September 2021, Clean TeQ Water was awarded a significant contract to design, procure, and deliver an EVAPX system to treat wastewater and recover clean water at an agriculture by-product processing facility located in New South Wales, Australia. The contract has a value of around A\$ 1.6 million.

Clean TeQ Water's EVAPX process evaporates water from highly concentrated wastewater, reducing the overall wastewater volume and allowing the recovered water to be re-used in a

beneficial way. The EVAPX solution was chosen for its ability to evaporate the water using much less energy than alternative solutions, thereby substantially reducing the carbon footprint of the products produced. The EVAPX technology is an efficient, low energy method to treat highly concentrated wastewaters and brines to achieve minimal liquid discharge (MLD) or zero liquid discharge (ZLD). EVAPX is supplied as a complete engineered package and has applications for treatment across a wide variety of industrial sectors including mining, metal processing, and chemicals.

#### DRC CLEAN-IX® CLX Impurity Removal Plant

Clean TeQ Water was engaged by Multotec, Clean TeQ Water's partner for sales and project delivery in Africa, under a design, procure and construct (EPC) contract, to deliver a metal liquor purification system at ERG Africa's Metalkol operation in the Democratic Republic of Congo (DRC). The CLX plant, utilising the Company's proprietary continuous ion exchange technology, removes impurity from the liquor at the ERG facility thereby supporting the final cobalt product quality. Over the past few months cold and hot commissioning milestones have been successfully achieved by a Clean TeQ Water team supporting the customer and end-user in the DRC.



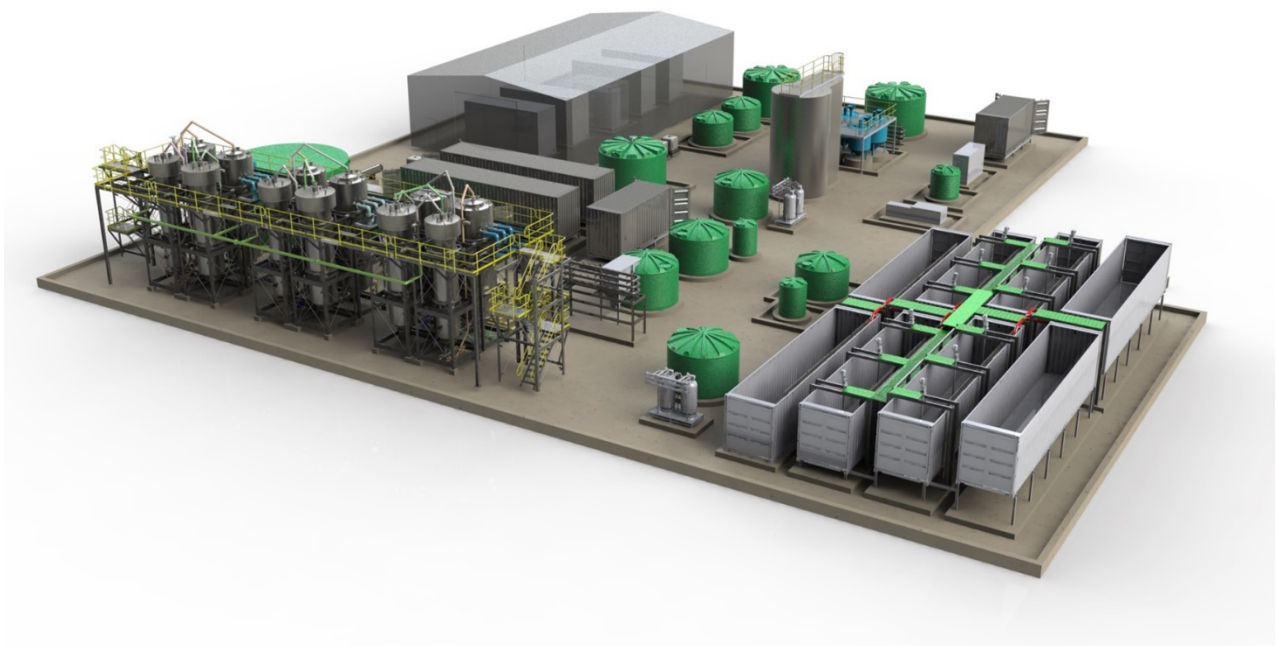
*Photo of the CLX Plant in DRC for removal of impurities from a 20,000 tons/day cobalt liquor*

At present, the quality of the feed liquor entering the ion exchange circuit is outside the design specification, primarily due to the performance of existing upstream solids-liquid separation steps. Clean TeQ Water continues to support Multotec and Metalkol in addressing these upstream feed quality issues so that the Metalkol operation can fully realise the benefits of uranium removal from the ion exchange plant.



### Townsville HIROX® Wastewater Reuse Plant

The Townsville wastewater reuse project, for which Clean TeQ Water has been selected to provide an integrated water recycling plant, is awaiting final approval. Clean TeQ Water has ordered long lead items as part of our current previous early design contract and is awaiting confirmation from the council about the design specifications. The council is working on agreements with the future consumers of the recycled water to finalize these specifications with the goal of delivering recycled water by the beginning of 2023. This implies project implementation would have to start in the beginning of 2022 although the exact timing of the next phase in this project is yet to be confirmed.



*Render of the wastewater reuse plant for Townsville*

### Ordos BIONEX™ Nitrate Removal Plant

The manufacture of ion exchange equipment, biological reactors and BIOCLENS for the 12,000 tons/day nitrate removal project in Inner Mongolia China is well underway. Construction on site has started. The Company aims to complete commissioning of the plant by the end of 2021. The BIONEX plant will be the first of its kind in China and will act as a demonstration site for other industrial users in the region. The market for BIONEX includes nitrate removal from effluents from mines, industries and municipal water treatment plants located in ecologically sensitive areas such as the Yellow River basin in Northern China where this first project is located. BIONEX also has a global application for nitrate removal which has become a challenge throughout the world.



*Photo of the CIF® columns and bioreactors being installed on site at Ordos*

#### Koumala Drinking Water Plant

Clean TeQ Water won the Koumala Drinking Water Project by offering an ion exchange solution to the treatment of ground water providing improved effluent quality compared to alternative bids. Site construction has commenced, and the project size scope has increased to A\$3 million. The project is experiencing some delays due to scope change and COVID related travel restrictions. The updated target commissioning date is late 2021.



*Photo of the concrete foundation for Clean TeQ Water's plant*



### Oman DESALX® Plant Upgrade

In Oman, Clean TeQ Water was asked to provide an expansion of its previous Oman project where our CIF® technology treats industrial brine from an antimony smelting plant for reuse. Installation of this expansion project is now in progress and Clean TeQ Water is preparing to send its personnel to site to support the cold and hot commissioning. The plant is expected to be operational by the end of 2021.



*Photo of the installed clarifier and footings for Clean TeQ Water's equipment in Oman*

### **Agreement for Technology Services with Sunrise Energy Metals**

After the completion of the demerger, Clean TeQ Water agreed with Sunrise Energy Metals on the continued provision of certain technical research and development services at the Sunrise Battery Materials Project in New South Wales (the 'Technical Services').

The agreed scope of works will focus on two areas: characterisation of precursor cathode active material and optimisation of black mass processing. Part of this work scope will be undertaken through the Future Battery Industries Co-operative Research Centres Program (FBICRC), where Sunrise Energy Metals is an associate member of the independently managed government-industry partnership to build an Australian battery industry.

With European legislation soon to mandate a minimum percentage of recycled material in lithium-ion batteries, recycling processes (in particular, black mass recycling) will become an increasingly critical component of future integrated supply chains.



Clean TeQ Water has substantial expertise in metal recovery and recycling and the use of continuous ion exchange technology to improve the efficiency of such processes. This support is part of a larger objective of Clean TeQ Water to use its expertise not only for pollutants and impurity removal, but also for resource recovery, especially connected with metals related to the clean energy value chain.

The scope of works covers a period of two years with a value of approximately AUD \$2M which will be billed as incurred. Sunrise Energy Metals may terminate the agreement at any time with notice and shall own all intellectual property developed under the scope of works.

Clean TeQ Water looks forward to delivering these technical services and assisting Sunrise Energy Metals in its drive to sustainably provide battery materials for a decarbonising planet.

## Technology Development

Clean TeQ Water's technology development team continues to advance its work in the development of Graphene Membranes as well as ongoing development of the CIF® and BIOLENS® technology for water treatment applications.

### NematiQ

NematiQ has developed a ground-breaking technology to produce Graphene Membranes at scale. In the September quarter, the new NematiQ website, [www.nematiq.com](http://www.nematiq.com), went live. The website outlines the benefits that the Graphene Membrane brings to water filtration and the potential application fields.

In this quarter, NematiQ has systematically been optimising the membrane support and the layer-by-layer coating process prior to commercial coating production. Numerous batches of the Graphene coating materials have been made and several hundreds of meters of Graphene Membranes have been produced on different support membranes at our pilot facilities in Notting Hill, Victoria. The Graphene Membranes have been subjected to vigorous testing test of the critical properties of robustness, flux and rejection and are showing consistent results meeting the specifications.



*Flat Sheet Graphene Membrane*



*1812 Graphene Membrane Cartridge*

The flat sheet Graphene Membrane has then been used in the manufacture of 1812 membrane cartridges. Tests on the Graphene Membrane cartridges are now underway to confirm the filtration parameters in this finished product. Other products, such as the larger 4040 and 8040 cartridges, will be produced in the coming months and will be subjected to similar test procedures.

The Graphene Membrane cartridges are employed in water treatment systems from under-sink household systems (Point of Use) through to large industrial and municipal treatment systems. One application where Graphene Membrane filtration has been shown to be very effective is in the removal of dissolved organics from surface waters prior to chlorination. The picture shows the laboratory test rig and the tan coloured surface water (feed), the clear treated water (permeate) and the brown by-product water (retentate). The advantage of the Graphene Membrane is the ability to achieve this outcome at low energy, without added chemicals and without concentrating salts into the by-product.



*Flat Sheet and 1812 Cartridge Testing Rig*

	Feed	Permeate	Retentate
DOC (mg/L)	12.7	2.8	30.3
Conductivity (µS/cm)	662	545	645

*Graphene Membrane Filtration of Surface Water*

Demonstration of the Graphene Membrane in drinking water treatment is one of several targeted demonstration plants that are planned for operation in 2022. These demonstration plants will operate in the field to substantiate the benefits that Graphene Membranes bring to water treatment, better energy efficiency, water recovery and by-product management. These advantages mean lower cost and lower environmental impact.

NematiQ is one of the collaboration partners in the Graphene Enabled Industry Transformation Hub which was co-funded by the Australian Research Council as a partnership between universities and industry partners to enable the development of a sustainable graphene-based industry in Australia.

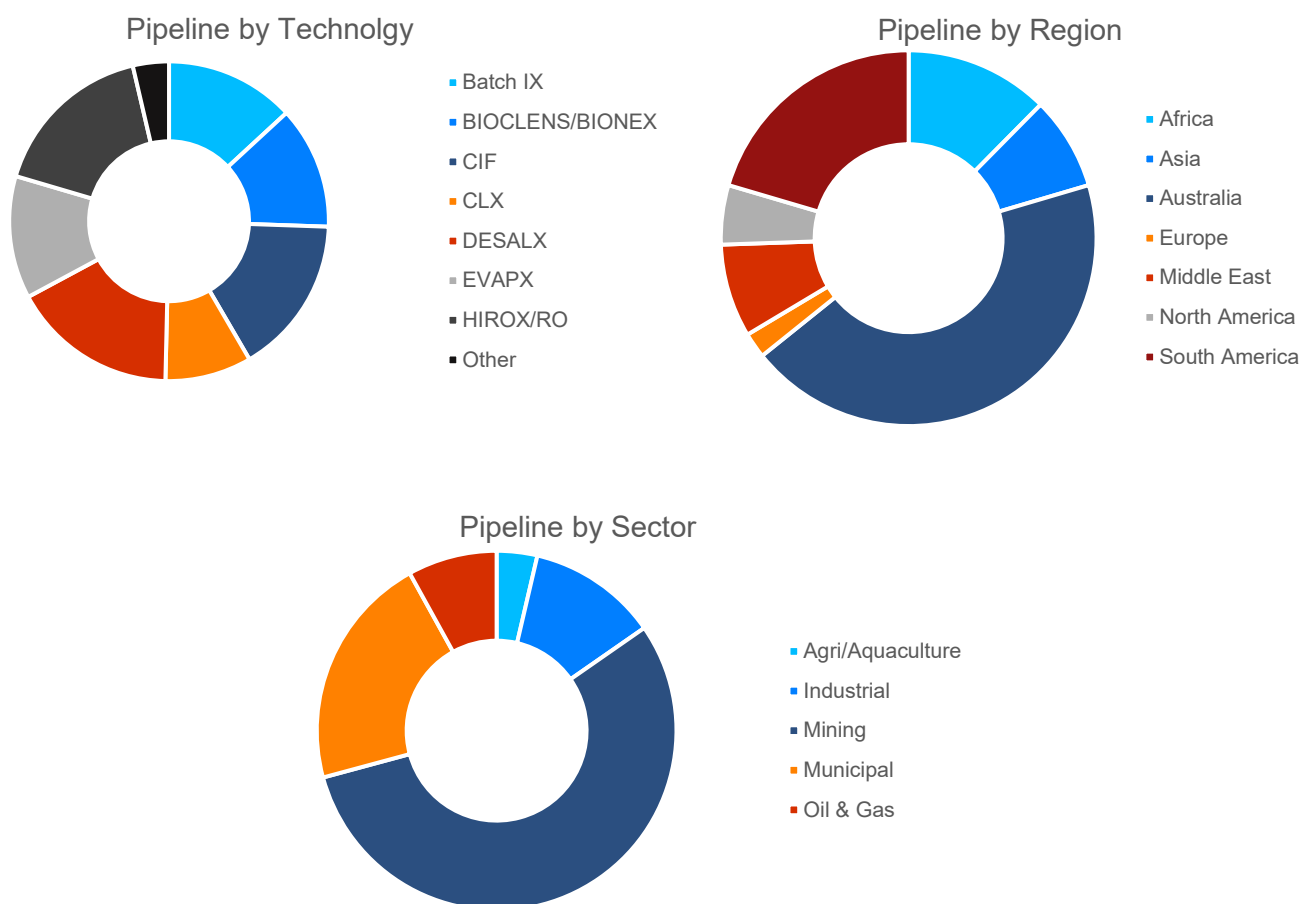
### Healthy Pipeline of Projects

We continue to build a large pipeline with future opportunities that we are progressing. These opportunities cover a wide variety of technologies, sectors and geographies as can be seen in the graphs below. The technology split in particular indicates the strength of our diversified technology portfolio which we believe is unique amongst technology companies. The average project size of our pipeline is around A\$ 4 million, and we are currently working on or awaiting customer decisions for over 100 opportunities. This includes multiple >A\$ 10 million opportunities that are typically linked to early preliminary design stages and could take multiple years to get into the building phase.

We have seen a steep growth in the depth and breadth of our pipeline, driven by our growing commercial team, and the successful delivery of first projects. We are therefore very optimistic this



will result in substantial revenue growth going forward and that conversion of opportunities into projects will further accelerate after final delivery of the current five projects under implementation.



*Graphs of the project pipeline by number of opportunities (excluding China)*

## Corporate Update

During the Quarter, key corporate initiatives undertaken by the Company focused on building a dedicated and experienced management team, adding depth to the knowledge of the board, and setting up its own separate systems post the demerger from SRL.

Magda Klapakis was appointed as Chief Financial Officer (CFO) during the quarter. Ms Klapakis has considerable listed company experience and has held several executive finance positions in a diverse range of industries.

On the 8th of October the Company appointed Ms Robyn McLeod as a Non-Executive Director. Ms McLeod is a highly respected Executive within the water and health sectors in Australia and sits on the boards of Melbourne Water, Monash Health and VicWater. Ms McLeod is a leader in the water sector and has extensive experience in governance, water strategy, water security

planning, project management, capital delivery, risk, and probity. Her experience and breadth of knowledge in these areas will add considerable strength to the Clean TeQ Water Board.

### Demerger from Sunrise Energy Metals

The demerger from Sunrise Energy Metals sought to enhance value for shareholders by recognising the distinct characteristics of the metals business and the water business which were both previously consolidated.

The water and technology business has made significant recent progress with the ion exchange technology proven and commercialised and new projects of commercial scale now contracted to be delivered to customers in markets unrelated to the Sunrise Project.

The demerger will enable Clean TeQ Water to benefit from the focus of a dedicated Board and management team. Additionally, as a separately listed company, Clean TeQ Water's investment decisions will be assessed without the need to consider competing demands for capital from the Sunrise Project, and the Company's other mineral exploration assets.

### Outlook

The Company has significant activities planned for the current quarter:

- Commercial discussion on potential projects after a series of successful pilots including BIONEX and CLEAN-IX in China, HIROX in Europe, and CLEAN-IX in Australia
- Commencement of pilots for valuable metal recovery from waste streams
- Commercial scale production test run for ground-breaking Graphene Membranes
- Pilot demonstration of water filtration system employing Graphene Membrane technology
- Continuation towards completion of projects in Middle East, Australia, and China

### For more information, please contact:

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CEO and Investor Relations

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Website: [www.cleanteqwater.com](http://www.cleanteqwater.com)

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/TSX: CNQ)** – 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, 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. 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 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

CLEAN TEQ WATER LIMITED

**ABN**

12 647 935 948

**Quarter ended ("current quarter")**

30 September 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter A\$'000</b>	<b>Year to date (3 months) A\$'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,550	1,550
1.2 Payments for		
(a) research and development	(158)	(158)
(b) product manufacturing and operating costs	(1,581)	(1,581)
(c) advertising and marketing	(62)	(62)
(d) leased assets	-	-
(e) staff costs	(1,417)	(1,417)
(f) administration and corporate costs	(315)	(315)
(g) insurance costs	(126)	(126)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,107)</b>	<b>(2,107)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(96)	(96)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (3 months) A\$'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(96)</b>	<b>(96)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(59)	(59)
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(59)</b>	<b>(59)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	-	-
4.1	Cash and cash equivalents at beginning of period	16,005	16,005
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,107)	(2,107)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(96)	(96)

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (3 months) A\$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(59)	(59)
4.5	Effect of movement in exchange rates on cash held	13	13
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>13,756</b>	<b>13,756</b>

Note: On 1 July 2021 Clean TeQ Water Limited was demerged from Sunrise Energy Metals Limited. The cash and cash equivalents at that date are noted at item 4.1

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter A\$'000	Previous quarter A\$'000
5.1	Bank balances	8,756	8,756
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Term Deposits	5,000	5,000
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>13,756</b>	<b>13,756</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
A\$'000**

(135)

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments



**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end A\$'000	Amount drawn at quarter end A\$'000
-	-
-	-
-	-
-	-

7.5 **Unused financing facilities available at quarter end**

-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

**8. Estimated cash available for future operating activities**

**A\$'000**

8.1 Net cash from / (used in) operating activities (Item 1.9)

(2,107)

8.2 Cash and cash equivalents at quarter end (Item 4.6)

13,756

8.3 Unused finance facilities available at quarter end (Item 7.5)

-

8.4 Total available funding (Item 8.2 + Item 8.3)

13,756

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

6.53

*Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.*

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable as 8.5 is greater than 2.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: n/a

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 October 2021

Authorised by the Board of Directors of Clean TeQ Water Limited

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.