31 October 2022

Quarterly Activities Report and Appendix 4C to 30 September 2022

Clean TeQ Water Limited
ACN: 647 935 948
ASX:CNQ
OTCQX:CNQQF

Corporate Information#
Ordinary shares: 44.7M
Performance rights: 4.8M
Cash at bank: $3.3M

Executive Chairman
Peter Voigt

CEO
Willem Vriesendorp

Non-Executive Directors
Ian Knight
Sam Riggall
Robyn McLeod

Company Secretary
Anita Addorisio

Contact Details
12/21 Howleys Road,
Notting Hill VIC 3168

P +61 3 9797 6700
F +61 3 9706 8344
E info@cleanteqwater.com
W: www.cleanteqwater.com

As at 30 September 2022

HIGHLIGHTS

Key financial highlights for Q1 FY23 include:

- Quarterly cash receipts of $2.0m
- 30% growth cash receipts in Q1 FY23 compared with Q1 FY22
- Net cash used in operating activities was $2.5m, up from $2m in June 2022 quarter
- The Company had $3.3m cash on hand as at 30 September 2022; Pro forma cash of $8.1m post capital raise
- Post quarter end announced a $5m two-tranche placement to new and institutional and sophisticated investors, of which $2.5m is subject to shareholder approval

Key Operational highlights include:

- An order of $10m was received for the construction of a recycled delivery Treatment Facility at Cleveland Bay Purification Plant for Townsville City Council
- A partnership was established with Upwell Water LLC to invest in water treatment plants and sell water treatment services under a Build, Operate and Transfer (BOOT) delivery model
- Signed LOI with Computational Geosciences Inc.and XtraLiT Ltd, to establish a Joint Venture for lithium production from brines using direct lithium extraction
- An exclusive global technology licence agreement was signed with Soane Labs LLC for its Accelerated Dewatering Technology known as ATA™
- NematiQ entered into an MOU with Schreurs & Sons Pty Ltd, one of the Australia's largest and most

prominent celery and leek growers, to demonstrate water recycling using Graphene Membrane

- Opening of an office in the Netherlands for expansion into the European market

Message from the CEO

The Clean TeQ businesses have continued to grow in the past quarter. We are implementing a total of 6 projects across three continents to treat and supply water for governments and companies. This includes projects in the Northern Territory for Power and Water Corporation and a water recycling plant for Townsville City Council, both of which play an important part in improving the water security of those regions.

During the quarter, we opened our European office strategically located on the Water Campus in Leeuwarden in the Netherlands which houses a cluster of water companies, a research institute and testing facilities. With the opening of our European subsidiary, we will be able to better serve our future European customers.

We also continued progressing NematiQ's Graphene Membranes towards commercialization through an agreement for a field pilot at one of Australia's leading vegetable processing companies. This will be the first of multiple field pilots in which we prove the benefits of our technology in priority sectors.

In our third business unit, focused on metals recovery, we are commencing trials on the use of our ion exchange platform for Direct Lithium Extraction (DLE) from saline brines. We believe that our technology portfolio and our deep expertise in metal extraction can substantially improve the economics of DLE. To that end, we have signed an LOI with the intent to form a JV with Computational Geosciences Inc. and XtraLiT Ltd and are actively exploring entry into the DLE market targeting brine assets in North America.

The $5 million capital raise we announced on the 27th of October will strengthen the balance sheet and expand commercial capabilities. Funds raised will fund the company's pipeline of existing projects, commercialisation

of NematiQ and emerging opportunities in metals recovery, including demonstration of our proprietary DLE technology.

Q1 FY23 CASH FLOW

Net cash used in operating activities was $2.5m, up from $2m in the previous quarter. Cash received from projects in Q1 FY2023 was $2m, down from $2.5m in Q4 FY2022. Payments for product manufacturing and operating costs in Q1 FY2023 were $1.8m, compared to $2.2m in the previous quarter.

As of 30 September 2022, the Company had cash reserves of $3.3m. The Company has no debt or convertible instruments. A summary of the revenue and expenditure incurred during the quarter is detailed in the attached unaudited Appendix 4C.

Q1 FY23 TRADING AND OPERATIONAL HIGHLIGHTS AND OUTLOOK

Trading Highlights

The scope and size of the projects currently under implementation illustrate the substantial progress the company has made since our demerger. The Company has a total of six projects under implementation, four of which are in Australia, treating water from bores, municipal effluent and industrial wastewater.

The recently signed Power and Water Corporation (PWC) project for the removal of uranium from bore water at indigenous communities in the Northern Territory and the Recycled Water Treatment Facility for the Townsville City Council Project represent major milestones for the Company due to the size and their regional strategic importance. Both projects are making substantial progress and the PWC project is scheduled for final commissioning by the end of this calendar year. The Projects Update section below describes these and other projects in more detail.

On 9 August 2022 the Company announced it had signed an exclusive global technology licence agreement with Soane Labs LLC (‘Soane Labs’) for its Accelerated Dewatering Technology, known as ATA™. The agreement provides Clean TeQ Water with an exclusive global licence to exploit the ATA™ technology, with an option to purchase the technology, at Clean TeQ Water’s discretion and at a pre-agreed value, within 18 months of signing.

A partnership was established with Upwell Water LLC, one of the world’s leading water finance companies, to invest in water treatment plants and sell water treatment services under a Build, Own, Operate and Transfer (‘BOOT’) delivery model. Clean TeQ Water and Upwell are targeting the deployment of US$150 million over four years. Under the partnership, Clean TeQ Water will take full responsibility for the design, installation and operation of water treatment plants and assets, with Upwell providing the necessary capital.

A non-binding Letter of Intent (LOI) was signed in the quarter with Computational Geosciences Inc. (a subsidiary of Ivanhoe Electric (NYSE US: IE; TSX: IE)) and XtraLiT Ltd (an Israeli corporation). for the purpose of considering establishing a Joint Venture (the "Joint Venture") to acquire and finance a portfolio of brine assets to produce battery-grade lithium salts based on Continuous Direct Lithium Extraction (cDLE) technology.

Projects Update

Ion Exchange Uranium Removal Project (NT, Australia)

In May 2022, the Company was awarded a $5 million contract by Power and Water Corporation to design, manufacture and deliver a water treatment plant to remove uranium from bore water in Laramba, a remote indigenous community, approximately 200km north-west of Alice Springs in the Northern Territory.

The treatment plant is the first to be delivered as part of the Northern Territory Government's $28 million program to improve water quality and supply infrastructure to prioritised areas of critical need. The Company is using ion exchange technology to remove the specific pollutants from bore water. Clean TeQ Water's Ion Exchange process is designed to operate with a minimum of by-product. Remote monitoring will ensure continued operations and minimum disruption to water supply.

The manufacturing phase of the plant has been completed and the plant has been shipped to site. The project is expected to be complete by the end of December 2022 as scheduled.

One of the two batch ion exchange skids ready for shipping to site

Townsville City Council Project (Cleveland Bay Purification Plant)

In July the Company received an order from its civil construction partner for delivery of a 15 megalitre per day Recycled Water Treatment Facility at the Cleveland Bay Purification Plant for Townsville City Council. The value of the order is around $10 million, and while the negotiation of the underlying contract is still being finalised, the detailed design of the project is well underway, and the first sourcing contracts are being implemented. Clean TeQ Water will be responsible for the process design, delivery, installation, and commissioning of the equipment, which will allow treatment of the water to Class A standard for reuse in industry and irrigation. The current design also includes certain provisions for a second phase of the project to make the effluent suitable for a wider range of industrial uses. Design work and supplier engagement have commenced.

NESR HIROX® Bore Water Treatment Project (Iraq, Middle East)

This project applies the Company's HIROX® technology to treat non-potable bore water to the quality required for well completions. Treatment involves the removal of the sulphate to prevent gypsum formation which can clog the well and using a brine recovery circuit to recycle the salt and achieve the required density for reinjection. The end-user will be BP and the solution being provided is expected to dramatically reduce not only the volume of water withdrawn, but also the energy and chemicals used per ton of treated water produced.

Logistical challenges related to the location of the site and some supply chain shortages earlier in the project (both resulting from global shortages but also from a local oil boom) have resulted in some delays compared to the original schedule. All equipment has now arrived on site and site assembly is progressing well and planned to be completed by the end of November, with practical completion in the 2 months after this.

CIF® columns arriving on site and construction of upper platform

Koumala Ion Exchange Drinking Water Project (Queensland)

The Company secured the Koumala Drinking Water Project in January 2021 through a competitive tender by offering an alternative ion exchange solution for the treatment of ground water.

Performance testing of the plant has commenced with handover targeted to be complete before the end of the current quarter.

Inside view of the containerised Koumala bore water treatment plant

EVAPX® Agricultural Brine Treatment Project (NSW)

On 23 September 2021, the Company was awarded a contract to design, procure and deliver an EVAPX® system to treat brine from an agriculture by-product processing facility in New South Wales. The plant will recover clean water and produce a concentrated salt brine for re-use in the primary hide curing process. On-site assembly of the EVAPX® plant has finished and the commissioning process of the plant has started.

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.

Installation progress of the EVAPX® system at the customer's site in New South Wales

Ordos BIONEX™ Nitrate Removal Project (Inner Mongolia, China)

The BIONEX™ nitrate removal plant combines the Company's unique continuous ionic filtration (CIF®) technology with its BIOCLENS® technology to treat 12,000 tons per day of mining wastewater. The CIF® portion of the plant has operated continuously for almost six months now, removing nitrate to levels to below the specified 1ppm level.

The installation of the biological (BIOCLENS®) section of the plant is still stalled due to the delay in delivery and installation of the necessary chemical dosing system mostly due to COVID related lockdowns in China. This portion is not required for the customer to meet the discharge requirement but once installed will further reduce the cost of operation and result in full zero liquid discharge.

This BIONEX™ plant is the first of its kind in China and will act as a demonstration site for other prospective customers. The market for BIONEX™ nitrate removal technology is large and includes treating effluents from mining, industrial processes and municipal water treatment facilities located in ecologically sensitive areas.

NematiQ Graphene Membranes

NematiQ has developed ground-breaking technology to produce spiral wound Graphene Membrane cartridges using its unique technology. Graphene Membranes offer customers significant benefits in operation over conventional polymeric nanofiltration products, including

energy savings, improved water recovery rates, chemical-free processing and improved by-product quality.

NematiQ has expanded its capability in a few critical areas in this quarter with additional staff being hired to perform critical roles in production, engineering, R&D, quality assurance, business development and general management. The team size at the end of Q1 2023 is 8 FTE staff located at a recently expanded and upgraded in-house testing facility, to reduce the timeframe for initial laboratory testing of customer waters and quality control for production.

NematiQ is at a technology readiness level of 6 (TRL6)[1] meaning that test waters have been processed at a laboratory scale using the commercial 1812 modules [2] in a laboratory demonstration unit.

NematiQ Graphene Membrane 1812 Laboratory Demonstrator

The first pilot plant will be commissioned, and the first client trials are expected to be completed in Q2 2023FY. The pilot plant has the capacity to deploy one 8040 module[3] and two 4040 modules[4] and is portable allowing it to be installed at a client site for continuous testing in their specific environmental conditions with their specific target needs. These are the largest commercially available spiral wound membrane modules and the pilot is designed to determine design factors and energy consumption calculations for full scale water treatment facilities at customer sites.

[1] Technology readiness level is a universal system originally designed by NASA to communicate how resolved a product or technology is starting from basic research principles (TRL1) through to fully validated systems deployed in the target environment (TRL9)

[2] 1812 modules are 1.8 inches diameter and 12 inches long (4.5cm diameter x 30.5cm long)

[3] 8040 modules are 8 inches diameter and 40 inches long (20.3cm diameter x 101.6cm long)

[4] 4040 modules are 4 inches diameter and 40 inches long (10.2cm diameter x 101.6cm long)

Portable pilot plant for initial field trials of industrial sized 4040 and 8040 NematiQ graphene membranes

The industries that had active trial work during Q1 2023FY at the laboratory scale include:

1. Municipal drinking water,
2. Industrial wastewater,
3. Food & beverage wastewater,
4. Pre-treatment for seawater desalination, and
5. Domestic grey water.

The most progressed opportunity is in food and beverage sector treating washwater for recycling with Schreurs & Sons. An MOU was announced on 30 September 2022 for running a pilot study on their site to scale-up testing with the aim to deploy a facility at the site should the testing prove successful both technically and financially. This is a very important event for NematiQ as it will mark the transition of the technology from TRL6 up to TRL8 or 9 and to allow for early customers to adopt the technology.

Metal Recovery

Technology Services for Sunrise Energy Metals

Work on the use of black mass as an input material for Sunrise Energy Metals has continued. Preliminary results are seeing substantial leaching of nickel and cobalt in a relatively simple leach circuit. Work is also being undertaken in the recovery of lithium from the circuit using a DLE process.

Lithium Extraction

The Company signed a non-binding Letter of Intent (LOI) with Computational Geosciences Inc. (a subsidiary of Ivanhoe Electric (NYSE US: IE; TSX: IE)) and XtraLiT Ltd. (an Israeli corporation) for the purpose of considering establishing a Joint Venture (the "Joint Venture") to acquire and finance a portfolio of brine assets to produce battery-grade lithium salts based on Continuous Direct Lithium Extraction (cDLE) technology.

The parties have agreed a binding 180-day exclusivity period during which they will determine if the Joint Venture is the appropriate vehicle for the parties.

With demand for electric vehicles growing rapidly, securing low-cost, sustainable sources of lithium supply has become a high priority for automotive and battery companies across Asia, Europe and the North America. The growing number of strategic alliances and joint ventures to vertically integrate with raw material supply chains underscores the need for new lithium resources and processing capacity over the coming decades.

The Joint Venture will bring together the intellectual property and know-how from three highly innovative companies to identify lithium brine assets and provide the most economic and environmentally sustainable Direct Lithium Extraction (DLE) process leading to battery-grade lithium salts.

The Joint Venture is intended to employ geophysical data, sub-surface mapping, seismic reflection and artificial intelligence, developed by Computational Geosciences, to characterise reservoirs with prospective lithium brines. It is intended to employ a novel ion exchange sorbent developed by XtraLiT with exceptional lithium loading capacity, especially when used in low concentration lithium brines. The sorbent will be deployed in Clean TeQ's proprietary continuous ion exchange circuit, a process which has been extensively tested in the production of battery-grade nickel and cobalt sulphate. Ion exchange and adsorption materials already form a key component in many static bed DLE systems. Continuous ion exchange DLE produces a concentrated and relatively pure eluate, thereby lowering capital and minimizing processing costs.

DLE technology offers several economic and ESG advantages when employed in the production of battery metals. Similarly, if the technology can be proven using XtraLiT's new lithium resin, it will provide a new and economic pathway for lithium production.

The parties intend to each hold an equal share in the envisaged Joint Venture prior to the raising of capital within the Joint Venture. As an equity owner in the Joint Venture, Clean TeQ Water and its shareholders will then have exposure to the rapidly growing market in lithium production for electric vehicles.

Copper extraction at Kamoa akula (DRC)

Work has commenced on using the Clean-iX® catalytic leaching process to extract and recover copper from the Kamoa tailings. The combination of a catalytic leach with direct resin extraction may provide a route to recover additional copper units from the flotation tailings. If the tests prove

successful and provide an economic solution, then further piloting of the technology will be undertaken.

Capital raise

On 27 October 2022, the Company announced that it was conducting a capital raise of up to $5 million, comprised of a two-tranche placement to new and existing institutional and sophisticated investors at $0.38 per share.

Tranche 2 of the placement to raise approximately $2.5m which includes participation by all Directors, remains subject to shareholder approval.

Investors should refer to the announcement made on 27 October 22 for additional details on the capital raise.

Pro forma cash

Total cash balance as at 30 September 2022 was $3.3 million. The pro forma cash balance as at 30 September 2022 was $8.1 million, as set out below:

Pro forma cash as at 30 September 2022	**$m**
Cash as at 30 September 2022	3.3
Plus: Gross proceeds for Placement Tranche 1	2.5
Plus: Gross proceeds for Placement Tranche 2	2.5
Less: Transaction costs	(0.2)
Pro forma cash	**8.1**

Payments to Directors and Related Parties

As disclosed in the attached Appendix 4C, payments to related parties and their associates during the quarter totalled $137,148 (as disclosed under section 6.1) relating to all fees, salaries and superannuation paid to Clean TeQ Water's Directors for the September 2022 Quarter.

Outlook

The Company has significant activities planned for the current quarter including**:**

- Field demonstrations for the NematiQ Graphene Membrane technology across user applications
- Commissioning and hand-over of various projects including the drinking water projects in the Northern Territory for (PWC) and the project in Koumala.
- Ongoing tests and development of continuous direct lithium extraction together with the Company's LOI partners, and discussions with owners of brine assets.
- Testing for copper recovery from tailings at Ivanhoe's Kamoa-Kakula project using Clean TeQ's ATA™ and Clean-IX® technologies.

- Our first pilot projects with prospective customers in Europe to establish case examples for some of our core technologies in that market.

A further update on the performance of Clean TeQ Water will be provided at the Company's AGM which is proposed to be held on 14 December 2022, for which the Company has made an extension application to ASIC, which remains subject to ASIC's approval. An update will be provided accordingly once the company received notification of ASIC's decision.

For more information, please contact:
Willem Vriesendorp
CEO and Investor Relations
+61 3 9797 6700
Email: info@cleanteqwater.com
Website: **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: 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 CNQ 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 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", "potential" 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. For more information about Clean TeQ Water please visit the Company's website www.cleanteqwater.com

Appendix 4C

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

Name of entity	
CLEAN TEQ WATER LIMITED	
ABN	**Quarter ended ("current quarter")**
12 647 935 948	30 September 2022

Consolidated statement of cash flows		**Current quarter A$'000**	**Year to date (3 months) A$'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	2,016	2,016
1.2	Payments for		
	(a) research and development	(161)	(161)
	(b) product manufacturing and operating costs	(1,832)	(1,832)
	(c) advertising and marketing	(118)	(118)
	(d) leased assets	-	-
	(e) staff costs	(1,640)	(1,640)
	(f) administration and corporate costs	(667)	(667)
	(g) insurance costs	(137)	(137)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	12
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)	-	-
1.9	**Net cash from / (used in) operating activities**	**(2,527)**	**(2,527)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(23)	(23)
	(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	**Net cash from / (used in) investing activities**	**(23)**	**(23)**

3.	**Cash flows from financing activities**		
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)	(22)	(22)
3.10	**Net cash from / (used in) financing activities**	**(22)**	**(22)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**	**-**	**-**
4.1	Cash and cash equivalents at beginning of period	5,903	5,903
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,527)	(2,527)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(23)	(23)

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)	(22)	(22)
4.5	Effect of movement in exchange rates on cash held	(33)	(33)
4.6	**Cash and cash equivalents at end of period**	**3,298**	**3,298**

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	2,936	3,571
5.2	Call deposits	362	332
5.3	Bank overdrafts	-	-
5.4	Term Deposits	-	2,000
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**3,298**	**5,903**

6.	Payments to related parties of the entity and their associates	Current quarter A$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(137)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.*	**Total facility amount at quarter end A$'000**	**Amount drawn at quarter end A$'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	362	362
7.4	**Total financing facilities**	-	-

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.

7.3 Cash backed bank guarantees secured against amounts held within a restricted Cash Deposit Account (5.2), issued in accordance with contractual performance obligations.

8.	**Estimated cash available for future operating activities**	**A$'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(2,527)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	3,298
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	3,298
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	1.3

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: Yes

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: Yes. On 27 October 2022, the Company announced a $5 million two-tranche placement to institutional and sophisticated investors, of which $2.5 million is subject to shareholder approval.

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: Yes. See 8.6.2 above

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: 31 October 2022

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.