

21 September 2023

## Clean TeQ executes agreement to acquire ATA<sup>®</sup> accelerated dewatering technology, as part of targeted expansion into the global mine tailings management industry

### Highlights:

- Clean TeQ exercises option to purchase accelerated dewatering technology ATA<sup>®</sup> from US-based Soane Labs LLC.
- ATA<sup>®</sup> represents a step change to both the economics and environmental sustainability of global mine tailings management by:
  - delivering rapid separation of water and solids from both in-process and in situ tailings;
  - producing stackable dry tailings without the high capital and operating cost of mechanical compression commonly used in the market; and
  - recycling process water for reuse in operations, including the potential to recover dissolved metals otherwise lost to waste.
- Economically efficient and environmentally sound tailings rehabilitation is a recognised priority for the mining industry, as companies increasingly emphasise sustainable metal production, reducing legacy issues and improving social licence to operate.
- Clean TeQ's proposed acquisition of ATA<sup>®</sup> represents an important strategic step in its targeted expansion into the global mine tailings rehabilitation and metal recovery industry.

Peter Voigt, CEO of Clean TeQ Water Limited (ASX: CNQ, the Company or Clean TeQ), is pleased to announce Clean TeQ has exercised the option to purchase the accelerated dewatering technology (ATA<sup>®</sup>) from Soane Labs LLC (Soane Labs).

Commenting on the transaction, Mr Voigt said:

“ATA<sup>®</sup> represents a step change for the mining industry in economically and sustainably managing current and future mine tailings. We have been working with the ATA<sup>®</sup> technology for over 12 months and are satisfied that it has the potential to

change the way mine tailings are processed for mine rehabilitation. ATA® complements Clean TeQ's market-leading metal extraction technologies and enables the Company's strategy to become a leader in the global mine tailings management industry in the rapidly growing global mine tailings management industry."

The ATA™® technology was developed to offer a secure and low-cost mine tailings treatment process by rapidly separating water and solids to produce stackable dry tailings and recycled water. The technology uses smart chemistry to rapidly agglomerate the solids in ore slurries. The solids dewater under their own gravity, removing the need for high capital and operating cost pressured filtration used in the industry today. The resulting materials can be compressed and stacked, with the extracted water being returned to recycle (or sent for recovery of dissolved metals), dramatically reducing water usage. In underground mining operations the compact material may also be used for backfilling, with or without cement.

Mine waste dewatering presents an enormous market opportunity for Clean TeQ. Tailings management is a significant environmental and safety challenge for the industry, particularly for mines in tropical climates where natural evaporation rates are low, or where seismic activity increases geotechnical risks. As environmental bonding requirements increase in response to higher perceived risk in managing tailings storage facilities, ATA®'s unique rapid and low-cost dewatering offering will enhance the mining industry's environment credentials while lowering operating and mine site rehabilitation costs.

## Purchase Agreement

On 9 August 2022 the Company announced the signing of the exclusive global technology licence agreement (License Agreement) with Soane Labs for the ATA® technology. The License Agreement provided Clean TeQ 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.

In accordance with the License Agreement, the Company has decided to exercise the option to purchase the ATA® technology and entered into a Purchase Agreement on 20 September 2023 through a 100% scrip issue for a total consideration of A\$3 million.

Soane Labs will be issued with fully paid ordinary shares in the Company ("Consideration Shares"), on or about 27 September 2023, being the intended Completion Date. The Consideration Shares will be placed in voluntary escrow for 12 months, as per a Restriction Agreement signed between the Company and Soane Labs LLC.

The share price used for determining the scrip consideration was (0.4179) being the volume weighted average price of the Company's shares for the 10 trading Days' immediately preceding the date on which the Purchase Agreement was signed. Accordingly, 7,178,033 Consideration Shares will be issued and maintained on the Company's Issuer Sponsored Sub-

register. The Consideration Shares will be issued under the Company's existing 7.1 placement capacity.

Completion of the acquisition is subject to a number of pre-completion steps, which each party is in the process of satisfying. The Purchase Agreement is not subject to any conditions precedent.

Once the Purchase Agreement has been executed the Licence Agreement will terminate.

Either party may terminate the Purchase Agreement by notice to the other party if any matter existing or occurring on or before the Effective Date or arising or occurring afterwards that constitutes a material breach by the other of the Agreement, a material breach of the warranties provided by Soane or a Material Adverse Effect.

### Next steps

Mine tailings management represents a major growth opportunity for Clean TeQ. ATA® will be deployed in conjunction with the Company's proprietary metal extraction technologies (Clean-iX®) as part of a strategy to provide the mining industry with a holistic mine tailings rehabilitation solution that delivers:

- best-in-class tailings management, via future partnerships with both potential customers and experienced tailings management teams;
- market leading technologies that provide a step change in the economic and environmental sustainability of mine tailings management; and
- dry stacked and minimal footprint tailings solutions for current and legacy wet tailings sites, including the ability for underground backfill.

Clean TeQ is planning pilot-scale testing at several sites in the coming months leading to full scale commercial implementation.

The demand for advanced tailing management services is driving a strategy that will require a new and focused entity to service the market's needs. Planning to establish this new entity are well advanced.

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.

About Soane Labs – Soane Labs is a high-tech incubator applying polymer chemistry, precision engineering, and nano-technology to solve long-standing challenges for mature industries, to help bring new products quickly and inexpensively to market. Based in Miami, Florida (USA), Soane Labs is managed by David Soane, a serial entrepreneur with over 500 patents and published applications. [www.soanelabs.com](http://www.soanelabs.com)

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.