

30 January 2026

Quarterly Activities Report and Appendix 4C to 31 December 2025

Clean TeQ Water Limited

ACN: 647 935 948

ASX: CNQ

Corporate Information[#]

Ordinary shares: 87.1m

Options: 2.3m

Performance rights: 7m

Convertible Notes: 1m

Cash at bank: \$5.6m

Chairman

Ian Knight

CEO

Peter Voigt

Non-Executive Directors

Sam Riggall

Robyn McLeod

Daniel Pepper

Company Secretary

Anita Addorisio

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As at 31 December 25

HIGHLIGHTS

Key highlights Q2 FY26 include:

Operations

- Awarded a US\$12.5 million (~A\$19 million) MBIX contract for Rio Tinto's Rincon Lithium Project in Argentina.
- Awarded engineering and technical services contract for the ion exchange and refinery circuits for scandium production by Sunrise Energy Metals.
- Awarded an engineering study for ATA® tailings dewatering plant for a mine in NSW, Australia
- Awarded a contract for a HIROX® pilot plant to be operated in collaboration with NESR in the Middle East.
- Completed process validation for Clean TeQ's proprietary U-Column Enhanced Desorption system at Heathgate Resources' uranium facility.
- Advanced the delivery of the PHOSPHIX® phosphate removal plant in Ireland, with all equipment and materials delivered, and on-site commissioning commencing this quarter.
- Finalised detailed design for a DESALX® water treatment system in Europe; Phase 2 contract negotiations are nearing completion.
- Progressed commercial deployment of Go2Lithium's proprietary continuous Direct Lithium Extraction (cDLE®) demonstration plant in the Middle East.

Corporate

- Successfully completed a \$6.0 million capital raise to support the Company's growth strategy. Of this amount \$5.5 million was received in Q2 FY26 and \$0.5m in Q3 FY26.
- Customer receipts were \$3.8 million with a further \$2.5 million collected in January, shortly after period end.
- Net Trade Receivables/(Payables) and contract asset position of approximately \$2.1 million.
- Fully repaid the \$1 million drawn loan facility during the quarter, strengthening the balance sheet and reducing on-going financing costs.
- Reported cash reserves of \$5.6 million as at 31 December 2025

MESSAGE FROM THE CEO

The December 2025 quarter reflects continued improvement in Clean TeQ Water's revenue performance, cash position, and commercial momentum. The business is increasingly benefiting from the transition of our proprietary technology platforms from pilot and demonstration programs into repeatable commercial deployment.

Our Moving Bed Ion Exchange (MBIX) platform remains the cornerstone of this progress, underpinning solutions including DESALX®, PHOSPHIX®, HIROX®, BIONEX™, cDLE® and CLEAN-IX®. These technologies are being deployed across municipal water reuse, industrial wastewater treatment, mine water management, and critical minerals processing – markets driven by tightening regulation, water scarcity, and the energy transition.

During the quarter, we continued execution of several large, technically significant projects. The Rio Tinto Rincon Lithium Project represents one of the most important contract awards in the Company's history and confirms MBIX as a preferred solution in lithium refining where water efficiency and recovery are critical. Design execution is progressing in line with schedule.

Clean TeQ was awarded an engineering contract by Sunrise Energy Metals for the ion exchange circuit and refinery for the Syerston Scandium Project in New South Wales. The project incorporates Clean TeQ's Moving Bed Ion Exchange (MBIX) technology for scandium recovery from leached pulps, building on extensive prior piloting and metallurgical validation. Our scope forms part of Sunrise's updated feasibility study, targeted for completion in early 2026, and covers integration of the ion exchange and downstream refining flowsheet. This engagement supports Clean TeQ's broader strategy of expanding its proprietary technology platforms into critical minerals, including lithium, uranium, scandium and rare earths.

In Europe, the PHOSPHIX® nutrient removal project for ENVA advanced into commissioning, reinforcing our leadership position in advanced phosphorus removal under stringent EU discharge standards. At Nyrstar, detailed engineering for the DESALX® sulphate and selenium removal plant was completed, positioning the project to move into full delivery subject to final commercial approval.

In the resources sector, commissioning and process proving of our U-Column Enhanced Desorption system at Heathgate's Beverley uranium operation continues to progress well and represents a major milestone for the commercialisation of this proprietary technology.

Our international footprint continues to expand. The HIROX® wastewater treatment system supplied through our Chinese partner is undergoing final performance testing, while a HIROX® pilot plant has commenced design and manufacture for use with NESR in the Middle East, strengthening our position in that region.

Development of the ATA® tailings dewatering technology progressed through multiple pilot programs across gold, base metals, mineral sands, and phosphate tailings, with results continuing to support its potential for filtered tailings and improved mine closure outcomes.

In lithium, we continue to advance both extraction and refining applications. Through our Go2Lithium joint venture, the cDLE® pilot plant has now been relocated to the Middle East and is operating on regional brines.

Our NematiQ Graphene Membrane program delivered encouraging laboratory results on PFAS-specific membranes. We are continuing discussions with selected potential partners on distribution and sales opportunities in the Middle East.

Finally, we are excited to begin our journey in digitisation of our technology platform to future-proof the business. We see AI-driven architecture as being an important aspect of our offering from design through to customer support.

Collectively, these activities demonstrate the increasing maturity of Clean TeQ Water's technology portfolio and its relevance to global water, resource recovery, and energy transition markets.

Q2 FY26 CASH FLOW

Total cash received from customers in Q2 FY26 was \$3.8 million compared to \$5.2 million in the previous quarter. Cash payments for product manufacturing and general operating activities was \$3.7 million compared with \$2.4 million in the previous quarter. The decrease in customer receipts relative to the previous quarter reflects the timing of milestone-based payments, with receipts associated with performance obligations achieved during the quarter yet to be received. This is consistent with expected project cashflows.

At the end of Q2 FY26, the Company had a positive net Trade Receivables/(Payables) and contract asset position of approximately \$2.1 million, reflecting milestone-related amounts invoiced or accrued but not yet received. A further \$2.5 million of customer receipts were received in January.

During the quarter, the Company successfully raised A\$6.0 million (before costs) through a placement to institutional, sophisticated and professional investors. Of this amount, A\$5.5 million was received during the quarter, with the remaining A\$0.5 million received in the current month.

The loan facility (A\$1m) was repaid in full during the quarter.

As of 31 December 2025, the Company had cash reserves of \$5.6 million. A summary of the revenue and expenditure incurred during the quarter is detailed in the attached unaudited Appendix 4C.

Q2 FY26 OPERATIONAL HIGHLIGHTS AND OUTLOOK

Projects Update

Rio Tinto Rincon – Clean-IX® (Argentina)

During the quarter, Clean TeQ advanced execution of the US\$12.5 million MBIX contract for Rio Tinto's Rincon Lithium Project in Argentina. Approximately 30% of detailed design deliverables were completed and submitted in accordance with the project schedule. The project represents Clean TeQ's first major deployment in South America and validates MBIX as a low-water-loss, high-recovery solution for lithium refining.



MBIX Plant Render for Rio Tinto's Rincon Lithium Project in Argentina

Enva – PHOSPHIX® (Ireland)

Delivery of all major equipment and materials for the €7 million PHOSPHIX® phosphate removal plant was completed during the quarter. The project has now progressed into on-site commissioning. PHOSPHIX® is designed to achieve phosphate concentrations below 1 mg/L while maintaining approximately 99% water recovery, meeting stringent EU discharge requirements.

Nyrstar – DESALX® (Europe)

Phase 1 detailed engineering for the DESALX® sulphate and selenium removal plant was completed. The Phase 2 delivery scope, covering procurement and system integration, has been finalised with a revised contract value of approximately A\$9.5 million. Subject to final commercial conditions, project commencement is anticipated in early calendar 2026.

Heathgate Resources – Uranium Processing (South Australia)

Commissioning, process proving, and performance testing of the U-Column Enhanced Desorption system were completed during the quarter. The testing program confirmed operation in line with design parameters, marking the first commercial-scale deployment of this proprietary technology.



Performance testing of the MBIX U-Column system is now completed

Townsville City Council – Water Recycling

Practical completion, commissioning, and formal handover of the Cleveland Bay Purification Plant to Townsville City Council were achieved in the prior quarter.



Cleveland Bay Purification Plant has been formally handed over to Townsville City Council

Pilots and Technology Deployment

ATA® – Tailings Dewatering

Clean TeQ was awarded an engineering design study for a mine in NSW, Australia. The study will provide a design and cost estimate for an ATA® dewatering plant. The plant uses ATA® proprietary chemistry to produce a highly permeable tailings suitable for belt dewatering and direct filtered stacking.

ATA® pilot programs continued at Harmony Gold's St Helena Mine and across additional tailing types including Pb-Zn, mineral sands, and phosphate tailings. Results continue to demonstrate improved dewatering and consolidation performance, supporting filtered tailings and reduced footprint outcomes. Commercial filtration equipment trials have also been completed to inform scale-up.

Lithium and Critical Minerals

Go2Lithium – cDLE®

The cDLE® pilot plant has been relocated to the Middle East and is now operating on regional brines. The program supports ongoing discussions around lithium extraction and broader brine valorisation opportunities.

Scandium (Sunrise Syerston Project)

MBIX continues to be incorporated into the updated feasibility flowsheet for scandium recovery from acid-leached pulps, supporting Sunrise's development pathway and Clean TeQ's position in critical minerals processing. The award of an engineering and technical services contract strengthens the company's position as a potential supplier to the commercial scale build.

Advanced Materials – NematiQ Graphene Membranes

Development of PFAS-specific graphene membranes continued during the quarter, with strong laboratory performance demonstrated. The program is now moving toward pilot-scale manufacture, alongside discussions with potential commercial partners, including opportunities in the Middle East drinking water market.

An Independent review on the NematiQ Graphene Membrane was published in the Journal of Water Process Engineering, titled "Graphene-based nanofiltration membrane for bio-effluents downstream processing" (J. Pro. Eng. 81, (2026) 109259). This study comprehensively evaluated graphene-based nanofiltration membranes developed by NematiQ Pty Ltd, establishing their structural integrity, surface chemistry, wettability, and electrokinetic properties as critical determinants of their separation and fouling-resistance performance.

Digitisation and Advanced Process Control

During the quarter, Clean TeQ continued development of its digitisation program, being spearheaded by the Company's engineering team in The Netherlands. The objective of this initiative is to transition Clean TeQ's technology platforms toward a fully digital operating environment, incorporating digital twins of core process systems and AI-assisted process optimisation.

The program is focused on improving design accuracy, reducing commissioning risk, and enabling enhanced operational performance over the life of deployed assets. Over time, this capability is expected to support more efficient scale-up, improved operator insight, and the potential for remote performance monitoring and optimisation across Clean TeQ's installed base.

Capital raise

During the quarter, the Company successfully raised A\$6.0 million (before costs) through a placement to institutional, sophisticated and professional investors at A\$0.37 per new share. Of this amount, A\$5.5 million was received during the quarter, with the remaining A\$0.5 million received in the current month following shareholder approval at an Extraordinary General Meeting.

Payments to Directors and Related Parties

As disclosed in the attached Appendix 4C, payments to related parties and their associates during the quarter totalled \$201,908 (as disclosed under section 6.1) relating to all fees, salaries, and superannuation paid to Clean TeQ Water's Directors for the December 2025 quarter.

Outlook

Clean TeQ Water enters the March 2026 quarter with strong operational momentum, improving revenue visibility, and a growing portfolio of projects transitioning from design and pilot phases into commissioning and execution. The Company's near-term focus is on disciplined delivery of existing contracts, progression of advanced projects into full commercial scope, and selective conversion of its opportunity pipeline.

In the water and wastewater sector, commissioning activities at the PHOSPHIX® project in Europe are expected to advance, while discussions on Phase 2 delivery of the DESALX® project with Nyrstar are anticipated to progress subject to final commercial conditions.

In the resources and critical minerals sector, performance testing of the U-Column Enhanced Desorption system at Heathgate will continue, supporting broader commercialisation of the technology.

The recently awarded engineering and technical services contract for Sunrise Syerston Scandium Project will progress during the next months to provide information on cost and design on the MBIX and refinery processes in support financial investment decision on the project.

Lithium remains a strategic focus area for the Company across both extraction and refining. The Go2Lithium cDLE® pilot program in the Middle East is expected to continue testing on regional brines. The use of MBIX-based impurity removal in lithium refining is another avenue for Clean TeQ to generate sales and revenue in the lithium industry.

ATA® tailings dewatering technology is expected to continue advancing through pilot and demonstration programs across multiple tailings types, with an emphasis on filtered tailings, improved consolidation, and reduced footprint outcomes. These programs support commercial deployment opportunities during FY26 and 27.

Clean TeQ expects to continue progress in its digitisation initiative, with further development of digital and data-driven process optimisation tools aimed at improving design confidence, commissioning efficiency, and long-term operational performance.

Overall, the Company expects the coming quarter to be characterised by continued execution, selective project conversion, and strengthening validation of its proprietary technology platforms across water, resource recovery, and energy transition markets.

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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) – Clean TeQ Water is a global technology leader headquartered in Melbourne, Australia, specialising in providing economic and environmentally sustainable solutions to address critical issues related to freshwater scarcity, mine tailings, and metal recovery. While the company has traditionally implemented projects using the engineering, procurement, and construction (EPC) approach, there is a strategic shift towards projects that generate annuity income or equity through technology license agreements to provide a more sustainable and long-term business model. Clean TeQ Water's core markets include water and wastewater recycling, lithium production, and the remining and rehabilitation of mine tailings. These markets reflect a commitment to addressing environmental challenges and promoting responsible resource management. The company has a presence in various locations, with offices in Melbourne, Perth, Darwin, Adelaide, Leeuwarden (Netherlands), Beijing, and Tianjin. Additionally, Clean TeQ Water has established partnerships in Africa and Latin America, showcasing its commitment to addressing global challenges and collaborating with stakeholders on an international level.

For more information about Clean TeQ Water 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” 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

Clean TeQ Water Limited (ACN 647 935 948)

ASX: CNQ

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.

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")

31 December 2025

Consolidated statement of cash flows	Current quarter A\$'000	Year to date (6 months) A\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,786	8,953
1.2 Payments for		
(a) research and development	-	(146)
(b) product manufacturing and operating costs *	(3,686)	(6,111)
(c) advertising and marketing	(77)	(107)
(d) leased assets	-	-
(e) staff costs	(1,546)	(2,847)
(f) administration and corporate costs	(298)	(699)
(g) insurance costs	(88)	(156)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	4
1.5 Interest and other costs of finance paid	(29)	(88)
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	(1,935)	(1,197)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(10)	(20)
(d) investments	-	-
(e) intellectual property	-	-

* CNQ is engaged in multiple large scale EPC projects with milestone-based payment terms aligned to typical EPC performance obligations for design, manufacture, delivery, installation and commissioning. During the quarter, customer receipts were not proportionate to product manufacturing and operating costs, reflecting the timing of milestone achievements, with receipts for those milestones yet to be received

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (6 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	-	848
	(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	(10)	838

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,493	5,493
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	(196)	(196)
3.5	Proceeds from borrowings	39	49
3.6	Repayment of borrowings	(1,150)	(1,284)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(50)	(100)
3.10	Net cash from / (used in) financing activities	4,136	3,962

4.	Net increase / (decrease) in cash and cash equivalents for the period	-	-
4.1	Cash and cash equivalents at beginning of period	3,383	2,073
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,935)	(1,197)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10)	828

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (6 months) A\$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,136	3,962
4.5	Effect of movement in exchange rates on cash held	9	(83)
4.6	Cash and cash equivalents at end of period	5,583	5,583

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	3,280	3,078
5.2	Call deposits	303	305
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)	5,583	3,383

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**

(202)

-

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

6.1: Includes Director fees and salary (including superannuation) for the Non-Executive and Executive Directors.

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**

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.

Total facility amount at quarter end A\$'000	Amount drawn at quarter end A\$'000
-	-
-	-
303	303
303	303
	NIL

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)

(1,935)

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

5,583

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

-

8.4 Total available funding (Item 8.2 + Item 8.3)

5,583

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

2.9

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?

N/A

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?

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?

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: 30 January 2026

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.