

Appendix 4C – Quarterly Report

Clean TeQ Holdings Limited (ASX: CLQ), an Australian technology company involved in air and water purification and resource recovery, is pleased to present its Appendix 4C for the quarter ending 30 September 2008.

During the quarter the Air, Resource Recovery and Water Divisions of the Company have continued to fulfil existing contracts.

During the current quarter the Company was successful in winning a number of new projects in the Air Purification division. The projects awarded to the Company included the design, manufacture and installation of a Regenerative Thermal Oxidiser at a Fertiliser Production Plant and design, supply and installation of a Biofilter for Goulburn Valley Water.

The Resource Recovery Division has entered into a non-exclusive licence agreement with BHP Billiton Olympic Dam Corporation Pty Ltd for its Clean-iX® resin technology during the period. This technology is being considered as part of the technology options being evaluated in the proposed expansion of the Olympic Dam uranium mine. Construction of a Clean-iX® Resin-In-Pulp Pilot Plant at the Langer Heinrich uranium mine in Namibia commenced during the quarter. This pilot plant will be operational in the second quarter of the current financial year.

Due to the project based nature of the Clean TeQ Holdings Limited business, receipts from customers and net operating cash flows will continue to be received as milestones are achieved across the major contracts. Accordingly, some quarters may generate negative returns from operations. At the end of the September 2008 quarter the Company had a cash balance of \$5,859,000 and no material debt. The Company provides cash on deposit as security for its financing facilities.

For more information:

Greg Toll, Chief Executive Officer	+613 9706 8244
Marc Lichtenstein, Company Secretary	+613 9706 8244

About Clean TeQ Holdings Limited (ASX: CLQ)

Clean TeQ is an Australian mining and environmental services group focused on developing, commercialising and selling air purification, resource recovery and water purification technologies. The Company Listed on the Australian Stock Exchange in November 2007. For more information about Clean TeQ please visit the Company's website at www.cleanteq.com.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Clean TeQ Holdings Limited

ABN

34 127 457 916

Quarter ended ("current quarter")

30 September 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	1,145	1,145
1.2 Payments for (a) staff costs	(896)	(896)
(b) advertising and marketing	(37)	(37)
(c) research and development		
(d) leased assets		
(e) other working capital	(521)	(521)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	111	111
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid / refund received		
1.7 Other (provide details if material)		
Net operating cash flows	(199)	(199)

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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(199)	(199)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property	(16)	(16)
(d) physical non-current assets	(8)	(8)
(e) other non-current assets	(459)	(459)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows	(483)	(483)
1.14 Total operating and investing cash flows	(682)	(682)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings	(3)	(3)
1.19 Dividends paid		
1.20 Other – Repayment of loan to related party		
Net financing cash flows	(3)	(3)
Net increase (decrease) in cash held	(685)	(685)
1.21 Cash at beginning of quarter/year to date	6,544	6,544
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	5,859	5,859

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	289
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

Cash payments to directors comprise executive director salaries plus non-executive director fees for the quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Not Applicable

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	\$1,000	394
3.2	Credit standby arrangements	Nil	Nil

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,859	2,544
4.2 Deposits at call	4,000	4,000
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	5,859	6,544

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:
 (Company Secretary)



Date: 31 October 2008

Print name: Marc Lichtenstein