



Smart Environmental Solutions



CAPABILITY ~ SUITABILITY ~ SUSTAINABILITY  
ENVIRONMENTALLY CONSCIOUS, ECONOMICAL AND  
SUSTAINABLE - THAT'S 'SMART ENVIRONMENTAL SOLUTIONS'.

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# Highlights

- We have achieved what we set out to do in 2008
- The 2008 financial year has been the best year on record for the Company
  - Revenue has increased by 117%
  - Net profit after tax has increased by 53%
- The Company has strong balance sheet with no material debt
- Continuing development of technology portfolio

## Overview

- Clean TeQ is a mining services and environmental solutions Company, developing and commercialising sustainable technologies
- Clean TeQ was established in 1990 when it developed and commercialised Biological Odour Control Technology
- In 1998 the Company commenced development of separation and purification technologies for water and mining. These applications are in varying degrees of commercialisation
- In November 2007 the Company successfully listed on the ASX
- Funds were raised at the IPO for continuing investment in the development and commercialisation of our technologies and for working capital

# Air Purification

- Sustainable technologies for the removal of odorous and harmful contaminants in air streams for industrial and municipal customers
- Current customers include:
  - Water Corp WA,
  - Barwon Water,
  - Major Fertilizer Manufacturer,
  - Melbourne Water,
  - Gold Coast Water,
  - Sydney Water,

# Air Projects



# Resource Recovery

- Sold exclusive rights via a licence agreement in February 2007 for Nickel and Cobalt extraction to BHP Billiton and Vale for the continued development of the technology with the IP owned by Clean TeQ
- Clean TeQ retains rights for application of Clean-iX® for all other uses
- Successfully constructed pilot plant for BHP Billiton for Nickel and Cobalt extraction
- Pilot plant under construction for uranium extraction at Paladin Energy Langer Heinrich mine in Namibia, which is to be operational prior to the Stage 3 upgrade decision at end of 2008
- Other early stage development for other metals including gold and copper

# Mining Projects



# Mining Projects



# Water Purification

- Commissioned a Pilot Plant in conjunction with Water Corp WA to demonstrate Clean-iX® technology for the conversion of secondary treated effluent to high quality industrial water
- The performance of the Pilot Plant has been reviewed by Worley Parsons, indicating lower capital costs, higher yield and similar operating costs to alternative solutions
- Designed and constructed a Membrane Water Treatment Plant in Queensland, treating surface waters for an industrial application
- Designed and constructed multiple ground water treatment systems for potable water applications, in Queensland

# Water Projects



## Business Growth

Established strongly growing business

- Average year on year growth of 35% over the 2001 to 2008 financial years
- Long and successful track record with significant municipal and corporate customers
- Ongoing significant investment in R&D since inception with an average of 22% of revenue invested per annum since 2001

## Business Growth

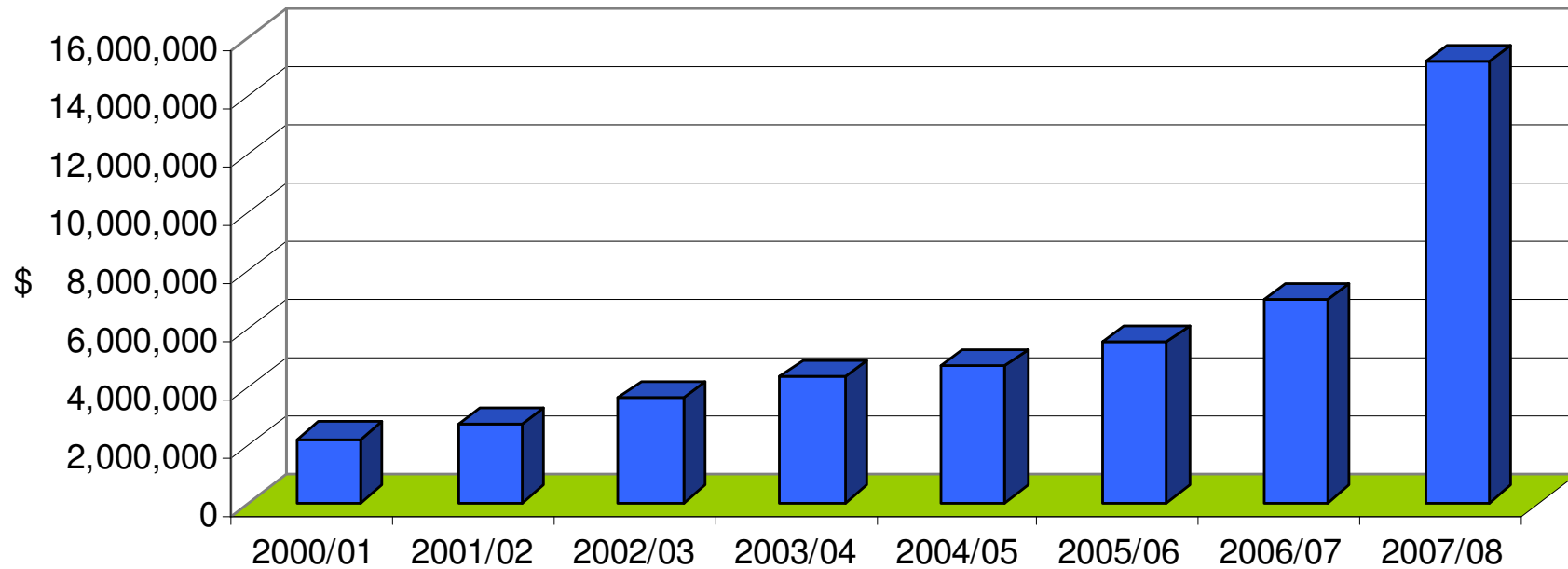
Has been driven by

- Strongly growing markets in each of the Company's core divisions
- Increase in the number and size of Air Projects
- Commercialisation of water technologies
- Continuing commercialisation of Nickel technology
- Increased resources and skills base

# Financial Performance

Revenue per annum

Clean TeQ Revenue



# Financial Performance

	2008 \$m	2007 \$m	2006 \$m	2005 \$m	2004 \$m
<b>Revenue</b>	<b>15.219</b>	<b>7.025</b>	<b>5.569</b>	<b>4.691</b>	<b>4.361</b>
<b>EBITDA</b>	<b>4.409</b>	<b>3.188</b>	<b>1.134</b>	<b>0.523</b>	<b>0.264</b>
<b>EBIT</b>	<b>3.543</b>	<b>1.923</b>	<b>1.094</b>	<b>0.398</b>	<b>0.249</b>
<b>NPAT</b>	<b>2.924</b>	<b>1.907</b>	<b>1.059</b>	<b>0.410</b>	<b>0.194</b>

- Significant growth compared to 2007 with all 3 Divisions generating record sales levels
- Revenue doubled in the current period
- Profit has increased by 1,407% over the 5 year period

# Financial Performance

\$m	Actual 30 June 2008	Actual 30 June 2007
<b>Cash</b>	<b>6.5</b>	<b>1.1</b>
<b>Other Current Assets</b>	<b>1.5</b>	<b>1.5</b>
<b>Non Current Assets</b>	<b>7.1</b>	<b>6.0</b>
<b>Total Assets</b>	<b>15.1</b>	<b>8.6</b>
<b>Current Liabilities</b>	<b>1.2</b>	<b>1.4</b>
<b>Loans and Borrowings</b>	<b>-</b>	<b>0.7</b>
<b>Non Current Liabilities</b>	<b>1.9</b>	<b>1.7</b>
<b>Equity</b>	<b>12.0</b>	<b>4.8</b>

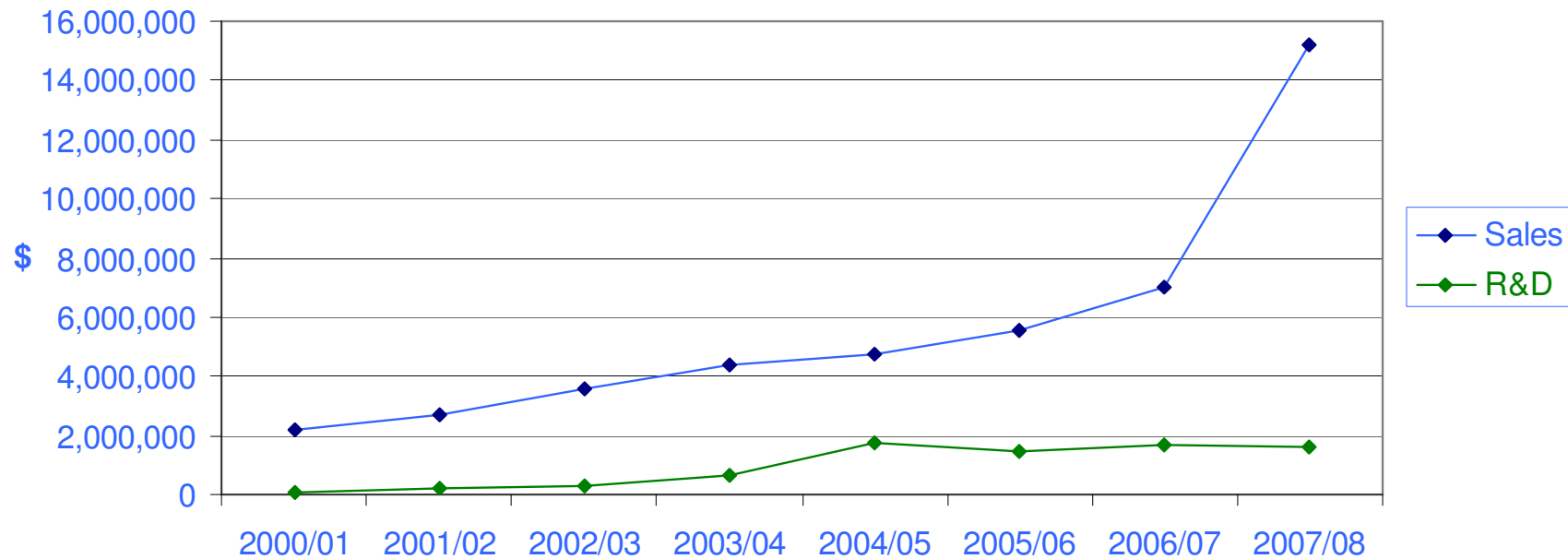
- The Company has a strong Balance Sheet

# Cash Flow

<b>\$m</b>	<b>Actual 30 June 2008</b>	<b>Actual 30 June 2007</b>
<b>Operating cash flow</b>	<b>4.2</b>	<b>3.5</b>
<b>Investing cash flow</b>	<b>(2.0)</b>	<b>(1.8)</b>
<b>Financing cash flow</b>	<b>3.2</b>	<b>(0.3)</b>
<b>Net cash flow for the period</b>	<b>5.4</b>	<b>1.4</b>

- The Company has generated free cash flow from its operations during 2008
- Investment in R&D will continue in future periods which over time will lead to increased positive cash flows from operations following commercialisation
- The project based revenue model of the business may impact short term cash flow in some quarters

# Research & Development



- The continuing investment in R&D is leading to increased sales

# Research & Development

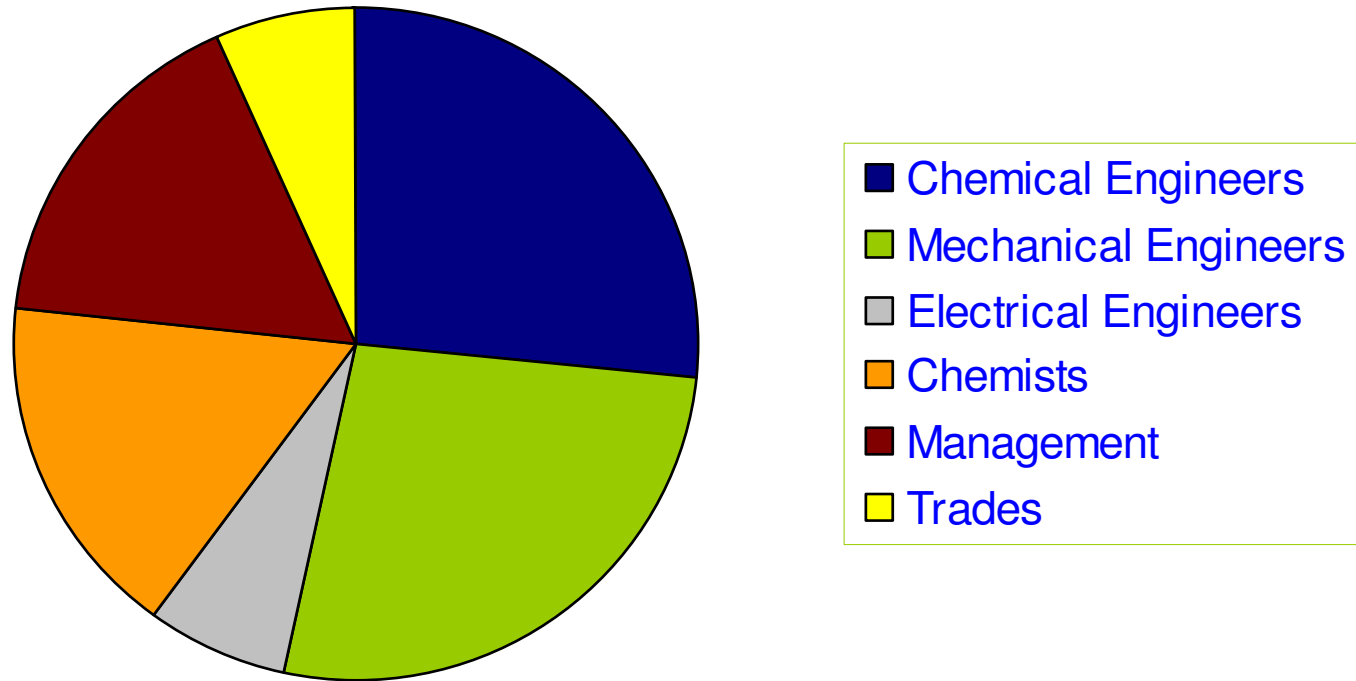
- Ongoing investment in R&D with an average of 22% of revenue invested over a 6 year period
- An R&D philosophy where our R&D must add value to our business and our customers and provide a high level of sustainability
- All new technology developed by Clean TeQ is owned by the Company
- R&D allows us to deliver a range of technologies that can provide a superior solution to our customers

# Our People

- Growing professional staff numbers from 19 to 32 since 30 June 2007
- 2 experienced non-executive directors joined the board during the year
- Low staff turnover
- Staff alignment with equity participation through options and shares
- Training in key deliverables:
  - Management
  - Project Management
  - OH&S
  - Technical software

# Our People

## Areas of Expertise



# Competitive Advantage

- Long established
- Servicing growth markets
- Profitable
- No material debt
- Suite of owned technologies in air, resources and water applications
- Blue chip customer base
- Ongoing investment in people, skills, systems and R&D

## 2008 / 2009

Current Projects include:

- W2W Alliance (Water Corp WA)
- Fertiliser Manufacturer
- Goulburn Valley Water
- Burnie City Council
- Melbourne Water (ETP)
- Anaeco
- Gold Coast Water
- Industrial Water Treatment Plant – Queensland
- Fortescue Metal Group
- Assa Abloy
- BHP Billiton/Vale
- Paladin Energy

# Conclusion

- We have achieved what we set out to do in 2008
- We will continue to invest in research and development.
- The Company has no material debt and a strong balance sheet
- We will continue to invest in our people
- The market should continue to be strong for each of our business divisions
- The Group has a significant pipeline of potential opportunities