

## **ASX Announcement**

**Monday 30<sup>th</sup> June 2014**

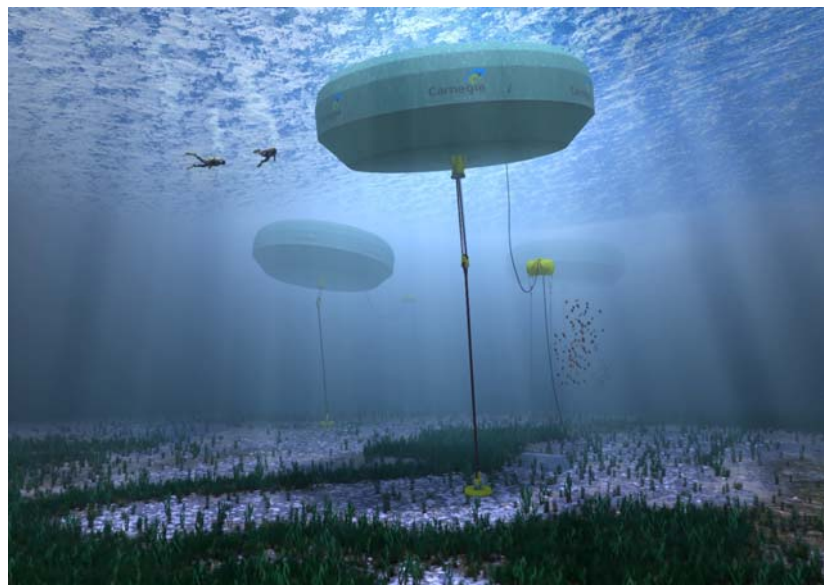
### **\$11m Government Grant for Australian CETO 6 Project**

- **\$11m Australian Government grant awarded to Carnegie for \$31m CETO Project**
- **Carnegie's first CETO 6 Project to be located at Garden Island, Western Australia**
- **\$11m grant is additional to Clean Energy Finance Corporation \$20m loan facility**
- **Power from Project to be bought by the Australian Department of Defence**

**Wave energy developer Carnegie Wave Energy Limited (ASX: CWE) is pleased to announce the award of a new \$11m Australian Federal Government grant to support Carnegie's next wave power project.**

The \$11 million grant will be received from the Australian Renewable Energy Agency's Emerging Renewables Program. This is matched by the \$20m five year loan facility from the Clean Energy Finance Corporation previously announced in March this year.

The securing of this combined funding now allows Carnegie to confirm Garden Island as the location of its first CETO 6 project. All the power generated from the project will be bought by the Australian Department of Defence under Carnegie's existing power supply agreement for use at HMAS Stirling, Australia's largest naval base which is located on Garden Island.



**Impression of the CETO 6 Project**

The CETO 6 Project (Project) will consist of three CETO 6 units deployed off the coast of Garden Island and connected to the Western Australian electricity grid. Electricity generated from the Project will be sold to the Australian Department of Defence under Carnegie's existing power supply agreement. The Project will be up to 3MW in capacity and, based on the recent design work, is expected to have a total cost of \$31m including design and contingency but excluding corporate payroll and overheads. Design work on the Project has been underway since 2013.

The CETO 6 unit in the Project has a target power capacity of 1MW (1000kW), some four times the current CETO 5 generation being used in the Perth Project. The increased capacity, combined with superior efficiency, delivers significantly reduced power costs and, when deployed at large commercial scale, aims to be cost competitive in a range of markets globally. The CETO 6 design builds on a decade of experience gained in previous generations including the design and manufacture of the current CETO 5 units.

Carnegie's Managing Director and Chief Executive Officer, Dr Michael Ottaviano said,

"This grant funding represents a crucial element of the CETO 6 Project and we are delighted to have achieved this outcome at this time. In a globally competitive environment this gives us the confidence to move forward quickly and efficiently with the commercialisation of our CETO technology. Carnegie is grateful for the ongoing support of the Australian Government."

The current primary focus of the Company remains on the commissioning and operation of its Perth Project, however, given the lead times inherent in developing projects, it is important that the CETO 6 Project and associated financings are progressed in parallel with the Perth Project. The Perth Project utilising the CETO 5 technology has progressed up to the point of commissioning and an update on CETO 5 Perth Project will be made shortly.

The Company is not aware of any reason why the ASX would not allow trading to recommence immediately.

### **About Carnegie**

[Carnegie Wave Energy Limited](#) is an Australian, ASX-listed (ASX:CWE) wave energy technology developer. Carnegie is the 100% owner and developer of the CETO Wave Energy Technology intellectual property.

### **About CETO**

The CETO system is different from other wave energy devices as it operates under water where it is safer from large storms and invisible from the shore. The technology is capable of generating power onshore or offshore depending upon the specific characteristics of a project site.

CETO technology characteristics include:

- Converts ocean wave energy into zero-emission electricity and desalinated water.
- Environmentally friendly, has minimal visual impact and attracts marine life.
- Fully-submerged in deep water, away from breaking waves and beachgoers, and unaffected by storms.

### **CETO 6 Project Fact File**

- The Project comprises the design, construction, deployment and demonstration of three CETO 6 units in a grid-connected, up to 3MW peak installed capacity wave energy project at Garden Island, Western Australia.
- The CETO 6 Project is supported by \$11m in Australian Government funding through the Australian Renewable Energy Agency's Emerging Renewables Program.
- The CETO 6 Project is supported by a five year \$20 million loan facility from the Australian Clean Energy Finance Corporation.
- Utilises Carnegie's fully submerged and commercially proven CETO wave energy device.
- The clean, renewable energy generated by the Project will be sold to the Australian Department of Defence at Australia's largest naval base, HMAS Stirling, on Garden Island in Western Australia.

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