

6^h December 2016

**Company Announcements Office
Australian Securities Exchange**

By e-Lodgement

**ISSUE OF CARNEGIE WAVE ENERGY LIMITED SHARES – SECONDARY TRADING NOTICE
NOTIFICATION PURSUANT TO PARAGRAPH 708A(5)(e) OF CORPORATIONS ACT 2001 ("Act")**

On 6 December 2016, Carnegie Wave Energy Limited ("the Company") issued 297,142,857 fully paid ordinary shares in the capital of the Company to complete the acquisition of Energy Made Clean Limited as announced to the ASX on 26 October 2016. The shares were issued at an effective issue price of \$0.035 pursuant to the term sheet for the acquisition.

Secondary Trading Exemption

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 6 December 2016 the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at 6 December 2016 there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - B. the rights and liabilities attaching to the Securities.

Yours faithfully
Carnegie Wave Energy Limited



AIDAN J. FLYNN
Company Secretary