

ASX Announcement

Wednesday 15th April 2015

Chile Collaboration Agreement and Site Development

- **Collaboration Agreement signed with Fundación Chile to develop wave energy in Chile and Peru**
- **Carnegie is also now a partner in a Local Government Innovation Fund for the Development of Marine Energy in the coastal communities of the Region of Valparaíso**

Wave energy developer Carnegie Wave Energy Limited (ASX: CWE) is pleased to announce it has signed a Collaboration Agreement with Fundación Chile (FCH) to collaborate on identifying a development pathway for commercial wave energy projects in Chile.

Carnegie is pursuing a number of opportunities to develop CETO wave energy projects in Chile and is now pleased to advise that it has signed a Collaboration Agreement with Fundación Chile to assess the potential for commercial wave energy plants capable of producing electrical power and desalinated water in Chile and Peru.

Additionally, Carnegie is now a partner with Fundación Chile in the Valparaíso Regional Government's Innovation Fund of Competitiveness (FIC) which is aimed at developing marine energy in the Valparaíso Region which includes Easter and Robinson Crusoe Islands.



L-R: Fundación Chile's Juan Ramon Candia (Head of Renewable) and Patricio Meller (President) Carnegie's South American Business Development Manager Edoardo Sommacal, Marcos Kulka Kuperman (Fundación Chile's CEO) and Carnegie Chile Representatives Arturo Troncoso and Rodrigo Cortes

The areas defined for collaboration with Fundación Chile include the assessment of wave resources at various sites, the regulatory environment, site identification and development and project financing and construction.

Carnegie's Business Development Manager, Edoardo Sommacal said:

"Carnegie is very pleased to have established a strong relationship with Fundación Chile. Fundación Chile is a key player in the development of the renewable energy and innovation in South America and this collaboration will speed the development of the wave energy sector in Chile. Wave energy has the potential to be an additional solution to reduce greenhouse gas emissions in the production of both power and water in Chile, a country with a world class wave resource."

Fundación Chile's Head of Renewable, Juan Ramon Candia said:

"At FCH we are constantly searching for innovative solutions in order to face the main challenges for our region. In the past we were very active in promoting the development of solar energy, an industry that today has reached a high level of investment with several players from different part of the world aiming to be part of this emerging industry in this region. In line with this, the Government has developed our national agenda for energy, where the promotion of renewables is central. The agreement we have signed with Carnegie represents a great opportunity for our organisations to collaborate towards making wave energy a reality in this part of the Globe."

The Regional Government of Valparaíso is also progressing an Innovation Fund of Competitiveness (FIC) initiative with Fundación Chile which Carnegie has now also joined. Fundación Chile will participate together with other local Chilean companies and the National Institute of Hydrology (INH) to advance the development of marine renewable energy in the coastal communities of the Region of Valparaíso.

The primary objective of this Project is to finalise a survey of the energy requirements of the coastal sector of the Region of Valparaíso including assessing for the first time wave resources at Robinson Crusoe Island. The intention is to include also Easter Island in the assessment during a second phase of the Project according to the feasibility and support from the Government.

Easter and Robinson Crusoe Island are two of the most remote inhabited islands in the world, located respectively around 3,500 km and 670 km off the coast of Valparaíso. Both island communities, of 5,800 and 1,000 residents respectively, are predominately self-sustained on fishing and tourism industries, while reliant on standard diesel generation for power and water supply. Significant savings could be realised through the reduction in diesel by displacing power and water supply with renewable energy and reducing as such cost for energy and water production.

About Fundación Chile

Fundación Chile (FCH) is the main applied innovation centre in the region, a private/public corporation designed to promote innovation by developing international networks and delivering high impact solutions to address the challenges of Chile in the areas of renewable energy and sustainability, development of human capital, education, aquaculture, entrepreneurship and food.

FCH's Partners are the Government of Chile and BHP Billiton-Minera Escondida as well as a portfolio of over 160 organisation between companies, governments and technology centres from over 35 different countries.

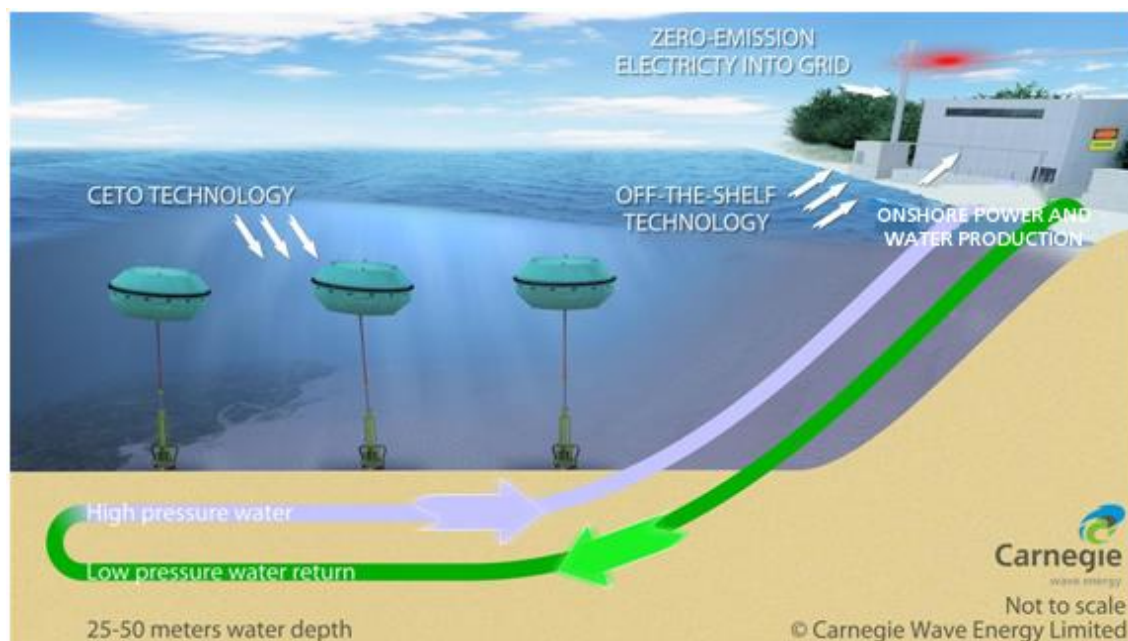
About Carnegie

[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 ARENA

The Australian Renewable Energy Agency (ARENA) was established by the Australian Government to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia. ARENA invests in renewable energy projects, supports research and development activities, boosts job creation and industry development, and increases knowledge about renewable energy.

About CETO



CETO Power & Water

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.

Perth Wave Energy Project ('PWE') Fact File

- Upon completion, PWE will be the first commercial-scale CETO grid and desalinated water connected wave energy project.
- The Perth Wave Energy Project is supported by \$13.1m in Australian Government funding through the Australian Renewable Energy Agency's Emerging Renewables Program.
- PWE is supported by \$7.3 million from the Government of Western Australia's Low Emissions Energy Development (LEED) Fund. This is part of a larger \$10 million LEED grant, awarded to Carnegie by the Western Australian Government, to support the development of the CETO technology from concept through to completion of PWE.
- The Desalination Pilot is supported by a \$1.27m AusIndustry grant from the Clean Technology Innovation Program.
- Utilising Carnegie's fully submerged and commercial proven CETO wave energy device.
- Providing clean, renewable energy and potable desalinated water to Australia's largest naval base, HMAS Stirling, on Garden Island in Western Australia.

For more information:

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