

20th November 2015

**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 20 November 2015 Carnegie Wave Energy Limited ("the Company") issued 4,545,455 fully paid ordinary shares in the capital of the Company at an effective issue price of \$0.044. The effective issue price is calculated pursuant to the terms of the Senior Debt Facility Deed with the Clean Energy Finance Corporation announced on 19 March 2014. The issue of the shares in lieu of cash represents the final fee under the terms of the Senior Debt Facility Deed with the Clean Energy Finance Corporation announced on 19 March 2014. The facility is now terminated. On 20 November the Company changed the conversion price of the 3,690 convertible notes from \$0.045 to \$0.042.

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 20 November 2015 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 20 November 2015 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