

ASX Announcement

Tuesday 4 June 2013

Carnegie Wave Energy orders key project elements for Perth Wave Energy Project

- Orders placed for four of the 10 key elements for Perth Wave Energy Project
- Total value of orders approximately \$3.5m
- Deliveries due from three to eight months

Wave energy developer Carnegie Wave Energy Limited (ASX: CWE) is pleased to announce that it has placed orders for four of the 10 key project elements for the Perth Wave Energy Project.

The placing of these four orders represents another significant step forward in the delivery of the Perth Wave Energy Project (PWEF). The suppliers have been carefully selected after a competitive process and a detailed evaluation of quotations based on cost, quality, reliability, delivery and health and safety. The four orders placed are for the CETO Unit Pumps, CETO Unit energy relief system, Hydraulic Accumulators and Valves.

Carnegie Wave Energy's Chief Operating Officer, Greg Allen, said:

"The Perth Project is well advanced and on track for delivery in early 2014. The placement of these key orders is the result of the hard work of the team following on from the completion of Project design. We will be placing orders for the remaining six key project elements in the next 60 days. Working closely with suppliers was important for the success of the CETO 3 project and will also be critical for the Perth Project."

CETO Pumps:

The commercial scale CETO Unit Pumps transfer the mechanical energy captured by the Buoyant Actuator to the Pipeline. The Pumps are manufactured from carbon and stainless steel and are being manufactured and tested by specialist sub-sea hydraulic cylinder manufacturer Douce-Hydro to Carnegie's specification. Douce-Hydro successfully supplied the CETO 3 pump to Carnegie.

CETO Energy Relief System:

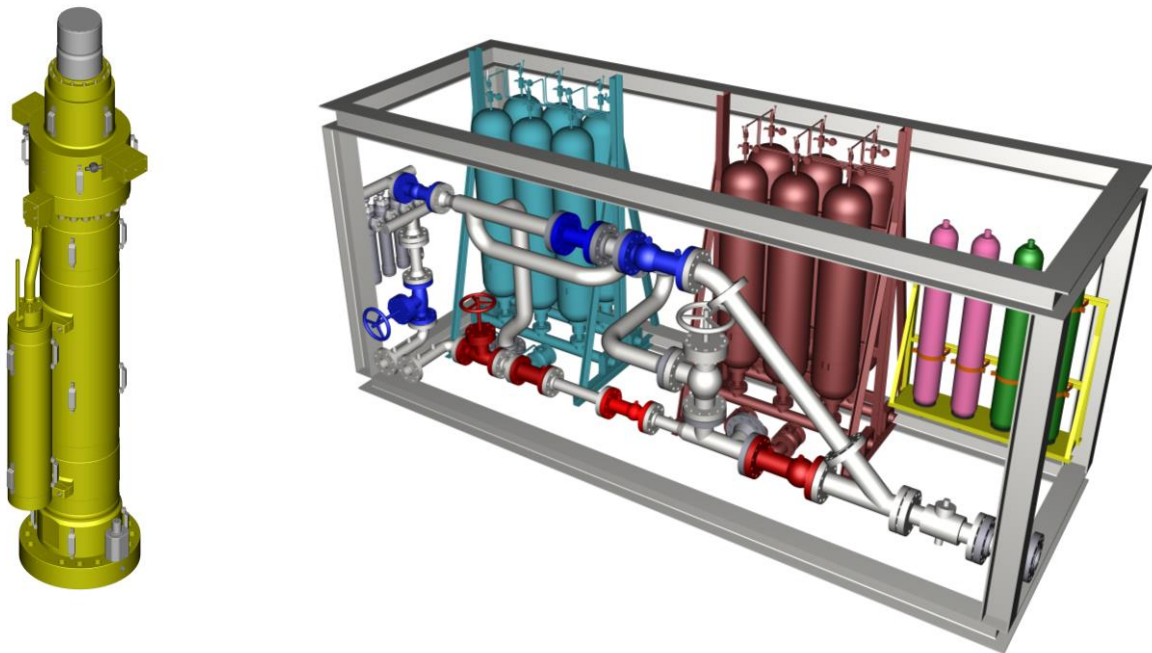
A unique and novel feature of CETO is the incorporation of an energy relief system in the Buoyant Actuator. This allows the CETO Units to self-regulate the amount of energy absorbed from a wave, thereby limiting the total forces transferred to the CETO Units. This in turn allows the CETO Units to continue to operate unhindered through storm events without human intervention. The energy relief systems will be supplied by Tensa Equipment Pty Ltd a company that specialises in the design and supply of dynamic load reducers.

Hydraulic Accumulators:

The CETO system incorporates the use of hydraulic accumulators to dampen flow and pressure pulsations in the hydraulic system. This optimises the performance of the Pipeline and onshore hydro mechanical equipment. The hydraulic accumulators will be supplied by motion and control technology specialist Parker Hannifin Australia Pty Ltd.

Control and Isolation Valves:

High pressure control and isolation valves rated for marine operation allow the hydraulic system integrity to be maintained and facilitate control of the CETO system. These valves will be supplied by specialist valve supplier Severn-Glocon Australia Pty Ltd.

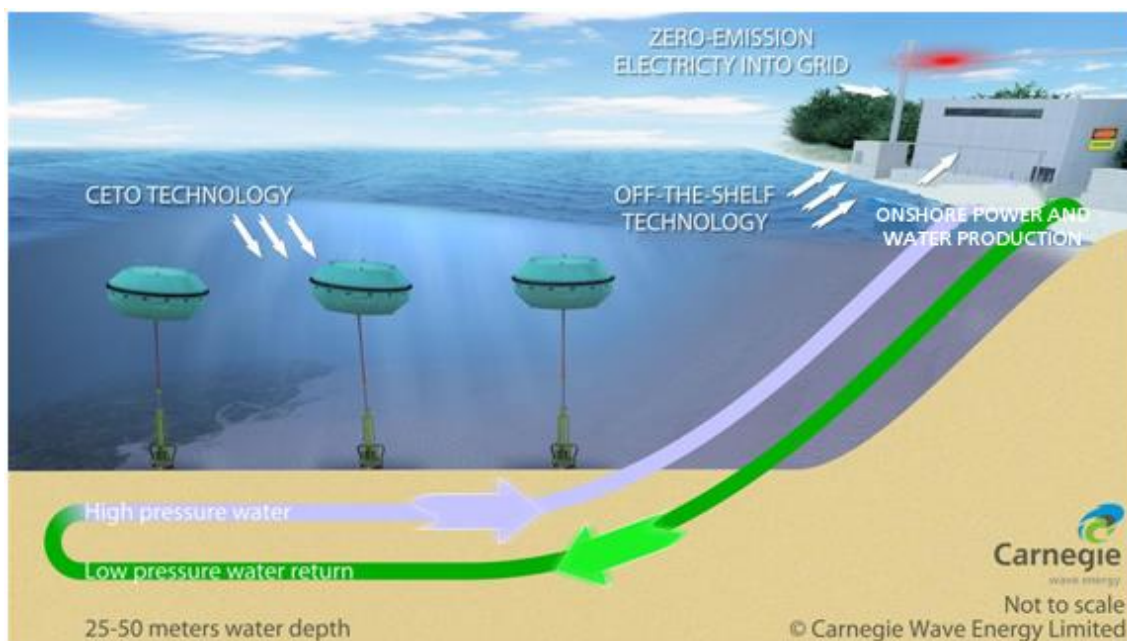


CETO pump unit and CETO Pod showing accumulators and valves

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



CETO Power & Water

The CETO system is different from other wave energy devices because it operates under water and is anchored to the ocean floor. Several fully submerged buoys are tethered to seabed pump units. The buoys move with the motion of the passing waves and drive pumps. The pumps pressurise water which is delivered onshore via an subsea pipe.

On the shore, high-pressure water is used to drive hydroelectric turbines, generating zero-emission electricity. The high-pressure water can also be used to supply a reverse osmosis desalination plant, replacing greenhouse gas-emitting, electrically-driven pumps usually required for such plants.

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 ('PWEF') Fact File

- Upon completion, PWEF will be Australia's first commercial-scale CETO grid-connected wave energy project.
- The Project is supported by \$9.9m in Australian Government funding through the Australian Renewable Energy Agency's Emerging Renewables Program.
- PWEF is supported by \$7.76 million from the Government of Western Australia's Low Emissions Energy Development (LEED) Fund. This is part of a larger \$10.45 million LEED grant, awarded to Carnegie by the WA Government, to support the development of the CETO technology from concept through to completion of PWEF.
- 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 to Australia's largest naval base, HMAS Stirling, on Garden Island in Western Australia.
- Providing potable desalinated water.

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