

## ASX Announcement

Tuesday April 19, 2016

### **Carnegie/EMC Transaction Completed and First Joint Project Commenced**

ASX-listed Carnegie Wave Energy (Carnegie) is pleased to advise that its Investment and Alliance Agreement with Western Australian-based EMC Solar Construction and EMC Engineering (EMC) has now been executed with Carnegie Chief Executive Officer, Dr Michael Ottaviano, appointed to the EMC board. This follows the approval of the Agreement by Energy Made Clean Limited shareholders at an Extraordinary General Meeting held on April 18.

The completion of the Agreement means that Carnegie and EMC have now begun working to deliver microgrid initiatives, the first of which is Carnegie's Mauritius Wave and Microgrid Design Project.

Carnegie Chief Executive Officer, Dr Michael Ottaviano, said commencing work on the Project marked the beginning of what he believes will be a strong and enduring strategic alliance with EMC.

"Our strategy for island markets is to deliver our CETO wave technology as part of an integrated microgrid solution," he said.

"The completion of the Carnegie/EMC Investment and Alliance Agreement means we now have a powerful capability to do just that."

Dr Ottaviano said the Agreement – which saw Carnegie invest \$1.5 million in Carnegie shares and \$3 million in cash to take a 35 per cent stake in EMC – will see the companies share a joint focus on the delivery of a combination of renewable energies.

"The integration of a mix of renewable technologies, along with energy storage and control systems, can often provide cheaper, cleaner and more secure solutions for island nations," he said.

"I strongly believe that our Mauritian Project has the potential to act as a template for island nations, off-grid and fringe of grid applications around the world."

Dr Ottaviano said the Project, which was awarded to Carnegie in 2015, will combine EMC's microgrid expertise with the CETO technology and Carnegie's finance, governance and technical capabilities.

“The way the alliance agreement is structured means both parties can reap the benefits of working together while individually focusing on our respective core businesses,” he said.

“For Carnegie that remains the commercialisation of CETO.”

Dr Ottaviano said he looked forward to working with EMC to deliver innovative renewable energy solutions globally, including the delivery of a high penetration renewable energy roadmap for Mauritius, a wave resource assessment and the design of a wave-integrated microgrid solution by the end of 2016.

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



**Carnegie Chief Operating Officer, Greg Allen (left), collaborating with EMC Managing Director, John Davidson (right), at the EMC workshop in Western Australia.**

## FACT FILE

### Carnegie

[Carnegie Wave Energy Limited](#) is an Australian, ASX-listed (ASX: CWE) wave energy technology developer. Carnegie is the 100 per cent owner and developer of the CETO Wave Energy Technology intellectual property. Carnegie is focussed on commercial opportunities in key target markets including UK, Europe and remote islands.

### 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. CETO technology characteristics include:

- Converts ocean wave energy into zero-emission electricity and desalinated water.
- Has minimal environmental and visual impact and attracts marine life.
- Fully-submerged in deep water, away from breaking waves and beachgoers.

### Energy Made Clean

[EMC Solar Construction and EMC Engineering](#) are one of Australia's most successful specialist Engineering Procurement Construction (EPC) cleantech businesses, with several medium and high penetration microgrids delivered, several major projects under construction and a growing pipeline of new opportunities both within Australia and internationally. EMC is focused on the expansion of its scope and capabilities to service the accelerating demand for commercially-viable cleantech products and services.

### Microgrids

A microgrid is a discrete energy system made up of distributed energy sources that are capable of operating independently from the main power grid.

Renewable microgrids that combine multiple renewable energy generation sources (e.g. solar, wind and wave) take advantage of different renewable energy profiles at different times of day, and with different seasonal variation, to reduce the amount of energy storage and diesel generation required.

Renewable microgrids can be used to cut costs, cut greenhouse gas emissions, and in the case of high penetration renewable microgrids, allow communities to be more energy independent and more environmentally sustainable. The precise mix of renewable sources, energy storage, fossil fuel and desalination will depend on the mix of renewable resources available locally and the needs of the customer.

