

ASX Announcement

Thursday, 10th December 2015

Funding Awarded for Microgrid Design Project in Mauritius

- **\$800,000 Australian Government funding for Carnegie Mauritian wave and microgrid project design**
- **Announced by Australia's High Commissioner to Mauritius at Carnegie's wave energy research facility in Fremantle**
- **Project to deliver wave energy integrated microgrid design, wave energy resource assessment and renewable energy roadmap.**

Carnegie Wave Energy Limited (ASX: CWE) is pleased to announce that it has been awarded \$800,000 of funding for a Mauritian wave and microgrid design project. The funding has been made available by the Australian Government in partnership with the Mauritian Government.

Further to Carnegie's announcement on 26th November, 2015, the funding, controlled by the Mauritian Ministry of Finance and Economic Development has been awarded for the study and design of projects focused on high penetration renewable energy microgrids incorporating wave energy on Mauritius and the neighbouring island of Rodrigues and is in-line with Mauritius' current focus on developing renewable energy technologies, the blue economy, and domestic water security. The total value of the design activities is \$990,000 of which the Mauritian Ministry of Finance and Economic Development will contribute \$800,000 (from the Australian Government) with the balance being contributed in-kind from Carnegie.



Australia's High Commissioner to Mauritius, Her Excellency Ms Susan Coles and Carnegie COO Greg Allen at Carnegie's Private Wave Energy Research Facility in Fremantle

The Mauritius Research Council (MRC) will administer the funding on behalf of the Mauritian Ministry of Finance and Economic Development and ensure dialogue with other key stakeholders including the Mauritian Ministry of Technology, Communication and Innovation and the Australian High Commission, Mauritius.

The project activities will focus on three areas: the first is the delivery of a renewable energy roadmap for Mauritius, including technical, commercial and financial feasibility of high penetration renewable energy, the second is the assessment of the Mauritian wave energy resource and the identification of a preferred site for a commercial CETO wave energy project, and the third is the design of a microgrid powered desalination plant on the Mauritian island of Rodrigues.

The Australian High Commission to Mauritius has been instrumental in facilitating this important relationship between the Government of Mauritius and Carnegie and this relationship compliments Australia's commitment to instruments such as the recently announced Commonwealth Climate Finance Access Hub to address climate change for Small Island Developing States and Least Developed States, which are the most vulnerable to climate change.

Australia's High Commissioner to Mauritius, Susan Coles, who visited Carnegie's wave energy research facility at Fremantle today said,

"Access to clean, renewable energy is critical for Mauritius and other small island states, and is a key to unlocking their economic prosperity. The Australian High Commission is pleased to be working with Carnegie as an innovative Australian technology developer to assist with enabling high renewable energy penetration on islands and to develop a local capability to deliver these."

Ms Coles went on to say,

"This initiative follows the signing of a MoU between Carnegie and the Mauritius Research Council in June 2015. At the August meeting of the Indian Ocean Rim Association on the Blue Economy, held in Mauritius, Parliamentary Secretary Ciobo, now Minister for International Development and the Pacific, welcomed the signing of the MoU, and a second agreement concluded there with the Seychelles, noting that Carnegie's work will complement other important blue economy and climate change initiatives being supported by DFAT in our region".

Carnegie's Chief Executive Officer Dr Michael Ottaviano said,

"The Australian Government should be commended on demonstrating its commitment to renewable microgrid solutions that have the potential to deliver high resilience clean power and freshwater for islands. Projects like Carnegie's Garden Island Microgrid can be the model for Mauritius and island communities globally and will be at the forefront of addressing climate change and sustainability for Small Island Developing States and Least Developed States."

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. Carnegie is focussed on commercial opportunities in key target markets including UK, Europe and remote islands.

About Mauritius Research Council

The Mauritius Research Council acts as a central body to advise Government on Science and Technology issues and to influence the direction of technological innovation by funding research projects in areas of national priority and encouraging strategic partnerships.

About Australian Department of Foreign Investment and Trade (DFAT)

The Australian Department of Foreign Affairs and Trade's role is to advance Australia's national interest by working to strengthen security and enhance Australia's prosperity. The department provides foreign, trade and development policy advice to the government and works with other government agencies to ensure that Australia's global, regional and bilateral interests are coordinated effectively.

About 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.
- Environmentally friendly, has minimal visual impact and attracts marine life.
- Fully-submerged in deep water, away from breaking waves and beachgoers.

About the Garden Island Microgrid (GIMG) Project

The GIMG Project will be the first wave-integrated renewable microgrid project in the world. It will also be the first to be connected to an electricity network. It will consist of the CETO 6 Project currently being delivered, the existing reverse osmosis desalination plant on Garden Island and will add an additional and approximate 2MW peak of solar photovoltaic (PV) power generation and sufficient energy storage to allow safe, stable and reliable interaction with the electricity grid.

The Project will be funded through a combination of equity, grant funding and debt financing, which will include at least \$1 million of debt financing from the Commonwealth Bank. The initial step is a detailed design phase with construction likely to occur in 2016 so that it occurs in advance of CETO 6 construction.

CETO 6 Project Fact File

The CETO 6 unit has a targeted 1MW (1000kW) power capacity, some four times of the current CETO 5 generation being used in the Perth Project. It will have a superior efficiency, lower capital and maintenance costs than any CETO product generation developed to date. The CETO 6 Project is supported by \$11m in Australian Government grant funding through the Australian Renewable Energy Agency's Emerging Renewables Program and a \$21 million loan facility from the Commonwealth Bank of Australia. The clean, renewable energy generated by the Project will be sold to the Australian Department of Defence at Australia's largest naval base, HMAS Stirling, on Garden Island in Western Australia.

For more information:

Dr Michael Ottaviano
CEO & Managing Director
Carnegie Wave Energy Limited
+61 8 9486 4466
enquiries@carnegiewave.com
Website: www.carnegiewave.com