

ASX Announcement

Thursday, 18th June 2015

\$460,000 Government Grant Milestone Payments

- **Final Perth Project milestone payments from WA State Government approved**
- **Final milestone payment for Desalination Pilot Project approved**
- **Final construction milestone payment from Federal Government approved**
- **95% of Perth Project Government milestone payments now approved**

Wave energy developer Carnegie Wave Energy Limited (ASX: CWE) is pleased to announce it has received approval for \$460,246 of Government grant payments, including \$267,238 from the WA State Government under the Low Emission Energy Development (LEED) fund, representing the final payment to be received for the Perth Wave Energy Project from the LEED fund.

Carnegie will receive payments from LEED for the final two operational milestones of \$133,619 each. Separately, the final desalination milestone payment has been approved by AusIndustry for \$11,929, leaving only a final 5% grant retention amount to be paid after 12 months operation at Project completion.

Carnegie has also received approval from the Australian Renewable Energy Agency (ARENA) for a milestone payment of \$181,079 for the practical completion of the Project. This brings the total of all approved milestone payments across the Perth Project to 95% as per the funding agreements.

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

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. ARENA is currently supporting more than 200 projects and is actively seeking new projects to support.

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. The technology is capable of generating power onshore or offshore depending upon the specific characteristics of a project site.

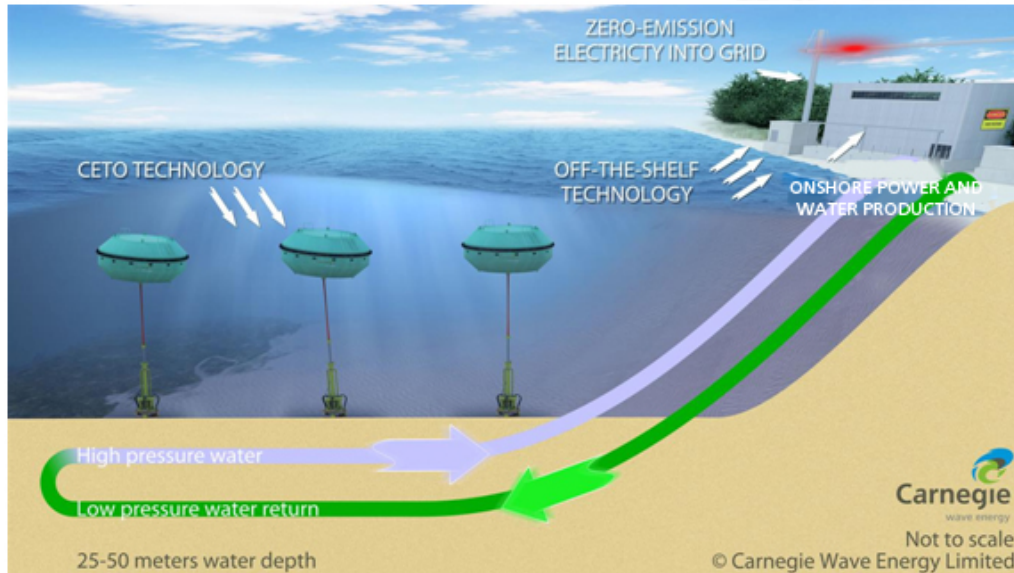
CETO technology characteristics include:

- 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.
- Providing clean, renewable energy and potable desalinated water to Australia's largest naval base, HMAS Stirling, on Garden Island in Western Australia.

The CETO 5 technology being utilised in the Perth Wave Energy Project (PWE) is configured to utilise the CETO pumps to pressurise water and deliver it onshore via an underwater pipe. Then, onshore, 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 or reducing reliance on greenhouse gas-emitting, electrically-driven pumps usually required for such plants.



CETO 5 (Perth Wave Energy Project) Power & Water Schematic

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