

ASX Announcement

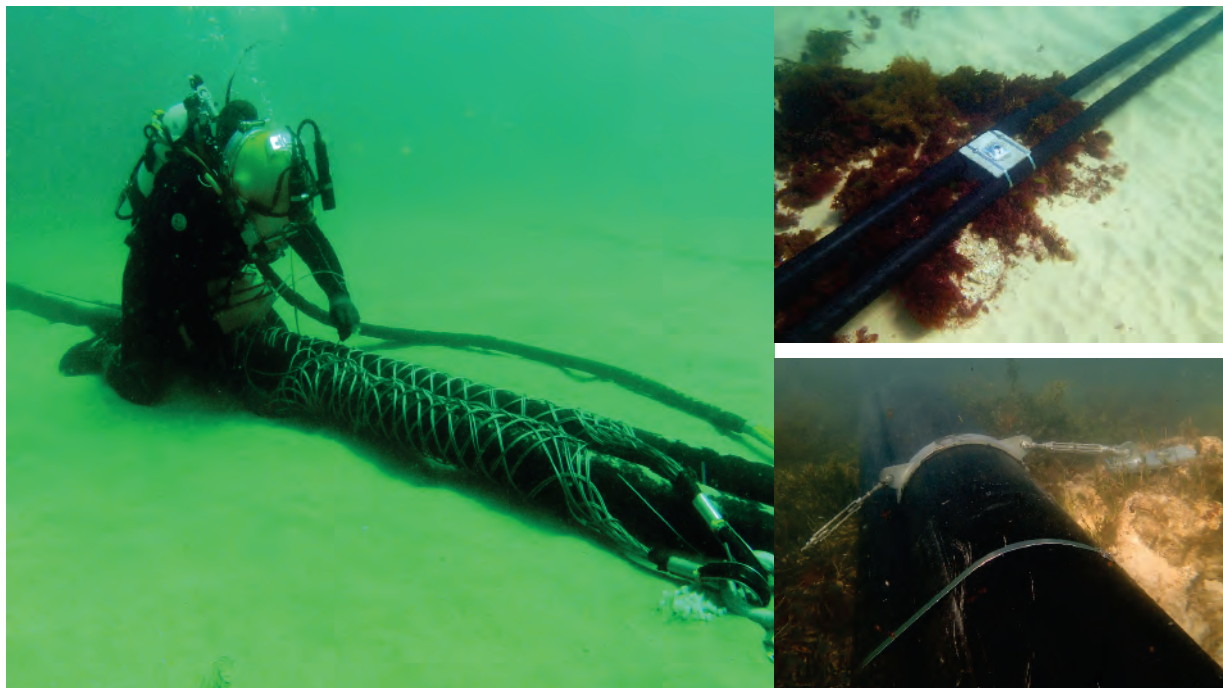
Thursday, 6th March 2014

Perth Project Offshore Pipeline Installation Completed

- **Shoreline crossing pipeline conduit completed**
- **Pull through of pipeline through conduit completed**
- **Pipeline rock bolted nearshore and reeled out to the offshore lease area**

Carnegie Wave Energy Limited (ASX: CWE) is pleased to advise that the pipeline installation work package of its Perth Wave Energy Project in Western Australia is complete.

The installation of the pipelines follows on from the completion of the shore crossing conduit installation earlier in February. The pipeline work package involved the installation of a 400mm diameter high density polyethylene (HDPE) shore crossing conduit which holds the high pressure delivery and return pipes that transmit the high pressure water between the offshore and onshore project sites, and a 110mm HDPE conduit which will hold the communications cable and desalination pipe.



Installation of offshore pipeline, Garden Island, Western Australia

Pipeline installation contractor Total AMS Pty Ltd (TAMS) mobilised to site mid-February. Initial activities involved the pulling of the pipeline through the shore crossing conduit followed by the reeling out of the pipeline to the offshore site. Remaining offshore work is expected to be completed in the coming weeks, allowing for hydrostatic pressure testing and installation of secondary stabilisation.



Installation of offshore pipeline at Garden Island, Western Australia

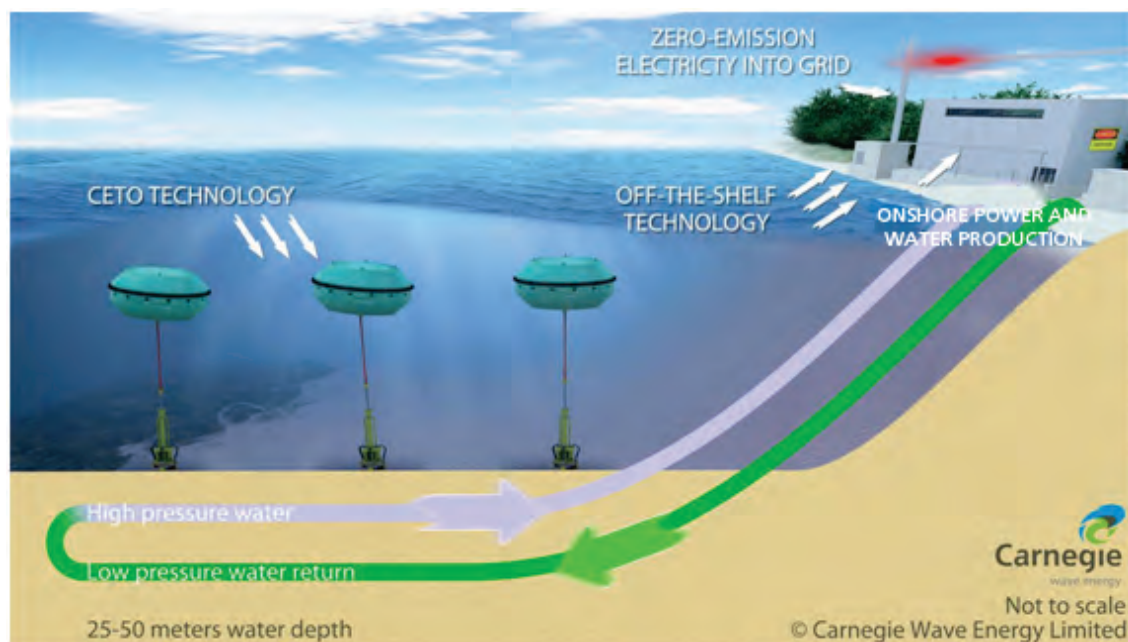
The Perth Wave Energy Project utilises subsea high pressure pipelines for the transmission of high pressure water. The pressurised water is pumped by the CETO units to the onshore power station and desalination plant, which then returns the low pressure water back offshore to the CETO units to be re-pressurised.

Carnegie placed an order for the manufacture and supply of 6km of flexible steel reinforced pipe and associated end fittings and interconnections in July 2013 with FlexSteel Pipeline Technologies (FlexSteel) based in Houston, Texas. FlexSteel is an experienced piping manufacturer and supplier, with over 20 years' experience, specialising in flexible steel reinforced pipe for demanding offshore environments. In December 2013, Carnegie announced the award of the pipeline and shore crossing conduit installation contract to Total AMS Pty Ltd (TAMS).

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



Perth Wave Energy Project Power & Water Schematic

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. Fully submerged buoys are tethered to seabed pump units. These buoys move with the motion of the passing waves and drive the pumps. The pumps pressurise water which is delivered onshore via a subsea pipe.

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. The technology is also capable of generating power offshore should the specific characteristics of a project site require it.

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.
- Utilising Carnegie's fully submerged and commercial proven CETO wave energy device.
- Providing clean, renewable energy and potable desalinated water to Australia's largest naval base, HMAS Stirling, on Garden Island in Western Australia.

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