

14th July 2009

Satisfaction of Conditions to CETO Acquisition

Carnegie Corporation Limited (ASX: CNM) and Renewable Energy Holdings Plc (AIM: REH) are pleased to advise that key conditions to the acquisition of the CETO wave energy technology and global development rights have been satisfied, specifically:

- Satisfactory completion of joint due diligence investigations; and
- Appointment of an additional REH nominee director to the Board of Directors of CNM;

The remaining conditions precedent to the transaction are anticipated to be completed well in advance of the shareholders meeting to approve the transaction currently scheduled for early September, 2009. Upon completion of the transaction, Carnegie will become the owner of the CETO intellectual property and retain the global rights to develop the technology. REH will become CNM's largest shareholder with Carnegie Board representation. In the Northern Hemisphere, Carnegie will co-develop CETO projects with EDF EN, a 50% subsidiary of one of the world's largest power companies.

As a result of a restructure of pre-existing funding arrangements for the CETO technology development between REH and EDF EN, the purchase consideration payable by Carnegie to REH has been adjusted. This adjustment in funding arrangements results in REH now receiving 235 million shares upon completion of the transaction which will represent 32% of Carnegie's post-transaction expanded issued capital (previously 252 million shares or 34%).

Carnegie expects meeting materials including an Independent Expert's Report on the proposed transaction to be sent to Carnegie shareholders during the first week in August.

About CETO

The CETO system distinguishes itself from other wave energy devices by operating out of sight and being anchored to the ocean floor. An array of submerged buoys is tethered to seabed pump units. The buoys move in harmony with the motion of the passing waves, driving the pumps which in turn pressurise water that is delivered ashore via a pipeline.

The 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 pumps usually required for such plants.

CETO Technology characteristics include:

- CETO converts wave energy into zero-emission electricity
- CETO is environmentally friendly, has no visual impact and attracts marine life
- CETO is fully submerged in deep water away from popular surf breaks and safe from storms.

About Carnegie

Carnegie Corporation Ltd is an Australian, ASX-listed (CNM) wave energy and clean technology developer. Upon completion of its recently announced transaction outlined in the Heads of Agreement with Renewable Energy Holdings, the CETO Technology intellectual property and global development rights will be 100% owned by Carnegie. Pursuant to the Transaction, Carnegie will also operate a Joint Venture License Agreement with EDF EN to own and operate CETO Wave Power Projects in the Northern Hemisphere and Reunion Island.

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