

30 July 2009

### International Government Grants & Site Update

- **\$7m in French & Canadian Government Grants awarded**
- **Investigative permit awarded in Canada**
- **Updates on Reunion Island, Bermuda, Galway & Vancouver sites**

Wave Energy Developer Carnegie Corporation Limited (ASX: CNM) is pleased to provide the following update on the Northern Hemisphere wave project site activity that it will acquire through its purchase of the CETO intellectual property and global development rights from Renewable Energy Holdings Plc, specifically:

#### **Reunion Island, France:**

Reunion Island, an overseas French territory in the Indian Ocean, has announced the award of €3M (AU\$5.16 million) of French Government funding for a research and development project, to be led by CETO Joint Venture licensee EDF EN, to investigate the potential for the CETO wave energy technology on Reunion. The R&D project will consider any adaptation and optimisation of the technology that may be necessary for Reunion and the feasibility of a demonstration project. Final contractual arrangements for €3M of funding are currently being negotiated and further details will be provided once the agreements are finalised.

#### **Vancouver Island, British Columbia, Canada:**

Pacific Coastal Wave Energy Corporation ("Pacific Coastal"), a development company owned 95% by Renewable Energy Holdings Plc and 5% by local energy technology company, Global Energy Horizons Corporation (GEH), has been investigating the potential for CETO wave energy off the west coast of Vancouver Island in British Columbia, Canada. Pacific Coastal was granted an Investigative Permit ("Permit") by British Columbia's Ministry of Agriculture and Lands to conduct a wave energy investigation over an area of approximately 475 hectares off Ucluelet, Vancouver Island. In April 2009, Pacific Coastal was awarded CAD\$2m through British Columbia's Innovative Clean Energy (ICE) fund to develop a wave energy project off Ucluelet.

#### **County Galway, Republic of Ireland:**

The potential for commercial scale demonstration of the CETO technology is being investigated at Sustainable Energy Ireland's (SEI) wave energy test sites located off Spiddal in County Galway and Belmullet in County Galway. Ocean energy initiative funding of €26m (AU\$44.65 million) is available for research and a feed-in tariff of €220/MWh (AU\$378/MWh) for wave and tidal power has been established. Ireland has a renewable energy target of 33% by 2020, with an aim of 500MW of installed ocean energy by 2020 with an interim target of 75MW by 2012. To facilitate this development, ocean energy is currently given priority for grid access.

## **Bermuda:**

Preliminary site investigation studies for a wave energy facility off the east coast of Bermuda have been completed by Renewable Energy Holdings Plc (“REH”) and Triton Renewable Energy (“Triton”), a local Bermuda company, working jointly under a Memorandum of Understanding. The parties plan to build and operate wave farms in Bermuda using the CETO wave power technology with an initial test site of 2MW to be developed and subsequently a grid connected 20MW installation.

Bermuda is completely dependent on the import of fossil fuels for electricity generation reflecting a high cost of electricity. As a result, in September 2008 the Bermuda Electric Light Company Limited (Belco), as the main supplier and sole distributor of electricity in Bermuda, issued a Solicitation for interested parties to provide the island with renewable power supply. REH and Triton submitted a Statement of Intent (“SOI”) for a demonstration site of 2MW to be developed and subsequently a grid connected 20MW installation. The parties were subsequently notified by Belco in February 2009 that the SOI had been successful, allowing it to progress with the development of a 2MW CETO demonstration project in 2010.

Upon completion of the CETO Intellectual Property Acquisition (expected in September 2009), Carnegie will perform an assessment on its global CETO project sites pipeline with the intent to initially progress only the most prospective of those sites to ensure that these developments are well resourced and focussed efforts.

## **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.

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 La Réunion.

### **For more information:**

Dr Michael Ottaviano  
Managing Director  
Carnegie Corporation Ltd  
(08) 9486 4466  
[enquiries@carnegiecorp.com.au](mailto:enquiries@carnegiecorp.com.au)

### **Media:**

Sarah Allchurch  
Allchurch Communications  
(08) 9381 6625  
0412 346 412  
[sarah@allchurchcommunications.com](mailto:sarah@allchurchcommunications.com)

### **Website:**

[www.carnegiecorp.com.au](http://www.carnegiecorp.com.au)