

## **ASX Announcement**

4<sup>th</sup> August 2009

### **CETO Acquisition “fair and reasonable”**

- **Independent Expert’s Report deems CETO acquisition fair and reasonable**
- **Independent Directors recommend shareholders approve transaction**
- **Independent Expert’s Report & Notice of Meeting released**
- **Carnegie to change name to Carnegie Wave Energy Limited**

Wave energy developer Carnegie Corporation Limited (ASX: CNM) is pleased to advise that the Independent Expert, KPMG, has concluded that Carnegie’s proposed acquisition of 100% of the intellectual property and global development rights for the CETO Wave Energy Technology (“CETO Technology”) is fair and reasonable to the non-associated shareholders of the Carnegie.

Furthermore, Carnegie’s Independent Directors also unanimously recommend that Carnegie shareholders approve the acquisition.

The Independent Expert’s conclusion removes one further condition precedent to the acquisition of the CETO Technology following from Carnegie’s recent announcement of the satisfaction of the due diligence and appointment of an REH Director.

The full Independent Expert’s Report has been dispatched today to all Carnegie shareholders along with the Proxy Form, Explanatory Memorandum and Notice of General Meeting to be held at 9am on 4 September 2009 at the Old Swan Brewery in Perth.

To assist with clear communication of Carnegie’s strategic intent to be a developer and owner of wave energy projects globally, the Board has proposed to shareholders a change in name of Carnegie Corporation Limited to Carnegie Wave Energy Limited. It is expected that this will coincide with a change in ASX code from CNM to CWE.

Carnegie’s Managing Director Michael Ottaviano said, “The acquisition of the intellectual property and global development rights allows Carnegie a unique global opportunity at a time when global demand for clean energy and awareness of clean energy opportunities is peaking. The name change to *Carnegie Wave Energy* reflects the company’s focus on commercializing the CETO wave energy technology globally.”

### **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 seawater that is delivered ashore via a pipeline.

The high-pressure seawater is used to drive hydro turbines, generating zero-emission electricity. The high-pressure seawater 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 the 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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