



ASX Announcement

23 December 2009

Share Purchase Plan raises over \$5 million

- **Share Purchase Plan completed heavily oversubscribed**
- **Total capital raise including Placement now \$8.865m**
- **Working capital budget for 2010 fully funded**

Australian Wave Energy developer, Carnegie Wave Energy Limited (ASX: CWE), is pleased to announce that its Share Purchase Plan has closed heavily oversubscribed and raised \$5.365 million.

Carnegie had previously announced that it anticipated raising up to \$2.5 million through its Share Purchase Plan ("SPP") however Carnegie's Board of Directors have decided to accept over subscriptions to allow all subscribing investors to participate. These funds are in addition to the recently announced Share Placement ("Placement") which raised \$3.5 million mostly from European, American and Australian institutions.

Carnegie's Managing Director, Dr Michael Ottaviano, said:

"We are delighted with the enthusiastic response of our shareholders which exceeded our expectations. We are glad that so many shareholders were able to participate in the capital raise. I look forward to 2010 being a company defining year for both Carnegie and our CETO wave power technology."

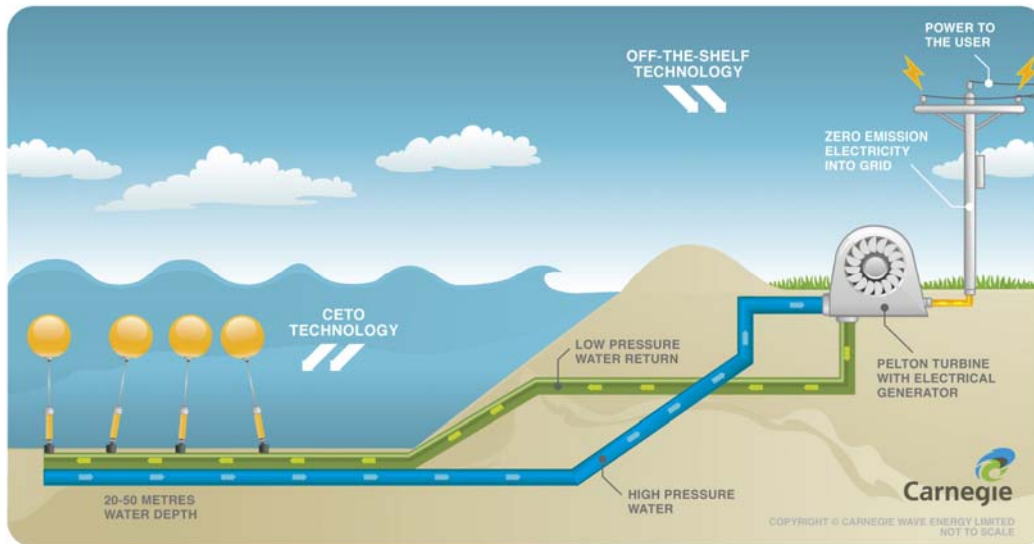
Funds raised from the Placement and the SPP will be applied towards deployment and testing of commercial-scale CETO Wave Energy units in the waters off Perth, Western Australia, as well as international site development activities and for general working capital requirements.

Settlement of SPP funds and issue of shares will occur during the week commencing Tuesday 29 December 2009.

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 electrically driven pumps usually required for such plants.



CETO Technology characteristics include:

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

About Carnegie

Carnegie Wave Energy Limited is an Australian, ASX-listed (CWE) wave energy and clean technology developer. Carnegie is the owner and developer of the CETO Wave Energy Technology intellectual property.

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