

ASX Announcement

9th August 2010



New South Wales Licence Award

- Carnegie awarded Wave Energy Licence off Eden, NSW
- Provides a pathway to secure a commercial project lease
- Adds to Carnegie's wave project pipeline

Australian Wave Energy developer Carnegie Wave Energy Limited (ASX:CWE) is pleased to announce it has been granted a wave energy licence from the Government of New South Wales for a potential wave energy project site south of Sydney, off Eden, in New South Wales.

The licence was awarded today by the New South Wales Minister for Lands, the Honorable Tony Kelly MLC, under section 34 of the Crown Lands Act 1989, and allows Carnegie to further explore the potential for wave energy off Eden with a view to developing a commercial-scale wave energy project in NSW. Carnegie will continue to work closely with the NSW Government as it progresses its site investigations.

Carnegie Wave Energy's Managing Director, Dr Michael Ottaviano, said,

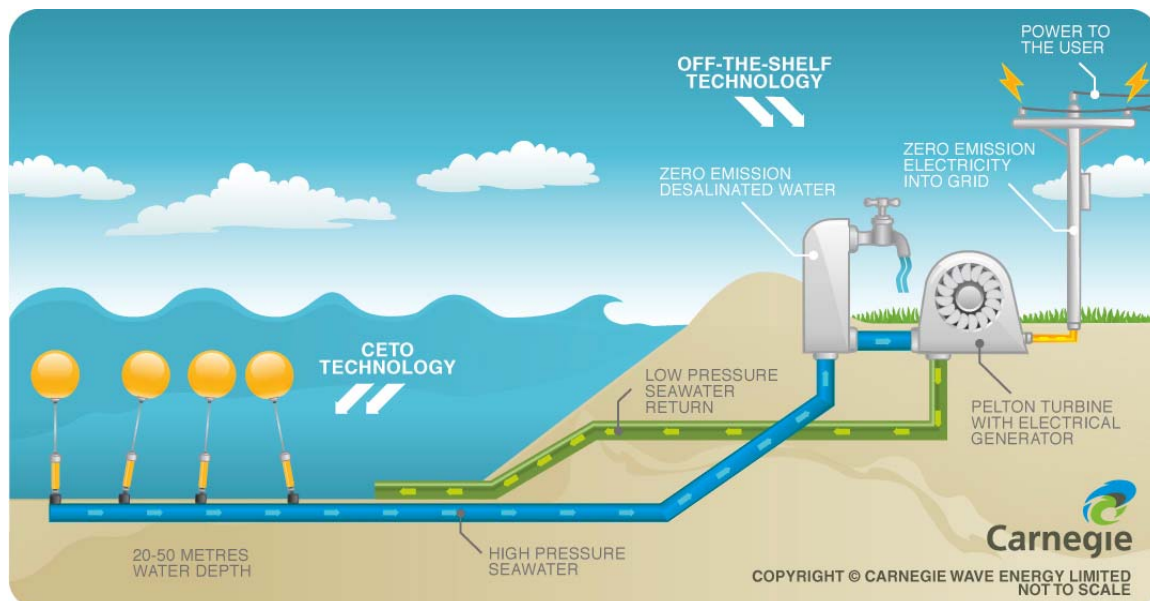
"The award of this licence allows us to further progress site investigation studies at Eden to assess the potential for a commercial-scale wave energy project. Combined with our existing licences in Western Australia, South Australia and Victoria, and our international interests with EDF EN, this further bolsters Carnegie's project pipeline."

The three year licence allows Carnegie to establish the viability of the resource and identify the best specific site for a wave power project. It also provides a pathway to secure a commercial project lease subject to completion of required approvals and permits. Eden was selected after consideration of a number of NSW sites and provides an ideal future entry point for Carnegie into the NSW renewable energy market.

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 technology developer. Carnegie is the owner and developer of the CETO Wave Energy Technology intellectual property.

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