

ASX Announcement

30th December 2011

Oversubscribed Share Purchase Plan raises \$6 million

Wave energy developer Carnegie Wave Energy Limited (ASX: CWE) is pleased to announce that its Share Purchase Plan has closed oversubscribed and raised \$6 million.

Carnegie had previously announced on 1 December 2011 that it had initiated a capital raising via a Share Purchase Plan (“SPP”) of \$4 million with capacity for a further \$2 million in oversubscriptions. In accordance with the offer documents Carnegie’s Board of Directors has decided to accept oversubscriptions of \$2 million in response to the subscription demand.

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

“We’re delighted by the strong and enthusiastic response of our shareholders, which has once again exceeded our expectations during difficult market conditions. With the fund raising closed, the company is now focused on putting into action its plans for 2012.”

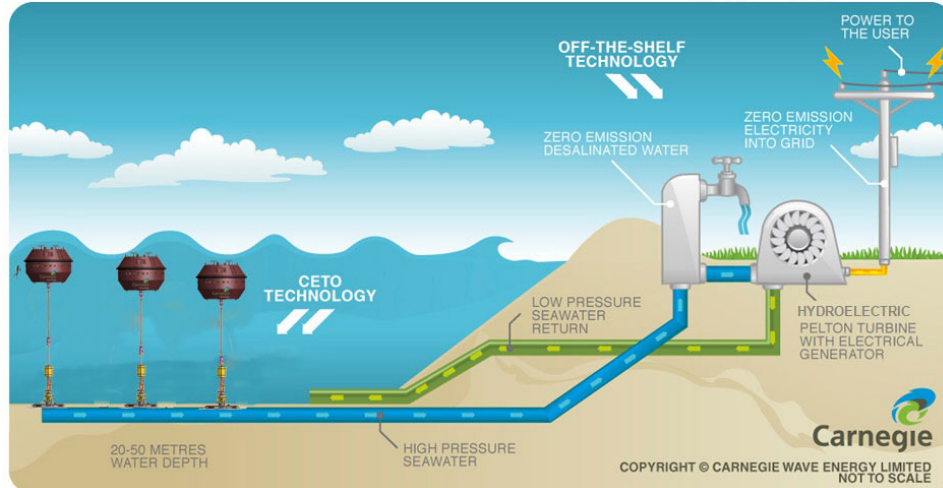
The funds will be used to fund working capital during the commercial demonstration project phase.

Settlement of SPP funds and issue of shares will occur during the week commencing 2 January 2012.

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 fully 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.

On shore, 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 ocean 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 breaking waves, beachgoers and where it is safe from storms

About Carnegie

Carnegie Wave Energy Limited is an Australian, ASX-listed (CWE) wave energy technology developer. Carnegie is the 100% owner and developer of the CETO Wave Energy Technology intellectual property.

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