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Investors swamp Carnegie

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Moves by emerging renewable power player Carnegie Wave Energy to tap the market have been rewarded after investors overwhelmingly backed its latest capital raising.

It is understood that Carnegie will this morning reveal that a share purchase plan that was designed to raise \$6 million had been oversubscribed.

The North Fremantle-based company is believed to have generated \$7.6 million from the plan while collecting further commitments worth about \$1.5 million through a private placement.

After raising more than \$9 million from the twin measures, Carnegie will use the funds to bankroll the design and development of its next generation of wave power technology.

That advance, known as CETO 6, will see the capacity of generating units jump from 240kW — the capacity of the current CETO 5 technology — to 1MW.

Under a landmark deal struck last year, Carnegie is set to sell electricity to Australia's largest naval base, HMAS Stirling, using CETO 5 modules located west of Garden Island.

It has separately negotiated an agreement to supply the naval base with desalinated water.

However, the Grant Mooney-chaired company has built into the deal an option that would allow it to use upgraded technology such as CETO 6 units, a move which would significantly

expand the project's capacity.

In the meantime, Carnegie boss Michael Ottaviano said it would need to prove the technology can work and has identified two sites — at Garden Island or Cornwall in the UK — to carry out the trials.

Carnegie is using world-first technology to build submerged buoys which are tethered to seabed pump units. Passing waves move the buoys, which drive the pumps. Carnegie shares last traded at 5.4¢.



Wave motion: One of the three buoys off Garden Island.