

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

CARNEGIE CLEAN ENERGY LIMITED

ABN

69 009 237 736

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	404	404
1.2 Payments for		
(a) research and development	(343)	(343)
(b) product manufacturing and operating costs	(1,694)	(1,694)
(c) advertising and marketing	-	-
(d) leased assets	(28)	(28)
(e) staff costs	(2,602)	(2,602)
(f) administration and corporate costs	(993)	(993)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	13
1.5 Interest and other costs of finance paid	(373)	(373)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	334	334
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(5,282)	(5,282)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3,084)	(3,084)
(b) businesses (see item 10)	-	-
(c) investments	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
2.6 Net cash from / (used in) investing activities	(3,084)	(3,084)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,379	1,379
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	400	400
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	(42)	(42)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	1,737	1,737

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	10,333	10,333
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(5,282)	(5,282)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3,084)	(3,084)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,737	1,737

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	25	25
4.6	Cash and cash equivalents at end of quarter	3,729	3,729

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,175	1,175
5.2	Call deposits	703	703
5.3	Bank overdrafts	-	-
5.4	Other – <i>Guarantee facilities</i>	1,851	1,851
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,729	3,729

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
603
-

Payments to Directors include consulting fees, salary, and superannuation.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	16,150	11,050
8.2 Credit standby arrangements	-	-
8.3 Other – Government grant funding	33,237	2,536
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The loan facilities include:

- 1) 450 convertible notes at an issue price of \$10,000 each, convertible to equity at any time at 4.0 cents per share and pay an 8.0% p.a. coupon; and
- 2) \$1.8 million in unsecured convertible notes from the Australian Renewable Energy Agency - Emerging Renewables Program. \$1.6 million has been drawn down to date. The notes can convert to equity at 5.3 cents per share and do not pay an interest coupon.
- 3) 50% share of \$7.5 million in construction debt financing with Asymmetric Credit Partners Pty Ltd for the construction of the 10MW Northam Solar Farm. This debt has been fully drawn down and was novated to the Northam Solar Farm Partnership in April 2018.
- 4) \$4m in a revolving debt facility to support research and development activities (\$1.2m drawn down) and a \$2.1m debt facility for post-construction debt refinancing of the Garden Island Microgrid. Both facilities are with the Commonwealth Bank of Australia.

Government funding consists of \$33.2 million across:

- two grants from the Australian Renewable Energy Agency - Emerging Renewables Program,
- one grant in the UK for the WaveHub project,
- one grant from the Western Australian State Government,
- one grant from the National Energy Resources Australia, and
- one grant from the Renewable Technology Fund.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	120
9.2 Product manufacturing and operating costs	2,263
9.3 Advertising and marketing	-
9.4 Leased assets	35
9.5 Staff costs	1,910
9.6 Administration and corporate costs	378
9.7 Other (provide details if material)	
Investment in Carnegie owned Solar projects	1,561
Interest	255
Loan repayment	1,2100
9.8 Total estimated cash outflows*	7,722

Notes

* The estimated cash outflows are required to exclude all cash receipts including receipts from sales, government grants, debt funding, and research and development tax cash offsets. Further

Government grant payments, customer receipts, CCE and EMC R&D tax cash offsets and debt funding are forecast to be received next quarter.

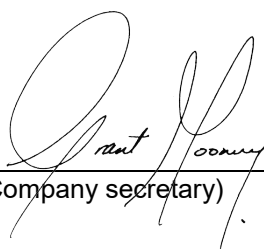
It should also be noted that \$1.6 million has been received subsequent to the end of the quarter and a further \$0.9 million committed to meet commitments under 9.7 above as a result of a divestment of part of the Company's interest in the Northam Solar Farm. In addition, \$2.6 million was received subsequent to the end of the quarter from the Government of Western Australia – Albany Wave Energy Grant Funding.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Sign here:



 (Company secretary)

Date: 31 October 2018

Print name: Grant Mooney

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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