

Chairman's Address at 2021 Annual General Meeting

Welcome shareholders, employees and stakeholders to Carnegies 2021 AGM. I will be chairing this meeting on behalf of the board and my fellow directors. It has been my pleasure and privilege to serve for another year as Chairman of Carnegie Clean Energy.

Your company has made significant strides over the year and we continue to move closer to achieving our technical goals and commercial success. The board and management have worked closely to continue to define and refine our strategic plans and to update and deliver on key milestones. Challenges primarily resulting from the Corona Virus Pandemic have created some obstacles to overcome and caused some delays. The team has worked hard to offset this by finding new alternates, new partners and new commercial opportunities.

Carnegie has a vision, and we know our purpose. Our "vision" is to be the most successful ocean energy company on Earth and our "purpose" is to harness ocean energy to make the world more sustainable. Following the formal business, our CEO Jonathan Fievez will provide and update on the business, our progress over the past year, and provide a preview of plans for the future.

The past year was pivotal for Carnegie Clean Energy and most of the key milestones set-out at last year's AGM have been achieved. While delivering on the key milestones, the team also developed several new spin-off product opportunities. Jonathan will cover our achievements and challenges in his presentation, so I will avoid stealing any of his thunder. I do however wish to recognise the hard work and commitment demonstrated by management and all employees throughout the year. In my view, Jonathan and the team have delivered beyond expectations.

Over the past year I have been closely involved with our technical and commercial activities. I have regularly attended the team's technical reviews and have been involved the development of many of our new technical and commercial partnerships and alliances. My fellow directors have also dedicated their time to actively participate in key company initiatives. I wish to thank my fellow directors for supporting these initiatives and for their contributions over the year.

Your company is better positioned for the future. We have added new technical and commercial partners. We have secured new externally funded programs to offset expenses. Our debt has been eliminated; Carnegie has no debt. We have adequate cash to sustain our continued R&D and operations. The company has a comprehensive strategic plan targeted at delivering commercial success and creating shareholder value. The primary focus for our business continues to be Wave Energy and Wave related technologies. This through the development of our proprietary CETO technology, whilst in parallel, identifying and developing new and exciting complementary spin-off product opportunities.

Terry Stinson

Chairman, Carnegie Clean Energy

Authorised for release to the ASX by Terry Stinson, Chairman

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ABOUT CARNEGIE

Carnegie Clean Energy (ASX: CCE) is a technology developer focused on delivering ocean energy technologies to make the world more sustainable. Carnegie is the owner and developer of the CETO® and MoorPower™ technologies, which capture energy from ocean waves and convert it into electricity. Using the latest advances in artificial intelligence and electric machines, Carnegie can optimally control our technologies and generate electricity in the most efficient way possible. The Wave Predictor technology developed by Carnegie uses a proprietary machine learning algorithm to improve the performance of our wave technologies and has additional applications beyond the wave energy industry. The company has a long history in ocean energy with a track record of world leading developments.

<https://www.carnegiece.com/>



Annual General Meeting

November 2021

Carnegie Clean Energy Limited
ASX: CCE

Achieving a net zero future

Increasing global opportunities for renewable energy technologies

Opportunity driven by global demand for renewable energy

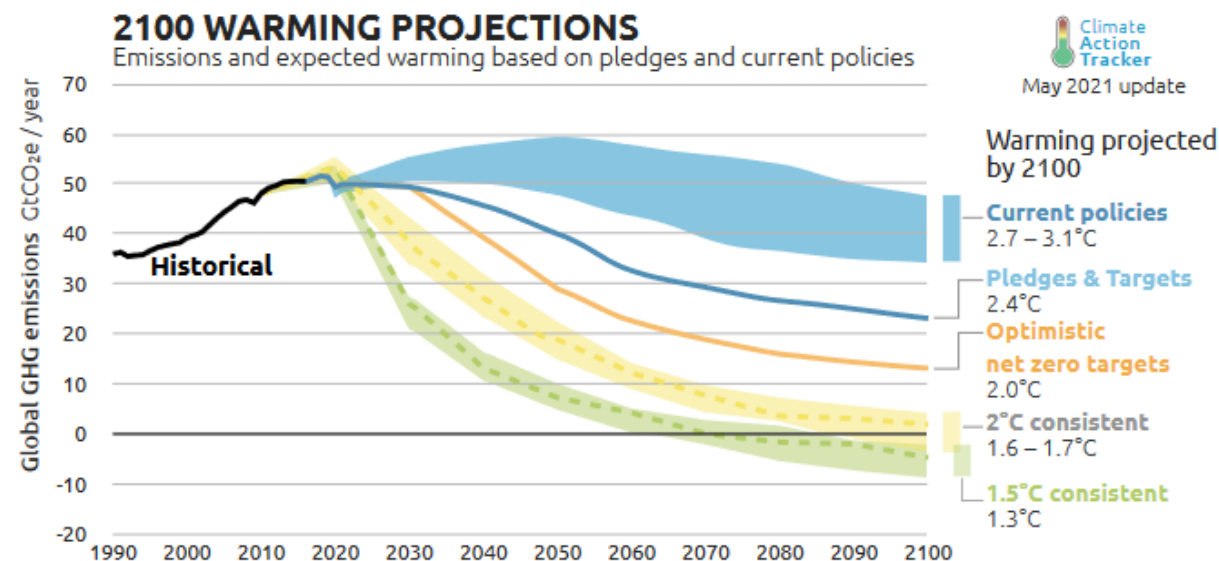
- Global transition to clean power to secure global net zero CO₂ emissions by mid-century and limit global warming to 1.5°C
- International Energy Agency (IEA) estimates that annual clean energy investment needs to more than triple by 2030 to over \$4 trillion, representing well over \$100 trillion in clean energy investment over the next three decades¹
- Ocean Energy Europe (OEE) forecasts a €653b market potential for ocean energy by 2050²

¹ IEA Report: 'World Energy Investment 2021', Executive Summary <https://www.iea.org/reports/world-energy-investment-2021/executive-summary>

² Carbon Trust (2011) Marine Renewables Green Growth Paper

Growing 'Blue Economy'

- Opportunities to replace diesel generation by shifting to low or zero emissions and reduce risk for the environment



https://climateactiontracker.org/documents/853/CAT_2021-05-04_Briefing_Global-Update_Climate-Summit-Momentum.pdf

Potential for wave energy

Wave energy's role in our net zero future and future commercialisation

Wave Energy is an untapped opportunity

- Enormous untapped clean, renewable resource
- Consistent – present day and night – predictable and abundant
- Complements existing renewable energy technologies and reduces energy storage needs

The potential scope for growth

Offshore wind sector growth serves as a blueprint for wave energy sector

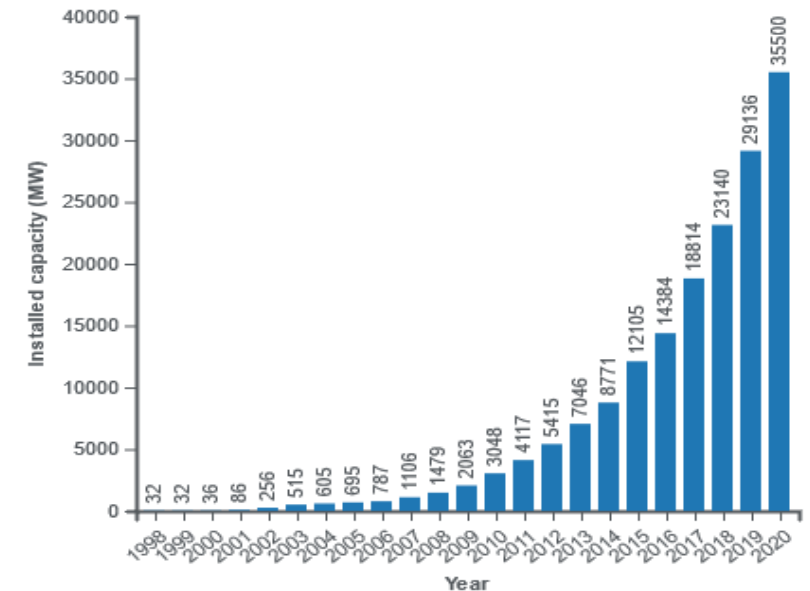
- 1991 – 5MW installed in world's first offshore wind farm, Vindeby
- End of 2020 – 35 GW Installed globally¹
- The wave energy industry is expected to achieve growth rates in line with previously developed energy technologies such as offshore wind and solar PV

Source:

1. Global Offshore Wind Report 2021 <https://gwec.net/wp-content/uploads/2021/09/GWEC-Global-Offshore-Wind-Report-2021.pdf>

Global cumulative offshore wind capacity ([MW](#)).

Sources: [GWEC](#) (2011–2020) and [EWEA](#) (1998–2010)



Who we are



Carnegie is an ocean energy technology company

- Experts in wave energy and related technology
- Technology developer creating unique wave energy products and IP
- 10+ years of partnerships in industry and academia



Why Carnegie?

Game-changer technologies converting ocean waves into zero-emission electricity



Our Products

CETO

MoorPower™

Wave Predictor

Our Purpose

We harness ocean energy to make the world more sustainable.

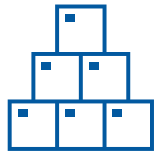
Our Vision

To be the most successful ocean energy company on Earth.

Corporate strategy – last 12 months



Focused on Delivering Carnegie's Strategic Business Plan - Launched in 2020



1

Create unique competitive products



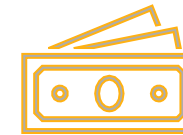
2

Build a market for wave energy



3

Foster the partner ecosystem



4

Secure financial sustainability



5

Cultivate high performing team

Execution – last 12+ months



1

Create unique competitive products

Advanced core CETO product

Achieved significant CETO cost and performance improvements

Developed and launched MoorPower™ product

Validated Wave Predictor product



2

Build a market for wave energy

Building market intelligence for CETO and other products

Educating markets and stakeholders

Active industry engagement and outreach - Ocean Energy Europe, Australian Ocean Energy Group and more.



3

Foster the partner ecosystem

Blue Economy CRC

Hewlett Packard Enterprise (HPE)

Microsoft AI for Earth

5+ active academic partners



4

Secure financial sustainability

Achieved debt-free status

Sold legacy gold royalty for \$1m

Cash position of \$4.4m at 30 September, 2021

Working to maximise Garden Island revenue



5

Cultivate high performing team

Team of world class engineers and scientists with a passion for technology, renewable energy and sustainability

Recruitment of new specialist positions aligned with Strategic Business Plan

Plan evolution – 2019 to 2021

To capture emerging technical and commercial opportunities

Achievements

- Optimised CETO technology – reduced cost and increased performance.
- Achieved CETO design target - on track to be competitive with other sources
- Vast array of internal simulations delivered new levels of accuracy and insight
- Introduced new spin-off products
- Attracted funding support for many activities



Plan evolution – what has changed

What has changed



Second tank testing campaign shifted into 2022



PTO testing shifted into 2022

- Mooring Tensioner awarded funding, manufacturing underway, testing starting in January 2022
- Integrating with MoorPower project – testing mid 2022



Utility Partner

- Focus moving to 'project' partner for next CETO deployment

What was added



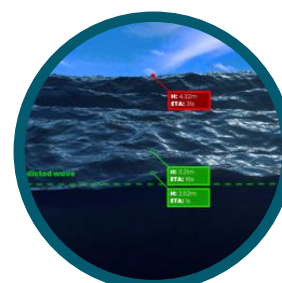
New MoorPower Spin-off Product

- \$3.4m MoorPower™ Scaled Demonstrator Project Launched



New partners and opportunities emerged

- Blue Economy CRC
- Hewlett Packard Enterprise
- Microsoft
- Others in discussions



Wave Predictor Spin-off Product

Strategy – next 12+ months



CETO®

Advanced proprietary submerged wave energy technology

- Tank testing
- PTO testing
- Strategic partnership for deployment project
- Commence design for deployment project



MoorPower™

Integrated wave energy technology for offshore demand applications

- Customer requirements / engagement
- Scaled Demonstrator design and manufacture
- Onshore testing



Wave Predictor

Product capable of predicting upcoming waves using ML algorithm

- Expand market potential by enabling use of alternative input data options
- Customer engagement Identifying new applications



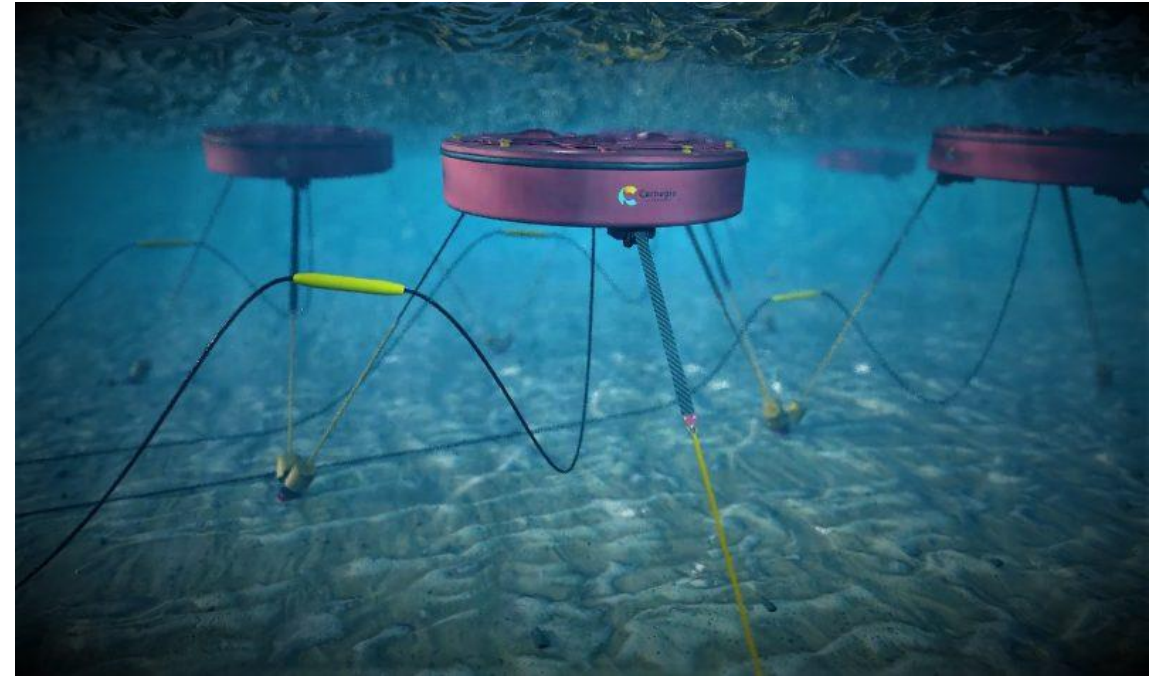
Additional Products

- Mooring Tensioner testing
- Exploring other component and enabling technology spin-off opportunities

Products - CETO

Early mover in emerging market

- CETO is a wave energy converter which captures energy in ocean waves and converts it into zero-emission electricity
- The CETO system is a fully submerged buoy that sits a few metres below the surface of the ocean and moves with the ocean's waves. This orbital motion drives a Power Take-Off (PTO) system that converts the wave motion into grid-ready electricity
- Largest target market comprises the global utility scale electricity markets and early target markets include remote coastal and island markets.



Products - MoorPower™



- MoorPower™ is a CETO derived wave energy product designed for floating offshore structures such as feeding barges in the aquaculture sector
- Offers a solution to the challenge of securing clean and reliable energy for offshore activities, reducing reliance on diesel generation, and reduced risk for people and environment
- Over the next 2 years, Carnegie will design, develop, build and operate a scaled demonstrator of the MoorPower™ technology in collaboration with leading partners in the \$3.4m MoorPower™ Scaled Demonstrator project
- Batteries or hydrogen system for buffering/storage
- Future hydrogen integration opportunities



Scaled Demonstrator Partners



Wave Predictor & additional products



Wave Predictor

- Leveraging the power of Artificial Intelligence to predict ocean waves up to minutes into the future, before they impact the shore, a structure, or a wave energy converter
- Utilises data captured from nearby wave buoys or sensors to feed into the algorithm and predict waves to a high level of accuracy
- Wave Predictor increases the safety and performance of many activities including wave energy converters, critical offshore operations and rock fishing



Mooring Tensioner

- Provides passive tension for CETO and MoorPower products
- Could be a standalone product that improves station-keeping for vessels

The Wave Predictor has potential applications in wave energy and beyond, including improving safety of personnel transfers



Investment highlights



1

Technological
advantage

Advanced IP and early mover in one of the world's largest untapped sources of clean energy



2

Solid strategy
for growth

Clear strategy delivering CETO technology and spin-off products



3

Strong
partnerships

World class industry and academic alliances to support the development and pathways to commercialisation



4

Global
renewables
market boom

Governments are committed to zero carbon by 2050, and wave energy can play a huge role as an untapped renewable resource



5

Only the
beginning

CETO products to revolutionise power generation, producing clean energy and support global efforts towards decarbonisation



Thank You

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