ASX Announcement

27th November 2017

10 MW Northam Solar Farm Update

Carnegie Clean Energy Limited (ASX: CCE) is pleased to advise that WA's first merchant utility solar project, the 10MW Northam Solar Farm, is underway with the selection of co equity investors Indigenous Business Australia (IBA) and Perth Noongar Foundation (PNF) from a competitive investment process run by Carnegie.

IBA and PNF have signed a binding term-sheet with Carnegie for a collective 50% ownership of the Northam Solar Project alongside Carnegie's 50% ownership. IBA and PNF are now engaged in an exclusivity period to complete the detailed transaction documentation which will be finalised in the coming weeks. Upon execution of the detailed documentation, all funding requirements for the Northam Solar Project will be complete.

Additionally, Carnegie has made significant progress on a range of associated activities including:

- Confirmation of a binding grid connection offer and signing of the Electricity Transfer Access Contract (ETAC) and Interconnection Works Contract (IWC) with Western Power, facilitating the commencement of onsite connection works in December 2017;
- Formal award of Reserve Capacity Accreditation (RCC) from the Australian Energy Market Operator (AEMO) confirming the eligibility for capacity credit payments;
- Signing of a 25-year land lease agreement at site with a local Northam landowner;
- Secured a 12-month construction debt finance facility for $7.5 million provided by the Perth based private investment group Asymmetric Credit Partners Pty Ltd.; and
- Finalisation and approval of the Development Application by the Mid-West / Wheatbelt Joint Development Assessment Panel (JDAP).

Carnegie's Managing Director, Dr Michael Ottaviano, commented:

"This will be Carnegie's second solar project that we own and operate and we're delighted to be working alongside Indigenous Business Australia and the Perth Noongar Foundation as their first investment in renewable energy in WA. The Northam Solar Project is a great step forward in Carnegie's strategy of developing a mixture of customer owned projects that generate an immediate return at the completion of construction and self-owned projects that generate an annuity return over the life of the project."

Indigenous Business Australia's Chief Executive Officer, Rajiv Viswanathan, commented:

"We are excited to be part of this ground-breaking solar initiative alongside our partners Carnegie and PNF. This project is an example of the private and public sectors partnering with Indigenous investors to promote impact investment. IBA is actively considering other impact investment opportunities, as announced in its recent launch of its Indigenous Investment Partnerships initiative."

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Perth Noongar Foundation's Chairman, Cedric Jacobs, commented:

"Our forefathers, ancestors and elders have all had a cultural responsibility to protect and nurture mother earth for the current and future generations. The Perth Noongar Foundation is proud to have the opportunity to partner with this project as it offers our people, and the greater community, access to a renewable clean energy which is sustainable and aligns with our cultural values and responsibilities. Spiritually, I am pleased to see this project take place in Northam, the land of my childhood."

Carnegie has developed the Northam solar farm as a template for future projects where the company can receive value from multiple revenue streams including electricity sales, renewable energy certificate sales and reserve capacity credit payments relating to its 50% ownership of the Project, a project development fee at financial close and a share of the EPC and operations and maintenance margins.

Carnegie, IBA and PNF will work with Energy Made Clean and Lendlease to drive Noongar and Aboriginal employment and procurement outcomes in the construction and operation of the Northam Solar Project.
The Northam Solar Project has a capital cost of approximately $17m including Carnegie's development fee paid upon completion of the detailed documentation in the coming weeks at which time it will begin construction. It is expected to be complete in the 2nd half of 2018 and when it will begin selling power into the Western Australian grid.



A graphic representation of the Northam Solar Farm

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About Northam Solar Project

The Build, Own and Operate 10 MW Solar Power Station in Northam, Western Australia, will consist of approximately 34,000 solar panels constructed on 25 Hectares of strategically located land to deliver approximately 24,000 MWh of electricity per annum for at least the next 25 years. The system will also be utility scale battery storage ready. This will be the first large scale solar project to be delivered by the EPC Joint Venture between Carnegie Clean Energy's wholly owned subsidiary Energy Made Clean and leading property and infrastructure company Lendlease.

About Carnegie Clean Energy Limited

Carnegie Clean Energy Limited is an Australian, ASX-listed (ASX: CCE) wave energy technology developer and solar/battery microgrid project developer. Carnegie is the 100% owner and developer of the CETO Wave Energy Technology intellectual property and is also 100% owner of leading Australian battery/solar microgrid Engineering Procurement and Construction (EPC) company Energy Made Clean (EMC). EMC specialises in the delivery of mixed renewable energy microgrid projects to islands and remote and fringe of grid communities. Carnegie is the only company in the world to offer a combination of wave, solar, wind, storage and desalination via microgrids which are ideally suited to islands, off grid communities and fringe of grid locations.

About Indigenous Business Australia

IBA is a commercially focused organisation. Our vision is for a nation in which the First Australians are economically independent and an integral part of the economy.
Economic independence for Aboriginal and Torres Strait Islander peoples is at the heart of what we do. Our programs assist Indigenous Australians to buy their own homes, be successful in business and invest in commercial ventures that provide strong financial returns.
We're deeply invested in the financial success and economic independence of our customers and partners at every step of their journey - it's why we exist.

About Perth Noongar Foundation

PNF is an incorporated association registered under the Associations Incorporation Act 1987 (WA) with a primary object to engage in major enterprise acquisition and economic development projects, to provide a sustainable economic base for future generations of Whadjuk people in the Perth region.

About EMC/Lendlease Service Joint Venture

In December 2016, Energy Made Clean signed a 50/50 Joint Venture Agreement with Lendlease's Services business. This JVA is providing opportunities for EMC to increase its capacity to bid for and deliver a broader range of solar, BESS and microgrid opportunities within Australia, including increased access to the National Energy Market (NEM), leveraging Lendlease's national footprint across Australia. Lendlease's Services business has approximately 3,000 people and has a presence in every Australian state and territory.

For more information:

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