

BOARD OF DIRECTORS & CEO

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Anthony Shields

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QUARTER HIGHLIGHTS

- CETO Buoyant Actuator fabrication completed ahead of first stage deployment commencing in November
- PTO mechanical assembly advanced at SKF prior to onshore testing
- PTO fit testing successfully completed inside the Buoyant Actuator
- Test Plan approved for US TEAMER aquaculture project, with activities commencing in November.
- Increased existing loan facility to \$3.5M and extended the maturity date to June 2027 to align with upcoming project milestone cashflows

Carnegie's CEO, Mr Jonathan Fiévez, commented on the Quarter:

We set ourselves a difficult task in the ACHIEVE programme with an ambitious design and performance objectives, so it has been great to see the fabrication phase draw to a close in recent weeks with Buoyant Actuator's paint now drying at our supplier's facility in the Basque Country. Carnegie's team have worked intensely to overcome the many challenges and learned a lot along the way. Resolving real-world supply chain and interface challenges alongside our European partners has continued to build critical, hands-on experience that informs our commercial array planning. It is a rewarding phase for the entire business to see years of design and numerical modelling come together in physical form.

Presenting our project insights at ICOE-OEE 2026 in The Hague was a timely opportunity to share our progress with the broader global sector. What stood out clearly across both our technical sessions and discussions is that the industry conversation has shifted towards how quickly mature technologies can bridge into bankable, multi-device commercial arrays. The level of engagement around CETO's pathway reinforced that our structured approach to commercialisation is what the market is looking for.

With the first stage of CETO deployment under the ACHIEVE Programme commencing in November, we are taking a staged approach to reduce offshore risk. This allows us to build local marine operations experience before integrating the more complex subsea power systems during the second stage of deployment in Spring 2027.

PRODUCTS

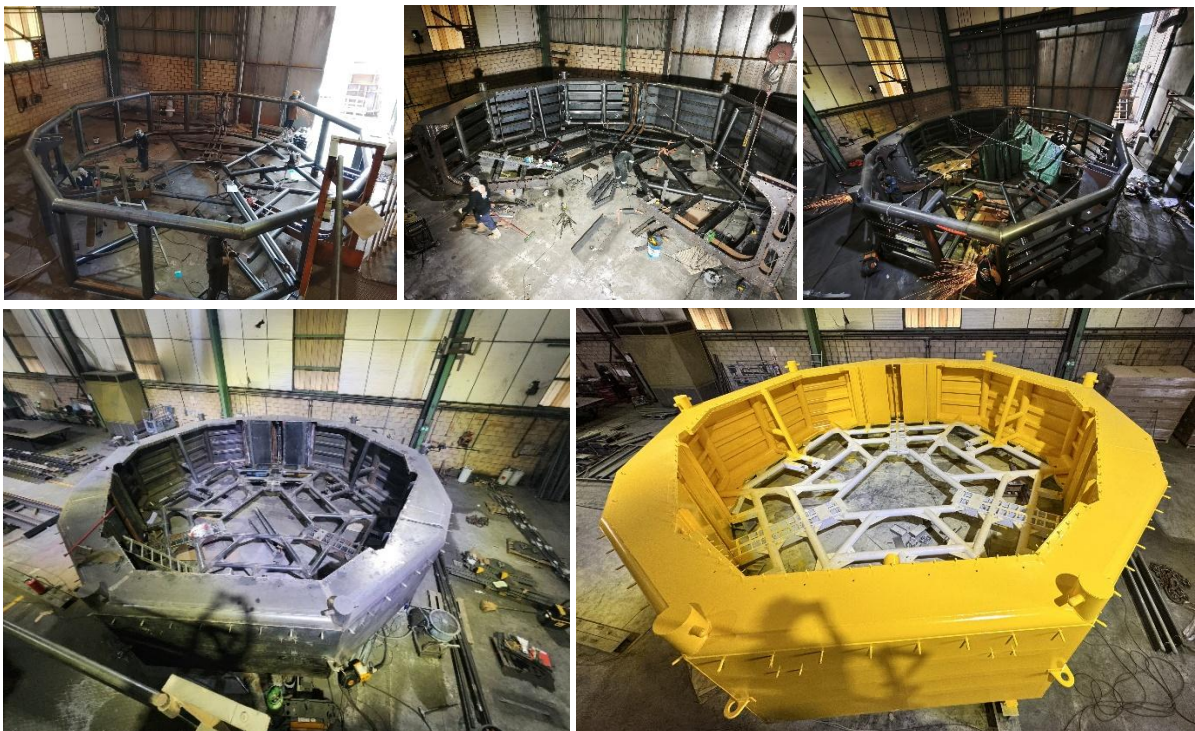
Throughout the quarter, Carnegie maintained momentum across our product development and commercialisation workstreams. The primary focus remained on advancing CETO fabrication and testing under the ACHIEVE programme prior to deployment at BiMEP, while continuing to explore commercial pathways for complementary wave energy products in defence and aquaculture sectors.

Products – CETO

ACHIEVE Programme

ACHIEVE activities this quarter focused on completing the Buoyant Actuator (BA) fabrication, assembling the PTO, preparing for offshore works and a variety of tasks all aimed at moving Carnegie's CETO technology closer to staged offshore deployment at the Biscay Marine Energy Platform (BiMEP) in the Basque Country, Spain

Fabrication of the BA has reached completion in the Basque Country, ahead of the first stage of deployment commencing in November. Designed as a three-piece modular structure to simplify road transport, the BA sections will be transported to the Port of Bilbao for quayside reassembly, outfitting, and deployment. The BA will subsequently be towed to Carnegie's berth at the Biscay Marine Energy Platform (BiMEP) and installed on an initial mooring system, validating the structure's hydrodynamic stability, towing methodology, and offshore logistics.



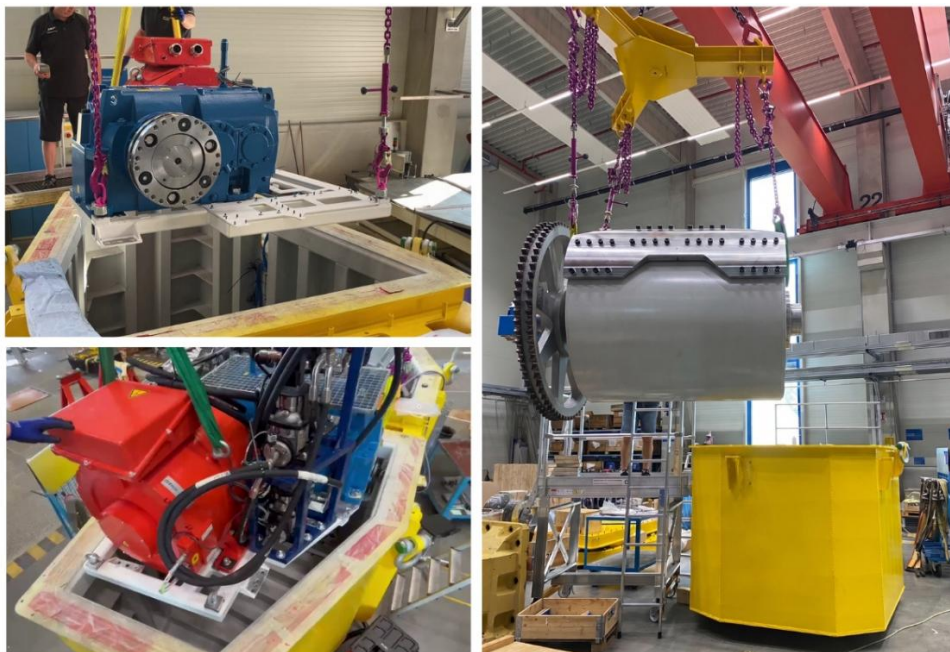
Fabrication snapshots of the ACHIEVE CETO Buoyant Actuator over recent months

The team has completed successful physical fit-checks of the BA and PTO components. These fit tests confirmed rapid installation and removal capabilities, demonstrating Carnegie's operational strategy to streamline maintenance and minimise downtime with modules that can be rapidly removed, reinstalled or even swapped out for ready-to-go spares.



PTO (yellow module) and Buoyant Actuator (BA) fit testing

PTO assembly works have continued with specialist supplier SKF before the PTOs are returned to the Basque Country. Following assembly, the PTO modules and electrical module will undergo rigorous onshore testing in a controlled environment before being integrated into the Buoyant Actuator for the second stage of deployment and full grid connection in Spring 2027.



PTO Assembly - generator and cooling systems (left), tensioner system (right)

For more details on the ACHIEVE Programme progress and programme objectives, please refer to our latest announcement ([October ACHIEVE update](#)).

Products – Other

US TEAMER Project



During the quarter, the Test Plan was formally approved for Carnegie's U.S. TEAMER project, *Development of a Finfish Array with Distributed WEC Power Integration*. Valued at \$194,000 USD (\$270,000 AUD) and backed by the U.S. Department of Energy, the initiative focuses on adapting Carnegie's wave energy technology for integration into commercial offshore aquaculture infrastructure.

Funding is awarded directly to project partner and dynamic ocean structures specialist Kelson Marine Co. Carnegie serves as the Technical Support Recipient and the work leverages expertise from both partners to deliver value to Carnegie's aquaculture products with minimal capital outlay. Technical work will officially commence on 1 November 2026 and run for nine months, utilising high-fidelity simulations to validate the structural dynamics and power-capture performance of distributed wave energy converters operating within flexible fish pen arrays and dynamic mooring grids.

EVENTS

ICOE OEE 2026



Carnegie team present and exhibit at ICOE OEE 2026

The Carnegie team attended and presented at the International Conference on Ocean Energy and Ocean Energy Europe (ICOE-OEE 2026) held in The Hague. The Carnegie team engaged with international project and technology developers, supply chain partners, and European policymakers both through presentations and at Carnegie's dedicated exhibition stall. Carnegie team members delivered technical presentations on our technologies and lessons learned. The high level of engagement throughout the event provided a platform to deepen European supply chain partnerships and explore future funding opportunities.

COIN Project Consortium Meeting

In October, the COIN Project consortium convened in The Hague at the Dutch Marine Energy Centre facility for an intensive technical workshop and site tour. This €4m EU funded project is progressing innovations in control that are directly applicable to CETO. The in-person session brought project partners together to exchange key findings and align on upcoming milestones. With Carnegie's CETO technology acting as the core reference platform for the COIN project, the meeting provided critical collaborative opportunities to advance CETO commercialisation.



COIN Project consortium meeting attendees

Community Engagement

During the quarter, Carnegie welcomed a cohort of Murdoch University students to its North Fremantle headquarters, showcasing the research, testing, and operational pathways behind its marine energy technologies. The visit gave students an up-close perspective on the mechanics of CETO's wave capture architecture alongside MoorPower's role in decarbonising offshore operations. During the period, Carnegie engineering interns also represented the company at the INORE 2026 Symposium in Bilbao, delivering technical presentations on the CETO wave energy technology.



Carnegie facility tour for Murdoch University (left), Carnegie interns present at INORE 2026 (right)

Visit to Australian Ambassador

While attending ICOE-OEE 2026 in The Hague, Carnegie Chief Executive Officer Jonathan Fiévez and Chief Commercial Officer Brighid Jay were hosted by His Excellency Dr. Greg French, Australian Ambassador to the Kingdom of the Netherlands. The engagement provided a valuable diplomatic platform to discuss Carnegie's wave energy technology, project opportunities in Europe and highlight Australia's leadership in offshore renewable innovation alongside industry peers.



At Australian Ambassador's Residence

CORPORATE

Extension and Increase of Loan Facility

In July, Carnegie extended the maturity date of its \$2.5 million Loan Agreement with Ballamena Pty Ltd to 30 June 2027. Originally secured in October 2024 to bridge the timing gap between project expenditure and retrospective grant receipts, the facility supported procurement expenditure for the CETO ACHIEVE Programme in the Basque Country, with repayment funded by future milestone receipts and R&D tax incentives.

Subsequently in August, the Company signed a Deed of Variation to increase the commitment amount by \$1.0 million to a total of \$3.5 million to provide continued temporary cashflow support across ongoing fabrication and assembly activities prior to receipt of upcoming grant reimbursements. Under the varied terms, Carnegie agreed to issue 5 million options to the lender exercisable at \$0.27 expiring 14 July 2029, while maintaining all other core conditions, including the 30 June 2027 maturity date and 15% per annum interest rate

FINANCIAL NOTES

At the end of the Quarter, Carnegie had approximately \$2.5 million in cash reserves.

Note 6 to Appendix 4C:

Payments to related parties of the entity and their associates were made during the Quarter. In total, approximately \$89k was paid to Directors and associates for salaries, superannuation and contracted services.

This announcement has been authorised by the Chairman and CEO.

View and engage with this announcement on Carnegie's Investor Hub:

<https://investors.carnegiece.com/link/egLYNr>

For more information

Carnegie Clean Energy Limited

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ABOUT CARNEGIE AND ITS SUBSIDIARIES

Carnegie is a global technology leader developing advanced, wave-powered solutions that accelerate the world's transition to sustainable, reliable, and cost-competitive clean energy. Our focus is on unlocking the vast, untapped potential of ocean waves. Carnegie Technologies Spain and CETO Wave Energy Ireland are wholly owned subsidiaries of Carnegie Clean Energy.

Waves are a uniquely consistent and predictable global resource. The market opportunity is immense, with the EU targeting 40 GW of ocean energy capacity by 2050 to achieve its decarbonisation goals, positioning wave energy at the heart of the blue economy.



CETO

CETO is Carnegie's proprietary, fully submerged wave energy converter (WEC), a point absorber system that converts the kinetic energy of ocean waves into grid-ready electricity. The technology is defined by intelligent innovation, leveraging Artificial Intelligence (AI) and advanced controls to create an advanced wave energy converter for commercial applications. CETO is currently progressing towards deployment in Europe under the ACHIEVE Programme.



MoorPower

MoorPower is a CETO spin-off product designed to decarbonise offshore operations. It provides clean, autonomous electricity for moored vessels (like aquaculture barges), directly replacing high-risk diesel generators. By eliminating the need for constant refuelling, MoorPower reduces carbon emissions, operational risk, and energy costs, securing reliable power for the world's growing blue economy.

ABOUT ACHIEVE PROGRAMME

The ACHIEVE Programme is an initiative being delivered by Carnegie's subsidiaries CETO Wave Energy Ireland under contract by EuropeWave Buyers Group (ACHIEVE Project) and Carnegie Technologies Spain with the support of funding awarded by the Spanish Government through the RENMARINAS Demos Programme (AGUAMARINA Project) and the Basque Government through a grant from the Ente Vasco de la Energia (ACHIEVE+ Project).

Through this collaborative initiative, Carnegie will deploy and operate a CETO prototype at the Basque Marine Energy Platform (BiMEP) in the Basque Country, Spain, marking a key step on CETO's commercialisation pathway. The CETO Unit will operate in this open ocean site and the data collected will be used to validate the performance of the CETO technology and propel it along the commercialisation pathway.



ABOUT EUROPEWAVE



EuropeWave PCP is an innovative R&D programme for wave energy technology, which is running from 2022 to 2027. It combines over €22.5m of national, regional and EU funding to drive a competitive Pre-Commercial Procurement (PCP) programme for wave energy.

Originally pioneered by the Wave Energy Scotland programme, the PCP model provides a structured approach, fostering greater openness, collaboration and sharing of risk between the public sector and technology developers. The programme will focus on the design, development, and demonstration of cost-effective wave energy converter (WEC) systems for electrical power production that can survive in the harsh ocean environment.

Match-funded by the EU's Horizon 2020 programme, EuropeWave is a collaboration between Wave Energy Scotland (WES), the Basque Energy Agency (EVE) and Ocean Energy Europe (OEE). This collaboration is closely aligned with the decarbonisation, industrial and competitiveness objectives of the European Green Deal, and is part of a range of actions being taken to meet the European Commission's targets of 100MW of ocean energy by 2027 and at least 1GW by 2030.



This is part of the EuropeWave project that has received funding from the European Union's Horizon 2020 Research and Innovation Programme under grant agreement No 883751.

<https://www.europewave.eu/>

ABOUT RENMARINAS DEMOS

The RENMARINAS DEMOS Programme was established by Spain's Ministerio para la Transición Ecológica y el Reto Demográfico (Ministry for Ecological Transition and the Demographic Challenge) to grant aid for investment in pilot projects, test platforms and port infrastructure for marine renewables. This was established within the framework of the European Union-funded Recovery, Transformation and Resilience Plan, Next Generation EU. The programme provides aid in the form of a non-refundable grant managed by IDAE, Instituto para la Diversificación y Ahorro de la Energía (Institute for Diversification and Energy Saving).



ABOUT ENTE VASCO DE LA ENERGIA (EVE)



The Ente Vasco de la Energía (EVE) is the Basque Country's energy agency, a public body established by the Basque Government. EVE serves as a central force in the region's energy sector, with a focus on the promotion of energy efficiency, the expansion of renewable energy sources, the development of sustainable energy policy, and the advancement of innovative energy technologies. The funding has been provided through the Grants programme for investment in the demonstration and validation of emerging marine renewable energy technologies 2023 to further support the ACHIEVE Programme.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

CARNEGIE CLEAN ENERGY LIMITED

ABN

69 009 237 736

Quarter ended ("current quarter")

30 September 2026

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	95	95
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(50)	(50)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(779)	(779)
(f) administration and corporate costs	(191)	(191)
1.3 Dividends received (see note 3)		
1.4 Interest received	9	9
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (Bank guarantees)		
1.9 Net cash from / (used in) operating activities	(916)	(916)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets – subsequent development expenditure – CETO Technology	(924)	(924)
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets – grants received	110	110
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (Net insurance less payments to replace damage)		
2.6	Net cash from / (used in) investing activities	(814)	(814)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,500	2,500
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	116	116
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(172)	(172)
3.5	Proceeds from borrowings	1,000	1,000
3.6	Repayment of borrowings	(30)	(30)
3.7	Transaction costs related to loans and borrowings	(165)	(165)
3.8	Dividends paid		
3.9	Other (leases)	(24)	(24)
3.10	Net cash from / (used in) financing activities	3,225	3,225

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	996	996
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(916)	(916)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(814)	(814)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,225	3,225
4.5	Effect of movement in exchange rates on cash held	(16)	(16)
4.6	Cash and cash equivalents at end of period	2,475	2,475

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	2,475	996
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,475	996

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(89)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	3,500	3,500
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	3,500	3,500
7.5	Unused financing facilities available at quarter end		
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <div style="border: 1px solid black; padding: 5px; min-height: 200px;"> <p>Lender: Ballamena Pty Ltd ATF Ellan Finance Unit Trust - \$3,500,000 Interest: 15% per annum Final Repayment Date: 30 June 2027. The Borrower can make any part or whole repayments in advance of the Final Repayment Date at its discretion with no penalty Security: The Lender will have a Featherweight General Security Agreement</p> <p>Lender: Export Growth Bond Facility (facility) with Export Finance Australia (EFA) This has been agreed with EFA and two bonds are now in place. This has provided cash backed security on bank guarantees for Spanish RENMARINAS and EVE grants. Bond Facility Limit: €2,497,314.89 • Establishment Fee: \$41,000 Bond amount drawn down: €1,626,542 Bond Cash Security: 0% at commencement with right reserved to request in future EFA has General Security over Carnegie and its subsidiaries Risk Premium Fee: 5.0% Bond Issuer Fee: estimated at 0.45%</p> </div>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(916)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,475
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	2,475
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	<div style="border: 1px solid black; padding: 5px; min-height: 30px;">2.7 quarters</div>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	<p>If item 8.5 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <div style="border: 1px solid black; padding: 5px; min-height: 30px;"> <p>Answer:</p> </div>	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

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

Date: 30 October 2026

Authorised by: By Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
3. 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.