REPORT TO SHAREHOLDERS

QUARTER ENDED 30 SEPTEMBER 2025

CONTACT DETAILS

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QUARTER HIGHLIGHTS

- Selected as the key technology partner in the €4M COIN project with role fully funded under the Horizon Europe Programme
- Raised $2.116 million from shareholders through a Share Purchase Plan
- Completed significant manufacture milestones for ACHIEVE Programme deployment of CETO, including completion of foundations
- Participated in Ministerial Roundtable with the WA State Minister for Defence Industries to highlight our wave energy technology solutions for the defence market
- Hosted successful investor webinar with CEO Jonathan Fievez and Chairman Anthony Shields

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

"The team has maintained steady momentum this quarter, successfully completing significant manufacture milestones for the ACHIEVE Programme on the path to deployment of CETO in the Basque Country, Spain. Seeing large metal fabrications coming out of our supplier's workshop is a very visible sign the project is approaching the most exciting stage.

The successful $2.1 million capital raise through the Share Purchase Plan shows confidence from our shareholders in the CETO commercial pathway and I'd like to thank our shareholders for their commitment and support for our technologies as we continue towards commercialisation.

We again saw international interest grow following the investor roadshow in Germany. The presentations in Munich and Frankfurt were well attended and the follow-on discussions demonstrate the how compelling the opportunity is.

It was a strong quarter for CETO research and development, with Carnegie named the key technology partner in the €4 million COIN project under the Horizon Europe Programme. The COIN project will further advancements in CETO control including AI, resulting in direct benefits to Carnegie such as increasing energy capture and reducing the cost of generation.

WHO ARE WE:

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.

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.

PRODUCTS

Technical progress accelerated commercial readiness across both of our core technologies this Quarter. The Preliminary Design Project for MoorPower is in full swing, with simulations, investigations into operational requirements and scaling of the system underway. The ACHIEVE Programme deployment of CETO at the Biscay Marine Energy Platform (BiMEP) has completed several key activities, including the successful manufacture of the foundations and other key components.

Products – CETO and the ACHIEVE Programme

During the Quarter, the ACHIEVE Programme focused on component manufacture, testing and site readiness for the CETO deployment at BiMEP in the Basque Country.

ACHIEVE Programme: Left: Carnegie Engineers pictured with CETO battery system, Top Right: Carnegie CTO Alexandre Pichard stands in front of the recently fabricated foundations for the BiMEP Deployment, Bottom Right: ACHIEVE partner Quoceant employee prepares components for CETO.

Fabrication of the mooring foundations for the CETO unit, essential for anchoring the device at BiMEP, were completed during the Quarter. Chief Technology Officer, Alexandre Pichard, was on-site to personally inspect the fabrication progress of these key structures. Alongside this progress, engineers from subsidiary Carnegie Technologies Spain recently finalised the inspection of the ACHIEVE Programme battery energy store. This unit is specifically engineered to meet the energy needs of CETO. Following successful integration and testing of the cooling systems, the unit is confirmed ready for connection into the main electrical and control system.

To address the complex engineering challenges of operating in the open ocean, Carnegie is working with specialised partners. Known for their expertise in marine energy innovation, Quoceant has designed and fabricated connectors for our CETO unit, leveraging their extensive experience in offshore renewables to enhance the project's reliability and survivability. These connectors will form part of the ACHIEVE Programme deployment of CETO where the design will be validated in an operational environment.

During the quarter, Carnegie engineers were on the ground at BiMEP to witness subsea cable testing and upgrades BiMEP made to their electrical connection for the berth. With the wave buoys previously deployed and the electrical upgrade testing, it has been encouraging to see the site works progressing at BiMEP in preparation for the ACHIEVE deployment.

COIN Programme

Carnegie has been selected as the key technology partner in the recently launched COIN (**C**ontrol-**O**riented **IN**novations for future wave energy farms) Project, which is 100% funded by the European Commission under the Horizon Europe Programme. With a total budget of €4 million, COIN brings together a consortium of nine leading European organisations. The project is focused on enhancing the reliability, survivability, and sustainability of future wave energy farms, with the core goal of achieving a 30% reduction in the Levelised Cost of Energy (LCOE) for wave power.

Carnegie's CETO technology will serve as the reference wave energy converter for testing and validating all project innovations, leveraging its submerged design and advanced Power Take-Off (PTO) system. The project will deliver advanced control-oriented innovations, including a novel connector system, an AI-enhanced wave prediction system, and a digital-twin-based health monitoring and control framework.

The work builds directly on existing collaborations with ACHIEVE Programme partners Quoceant and Hewlett-Packard Enterprise (HPE). Quoceant will use lessons from ACHIEVE to scale up CETO's mooring connectors, while HPE will continue its work on advanced control systems, directly aligning these advancements with Carnegie's proposed commercial scale 6MW deployment in Europe.

Products – MoorPower

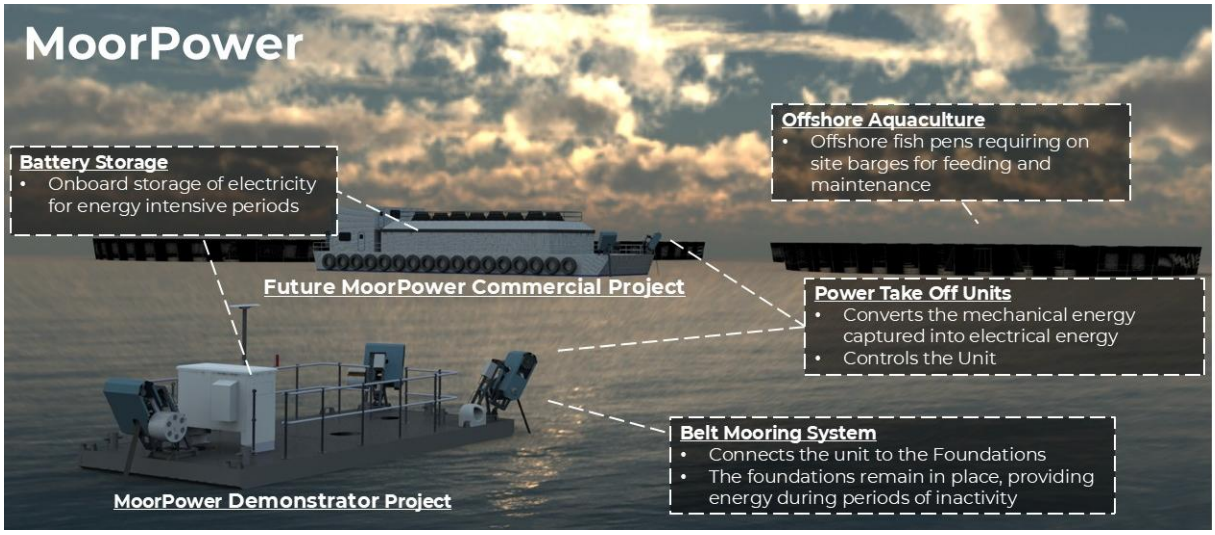

Image: An illustration of Carnegie's MoorPower technology superimposed onto an aquaculture feed barge in operation.

Following the successful completion of the MoorPower Scaled Demonstrator Project, Carnegie is currently advancing the MoorPower technology through a Preliminary Design phase designed to advance the technology towards its first Commercial Pilot and unlock investment in that pilot project. The $335k Preliminary Design Project is centred around bridging knowledge gaps, focused on commercial operation of feed barges in Australia. The project by Carnegie in close collaboration with key industry partners, including Huon Aquaculture, Advanced Composite Structures Australia, and the University of Tasmania, supported by specialist firms (ADEC Kedge, AMC Search, and Exact Control).

Work undertaken during the quarter has included further analysis of barge movement, with new datra being captured through mounting a GPS device on board a working feed barge in Tasmania. This data supports deeper understanding of the real time motion on board the vessels. The team has also acquired footage from remotely operated vehicles on the underwater mooring lines. Together, this information has fed into Carnegie's modelling and simulations to further enhance the team's capacity to model MoorPower's real time energy generation capacity on a working feed barge.

In addition to the application of MoorPower to the Aquaculture Industry, Carnegie is actively exploring the wider potential of the MoorPower technology. The ongoing Preliminary Design phase includes an analysis of various operational requirements across a range of aquaculture vessels and alternative market locations, helping to strategically refine the future commercial pipeline for the technology.

EVENTS

Left: Hydrodynamic Engineer Elie Al Shami presents at EWTEC, Centre: ACHIEVE Project Manager Miguel Santos Herran presents at B Venture, Top right: CEO Jonathan Fievez at the ministerial round table. Bottom right: Community engagement at the Carnegie stall at the annual OREGAUA event in the Basque Country.

EWTEC:

During the Quarter Carnegie attended and presented at the European Wave and Tidal Energy Conference (EWTEC) in Madeira, Portugal, a key international marine energy community event. This significant technical forum provided a platform to share key advancements in our technology, specifically focused on CETO's cost reduction (LCOE) through hydrodynamic modelling and control system optimisation.

WA Defence Industries Roundtable:

Highlighting the opportunities for wave energy, Carnegie showcased how our wave technologies can provide clean energy to the Defence sector. CEO Jonathan Fievez participated in a Ministerial Roundtable with the WA Minister for Defence Industries, the Hon Paul Papalia CSC MLA, where he highlighted Carnegie's capabilities for delivering clean, resilient energy solutions for the defence market, building on our existing ties with HMAS Stirling naval base.

OREGAUA:

The Company progressed vital community engagement in the Basque Country by showcasing the ACHIEVE Programme at the OREGAUA 2025 Researcher's Night. This event provided a direct opportunity for the team to connect with the community and discuss the upcoming CETO deployment with future recipients of the project's clean electricity.

B-Venture:
The ACHIEVE Project Manager, Miguel Santos-Herran, presented at B-Venture in Bilbao to introduce the CETO technology and the next phase of the ACHIEVE Programme. B-Venture is an important platform that connects world-class clean energy technology with key investors and partners.

CORPORATE

Carnegie successfully raised $2.116 million from shareholders through a Share Purchase Plan. The funds will be used primarily to support the recently announced 6MW CETO Array, ACHIEVE Programme operations, MoorPower Commercial Pilot project and to support business development and working capital.

An Investor Webinar was held on 26th August 2025 to provide an update on the Company's strategy, recent progress and future path. The webinar was well attended and included an engaging Q&A session. A recording of the event can be accessed on Carnegie's dedicated hub: https://investors.carnegiece.com/webinars/0y5nKe-carnegie-investor-webinar

Notice of AGM

The Annual General Meeting of the Company will be held at Swan Yacht Club, Riverside Road, East Fremantle WA 6158 on Tuesday, 18 November 2025 at 9:00 am (AWST). The Company AGM is a great opportunity to engage directly with Carnegie's leadership team, including the Board of Directors and Senior Management, and have your questions addressed.

Annual Report

Carnegie's Annual Report for the Financial Year 2025 is now available. The report offers a detailed account of the company's financial performance, strategic initiatives and achievements over the past year. The Annual Report is available on the Carnegie Clean Energy website through the link: https://investors.carnegiece.com/announcements/7214316

All CCE shareholders have been provided with print or digital access according to their communication preferences through our share registry, XCEND.

We encourage shareholders to consider updating their communication preferences and consider the eco-friendly option of opting out of receiving a physical copy of the Annual Report and choosing the digital version instead. This simple choice reduces paper waste, saves company funds and enables you to access the report conveniently online. To opt for the digital version, please visit your XCEND online platform and make the change. Alternatively, you can contact XCEND directly +61 (02) 8591 8509

FINANCIAL NOTES

At the end of the Quarter, Carnegie had approximately $3.062m 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 $67k 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/yVwwOe

For more information

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ABOUT CARNEGIE AND ITS SUBSIDIARIES

Carnegie Clean Energy (ASX: CCE) is a technology developer focused on delivering ocean energy technologies to make the world more sustainable. Carnegie Technologies Spain and CETO Wave Energy Ireland are wholly owned subsidiaries of Carnegie Clean Energy. 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 optimally controls our technologies and generates electricity in the most efficient way possible. The company has a long history in ocean energy with a track record of world leading developments. https://www.carnegiece.com

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 for up to 2 years 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

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 Diversifcation 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	**Quarter ended ("current quarter")**
69 009 237 736	30 September 2025

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	178	178
1.2	Payments for		
	(a) research and development		
	(b) product manufacturing and operating costs	(44)	(44)
	(c) advertising and marketing	-	-
	(d) leased assets		
	(e) staff costs	(669)	(669)
	(f) administration and corporate costs	(303)	(303)
1.3	Dividends received (see note 3)		
1.4	Interest received	7	7
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**	**(831)**	**(831)**

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	(1,579)	(1,579)
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	688	688
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**	**(891)**	**(891)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,117	2,117
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(36)	(36)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	(206)	(206)
3.8	Dividends paid		
3.9	Other		
3.10	**Net cash from / (used in) financing activities**	**1,875**	**1,875**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,897	2,897
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(831)	(831)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(891)	(891)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,875	1,875
4.5	Effect of movement in exchange rates on cash held	(18)	(18)
4.6	**Cash and cash equivalents at end of period**	**3,032**	**3,032**

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	3,032	2,397
5.2	Call deposits		500
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)**	**3,032**	**2,897**

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	(67)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	2,500	2,500
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	2,500	2,500

7.5	**Unused financing facilities available at quarter end**	

7.6 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.

Lender: Ballamena Pty Ltd ATF Ellan Finance Unit Trust - $2,500,000

Interest: 15% per annum

Final Repayment Date: 30 June 2026. 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

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%

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(891)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,032
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	3,032
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3.65 quarters

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.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

Answer:

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: 31 October 2025

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.