REPORT TO SHAREHOLDERS

QUARTER ENDED 31 MARCH 2026

Carnegie CLEAN ENERGY

BOARD OF DIRECTORS & CEO

Non-Executive Chairman
Anthony Shields

Non-Executive Director
Grant Mooney

Non-Executive Director
Michael Fitzpatrick

Chief Executive Officer
Jonathan Fievez

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QUARTER HIGHLIGHTS

- ACHIEVE Programme progresses with fabrication and testing activities in preparation for deployment and operations later this year.
- Receipt of a $568,630 R&D Tax Incentive rebate for the 2025 financial year, providing non-dilutive funding to support ongoing technology development.
- Blue Economy CRC funded MoorPower preliminary design project successfully concluded with activities transitioning from technical validation toward commercial pilot development activities with key aquaculture stakeholders.
- Engaged with Defence sector partners to explore opportunities for wave energy utilisation in the defence sector.

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

"This quarter has been very busy, with significant efforts delivering progress on the ACHIEVE Programme and the MoorPower Commercial Pilot preliminary design.

In our ACHIEVE Programme, fabrication and manufacture of many key components has been completed. In parallel, testing activities undertaken at component and sub-system levels continue to validate performance in advance of deployment and operations offshore at the BiMEP site. This has been a demanding period for the ACHIEVE team, who are working diligently to ensure our supply chain is delivering according to specification, bringing complex systems together in test campaigns, engaging with offshore contractors for deployment works later this year and working closely with our project stakeholders.

In parallel our project and commercial teams remain focused on ensuring project documentation and quality processes are maintained. This is critical considering the upcoming ACHIEVE milestone payments expected in the coming months.

With support from the Blue Economy CRC, preliminary design activities for a MoorPower Commercial Pilot completed with the team continuing to work with stakeholders and future customers to define the next steps.

On the international front, hosting the High Commissioner for Mauritius and engaging with industry leaders in the Basque Region reinforces the global appetite for 24/7 wave energy solutions. These interactions validate our commercial roadmap and reflect our role in the international blue economy.

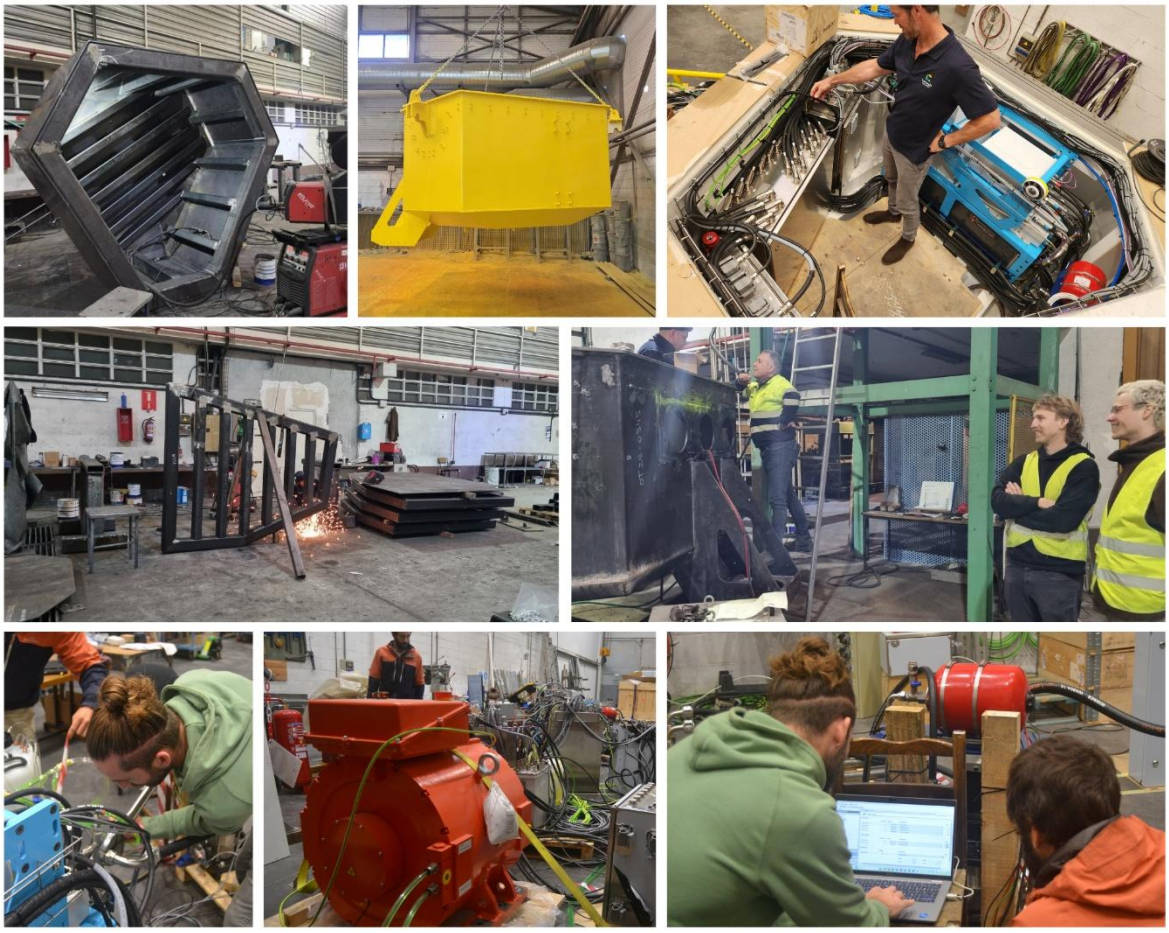
PRODUCTS

Throughout the quarter, work has continued across Carnegie's technology portfolio, with progress made on both the MoorPower and CETO products. The MoorPower team remains focused on advancing future applications with partners, while fabrication and testing of the ACHIEVE CETO unit is currently underway in preparation for its deployment at the Biscay Marine Energy Platform (BiMEP) later this year.

Products – CETO

ACHIEVE Programme

Following the progress made in 2025, the ACHIEVE team has successfully transitioned several key workstreams from procurement into the final stages of fabrication, assembly, and testing as the project moves towards planned deployment, commissioning and grid connection later this year. Work in recent months has focused on the integration of the CETO unit's primary sub-systems, including the successful fit-out of the Electrical Module (EM). As the "brain" of the unit, the EM now houses fully installed control, communication, and cooling systems. Progress has also been made on the three Power Take-Off (PTO) Modules, with frame fabrication nearing completion and key metallic elements, including the main drum and tensioner components now successfully manufactured.



Testing and major infrastructure manufacture of critical components for the ACHIEVE Programme CETO

The ACHIEVE CETO unit is also undergoing an intensive onshore testing regime designed to validate performance in controlled environments. The team recently concluded Control System Hardware-in-the-Loop (HIL) testing, validating software against simulated extreme sea states, while functional testing was completed on bespoke components like the primary mooring connectors. Current mechanical validation is focused on belt terminations and self-aligning sheave tracking to confirm stability under high tension. These milestones lead directly into the upcoming back-to-back PTO test campaign at SKF's facility in Germany, which serves as the final validation step before the modules are integrated into the Buoyant Actuator (BA) in the Basque Country for deployment.

CEO Jonathan Fievez at SKF in April inspecting testing facilities (left) and assembly progress (right)

In April, Carnegie's CEO spent time in Europe supporting the ACHIEVE team including visiting local suppliers in the Basque Country, inspecting progress at key supplier SKF, attending the Wind Europe Conference in Madrid to engage with industry stakeholders, and meeting with investors in Germany.

To view more detail on the progress of the ACHIEVE Update, refer to our recently released ACHIEVE Update ASX Announcement available here:
https://investors.carnegiece.com/announcements/7515495

Products – MoorPower

The MoorPower Commercial Pilot: Preliminary Design project, supported by the Blue Economy CRC the project, has been completed during the quarter. This Project built on the MoorPower Demonstrator project that deployed and tested scaled down MoorPower modules in 2024.

Carnegie's MoorPower preliminary design project featuring project partners reaches completion

With the preliminary design phase concluded, Carnegie is now advancing the MoorPower commercialisation pathway by focusing on the next steps of market integration and site-specific pilots. The company is in discussions with aquaculture end-users to align the technology with the operational requirements of offshore feeding barges, specifically as a reliable alternative to diesel generation.

Capacity building in the defence industry

Carnegie is also actively exploring opportunities within the defence sector, where Carnegie's wave energy technologies' ability to provide persistent, 24/7 power supports the demand for maritime systems. Supported by extensive wave energy know-how, Carnegie is well-positioned to capture a broad range of future commercial energy opportunities across multiple high-value maritime applications.

Carnegie continues to explore diverse opportunities for wave energy utilisation in the defence sector, this quarter engaging with the Advanced Strategic Capabilities Accelerator (ASCA) and participating in key national capability forums.

Building on the momentum of the recent Defence Power and Energy Innovation Award, the Company participated in ASCA's briefing on Persistent and Pervasive Intelligence, Surveillance, and Reconnaissance (P2ISR) to explore the integration of wave energy solutions into autonomous maritime systems. Carnegie also attended the 2026 Australian Defence Capability Symposium and an Australian Defence Capability Policy to Practice session which provided insights into the updated National Defence Strategy and the new Australian Defence Delivery Agency's procurement frameworks. Subsequent to the Quarter, Carnegie's CEO also attended the Undersea Defence Technology Conference in London, gaining exposure to international Defence stakeholders.

These targeted activities support Carnegie's broader strategy to enhance its commercial pipeline and identify high-value applications for its technologies. By building deep literacy in defence decision-making and approach-to-market pathways, the company is actively positioning its technologies to meet the specialised power requirements of maritime systems.

EVENTS

International Collaboration: Mauritius

During the period, Carnegie welcomed H.E. Mrs. Sarojini Seeneevassen, High Commissioner for Mauritius, and Ian Whitaker, Honorary Consul for the Republic of Mauritius, to its Fremantle headquarters. CEO Jonathan Fievez led a tour of the onshore testing facility, providing an update on Carnegie's wave energy technologies and current project portfolio. The visit provided an opportunity to discuss the strategic potential for wave energy in Mauritius, where world-class marine resources offer a viable solution for a nation with limited land for traditional energy infrastructure.

Carnegie CEO Jonathan Fievez pictured alongside H.E. Mrs. Sarojini Seeneevassen, High Commissioner for Mauritius, and Ian Whitaker, Honorary Consul for the Republic of Mauritius,

Regional Collaboration: Bayonne

Carnegie continued to strengthen its presence within the Transnational Basque Region through participation in the 'Perspectives for development and cooperation in offshore renewable energy in Nouvelle-Aquitaine and Euskadi' event in Bayonne, France. Carnegie's CTO Alexandre Pichard presented on the future of marine renewables, highlighting the Basque Country's trajectory as an industry frontrunner. The discussion focused on the region's supportive ecosystem, in particular highlighting the immense resource and opportunity to harness ocean energy in the region, supported by world-class testing facilities such as BiMEP and a robust industrial supply chain.

World Renewable Energy Congress Site Visit

In February, Carnegie hosted delegates from the World Renewable Energy Congress (WREC) for a site tour of our North Fremantle facility. The session provided insights into the commercial roadmap for Carnegie's wave energy technologies, walking the international delegates through the strategic steps for scaling these solutions for the global market.

Carnegie presents at offshore renewable energy event in Bayonne (left), WREC delegates tour North Fremantle facility (middle), Carnegie presents to students engaged in the EGIN ETA EKIN Programme (right)

Local Engagement: EGIN ETA EKIN

The team welcomed fourth-year secondary students from Urbi (Basauri) participating in the EGIN ETA EKIN programme, organised by the Bizkaiko Foru Aldundia (Provincial Council of Bizkaia) to Carnegie's Basque office. The Carnegie team presented on renewable energy entrepreneurship, focusing on how Carnegie's technology is being developed to power the Basque Country and inspire the next generation of innovators within the region's growing blue economy.

CORPORATE

R&D tax incentive received

Carnegie received a $568,630 cash rebate from the Australian Taxation Office under the Research and Development Tax Incentive for the 2025 financial year. This rebate follows the company's investment in eligible research and development activities and provides additional non-dilutive funding to support the continued advancement and commercialisation of our wave energy technologies.

EuropeWave milestone payments

At the start of the quarter, Carnegie's subsidiary, CETO Wave Energy Ireland, announced receipt of €350,643 (approx. $613k AUD) in milestone payments under the EuropeWave Phase 3 contract. These payments followed the successful completion of deliverables related to fabrication of the buoyant actuator, mooring connectors and foundation structures. To date, 57% (€2.15M) of the total EuropeWave contract value has been successfully drawn down, supporting the upcoming deployment at BiMEP.

FINANCIAL NOTES

At the end of the Quarter, Carnegie had approximately $2.354M 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 $65k 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/PbqLQr

For more information

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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

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	31 March 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	204	517
1.2	Payments for		
	(a) research and development		
	(b) product manufacturing and operating costs	(40)	(117)
	(c) advertising and marketing		
	(d) leased assets		
	(e) staff costs	(616)	(1,944)
	(f) administration and corporate costs	(392)	(898)
1.3	Dividends received (see note 3)		
1.4	Interest received	9	36
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**	**(835)**	**(2,406)**
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 (9 months) $A'000
	(f) other non-current assets – subsequent development expenditure – CETO Technology	(1,105)	(4,153)
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 (1)	568	4,474
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**	**(537)**	**321**

(1) Grants received (YTD) in 2.2(f) include:

- sale in Spain of 2025 Basque R&D tax deductions sold for $AUD1.37M
- a pre-financing 75% payment on the COIN project in Spain of totalling $AUD504k
- EuropeWave Milestone payments totalling $AUD1.87M
- Australian R&D tax refund $AUD568k

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	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)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	(133)	(476)
3.8	Dividends paid		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
3.9	Other		
3.10	**Net cash from / (used in) financing activities**	**(133)**	**1,605**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,955	2,964
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(835)	(2,406)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(537)	321
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(133)	1,605
4.5	Effect of movement in exchange rates on cash held	(96)	(130)
4.6	**Cash and cash equivalents at end of period**	**2,354**	**2,354**

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	2,354	3,955
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)**	**2,354**	**3,955**

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	(65)
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)	(835)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,354
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	2,354
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	2.8 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: 30 April 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.