Bombora prepares for Portugal Wave Farm after Strong LCOE Results

Bombora Wavepower
27th April 2016

Media Release

Bombora Wave Power Pty Ltd ('Bombora' or 'the Company') is delighted to announce the results of its detailed feasibility study for a commercial scale wave farm. The LCOE study, conducted with the support of a grant from the Australian Renewable Energy Agency (ARENA), shows that the cost of electricity from Bombora wave farms will be comparable to the cost of electricity from off-shore wind farms and solar arrays in Europe by 2023. Europe leads the world in the adoption of renewable energy and currently has the broadest usage of renewable energy sources.

Bombora's LCOE study was based on a proposed 60MW wave farm in Peniche, Portugal. The proposed site is 2.5km long, approximately 700m offshore, with 40 1.5MW Bombora mWave™ converters deployed at a depth of 10 metres along the length of the site (refer Figure 1). Electricity generated by the 40 mWave devices is to be delivered into the grid via subsea cables.

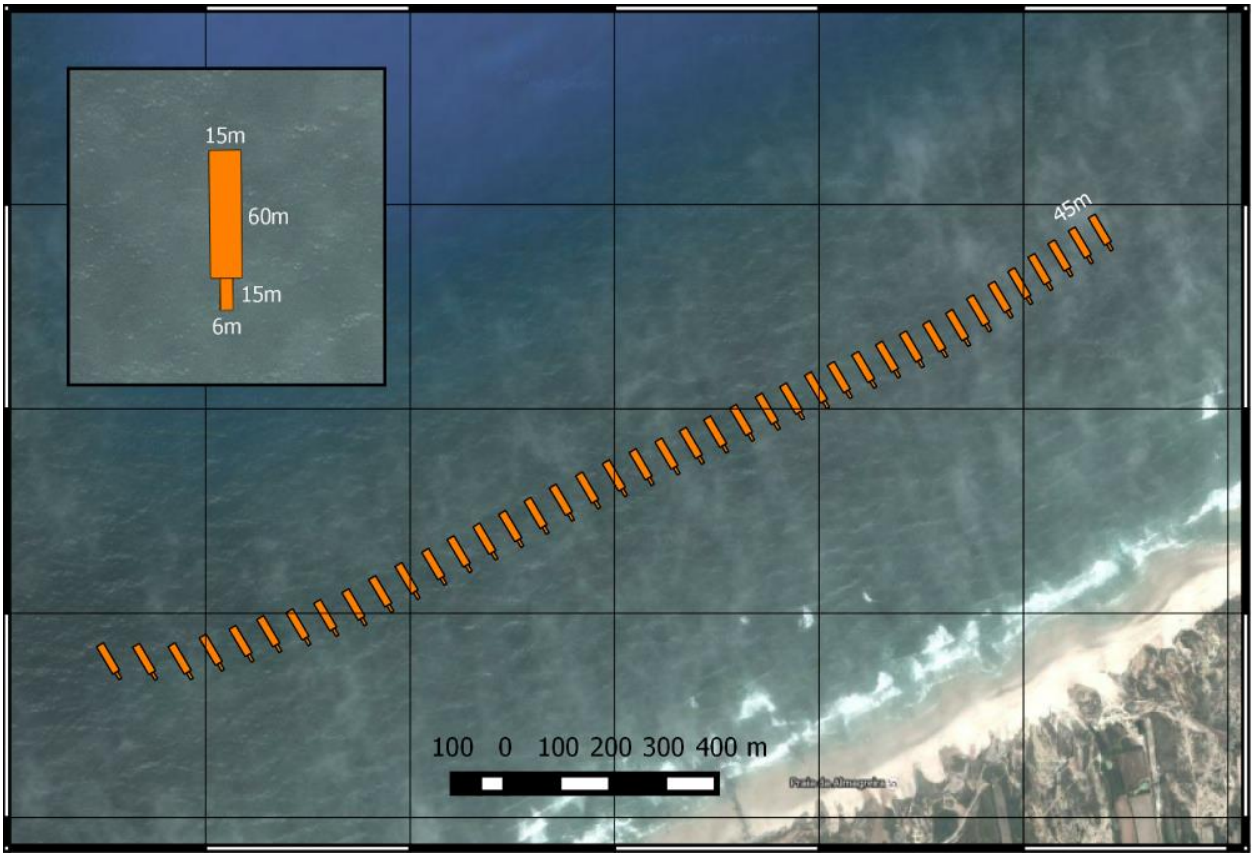

Figure 1 – Bombora's 60MW mWave Farm Configuration

Bombora engaged recognised industry experts and local suppliers to ensure both technical viability and costing accuracy, including WorleyParsons (structure and logistics), NGI (foundation systems), Trelleborg (membrane) and WavEC (Portuguese facilitation and wave resource assessment).

The study included investigations into a range of wave energy converter configurations, construction materials, construction process and deployment and maintenance processes. A single arm, 60 metre, two sided, concrete structure was selected as the preferred design (refer Figure 2).

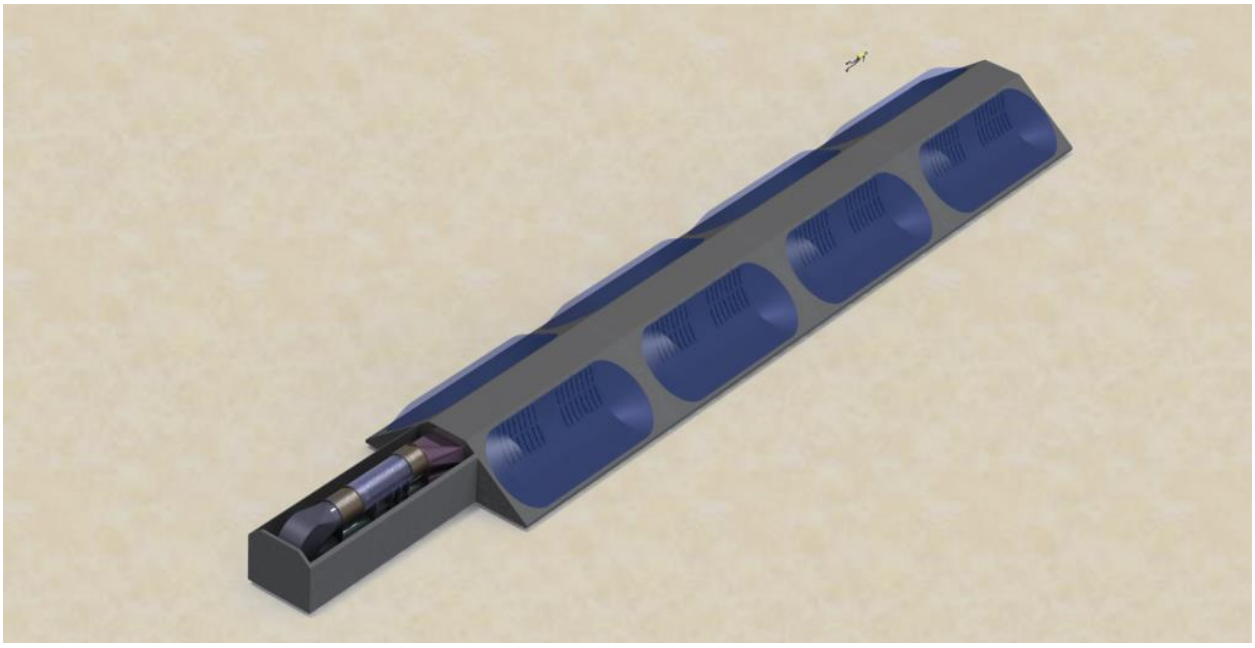

Figure 2 – Bombora's 1.5MW mWave Wave Energy Converter

Storm survival, an acceptable cost of energy and low environmental impact are widely recognised as being critical to the future acceptance of wave energy.

The LCOE study addressed all three of these issues:

1. A detailed investigation into storm loadings was conducted ensuring the mWave™ would not be displaced during storm conditions.
2. The 'cost of energy' analysis showed that Bombora wave farms will rapidly match the cost of electricity from other renewable sources. By 2023 the costs will be comparable to off-shore wind and solar arrays in Europe as detailed in Figure 3.
3. The wave farm will not impact coastal amenity as the Bombora mWave™ rests on the sea floor, similar to a fully submerged reef.

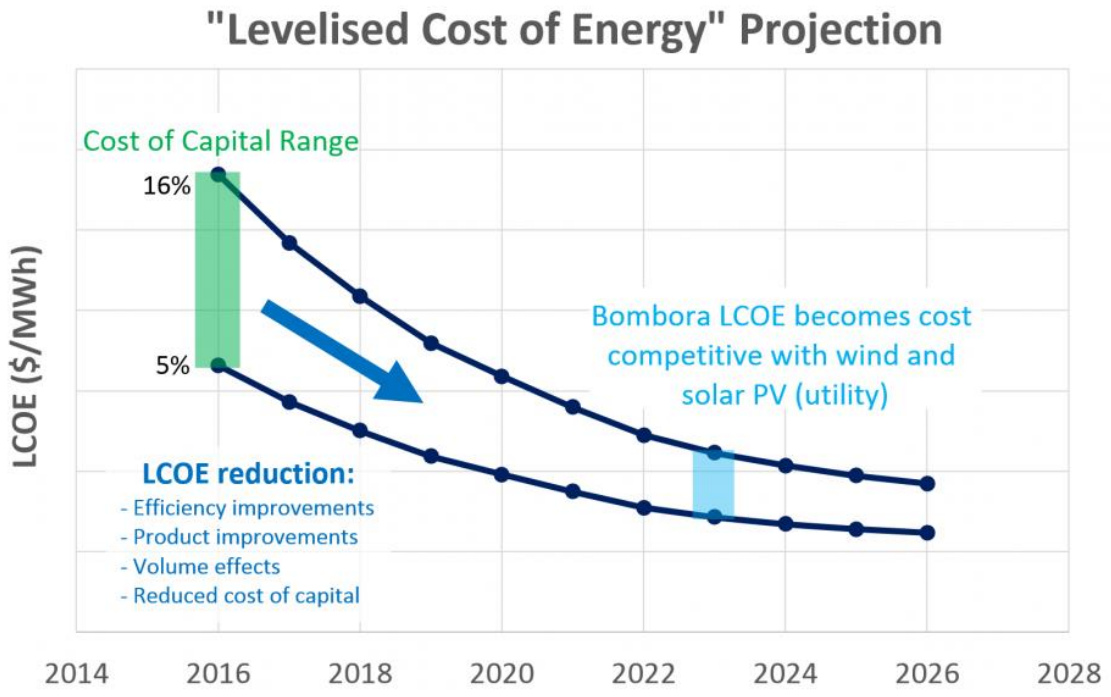

Figure 3 – Bombora's 'Levelised Cost of Energy' projection

Bombora is now preparing to deploy the first full-scale 1.5MW mWave™ converter in Stage 1 of its commercial wave farm in Peniche, Portugal in early 2017. This will confirm the mWave's™ performance (primarily power output) and storm survival while assessing environmental impact. Stage 2 will involve a further three to five mWave's™ being deployed at the same location.

Bombora is currently launching an A$8 million private capital raising to support Stage 1, with an initial A$1 million required to fund construction of the first 'cell' of the converter. In a grid connected wave farm, each 1.5MW mWave™ unit will cost A$4.75 million to manufacture, deploy and commission.

Bombora's Chief Executive Officer, Sam Leighton, commented, "After nearly a decade of development, testing and refinement, Bombora's breakthrough mWave™ technology will be on the world stage, competing with other renewables in the lucrative energy market within a year. It is a unique time to invest in a game-changing product for clean energy production."

He continued, "We are very fortunate to have had the support of ARENA and to work with numerous partners to bring us to this crucial stage in our vision of becoming a leading supplier of wave power energy."

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For further information, please contact:
Sam Leighton
Chief Executive Officer
Bombora Wave Power
Telephone: +61 (0) 438 959 912

Media Enquiries:
Jane Stacey
Investor Relations & Communications
Telephone: +61 (0) 412 159 433

Levelised Cost of Energy (LCOE): The total cost of generating power ($/MWhr) taking into account upfront capital costs, ongoing operating and maintenance costs and consumable costs (fuel, etc).

Cost of Capital: The average rate of return a company expects to compensate its investors.

About Bombora's mWave™

Bombora Wave Power Pty Ltd has developed a membrane style wave energy converter called an 'mWave™' that rests on the sea floor, similar to a fully submerged reef. As ocean waves pass over the mWave™, the membrane deflects pumping air through a turbine to generate electricity. The mWave™ is unique among wave energy converters as it simultaneously addresses the 'cost of energy' and 'ocean wave survivability' challenges.

The mWave™ technology is protected by international patents. Bombora Wave Power Pty Ltd is based in Perth, Western Australia.