

ASX/Media Release

For immediate release

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Energy Action acquires leading energy consultancy business EnergyAdvice

Energy Action Limited (ASX: EAX) announces the acquisition of EnergyAdvice Pty Limited, a leading energy consultancy business.

- **EnergyAdvice is a leading and profitable energy consultancy business**
 - **EnergyAdvice and Energy Action represent the two leading providers of energy procurement services in the Australian Market**
 - **Operating EPS accretive acquisition for EAX¹**
 - **Acquisition funded from cash, debt and shares**
 - **Acquisition price of \$12.568m at 9x average FY2012, FY2013 and FY2014 normalised EBIT**
 - **EnergyAdvice's Mr Phil Randall joins EAX board as an Executive Director**
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Leading energy management company, Energy Action Limited (ASX: EAX), today announced that it has acquired highly-regarded energy consultancy business, EnergyAdvice Pty Limited ("EnergyAdvice").

Established in 1997 by Mr Phil Randall, EnergyAdvice is a profitable, debt free business with a core competency in energy procurement, contract management services and speciality consultancy services. The company's operations will complement EAX's energy procurement and contract management offering and significantly strengthen EAX's access to large energy load customers.

EnergyAdvice has long term engagements with a blue-chip client list representing large commercial and industry energy consumers. These clients are highly complementary to Energy Action's currently accessible market base.

EnergyAdvice provides comprehensive energy management, procurement, reporting, auditing, energy efficiency, advisory, and project management services across a broad range of energy commodities including electricity, gas, LPG, fuels and renewables. The company employs over 30 staff and has offices in Melbourne, Sydney and Brisbane. Further information about EnergyAdvice can be found at www.energyadvice.com.au.

The acquisition will be funded through EAX's existing cash on balance sheet, debt and a share issue² to the vendors. The consideration will consist of an initial cash payment to the vendors with additional 50% consideration potentially payable to the vendors in two instalments over 24 months, subject to the fulfilment of certain conditions³.

1. Based on EnergyAdvice's average annual NPAT for the 3 years ended 30 June 2014.

2. Shares represent under 5% of total consideration

3. As the deferred consideration is contingent on the continuing employment of the vendors EAX will be required to account for the payments as remuneration expense in its FY15 and FY16 financial statements. These amounts will be classified as non-operating expenses and added back for the purpose of Operating Net Profit After Tax.

EAX is also pleased to confirm that EnergyAdvice's current Managing Director and founder, Mr. Phil Randall, will remain with the business in an operational capacity and as an Executive Director, transitioning to a Non-Executive Director by July 2015.

Energy Action CEO, Scott Wooldridge, commented: "We are pleased to have completed this acquisition and secured what is a highly regarded business with an excellent team, complementing our existing capabilities. As a merged team we can now offer an extended range of procurement services across additional commodities, tailored to the size and requirements of our clients.

"It is particularly pleasing that EnergyAdvice's existing Directors will be joining the Energy Action's Executive team, bringing with them significant capabilities and market knowledge which will further heighten our leadership in the Australian energy management sector."

EnergyAdvice Managing Director, Phil Randall added: "This transaction is a natural progression for EnergyAdvice, and it is the beginning of an exciting new chapter for our team. Having the customers, team and solutions to address the energy requirements of both mid and top-tier consumers places us in a unique position to service Australian commercial and industrial customers.

"We are ideally placed to capitalise on growth opportunities and the ongoing consolidation in the energy management sector."

The transaction exchanged and completed as of 18th of August 2014. EAX received legal advice from Greenwich Legal, and accounting and tax advice from Ernst & Young.

Further information:

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