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Australian Stock Exchange Limited (“ASX”)
Company Announcements Office
4th Floor, 20 Bridge Street
SYDNEY NSW

**ASX ANNOUNCEMENT
AO ENERGY EXECUTES SETTLEMENT DEED**

Further to the Company’s announcement dated 31 July 2013, AO Energy Ltd is pleased to announce that it has executed the Settlement Deed between Messrs Goodall, Young, Jebamoney, Downer and Bamford (‘previous directors’) in relation to various unpaid entitlements. Under the terms of the deed (and subject to shareholder approval, expected to be obtained in February 2014), the previous directors agree to forgo any unpaid employee/director entitlements and cancel all Options and Performance Rights held by them in exchange for 10,380,000 fully paid ordinary shares in the Company. It is noted that the pro-forma capital structure of the Company post the approval of the issue of shares would be as follows:

Ordinary Fully Paid Shares:	80,083,091	
Unlisted Options:	641,791	Exercisable at \$2.01, expiring 31 December 2013
	1,791,046	Exercisable at \$0.201, expiring 20 September 2016

ENDS