

Thursday, 14 March 2013

Andy Weaver
Senior Adviser, Listings
Australian Securities Exchange
20 Bridge Street, Sydney, NSW 2000

Dear Andy,

FAT PROPHETS RESEARCH REPORT

It has come to our attention today that a report dated 12 March 2013, issued by Fat Prophets, contains material factual inaccuracies in regards to Energy Action Limited (ASX: EAX).

In the opening paragraphs the report refers to **“a potential court case from ACCC....”**.

In addition under the heading “In the hot seat” the report states “Energy Action has recently found itself a target of Federal Court action from the ACCC who allege that Energy Australia sales people and four marketing and sales companies acting as agents for the company made false, misleading or deceptive claims when calling people at their home to negotiate electricity contracts according to reporting from ABC news.”

In regards to the above it is clear that Fat Prophets have mixed up ACCC action being taken against Energy Australia with Energy Action. Energy Action confirms:

1. Energy Action is not being investigated by the ACCC.
2. Energy Action does not deal with residential customers and therefore does not call people at their home.
3. Energy Action does not employ sales and marketing agents to solicit electricity contracts on our behalf.

All references in the Fat Prophets report to Energy Action in regards to the ACCC are incorrect.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Nathan Francis".

Nathan Francis
Chief Financial Officer & Company Secretary