

Energy Action appoints Chief Executive Officer

The Board of Directors of energy management and procurement company Energy Action Limited (ASX: EAX) ("Energy Action") is pleased to announce the appointment of Mr Scott Wooldridge to the position of Chief Executive Officer, commencing in mid to late October 2013.

Mr Wooldridge comes to Energy Action with over 15 years' experience in various senior executive positions across the electrical and IT industries.

Most recently Mr Wooldridge was Vice President, Industry Business with Schneider Electric Australia, a position he held since January 2009.

At Schneider Electric Mr Wooldridge played a key role in growing revenue and profits, leading corporate acquisitions and integration, as well as in developing and deploying strategic plans. Prior to this he held various senior positions with Citect, culminating in his appointment in 2006 as Citect's Managing Director, Oceania.

The Chairman of Energy Action, Dr Ronald Watts, said: "The Board is delighted that Scott has accepted the position to lead Energy Action into its next stage of growth. The appointment followed an extensive recruitment process with a strong field of candidates."

"Scott's wide industry experience will greatly benefit Energy Action as we seek to continue our growth, organically and through mergers and acquisitions. Scott's strength is his ability to deliver on strategies aimed at enhancing shareholder value which will be a great fit for Energy Action."

"The Board extends its sincere thanks to Valerie Duncan who has been Energy Action's CEO since 2002. Val has presided over year on year revenue and profit growth and steered the company through its highly successful ASX listing.

"We look forward to Val's contribution to the Board in her future position as a non-executive director. Val will remain in her current position of Managing Director until late December 2013 during which time there will be a handover to Mr Wooldridge".

Resignation of Ed Hanna as Director

Energy Action also announces the resignation of Mr Ed Hanna as a Director of the Board. Mr Hanna continues in his executive role as the company's Head of Sustainability and Efficiency, but steps down as a member of the Board as part of a restructuring coinciding with the appointment of our new CEO, Mr Scott Wooldridge.

Ed Hanna has been a member of the Board of Directors for over 10 years, and has been a major contributor in the company's entry and successful growth in sustainable technology and business solutions.

“Ed is an innovative and dedicated executive, and has overseen the establishment and growth of the ‘third arm’ of the business”, said Energy Action’s Chairman, Dr Ronald Watts. “Ed will, of course, continue to head up that part of the business”, he added, “and the entire Board joins with me in thanking him for his valuable commitment and effort as a Director.”

ENDS

Annexure: *Chief Executive Officer - Key Terms of Employment*

Further information:

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ANNEXURE

KEY TERMS OF EMPLOYMENT FOR SCOTT WOOLDRIDGE – CHIEF EXECUTIVE OFFICER

The remuneration package for Mr Wooldridge is designed to ensure a strong alignment of his financial rewards with the creation of value for Energy Action shareholders.

Under his employment agreement (the **Agreement**) Mr Wooldridge will be entitled to receive fixed remuneration and may also become entitled to receive short term and long term incentives.

1. Appointment

The appointment is to the position of Chief Executive Officer of Energy Action Limited and its subsidiaries

2. Term

The appointment will be on an ongoing basis effective from October 2013 (start date to be confirmed). The termination provisions under the Agreement are summarised below.

3. Remuneration

There will be three components to Mr Wooldridge's remuneration:

(a) Fixed Remuneration

Mr Wooldridge will be paid fixed cash remuneration in the form of a base salary. The base salary will initially be \$330,000, excluding superannuation.

(b) Short Term Incentive (STI)

A STI performance bonus may be payable to Mr Wooldridge in accordance with the STI policy conditions that apply from time to time as determined by the Board. The initial STI opportunity, applicable to the 2013-2014 financial year, is up to a maximum of \$102,225 (pro rata for part year of employment), and the actual STI performance bonus paid will be based on the achievement of pre-determined key performance indicators set by the Board at the beginning of the current financial year.

(c) Long Term Incentive (LTI)

Energy Action is in the process of establishing a Performance Rights and Options Plan (PROP). Mr Wooldridge may be eligible for a LTI award in the form of performance rights. One performance right on vesting will equate to an entitlement to receive a fully paid ordinary share in Energy Action with no issue price payable.

Mr Wooldridge will be issued up to 225,000 performance rights, being up to 56,250 performance rights for each of the four (4) financial years to 30 June 2017 (pro rata in the year ending 30 June 2014). A condition of vesting is that he is employed by Energy Action continuously until and including 31 August 2017. The number of performance rights which vest on 31 August 2017 will depend on satisfaction of the yearly performance condition criteria, 75% of which is based on achieving the budgeted operating earnings per share and 25% of which is based on Energy Actions' total shareholder return in comparison to the ASX 300.

Mr Wooldridge will not receive a "sign on bonus" either in the form of equity or cash on taking up his new position.

4. Termination

The Agreement may be terminated in the circumstances described below:

- (a) Resignation by Mr Wooldridge with three months' written notice.
- (b) Termination by Energy Action with three months' notice.
- (c) Immediate termination by Energy Action by written notice for serious or gross misconduct, fundamental breach or other circumstances justifying summary dismissal.
- (d) Termination by either Mr Wooldridge or Energy Action with one week's written notice during the probationary period of 6 months from the commencement of employment.

5. Other provisions

From cessation of his employment with Energy Action, Mr Wooldridge will be subject to restraint arrangements for a period of 12 months.