

22 October 2021

Dear Shareholder,

On behalf of the Board of Energy Action Limited (**Energy Action** or *the Company*), I am pleased to invite you to attend the 2021 Annual General Meeting (**AGM**) of Energy Action. Enclosed is the Notice of Meeting setting out the business of the AGM.

Energy Action's 2021 AGM will be held on Wednesday, 24 November 2021 commencing at 10:00am (Sydney time).

Energy Action is focused on ensuring the health and safety of shareholders and its team members whilst maximising the opportunity for shareholders to participate in the AGM. Accordingly, given the uncertainty around applicable COVID-19 rules which may be in place at the time of the meeting relating to in-person gatherings, the Board has decided to hold this year's meeting as an online (virtual) meeting.

Our virtual 2021 AGM will provide you with similar opportunities online as you would have attending a meeting in person. You will be able to view presentations, as well as vote and ask questions or make comments live during the meeting. A dial-in teleconference will also be available to shareholders.

Further details on how to participate in the AGM online are set out in the attached Notice of Meeting and in the Link Group Online Platform Guide.

The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the site. The Online Platform Guide will be released to the ASX and is also available on our website at <https://energyaction.com.au/about/investors/annual-general-meetings.html>.

I encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and consider lodging a directed proxy in advance of the meeting by following the instructions on the Proxy Form.

Subject to the abstentions noted in the Explanatory Memorandum, the Directors of Energy Action unanimously recommend that shareholders vote in favour of all resolutions to be proposed at the AGM.

Thank you for your continued support of Energy Action and I look forward to your online attendance.

In the event that Energy Action needs to make alternative arrangements for the AGM, information will be lodged with the ASX at www.asx.com.au (ASX:EAX) and on Energy Action's website <https://energyaction.com.au/about/investors/annual-general-meetings.html>

Yours faithfully,

Mr Murray Bleach
CHAIRMAN

Energy Action Limited
ACN 137 363 636

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of Energy Action Limited ACN 137 363 636 (**Energy Action** or the **Company**) will be held:

Date: Wednesday, 24 November 2021

Time: 10:00am (Sydney time)

Venue: online via <https://agmlive.link/EAX21>

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

Further details on how to participate in the AGM are set out in the attached Notice of Meeting and in the Link Group Online Platform Guide.

The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step by step guide to successfully logging in and navigating the site. The Online Platform Guide will be released to the ASX and is also available on our website at (<https://energyaction.com.au/about/investors/annual-general-meetings.html>).

It is recommended that shareholders log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting on a supported web browser on their computer or online device. To log in to the Meeting, shareholders will need their Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**), which is printed at the top of their Proxy Form, along with their postcode.

Proxyholders will need a proxy code to log in. This will be provided by the share registry via email within 24 hours prior to the Meeting.

Shareholders will need to contact Link Market Services on +61 1800 990 363 prior to the Meeting (by 23 November 2021) to obtain a personalised PIN number in order to ask a question or make a comment via the telephone.

Shareholders will need to dial 1800 717 441 or +61 2 9189 2004 on the day of the AGM with their unique PIN.

A. CONSIDERATION OF REPORTS

The first item of business is to receive and consider the Financial Report, the Directors' Report, and the Independent Auditor's Report of the Company for the financial year ended 30 June 2021.

All shareholders can view the Company's Annual Report which contains the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the year ended 30 June 2021 on the Company's website at <https://energyaction.com.au/about/investors/>.

Shareholders are not required to vote on this item.

B. QUESTIONS AND COMMENTS

Following consideration of the Reports, the Chairman of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on the business of the meeting or the management of the Company.

The Company's external Auditor, RSM Australia Partners (**Auditor**), will attend the meeting and there will be a reasonable opportunity for shareholders to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit.

C. ITEMS FOR APPROVAL

Resolution 1. Re-election of Director Mr Paul Meehan

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That Paul Meehan, a Director of Energy Action Limited who retires in accordance with clause 46.2 of the Constitution, and being eligible for re-election, is re-elected as a Director of Energy Action Limited."

Resolution 2. Re-election of Director Mr Bruce Macfarlane

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Bruce Macfarlane who having been appointed by the Board of the Company since the last annual general meeting, retires in accordance with clause 45.2 of the Constitution of the Company and being eligible, offers himself for re-election, as a Director of the Company".

Resolution 3. Remuneration Report

To consider and if thought fit, pass the following as a non-binding ordinary resolution of the Company:

"That the Company's Remuneration Report for the financial year ended 30 June 2021, be adopted."

The Remuneration Report is contained in the 2021 Annual Report (available at <https://energyaction.com.au/about/investors/>). Please note that, in accordance with section 250R(3) of the *Corporations Act 2001* (Cth) (**Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

A vote on Resolution 3 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2021 Remuneration Report; or
- b. a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- a. the proxy appointment is in writing that specifies the way the proxy is to vote on the resolution; or
- b. the vote is cast by the chair of the Meeting and the appointment of the chair as proxy:
 - i. does not specify the way the proxy is to vote on the resolution; and
 - ii. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the *Corporations Act 2001* (Cth) (**Act**).

In accordance with section 250BD of the Act, a vote must not be cast on Resolution 3 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 4. Ratification of issue of Placement Shares

To consider and, if thought fit, pass the following as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 25 February 2021 of a total of 1,034,483 fully paid ordinary shares in Energy Action (Shares) at an issue price of A\$0.29 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is ratified.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour on Resolution 4 by or on behalf of:

- a. Mr Macfarlane or Ms Miller who participated in the issue; or
- b. an associate of Mr Macfarlane and Ms Miller.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- b. the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD

Kim Bradley-Ware
Company Secretary
22 October 2021

ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00 pm (Sydney time) on Monday, 22 November 2021 (being two days before the date of the Meeting) will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 (Cth) (the **Act**) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 10:00am (Sydney time) on Monday, 22 November 2021 (48 hours before the AGM). Proxies must be received before that time by one of the following methods:

Online (preferred): www.linkmarketservices.com.au

BY MAIL: Energy Action Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX: 02 9287 0309 (within Australia)
+61 2 9287 0309 (from outside Australia)

BY HAND: Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am to 5:00pm) and subject to public health orders and restrictions.

ALL ENQUIRIES TO:

Telephone: 1300 554 474 Overseas: +61 1300 554 474

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Power of Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 10:00am (Sydney time) on Monday, 22 November 2021, being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolution 3, then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

Voting at the Meeting

It is intended that voting on each of the proposed resolutions at this Meeting will be conducted by a poll, rather than on a show of hands.

SHAREHOLDER QUESTIONS – SUBMITTED PRIOR TO THE MEETING

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.linkmarketservices.com.au select Voting then click 'Ask a Question', or alternatively submit the enclosed AGM Question Form.

This includes any questions for the Chairman or RSM (our external auditor).

To allow time to collate questions and prepare answers, please submit any questions by 10:00am (Sydney time) on Monday, 15 November 2021 (being no later than the fifth business day before the AGM is held). Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

CONDUCT OF MEETING

Energy Action is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders) who attend the meeting with the opportunity to participate in the business of the meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the meeting or about the Company generally. Energy Action will not allow conduct at any shareholder meeting which is discourteous to those who are present at the meeting, or which in any way disrupts or interferes with the proper conduct of the meeting. The Chairman of the Meeting will exercise his powers as the Chairman to ensure that the meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders.

In the event that technical issues arise, Energy Action will have regard to the impact of the technical issues on shareholders participating and casting votes online and the Chairman of the Meeting may, in exercising his powers as the Chairman, issue any instructions for resolving the issue and may continue the meeting if it is appropriate to do so.

PARTICIPATION IN THE AGM

There are a number of ways shareholders and interested parties can participate in the AGM:

- **Online:** shareholders and proxyholders are encouraged to participate in the AGM online, which will allow them to view presentations, ask questions in writing and vote.
- **Teleconference:** for shareholders and proxyholders who are unable or do not wish to access the meeting online, this will allow them to listen to the meeting live and ask questions on the telephone, (but not vote). Shareholders will need to contact +61 1800 990 363 to pre-register by 23 November 2021 to obtain their unique PIN. Shareholders will need to dial 1800 717 441 or +61 2 9189 2004 on the day of the AGM with their unique PIN.

ENCLOSURES

Enclosed are the following documents:

- proxy form to be completed if you would like to be represented at the AGM by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Energy Action's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost effective receipt of your proxy;
- a reply paid envelope for you to return the proxy form.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of the Company (**Shareholders**) in relation to the business to be conducted at the Company's AGM to be held on Wednesday, 24 November 2021.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 2 and 4 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 3, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company.

Resolution 1. Re-Election of Director – Paul Meehan

Mr Paul Meehan was last re-elected a Non-executive Director of Energy Action at the company's Annual General Meeting in 2019. He has been a Non-Executive Director of the private company from its inception in 2003.

Paul Meehan retires from office in accordance with clause 46.1 of the Constitution at the conclusion of the AGM and being eligible, offers himself for re-election as a Director of the Company. If shareholders do not approve the re-election of Paul Meehan then Paul Meehan will cease to be a Director at the conclusion of the Meeting. ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

Mr Meehan is a practising lawyer with over 25 years' experience and expertise advising in all facets of the law with a range of clients from S&P / ASX 50 ASX listed companies to individuals buying their first home.

Mr Meehan has his own legal practice in the suburban area of Sydney with approximately 25 employees.

Mr Meehan is also a Non-executive Director of First Commercial Realty Pty Ltd (trading as LJ Hooker Commercial Macarthur), one of the largest commercial real estate offices in the South West of Sydney.

Mr Meehan completed his legal studies through the Law Extension Committee, Sydney University (SAB) and holds a Diploma in Law (SAB).

Mr Meehan is a Member of each of the Audit & Risk Management and Nomination & Remuneration Committees.

The Board considered whether Paul Meehan has any interest, position or relationship that may interfere with his independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Council Principles & Recommendations (4th edition) (**ASX Principles**). The Board considers that Paul Meehan (if re-elected), will continue to be a Non-independent Director, by virtue of his substantial shareholding and his length of tenure on the Board.

Prior to submitting himself for election, Paul Meehan has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports the re-election of Paul Meehan as he contributes to the Board significant experience in the areas of legal, commercial negotiation and governance, as well as complementing the skills of the existing directors.

For the reasons set out above, the Directors, with Paul Meehan abstaining, unanimously recommend Shareholders vote in favour of Resolution 1.

Resolution 2. Re-Election of Director – Bruce Macfarlane

Bruce Macfarlane was appointed as a non-executive Director of the Company on 25 February 2021 and (as announced to the ASX on 23 September 2021) has been acting in the role of Chief Executive Officer on an interim basis since 23 September 2021. Bruce Macfarlane is seeking re-election to the Board as an Executive Director.

Clause 45.2 of the Company's Constitution requires that any Director appointed by the Board since the previous annual general meeting automatically retires at the next annual general meeting and is eligible for election by that general meeting.

Pursuant to clause 45.2 of the Company's Constitution, Bruce Macfarlane will retire as a director of the Company at the AGM. Being eligible, he offers himself for re-election as a director.

Bruce Macfarlane has over 20 years' experience in the energy utilities industry. He originally worked as a Mining Engineer at Mount Isa Mines and BHP Australia Coal. Moving into energy utilities in 1999, when he joined Genesis Power in New Zealand as an Energy Trader.

Bruce Macfarlane co-founded BidEnergy (since renamed Bill Identity, ASX:BID). He created BidEnergy's Blueprint, structuring BID's information architecture, and wrote the company's initial sales collateral, standard contract and Service Level Agreement.

As an investor in Energy Action Bruce Macfarlane has actively helped to improve the Company's capability. Mr MacFarlane has helped establish a new technological technical team, complete project management of the CRM Business Transformation Project, and establish governance and technology strategy.

Bruce Macfarlane holds a Bachelor of Engineering (Mining) from the University of Auckland, and a Master of Commerce (Economics) from the University of Canterbury, New Zealand.

Mr Macfarlane is not currently considered an independent director as he is a substantial shareholder of the Company and is currently acting as interim Chief Executive Officer, however the Board considers that Mr Macfarlane brings quality independent judgement to bear on all relevant issues.

Mr Macfarlane is a member of the Audit & Risk Management Committee and Remuneration and Nomination Committee.

Prior to submitting himself for election, Bruce MacFarlane has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports Mr Macfarlane's election as a Non-Executive Director as Mr Macfarlane provides a valuable contribution to the Board and Company, specifically in relation to technology products and energy matters.

Resolution 3. Adoption of Remuneration Report

As required by section 250R(2) of the Act, a resolution that Energy Action's Remuneration Report be adopted will be put to the vote. Section 250R(3) of the Act provided that the vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

Shareholders can view the full Remuneration Report in the Annual Report which is available on Energy Action's website at <https://energyaction.com.au/about/investors/>.

Following consideration of the Remuneration Report, the Chairman of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Noting that each Director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

Resolution 4. Ratification of issue of Placement Shares

Background about the Placement

On 9 February 2021, the Company announced details of a placement to Mr Bruce Macfarlane to subscribe for new Energy Action Limited fully paid ordinary shares at a price of \$0.29 cents per share, to raise approximately \$0.3 million (**Placement**).

The Placement of 1,034,438 shares were issued on 25 February 2021.

The funds raised from the Placement will be used to support the Company's growth strategy.

Specific information about Resolution 4

Under ASX Listing Rule 7.1, a listed entity must obtain ordinary shareholder approval if it wants to issue, or agree to issue, more than 15% of its equity securities over any 12-month period based on the number of fully paid ordinary securities it had on issue at the start of that 12 month period. As described above, the Placement was made within the 15% limit permitted under ASX Listing Rule 7.1 and without shareholder approval, thereby reducing the Company's remaining available capacity. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of, or agreement to issue, securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

The Company is seeking approval of Resolution 4 for the purposes of ASX Listing Rule 7.4 to enable the Company to refresh its issuing capacity under ASX Listing Rule 7.1, thereby providing the Company with the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

If shareholders approve Resolution 4, the issue will be excluded in calculating Energy Action's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the issue of the shares.

If shareholders do not approve Resolution 4, the issue will be included in calculating Energy Action's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the issue of the shares.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- shares under the Placement have been issued to Bruce Macfarlane and Linda Miller.
- the number of shares issued under ASX Listing Rule 7.1 and the Placement was, 1,034,438 shares.
- the shares issued under the Placement are fully paid ordinary shares which rank equally with all other existing shares from the date of issue.
- the shares under Placement were issued on 25 February 2021.
- the shares issued under the Placement were issued at a price of \$0.29 cents per share.
- the purpose of the issue was to fund the general working capital of the business.
- a Voting Exclusion Statement accompanies Resolution 4 in the Notice of Meeting.

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.