

ASX/MEDIA RELEASE

Australian Power & Gas becomes first energy retailer to sign with PayPal

Sydney, 4 February 2013

Australian Power & Gas Company Limited (ASX:APK), Australia's leading independent energy retailer, today announced that it has entered into an agreement with global payments company, PayPal. The agreement will enable Australian Power & Gas' 340,000-plus customer accounts to pay bills online using PayPal and reduce Australian Power & Gas' transaction costs to process payments.

Australian Power & Gas CEO James Myatt said: "This is an important relationship which opens up access for Australian Power & Gas to PayPal Australia's 5 million active accounts. We're delighted to be the first energy retailer to enable customers to pay bills using PayPal.

"We are investing in innovation to make it easy for customers to sign with us. Our online customer service portal offers simple-to-use options for account management and automated payment, and a growing number of customers are using this platform."

The agreement between Australian Power & Gas and PayPal allows customers to conveniently make payments online. Information is managed electronically reducing manual handling, mail and paper transaction costs. Customers will also be able to pay bills in instalments at times of their choosing, as an alternative to lump sum payments at the due date.

Jeff Clementz, managing director PayPal Australia said; "PayPal's core business is focussed on making it easier for Australian consumers to pay for things quickly and securely via a variety of connected devices from desktop computers to mobile phones and tablets. Increasingly, we are seeing Australian consumers want to be able to pay anywhere, anytime, any way and we believe this also applies to bill payments. We are excited to be working with Australian Power & Gas to enable their customers to pay their bills quickly and conveniently."

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About Australian Power and Gas:

Australian Power and Gas Company Limited (ASX: APK) is Australia's leading independent ASX-listed energy retailer, and one of the country's fastest growing companies. It holds a full suite of gas and electricity retail licences in Victoria, New South Wales, ACT, South Australia and Queensland and has been approved to operate by AEMO, the Australian Energy Market Operator. Australian Power and Gas was announced as the fastest starting company in the 2011 Business Review Weekly Annual Fast Starters List for a second year in a row, and was placed first on the Business Review Weekly Fast100 list for 2010.