



ASX RELEASE

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APA Group to raise US\$140 million (A\$185 million) in US Private Placement

APA Group (APA) has reached conditional agreement with US investors to raise a total of US\$140 million (A\$185 million) through a private placement of Notes. The offering will be split into 7 year and 10 year tenors and the proceeds of the issue will be used to pay down existing debt drawings with a view to extending the average tenor of APA's debt portfolio.

This transaction will be the third successful placement in the US by APA following two previous issues in 2003 and 2007.

APA Group's Chief Financial Officer, Mr Ross Gersbach said "The transaction is consistent with our intention to progressively move to a position whereby no more than 20% of debt will mature in any financial year.

"US investors continue to be attracted to APA's secure infrastructure business, strategy and leading position in Australia's gas transmission sector. We are pleased that investors have strongly supported this offering."

The transaction is subject to final investor due diligence and documentation and is expected to settle in early July 2009.

Transaction summary

- US\$65 million (A\$86 million), 7 years, maturing July 2016
- US\$75 million (A\$99 million), 10 years, maturing July 2019
- The USD Note coupons were priced on the basis of US Treasuries + 575 bps
- APA's obligations under the Notes have been hedged into AUD obligations

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About APA Group (APA)

APA Group, comprising Australian Pipeline Trust and APT Investment Trust, is the major ASX-listed energy transmission company in Australia, transporting more than half of the natural gas used in Australia. APA has interests in over 12,000 km of natural gas pipeline infrastructure across the mainland and owns 2,800 km of gas distribution networks in Queensland and New South Wales.

APA has direct management and operational control over its assets, and also provides management and operation services to its investments, including gas distribution and transmission company Envestra.