



ASX RELEASE

22 December 2011

APA expanding capacity of the Goldfields Gas Pipeline

APA Group (ASX:APA), Australia's largest natural gas infrastructure business, today announced it will expand the capacity of the Goldfields Gas Pipeline to meet new demand in the Pilbara mining sector.

The expansion is underpinned by a new 20-year gas transportation agreement with Rio Tinto. APA owns 88.2% of the Goldfields Gas Pipeline through the Goldfields Gas Transmission Joint Venture.

APA Managing Director Mick McCormack said the Goldfields Gas Pipeline was critical to mining operations in the Pilbara.

"This is our third expansion in the last three years, and given the developments in the region, we don't expect it to be the last," Mr McCormack said.

"All of these expansions have been underpinned by contracts and are further proof of the growth prospects that APA has in a market with increasing demand for natural gas."

The expansion will include the installation of additional compression at the existing Yarraloola and Paraburdoo compressor stations, and will deliver an additional 20 TJ/day, an increase of approximately 13% of the pipeline's current capacity.

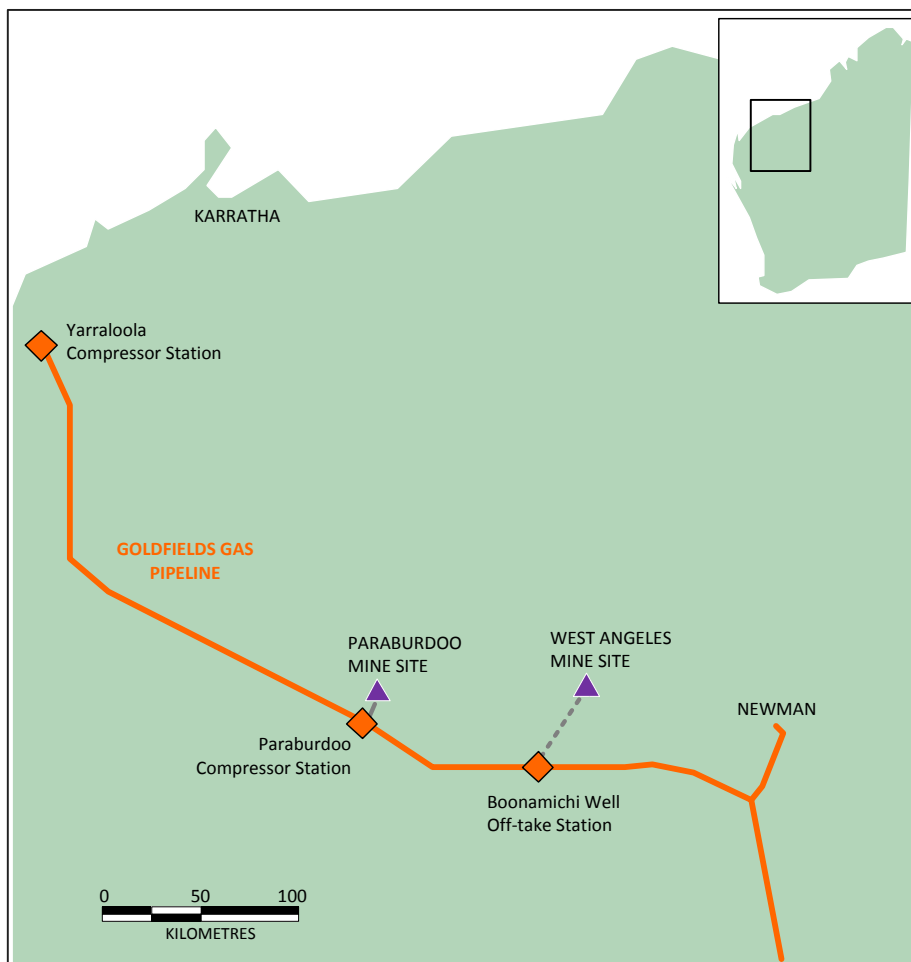
Engineering design work and procurement activities for the expansion project have commenced, with construction scheduled to be completed in mid 2013. APA is managing the construction project on behalf of the Goldfields Gas Transmission Joint Venture.

The additional capacity has been contracted by Rio Tinto under a new 20 year agreement, to supply the expansion of Rio Tinto's mining operations in the Pilbara region of Western Australia. This includes the West Angeles mine site which is to be developed as a new power generation hub to support expansion of mining operations in the east Pilbara. Rio Tinto operates the mining operations on behalf of the Hammersley Iron and Robe River Joint ventures.

ASX RELEASE

22 December 2011

Additional information – Location of Goldfields Gas Pipeline expansion



For further information please contact:

Investor enquiries:

Chris Kotsaris
Investor Relations APA Group
Telephone: (02) 9693 0049
Mob: 0402 060 508
Email: chris.kotsaris@apa.com.au

Media enquiries:

Matthew Horan
Cato Counsel
Telephone: (02) 9212 4666
Mob: 0403 934 958
Email: matthew@catocounsel.com.au

About APA Group (APA)

APA is Australia's largest natural gas infrastructure business, owning and/or operating more than \$8 billion of gas transmission and distribution assets. Its pipelines and assets span every state and territory on mainland Australia, delivering 50% of the nation's gas usage. Unique amongst its peers, APA has direct management and operational control over its assets and the majority of its investments. APA also holds minority interests in energy infrastructure enterprises including Envestra, SEA Gas Pipeline, Hastings Diversified Utilities Fund and Energy Infrastructure Investments.

For more information visit APA's website, www.apa.com.au