

Australian Pipeline Trust



Takeover Offer for GasNet

Mick McCormack - Managing Director
22 August 2006



Important notice and disclaimer

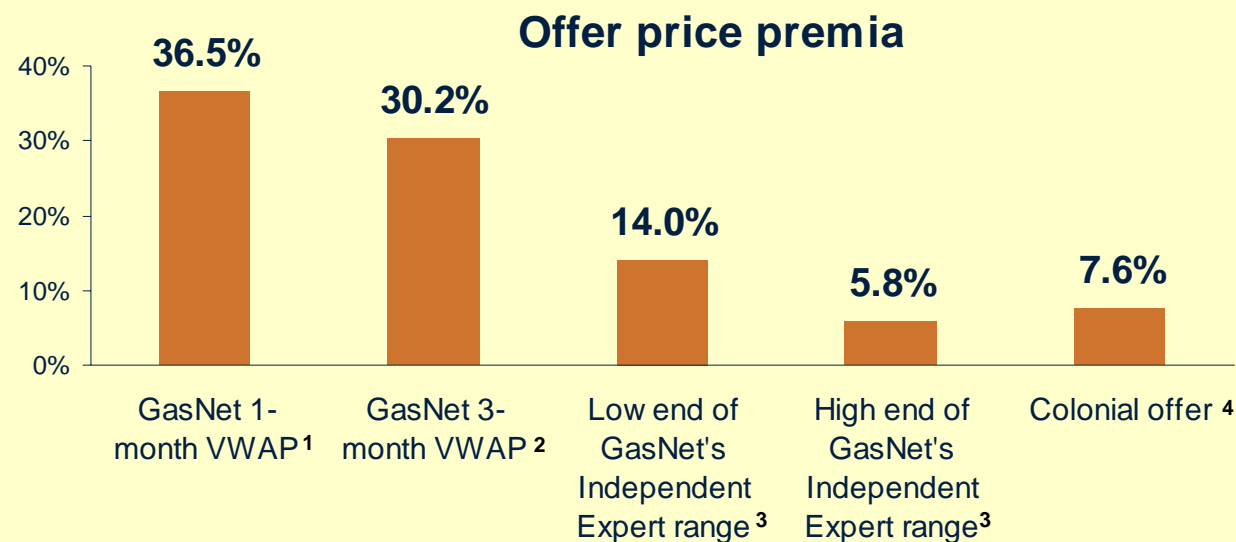
- The purpose of this Presentation is to provide general information about the proposed acquisition of GasNet Australia Group (GasNet). It is not a recommendation that any person makes any investment decision in relation to Australian Pipeline Trust (APA) or GasNet. This Presentation does not contain all information that would be material to the making of a decision in relation to the takeover offer for GasNet. APA will lodge a Bidder's Statement containing all information prescribed by the Corporations Act. Any securityholder or prospective securityholder should make its own assessment and determination as to the information contained in the Bidder's Statement prior to making any investment decision, and should not rely on the information in this Presentation for that purpose.
- The information contained in this Presentation should not be relied upon as financial product advice. It does not take into account the investment objectives, financial situation and particular needs of the investor. No part of this presentation is intended as a recommendation to take any particular course of action in respect to any securities or financial products. In this regard, individuals should seek their own professional advice prior to making any decision.
- Further information about APA, GasNet and their respective businesses and operations are contained in their annual reports and other reports which can be accessed on their websites at www.pipelinetrust.com.au, www.gasnet.com.au. APA does not undertake any obligation to revise the information in this Presentation to reflect any future events or circumstances.
- This Presentation contains certain statements (including projections, estimates, opinions, forecasts) concerning the anticipated future performance of the enlarged APA ("Forward Looking Statements"). None of these Forward Looking Statements is a guarantee or representation as to future performance or any future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside the control of APA. Accordingly, the enlarged APA actual results, performance and prospects could differ materially from that expressed in or implied by the Forward Looking Statements. Past performance is not a reliable indication of future performance.
- No representation or warranty, expressed or implied, is made by APA that the Forward Looking Statements contained in this Presentation will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, each of APA, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of this presentation and excludes all liability whatsoever (including negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this Presentation or any error or omission therefrom.

The offer

- Cash offer of \$3.10 per GasNet stapled security
 - The offer values GasNet at \$452m
 - Conditions less onerous than the Colonial offer
 - Accelerated payment terms
- APA is the sole bidder
 - Joint bidding agreement with BBI terminated
 - APA can identify greater value given its complementary portfolio
- Financially and strategically, a compelling offer
- EPU and yield accretive in the first year
- B&B Group intends to accept the Offer

Outstanding offer to GasNet securityholders

- Superior to the Colonial offer, GasNet's Independent Expert valuation range and GasNet's historic trading levels
- Higher price, less onerous conditions: expect Board recommendation



Notes

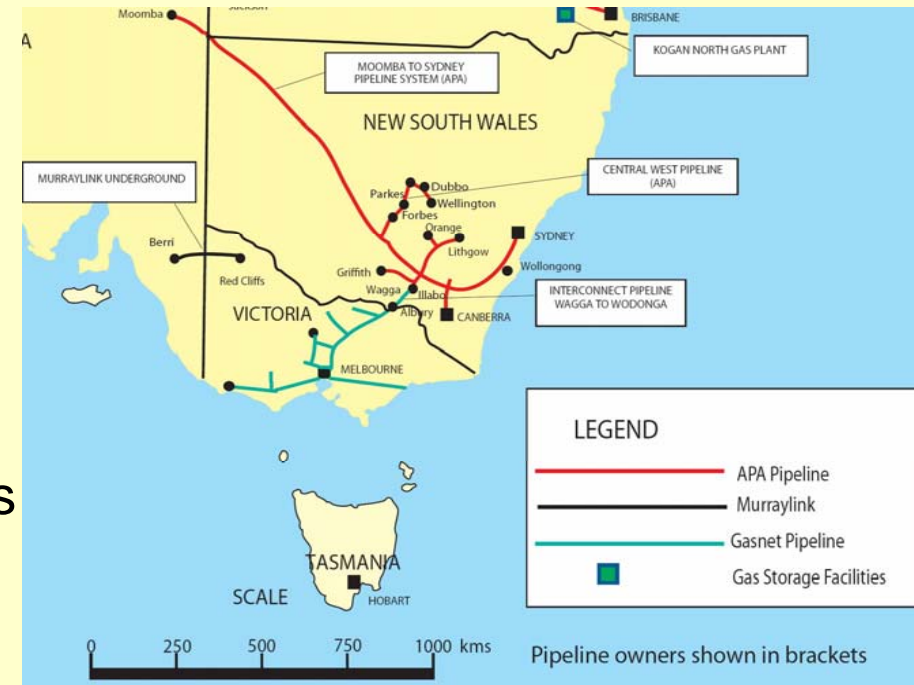
1. \$2.27 VWAP from 17 May to 16 June 2006 (source: Bloomberg), being the day prior to the announcement of APA initial joint bid with BBI
2. \$2.38 VWAP from 20 March to 16 June 2006 (source: Bloomberg), being the day prior to the announcement of APA initial joint bid with BBI
3. GasNet's Independent Expert range of \$2.72 to \$2.93, included in GasNet's Target's Statement dated 9 August 2006
4. \$2.88 offer from Colonial First State Global Asset Management announced on 15 August 2006

Strategic rationale

- Highly complementary business to APA's existing asset portfolio
- Meets APA's investment criteria and enhances ability to grow securityholder distributions
- Reinforces APA's position as a leading owner and operator of energy transmission assets in Australia
- Greater gas flows into Victoria and NSW and increased competition with the Eastern Gas Pipeline

Significant synergistic benefits

- Better use of the NSW/VIC Interconnect
 - Increased gas throughput
 - Other opportunities include gas storage services
- Increased competition of APA's Moomba to Sydney Pipeline with the Eastern Gas Pipeline
- Expansion opportunities in VIC and WA
- Reduction in operating costs



Strong strategic fit for APA expected to deliver significant value

Details of the offer

- Key terms and conditions
 - 50.1% minimum acceptance
 - Accelerated payment terms (5 business days) after the offer becomes unconditional
 - Broker handling fee
 - The offer price will be reduced by GasNet's distributions
 - Other conditions as set out in the ASX Announcement on 22 August
- Funding
 - APA will fund the offer through committed facilities
- Indicative timetable
 - Announcement of offer 22 August
 - Bidder's Statement lodged Late August
 - Bidder's Statement dispatched / offer opens Mid September
 - Expected offer close (unless extended) Mid October



We Deliver Energy

www.pipelinetrust.com.au

