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APA Group



Australian Pipeline Ltd  
ACN 091 344 704

Australian Pipeline Trust  
ARSN 091 678 778

APT Investment Trust  
ARSN 115 585 441

ASX RELEASE

22 July 2008

22 July 2008

The Manager

Company Announcements Office  
Australian Securities Exchange  
4<sup>th</sup> Floor, 20 Bridge Street  
Sydney NSW 2000

**Electronic Lodgement**

Dear Sir or Madam

**Company Announcement**

I attach the following announcement for release to the market:

- Heads of Agreement with Eastern Star Gas and Gastar Exploration

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Knapman'.

**Mark Knapman**  
Company Secretary



ASX RELEASE

22 July 2008

## **Heads of Agreement with Eastern Star Gas and Gatar Exploration**

### ***APA Group Supports Development of NSW Coal Seam Gas Resource***

APA Group (ASX: APA) is pleased to announce it has entered into a Heads of Agreement with Eastern Star Gas Limited and Gatar Exploration Ltd to investigate arrangements to transport coal seam gas from the Narrabri Coal Seam Gas Project into the south eastern Australia gas market.

Mr Mick McCormack, Managing Director of APA said "This is the first step in a relationship that has significant growth potential, as the Narrabri Coal Seam Gas Project aims to become a major supplier of gas to meet NSW's requirements.

"APA is in a unique position to transport gas from Eastern Star Gas' proposed new pilot production projects to major load centres. We will make use of our established NSW pipeline infrastructure to deliver gas at the earliest opportunity, and maximise capital efficiency to provide services on competitive terms. As gas production increases, we will then be able to progressively expand gas transportation capacity in our existing pipelines and develop pipeline laterals to supply gas to new regions."

The connection of the Narrabri Coal Seam Gas Project into APA's NSW gas transmission system, which feeds downstream distribution systems in NSW and ACT and delivers gas into Victoria through APA's Victorian Transmission System, also paves the way for enhanced security of gas supply for NSW and will give gas users new options for gas supply.

Mr McCormack added "We are pleased to be working with Eastern Star Gas in their development of this indigenous NSW gas resource. Through this agreement we will work towards ensuring timely delivery of the gas to the markets."

#### **For further information please contact:**

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#### **About APA Group (APA)**

APA Group, comprised of Australian Pipeline Trust and APT Investment Trust, is the major ASX-listed energy transmission company in Australia with interests in almost 12,000 km of natural gas pipeline infrastructure, over 2,300 km of gas distribution networks in south east Queensland, Coal Seam Gas processing plants, gas fired power stations, gas storage facilities and two high voltage direct current interconnector systems.

APA manages and operates all its assets and also provides management and operation services to gas distribution and transmission company Envestra (which owns 19,100 km of natural gas distribution networks and 1,029 km of natural gas transmission pipelines). It also holds an 18 percent stake in Envestra and a one-third interest in the SEAGas pipeline. APA Group has a varied and quality customer base including AGL Energy, Cooper Eromanga Basin Producers, Xstrata, Newmont, CS Energy, BHP Billiton, Zinifex, Incitec Pivot, Origin, RioTinto, Nickel West, Synergy and Verve Energy.