



1 May 2017

ASX ANNOUNCEMENT

APA Group (ASX: APA)

(also for release to APT Pipelines Limited (ASX: AQH))

Cooper Energy (ASX: COE)

ORBOST GAS PLANT TRANSACTION

APA Group (ASX:APA) and Cooper Energy Limited (ASX:COE) are pleased to announce that the respective boards of the two companies have provided final approvals for a transaction (**Transaction**), the key commercial terms of which have been negotiated and substantially agreed by the parties, as proposed in the non-binding Heads of Agreement (**HOA**) announced on 27 February 2017.

The Transaction remains subject to certain conditions, including Cooper Energy making a final investment decision, obtaining requisite approvals, licenses and permits, and the execution of full form legal documentation. APA and Cooper Energy have agreed to extend the exclusivity under the HOA to 31 May 2017 to accommodate the finalisation of documentation.

The Transaction will enable the development of the Sole gas field in the Gippsland Basin offshore Victoria as a new source of competitive gas supply for south-east Australia. Under the Transaction, APA will acquire, upgrade, and operate the strategically located Orbest Gas Plant to process gas from Sole and Manta, and potentially other fields in conjunction with Cooper Energy's gas development portfolio.

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Company Secretary
Australian Pipeline Limited

Alison Evans

Company Secretary
Cooper Energy Limited

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About the Sole gas project

The Sole gas project involves the development of the Sole gas field, located offshore Victoria for the supply of 249 petajoules (PJ) of gas, commencing in 2019 (subject to project completion). Sole is expected to supply 25 PJ per annum, approximately 20 PJ per annum of which has already been contracted, to a portfolio of gas buyers including AGL Energy, EnergyAustralia, Alinta Energy and O-I Australia. Gas from Sole is to be produced from two development wells and transported by subsea pipeline to the Orbest Gas Plant (previously known as the Patricia Baleen Gas Plant) for processing prior to supply to customers via the Eastern Gas Pipeline. The project involves offshore development to be undertaken by Cooper Energy which is estimated to cost \$355 million and an estimated \$250 million upgrade to the Orbest Gas Plant, which under the Transaction is to be undertaken by APA Group.

About APA Group (APA)

Australian Pipeline Ltd ACN 091 344 704 | Australian Pipeline Trust ARSN 091 678 778 | APT Investment Trust ARSN 115 585 441
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APA is Australia's largest natural gas infrastructure business, owning and/or operating around \$20 billion of energy infrastructure assets. Its gas transmission pipelines span every state and territory on mainland Australia, delivering approximately half of the nation's gas usage. APA has direct management and operational control over its assets and the majority of its investments. APA also holds ownership interests in a number of energy infrastructure enterprises including SEA Gas Pipeline, SEA Gas (Mortlake) Partnership, Energy Infrastructure Investments and GDI Allgas Gas Networks.

APT Pipelines Limited is a wholly owned subsidiary of Australian Pipeline Trust and is the borrowing entity of APA Group.

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

About Cooper Energy Limited (COE)

Cooper Energy Limited ABN 93 096 170 295
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Cooper Energy is an ASX listed exploration and production company which generates revenue from gas supply to south-east Australia and low cost Cooper Basin oil production. The company is an emerging player in the south-east Australian energy sector holding a portfolio of gas supply contracts and one of the most extensive portfolios of gas-focussed acreage and assets, including well located reserves, resources and access to processing plant, in the Otway and Gippsland basins. The most significant resources, in the Gippsland Basin, are currently being commercialised to provide a new source of gas supply for south-east Australia from 2019.

The company enjoys strong cash flow and is executing a clear strategy driven by total shareholder return.

For more information visit Cooper Energy's website, cooperenergy.com.au