



1 June 2017

ASX ANNOUNCEMENT

APA Group (ASX: APA)

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

APA buys the Orbost Gas Processing Plant

APA Group (ASX:APA), Australia's leading energy infrastructure business, today announced that, further to announcements made on 1 May 2017 and on 27 February 2017, it has entered into agreements with Cooper Energy (ASX:COE) to purchase, upgrade and operate the Orbost Gas Processing Plant, to process natural gas from the Sole gas field. Total cost of the upgrade project, including acquisition costs, is expected to be in the order of \$270 million.

The transaction remains subject to Cooper Energy completing a debt raising and making a final investment decision on the Sole gas project and obtaining requisite approvals. The anticipated date for financial close is August 2017, with project completion expected around mid-2019.

The Orbost Gas Processing Plant is located approximately 375km east of Melbourne on the Victorian east coast. The plant will be connected to Cooper Energy's Sole gas field via a sub-sea pipeline and control umbilical that will be constructed by Cooper Energy. There is also scope within the agreements for the plant to process gas from Cooper Energy's nearby Manta gas field. There is an existing pipeline connection to Patricia-Baleen and Longtom gas fields which, also, can deliver gas for processing through Orbost subject to agreements being reached with the owners of those producing gas fields and requisite approvals.

APA Group Managing Director, Mr Mick McCormack, said, "We are pleased to have reached a binding agreement with Cooper Energy on this transaction, at a time when there are calls for increased gas supply into the east coast gas market."

"When APA provided its growth opportunities outlook of \$1.5 billion over the next 3 years at the FY2016 results, \$300 million of that was to come from expansions in the midstream infrastructure sector. This project fits our successful and sustainable investment criteria, as it is an energy infrastructure asset that is underwritten by a long term contract and meets our return criteria. It leverages our current skills in gas processing and compression facilities and our expertise in the midstream infrastructure sector."

A handwritten signature in black ink, appearing to read 'N Codevelle'.

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Company Secretary

Australian Pipeline Limited

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About APA Group (APA)

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