



21 February 2018

ASX ANNOUNCEMENT

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

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## APA ANNOUNCES A\$500M ENTITLEMENT OFFER

APA Group (ASX:APA) today launched a fully underwritten pro-rata accelerated institutional tradeable retail renounceable entitlement offer to raise approximately A\$500 million (**Entitlement Offer**). It is proposed that the proceeds of the Entitlement Offer will be used to assist in the funding of APA's growth projects and capital expenditure program, the funding of the redemption of APA subordinated notes, and for other general corporate purposes.

APA has committed growth projects currently in excess of \$1.2 billion and the Entitlement Offer positions APA to take advantage of its significant growth opportunities and maintain current debt headroom.

- 1 for 17<sup>1</sup> fully underwritten pro-rata accelerated institutional tradeable retail renounceable entitlement offer to raise approximately \$500 million;
- Approximately 65,547,493 million new APA ordinary securities to be issued (approx. 5.9% of issued securities);
  - Entitlement Offer will be conducted at A\$7.70 per new security (**Offer Price**), representing a:

Discount relative to Closing Price	Discount relative to TERP
Last Closing Price 20 February 2018	TERP <sup>2</sup>
\$8.26	\$8.23
6.8%	6.4%

- New securities will rank equally in all respects with existing ordinary securities from the date of allotment but will not be entitled to the 1H FY2018 distribution of 21.0 cents per security which is to be paid on 14 March 2018;
- The Entitlement Offer comprises:
  - An **Institutional Entitlement Offer**: Eligible institutional securityholders will be invited to purchase a pro-rata number of new securities. The Institutional Entitlement Offer will open at 9.00am (Sydney time) on 21 February 2018 and close at 12.00pm (Sydney time) on 22 February 2018. Institutional entitlements not exercised, along with the entitlements of ineligible institutional securityholders, will be sold under an institutional shortfall bookbuild and any proceeds in excess of the Offer Price (less expenses) will be paid to relevant APA securityholders; and
  - A **Retail Entitlement Offer**: Eligible retail securityholders in Australia and New Zealand will be invited to purchase a pro-rata number of new securities. Eligible retail securityholders have a number of options under the Retail Entitlement Offer<sup>3</sup>
    - i. elect to take up all or part of their entitlement by either:
      - the Early Retail Application Closing Date of 5.00pm (Sydney time) on 5 March 2018; or
      - the Retail Closing Date of 5.00pm (Sydney time) on 14 March 2018;

<sup>1</sup> Fractional entitlements will be rounded up to the nearest whole number of securities

<sup>2</sup> The Theoretical Ex-Rights Price (TERP) is the theoretical price at which APA securities should trade immediately after the ex-date for the Entitlement Offer. The theoretical ex-rights price is a theoretical calculation only and the actual price at which APA securities trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the theoretical ex-rights price

<sup>3</sup> Refer to Investor Presentation for information on restrictions on securityholders eligible to exercise entitlements

- ii. sell their entitlement on the ASX between Monday, 26 February 2018 and Wednesday, 7 March 2018; or
  - iii. do nothing and let their entitlement be offered for sale through a retail shortfall bookbuild process managed by the underwriters with any proceeds in excess of the Offer Price (less expenses) paid to the securityholder;
- A Retail Offer Booklet containing information in respect of the Retail Entitlement Offer will be sent to eligible retail securityholders in Australia and New Zealand on 2 March 2018 and will be made available at [www.apa.com.au](http://www.apa.com.au). Please note that the contents of APA's website do not form part of the offer documents for the Entitlement Offer;
  - Retail entitlements under the Retail Entitlement Offer not exercised, along with the entitlements of ineligible retail securityholders, will be sold under a retail shortfall bookbuild;
  - Eligible retail securityholders should read the Retail Offer Booklet in full prior to deciding whether to subscribe for new securities or sell or transfer their entitlements;
  - Any eligible retail securityholder who wishes to acquire new securities under the Retail Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised entitlement and acceptance form that will accompany the Retail Offer Booklet.

Further information and securityholder enquiries:

For further information on the Entitlement Offer, or if you are an eligible retail securityholder and you do not receive a copy of the Retail Offer Booklet, please contact the APA Group Investor Information line on 1800 992 312 (toll free from within Australia) or +61 1800 992 312 (from outside Australia), from 7.30am to 7.30pm (Sydney time) Monday to Friday (excluding public holidays) during the Retail Entitlement Offer period, or visit APA's website at [www.apa.com.au](http://www.apa.com.au).

Indicative Entitlement Offer timetable:

Event	
Trading halt, announce 1H FY18 results and Entitlement Offer	Wednesday, 21 February 2018
Institutional Entitlement Offer closes	Thursday, 22 February 2018
Institutional shortfall bookbuild	Friday, 23 February 2018
Trading halt lifted – securities recommence trading on ASX on an “ex-entitlement” basis	Monday, 26 February 2018
Retail entitlements commence trading on ASX on a deferred settlement basis	Monday, 26 February 2018
Record date for determining entitlement to subscribe for new securities under Entitlement Offer	Monday, 26 February 2018
Retail Entitlement Offer opens	Friday, 2 March 2018
Retail Offer Booklet dispatched	Friday, 2 March 2018
Retail entitlements commence trading on ASX on a normal settlement basis	Monday, 5 March 2018
Early Retail Application Closing Date - last day to apply for new securities to be issued on the Initial Allotment Date	Monday, 5 March 2018
Settlement of new securities under the Institutional Entitlement Offer and Retail	Tuesday, 6 March 2018

Entitlement Offer for applications which have been received by the Early Retail Application Closing Date	
Retail entitlement trading on ASX ends	Wednesday, 7 March 2018
Initial Allotment Date – allotment and normal trading of new securities under the Institutional Entitlement Offer and for applications which have been received by the Early Retail Application Closing Date	Wednesday, 7 March 2018
Retail Entitlement Offer closes	Wednesday, 14 March 2018
Retail shortfall bookbuild	Monday, 19 March 2018
Settlement of new securities under the Retail Entitlement Offer (other than those issued on the Initial Allotment Date)	Thursday, 22 March 2018
Allotment of new securities under the Retail Entitlement Offer	Friday, 23 March 2018
Normal trading of new securities issued under the Retail Entitlement Offer	Monday, 26 March 2018
Dispatch of holding statements in respect of new securities issued under the Retail Entitlement Offer	Tuesday, 27 March 2018

These dates (except where historical) are indicative only and are subject to change without notice.

The commencement of quotation of new securities is subject to confirmation from ASX.

All times and dates refer to Sydney time. Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, APA has the right, with the consent of the underwriters, to amend the timetable, including extending the Retail Entitlement Offer period or accepting late applications, either generally or, in particular cases, without notice.



**Nevenka Codevelle**  
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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](http://apa.com.au)

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*Investors acknowledge and agree that eligibility of investors for the purposes of the Institutional Entitlement Offer or the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of APA and/or the underwriters. Each of APA, the underwriters and each of their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law. The underwriters may rely on information provided by or on behalf of institutional investors in connection with managing, conducting and underwriting the Entitlement Offer without having independently verified that information and the underwriters do not assume responsibility for the currency, accuracy, reliability or completeness of that information.*

*This release may not be distributed or released in the United States. This release does not constitute an offer to sell, or a solicitation of any offer to buy, any securities in the United States. Neither the entitlements nor the New Securities have been, or will be, registered under the US Securities Act of 1933, as amended (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Securities may not be offered or sold to, any person in the United States or any person that is acting for the account or benefit of a person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws. The entitlements and the New Securities to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S. In addition, persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of a person in the United States) will not be eligible to purchase or trade entitlements on ASX or otherwise, or take up or exercise entitlements purchased on ASX or otherwise, or transferred from another person.*

*This release may contain certain "forward-looking statements". The words "anticipate", "believe", "continue", "expect", "project", "forecast", "estimate", "likely", "intend", "objectives", "outlook", "should", "could", "may", "will", "target", "plan", "guidance" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position, distributions and performance (including, but not limited to, forecast EBITDA, operating cashflow, distribution guidance, estimated asset life, the outcome and effects of the Entitlement Offer and the use of proceeds) are also forward-looking statements as are statements regarding APA's future developments. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of APA, its officers, employees, agents, advisers and associates, that may cause actual results to differ materially from those expressed or implied in such statements.*

*There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as predicted and their differences may be material.*

*Investors should not place undue reliance on forward-looking statements. Neither APA, the underwriters, nor any other person, gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur.*

*The forward-looking statements are based on information available to APA as at the date of this release. To the maximum extent permitted by law, APA, the underwriters and each of their respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise. APA disclaims any responsibility to update or revise any forward-looking statement to reflect any change in APA's financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law.*