

21 February 2018

ASX ANNOUNCEMENT

APT Pipelines Limited (ASX: AQH)

Subordinated notes (ASX: AQHHA) issued by APT Pipelines Limited (the Notes) – notification of intention to redeem

Background

The Notes are governed by the terms and conditions of the Notes which are set out in full in Appendix A of the Prospectus (**Notes Terms**). Capitalised terms not otherwise defined in this announcement will have the meaning given in the Notes Terms.

In accordance with clause 4.2 of the Notes Terms, APT Pipelines Limited (**Issuer**) has a right to redeem all of the Notes on 31 March 2018 (**Redemption Date**).

Holders who are on the register at close of trading on 23 March 2018 (being the **Record Date**) will be entitled to be paid the Redemption Amount on the first business day after the Redemption Date, being 3 April 2018.

The Redemption Amount will be calculated as follows:

- \$100 per Note (being the Face Value); plus
- a final interest payment of \$1.5510 in respect of each Note for the Interest Period commencing 1 January 2018 and ending on 31 March 2018.

It is expected that trading of the Notes will cease at close of trading on 21 March 2018.

A redemption notice will be issued on 21 February 2018 to the Trustee and each Holder registered as at close of trading on 16 February 2018. A form of the redemption notice is set out in Schedule 1.

The redemption will be part funded by the proceeds of the pro-rata accelerated institutional tradeable retail renounceable entitlement offer announced today and part funded by existing corporate facilities.

Timetable for redemption of Notes

The Issuer intends to redeem the Notes in accordance with the following indicative timetable.

| Event | Date |
|--------------------------------|---------------------------------------|
| Giving of Redemption Notice | On 21 February 2018 |
| Suspension of trading of Notes | Close of trading on 21 March 2018 |
| Record Date | 5.00pm (Sydney time) on 23 March 2018 |
| Redemption Date | 31 March 2018 |
| Payment of Redemption Amount | 3 April 2018 ¹ |

¹ In accordance with the Notes Terms, payment will occur on 3 April 2018, being the first business day after the Redemption Date of 31 March 2018.

Additional Information

Holders of Notes are not required to take any action in respect of the redemption. Holders may trade their Notes on the ASX at the prevailing market price on or before the last day of trading. However, if a Holder sells their Notes before the Record Date, they will not be entitled to the Redemption Amount.

If you are in any doubt about any aspect of this correspondence, you should consult your financial, tax or other professional adviser immediately.

If you have any questions in relation to this announcement or the redemption, please contact the information line on 1800 992 312 (toll free from within Australia) or +61 1800 992 312 (from outside Australia), between 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) or visit APA's website, apa.com.au.

Schedule 1

Redemption notice

Dear Note Holder

Subordinated notes (ASX: AQHHA) issued by APT Pipelines Limited (the Notes) – notification of intention to redeem

We are writing to all of our Note Holders to advise you of APT Pipelines Limited's (APTPL) intention to redeem the Notes on 31 March 2018.

Note Holders who are on the register at close of trading on 23 March 2018 (being the **Record Date**) will be entitled to be paid the Redemption Amount on the first business day after 31 March 2018, being 3 April 2018.

The Redemption Amount will be calculated as follows:

- \$100 per Note (being the Face Value); plus
- a final interest payment of \$1.5510 in respect of each Note for the Interest Period commencing 1 January 2018 and ending on 31 March 2018.

No action is required to be taken by Note Holders in respect of the redemption. You may trade your Notes on the ASX at the prevailing market price on or before the last day of trading. However, if you sell your Notes before the Record Date you will not be entitled to the Redemption Amount.

The Notes are governed by the terms and conditions of the Notes which are set out in the Prospectus. APTPL has a right to redeem all Notes on 31 March 2018 by giving written notice to the Note Holders. Accordingly, APTPL gives you notice of its intention to redeem all Notes on 31 March 2018 in accordance with the Notes Terms.

For further information, refer to the ASX announcement by the Issuer dated 21 February 2018.

Thank you for your continued support.



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Company Secretary
APT Pipelines Limited