



22 April 2020

ASX ANNOUNCEMENT

APA Group (ASX: APA)

EURO MEDIUM TERM NOTE PROGRAMME DOCUMENTATION

APA Group (ASX: APA) has updated the Offering Circular in respect of its US\$5 billion Euro Medium Term Note Programme and filed this with the Singapore Exchange.

A copy of the update is attached.

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

Authorised for release by Nevenka Codevelle

Company Secretary

Australian Pipeline Limited

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About APA Group (APA)

APA is a leading Australian energy infrastructure business, owning and/or operating around \$21 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

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Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



APT PIPELINES LIMITED

(ABN 89 009 666 700)

(incorporated with limited liability in Australia)

U.S.\$5,000,000,000

Euro Medium Term Note Programme

**Irrevocably and unconditionally guaranteed by
Australian Pipeline Limited (ACN 091 344 704)
in its capacity as trustee and responsible entity of
Australian Pipeline Trust (ARSN 091 678 778)
and by certain other entities within the Group**

(each incorporated with limited liability in Australia)

On 20 October 2010, APT Pipelines Limited (the **Issuer**) established a U.S.\$5,000,000,000 Euro Medium Term Note Programme (the **Programme**) and issued an offering circular on that date describing the Programme. Updated offering circulars were subsequently issued on 16 November 2012, 9 March 2015 and 6 March 2019. This Offering Circular supersedes any previous Offering Circular and any supplement thereto. Any Notes (as defined below) issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions described herein. This does not affect any Notes issued prior to the date of this Offering Circular.

Under this Programme, the Issuer may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

The payments of all amounts due in respect of the Notes will be guaranteed pursuant to the terms of the guarantee (the **Guarantee**) contained in the Trust Deed (as defined below) by Australian Pipeline Limited in its capacity as trustee and responsible entity of Australian Pipeline Trust (in that capacity, the **Principal Guarantor**) and in its capacity as trustee and responsible entity of the APT Investment Trust and by certain other entities within the Group (each an **Initial Guarantor**, and together with the Principal Guarantor, the **Initial Guarantors**), subject to the terms of the Trust Deed. The Issuer may from time to time and in accordance with the terms of the Trust Deed and the terms and conditions of the Notes appoint or procure the appointment of any Subsidiary (as defined below) of the Principal Guarantor which is not an Initial Guarantor as an additional guarantor (each such guarantor, an **Additional Guarantor**) or obtain a release of the guarantee provided by an Initial Guarantor (other than the Principal Guarantor) or an Additional Guarantor in respect of the Notes. The Initial Guarantors together with any Additional Guarantors but excluding any such released guarantors are referred to herein as the **Guarantors**. All references in this document to the **Group** include each Guarantor and each of its Subsidiaries (as defined in the section entitled “*Terms and Conditions of the Notes*”) and for the avoidance of doubt includes the Australian Pipeline Trust and the APT Investment Trust.

The Notes may be issued in bearer or registered form (respectively, **Bearer Notes** and **Registered Notes**) and will be constituted by an amended and restated trust deed dated 6 March 2019 between the Issuer, the Initial Guarantors and The Bank of New York Mellon, London Branch (the **Trustee**) (the **Trust Deed**). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$5,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described below), subject to increase as described in the Programme Agreement.

The Notes may be issued on a continuing basis to the Initial Dealer specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “*Risk Factors*”.

Application has been made to Singapore Exchange Securities Trading Limited (the **SGX-ST**) for permission to deal in and for the listing of and quotation for the Notes which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. Admission to the Official List of the SGX-ST and the listing and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantors, the subsidiaries and associated companies of the Issuer and the Guarantors, the Programme or such Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in a final terms document (the **Final Terms**) which, with respect to Notes to be listed on the SGX-ST, will be delivered to the SGX-ST before the date of listing of Notes of such Tranche.

The Programme provides that Notes may be listed, quoted or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not quoted or admitted to trading on any market.

Notes issued under the Programme may be rated or unrated. Where an issue of a certain series of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme (if any) and (where applicable) such rating will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the **Securities Act**) and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see “*Subscription and Sale*”).

The Issuer and the Guarantors may agree with any Dealer and the Trustee that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event, in the case of listed Notes only and if appropriate, a supplemental Offering Circular will be published.

Arranger and Initial Dealer

BNP PARIBAS

The date of this Offering Circular is 21 April 2020.

The offer and marketing (as such term is defined in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the AIFMD)) of any Tranche of Notes will be conducted in the European Economic Area (the EEA) and the United Kingdom (the UK) only if the relevant jurisdiction is specified as an Approved Jurisdiction in the applicable Final Terms. If a potential investor is not in an Approved Jurisdiction or otherwise is a person to whom the relevant Notes cannot be marketed in accordance with the AIFMD, as implemented and interpreted in accordance with the laws of each EEA Member State and the United Kingdom, as applicable, it should not participate in the relevant offering and the relevant Notes may not, and will not, be offered or marketed to it.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled “*MiFID II Product Governance*” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a distributor) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, MiFID II) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the MiFID Product Governance Rules), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

IMPORTANT – EEA AND UK RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled “*Prohibition of Sales to EEA and UK Retail Investors*”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended from time to time). Consequently no key information document required by Regulation (EU) No 1286/2014 (the PRIIPs Regulation) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE – In connection with Section 309B of the Securities and Futures Act, Chapter 289 of Singapore (the SFA) and the Securities and Futures (Capital Markets Products) Regulations 2018 (the CMP Regulations 2018), unless otherwise specified before an offer of Notes, the Issuer has determined and hereby notifies all persons (including all relevant persons (as defined in the Section 309(A)(1) of the SFA)), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

In making an investment decision, investors must rely on their own examination of the Issuer and the Guarantors and the terms of the Notes being offered, including the merits and risks involved. The

Notes and the Guarantee have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.

To the best of the knowledge of the Issuer and the Principal Guarantor as at the date of this Offering Circular having made all reasonable enquiries, the information contained or incorporated in this Offering Circular is in accordance with the facts and there are no other facts the omission of which would make this Offering Circular or any of such information misleading. The Issuer and the Principal Guarantor accept responsibility accordingly.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer or the Managers (as defined below), as the case may be. This Offering Circular and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes from time to time to be issued pursuant to the Programme.

Copies of Final Terms in respect of Notes which are listed on a stock exchange will be available from the registered office of the Issuer and the specified office set out below of each of the Paying Agents (as defined below).

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see *“Documents Incorporated by Reference”*). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

None of the Arranger, the Dealers, the Trustee, the Paying Agents, the Registrar or the Transfer Agents (each as defined below) has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made, nothing contained in this Offering Circular is, or shall be relied upon as, a promise or representation by the Arranger, the Dealers, the Trustee, the Paying Agents, the Registrar or the Transfer Agents and no responsibility or liability is accepted by the Arranger, the Dealers, the Trustee, any Paying Agent, the Registrar or the Transfer Agents as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer or the Initial Guarantors in connection with the Programme. None of the Arranger, the Dealers, the Trustee, the Paying Agents, the Registrar or the Transfer Agents accept any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer or the Initial Guarantors in connection with the Programme. Advisers named in this Offering Circular have acted pursuant to the terms of their respective engagements, have not authorised or caused the issue of, and take no responsibility for, this Offering Circular and do not make, and should not be taken to have verified, any statement or information in this Offering Circular unless expressly stated otherwise.

In this Offering Circular, the Issuer and the Principal Guarantor rely on and refer to information and statistics regarding the industries in which the Group operates that have been obtained from independent industry publications or other publicly available information. In particular, the Issuer and the Principal Guarantor have referenced information published by certain Australian government sources, including AER, DEE, AEMO (each as defined below) and certain private sources, including EnergyQuest. Although the Issuer and the Principal Guarantor believe that these sources are reliable,

neither they nor the Arranger, the Dealers, the Trustee, the Paying Agents, the Registrar or the Transfer Agents have independently verified such information and neither the Issuer and the Principal Guarantor nor the Arranger, the Dealers, the Trustee, the Paying Agents, the Registrar or the Transfer Agents make any representation as to the accuracy and completeness of this information.

This Offering Circular contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of certain documents referred to herein will be made available to prospective investors upon request to the Issuer or the Guarantors.

The information set out in those sections of the Offering Circular describing clearing and settlement is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear and Clearstream, Luxembourg currently in effect. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures. None of the Issuer or the Principal Guarantor will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book-entry interests.

No person is or has been authorised by the Issuer, the Initial Guarantors, any of the Dealers, the Arranger, the Trustee, the Paying Agents, the Registrar or the Transfer Agents to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied by the Issuer or any Guarantor in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Initial Guarantors, any of the Dealers, the Arranger, the Trustee, the Paying Agents, the Registrar or the Transfer Agents.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Initial Guarantors, any of the Dealers, the Arranger, the Trustee, the Paying Agents, the Registrar or the Transfer Agents that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. This Offering Circular does not take into account the objectives, financial situation or needs of any potential investor. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Initial Guarantors. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Initial Guarantors, any of the Dealers, the Arranger, the Trustee, the Paying Agents, the Registrar or the Transfer Agents to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular (or any part thereof) nor the offering, sale or delivery of any Notes shall in any circumstances constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer and/or the Initial Guarantors or that the information contained herein concerning the Issuer and/or the Initial Guarantors is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers, the Arranger, the Trustee, the Paying Agents, the Registrar and the Transfer Agents expressly do not undertake to review the financial condition or affairs of the Issuer or the Initial Guarantors during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, inter alia, the most recently

published documents incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.

There are restrictions on the offer and sale of the Notes in the United Kingdom. All applicable provisions of the Financial Services and Markets Act 2000 (the FSMA) with respect to anything done by any person in relation to the Notes in, from or otherwise involving the United Kingdom must be complied with, see “*Subscription and Sale*”.

This Offering Circular has not been, and will not be, lodged with the Australian Securities and Investments Commission and is not, and does not purport to be, a document containing disclosure to investors for the purposes of Part 6D.2 or Part 7.9 of the Corporations Act 2001 of the Commonwealth of Australia (the Corporations Act). It is not intended to be used in connection with any offer for which such disclosure is required and does not contain all the information that would be required by those provisions if they applied. It is not to be provided to any “retail client” as defined in section 761G of the Corporations Act. None of the Issuer or the Initial Guarantors are licensed to provide financial product advice in respect of the Notes or the Guarantee. Cooling-off rights do not apply to the acquisition of the Notes.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Initial Guarantors, the Arranger, the Dealers and the Trustee do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer, the Initial Guarantors, the Dealers, the Arranger or the Trustee which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and Italy), Switzerland, the Hong Kong Special Administrative Region of the People’s Republic of China (Hong Kong), Japan, Singapore and Australia, see “*Subscription and Sale*”. Recipients of this Offering Circular shall not reissue, circulate or distribute this Offering Circular or any part hereof in any manner whatsoever.

The Arranger, the Dealers, the Trustee, the Paying Agents, the Registrar and the Transfer Agents have received, or will or may receive, fees from the Issuer in connection with their participation in the Programme or any issue of Notes under the Programme and may hold interests in the Notes for their own account.

All references in this document to *U.S. dollars* and *U.S.\$* refer to the lawful currency of the United States of America, all references in this document to *Australian dollars* and *A\$* refer to the lawful currency of the Commonwealth of Australia and all references in this document to *Singapore dollars* and *S\$* refer to the lawful currency of Singapore. In addition, all references to *Sterling* and *£* refer to pounds sterling and all references to *euro* and *€* refer to the currency introduced at the start of the third

stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

All references in this document to the Group include each Guarantor and each of its Subsidiaries (as defined in the section entitled “*Terms and Conditions of the Notes*”) and for the avoidance of doubt includes the Australian Pipeline Trust and the APT Investment Trust.

FORWARD-LOOKING STATEMENTS

Please refer to the section entitled “*Glossary*” for definitions of capitalised terms used but not otherwise defined in this Offering Circular.

This Offering Circular contains forward-looking statements including, without limitation, words and expressions such as **expect, believe, plan, intend, estimate, project, anticipate, may, will, would, could** or similar words or statements, in particular, in the sections entitled “*Description of the Issuer*” and “*Description of APA*” in this Offering Circular in relation to future events, the Issuer, each Initial Guarantor, each of their Subsidiaries for the time being and the Australian Pipeline Trust and the APT Investment Trust, the Group’s prospects, its expected financial condition, its business strategies, the future developments of the Group’s operations and industry and the future development of the general domestic, regional and global economy.

These statements are based on assumptions regarding the Group’s present and future business strategy and the environment in which it expects to operate in the future. These matters and the Group’s future results could differ materially from those expressed or implied by these forward-looking statements and, although these forward-looking statements reflect its current view of future events, they are not a guarantee of future performance or other matters. In addition, the Group’s future performance may be affected by various factors and risks including, without limitation, those discussed in the sections entitled “*Risk Factors*”, “*Description of the Issuer*” and “*Description of APA*”.

Should one or more of these or other risks or uncertainties materialise, or should any underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Prospective investors should therefore not place undue reliance on any of these forward-looking statements.

In this Offering Circular, statements of, or references to, intentions of the Issuer or the Initial Guarantors or those of any of the directors of any of them are made as at the date of this Offering Circular. Any such intentions may change in light of future developments.

Each of the Issuer, the Initial Guarantors, the Arranger and the Dealers expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer’s or any Initial Guarantor’s or Subsidiary’s expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any such statement was based or any change in the intentions of the Issuer, the Initial Guarantors or any of their respective Subsidiaries or directors.

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In connection with the issue or distribution of any Tranche of Notes (other than in circumstances where such action would reasonably be expected to affect the price of the Notes or other securities traded within Australia or on a financial market, as defined in the Corporations Act, operated within Australia), one or more relevant Dealer or Dealers (if any) acting as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws, rules and regulations.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated in, and to form part of, this Offering Circular:

- (a) the audited consolidated annual financial statements of the Group for each of the last three financial years (as at the date hereof, for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019) (together with any audit or review reports prepared in connection therewith);
- (b) the most recently published audited consolidated annual financial statements of the Group and, if published later, the most recently published unaudited consolidated interim financial statements of the Group (in each case, together with any audit or review reports prepared in connection therewith);
- (c) the unaudited consolidated financial statements of the Group for the six-month period ended 31 December 2019 (together with any audit or review reports prepared in connection therewith); and
- (d) each supplement to or amendment of this Offering Circular issued by the Issuer from time to time.

Any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular.

Any published unaudited interim financial statements of the Group which are, from time to time, deemed to be incorporated by reference in this Offering Circular will not have been audited by the auditors of the Group. Accordingly, there can be no assurance that, had an audit been conducted in respect of such financial statements, the information presented therein would not have been materially different, and investors should not place undue reliance upon them (see “Risk Factors”).

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered in compliance with the terms hereof, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Offering Circular. In addition, such documents will be available for inspection between 9:00 am and 3:00 pm (London time) Monday to Friday excluding public holidays from the specified office of The Bank of New York Mellon, London Branch (the **Principal Paying Agent**) at One Canada Square, London E14 5AL, England.

The websites referenced in this Offering Circular are intended as guides as to where other public information relating to the Issuer and the Guarantors may be obtained free of charge. Information appearing in such websites does not form part of this Offering Circular or any relevant Final Terms and none of the Issuer, the Guarantors, the Arranger, the Dealers, the Trustee, the Paying Agents, the Transfer Agents or the Registrar accepts any responsibility whatsoever that any such information is accurate and/or up-to-date. Any such information should not form the basis of any investment decision by an investor to purchase or deal in the Notes.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer, the Guarantors and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions of the Notes, in which event, in the case of listed Notes only and if appropriate, a supplemental Offering Circular will be published.

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this Overview.

Issuer:	APT Pipelines Limited (ABN 89 009 666 700)
Principal Guarantor:	Australian Pipeline Limited (ACN 091 344 704) in its capacity as trustee and responsible entity of Australian Pipeline Trust (ARSN 091 678 778)
Other Guarantors:	<p>Australian Pipeline Limited (ACN 091 344 704) in its capacity as trustee and responsible entity of the APT Investment Trust (ARSN 115 585 441)</p> <p>Agex Pty. Ltd. (ACN 008 458 580)</p> <p>APA (BWF Holdco) Pty Ltd (ACN 149 677 627)</p> <p>APA (EDWF Holdco) Pty Ltd (ACN 149 677 574)</p> <p>APA (NBH) Pty Limited (ACN 139 483 999)</p> <p>APA (Pilbara Pipeline) Pty Ltd (ACN 081 971 173)</p> <p>APA (SWQP) Pty Limited (ACN 066 656 219)</p> <p>APA (WA) One Pty Limited (ACN 090 954 484)</p> <p>APA AIS 1 Pty Limited (ACN 099 145 981)</p> <p>APA AIS 2 Pty Ltd (ACN 076 712 331)</p> <p>APA AIS Pty Limited (ACN 071 080 861)</p> <p>APA AM (Allgas) Pty Limited (ACN 154 737 407)</p> <p>APA Biobond Pty Limited (ACN 076 568 100)</p> <p>APA Country Pipelines Pty Limited (ACN 108 218 346)</p> <p>APA DPS Holdings Pty Limited (ACN 153 498 910)</p> <p>APA East Pipelines Pty Limited (ACN 091 883 368) in its own right and in its capacity as trustee of the Epic Energy East Pipelines Trust</p> <p>APA EE Australia Pty Limited (ACN 069 799 613)</p> <p>APA EE Corporate Shared Services Pty Limited (ACN 069 799 588)</p> <p>APA EE Holdings Pty Limited (ACN 109 054 855)</p> <p>APA EE Pty Limited (ACN 069 799 533)</p> <p>APA Facilities Management Pty Limited (ACN 140 898</p>

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APA VTS A Pty Limited (ACN 087 673 907) in its own right and as trustee of GasNet A Trust

APA VTS Australia (Holdings) Pty Limited (ACN 104 581 142)

APA VTS Australia (NSW) Pty Limited (ACN 079 136 413)

APA VTS Australia (Operations) Pty Limited (ACN 083 009 278)

APA VTS Australia Pty Limited (ACN 096 457 868) in its own right and as trustee of each of GasNet Australia Trust and GasNet Australia Investments Trust

APA Operations (EII) Pty Limited (ACN 134 460 496)

APA Operations Pty Limited (ACN 123 090 933)

APA Pipelines Investments (BWP) Pty Limited (ACN 091 258 418)

APA Power Holdings Pty Limited (ACN 149 762 121)

APA Power PF Pty Limited (ACN 153 498 894)

APT (MIT) Services Pty Limited (ACN 117 635 677)

APT AM (Stratus) Pty Limited (ACN 124 754 374)

APT AM Employment Pty Limited (ACN 124 754 356)

APT AM Holdings Pty Limited (ACN 124 754 383)

APT Facility Management Pty Limited (ACN 124 754 365)

APT Goldfields Pty Ltd (ACN 084 545 344)

APT Management Services Pty Limited (ACN 091 668 110)

APT O&M Holdings Pty Ltd (ACN 109 740 749)

APT O&M Services (QLD) Pty Ltd (ACN 112 358 595)

APT O&M Services Pty Ltd (ACN 112 358 586)

APT Parmelia Holdings Pty Ltd (ACN 115 930 768)

APT Parmelia Pty Ltd (ACN 078 902 397) in its own right and as trustee of The APT Parmelia Trust

APT Petroleum Pipelines Holdings Pty Limited (ACN 009 738 489)

APT Petroleum Pipelines Pty Limited (ACN 009 737 393)

APT Pipelines (NSW) Pty Limited (ACN 080 842 360)

APT Pipelines (NT) Pty Limited (ACN 075 733 336)

APT Pipelines (QLD) Pty Limited (ACN 080 382 387)

APT Pipelines (SA) Pty Limited (ACN 124 754 347)
 APT Pipelines (WA) Pty Limited (ACN 066 343 584)
 APT Pipelines Investments (NSW) Pty Limited (ACN 065 070 966)
 APT Pipelines Investments (WA) Pty Limited (ACN 081 638 244)
 Australian Pipeline Limited (ACN 091 344 704) in its capacity as trustee and responsible entity of APA Sub Trust No 1, APA Sub Trust No 2 and APA Sub Trust No 3
 Central Ranges Pipeline Pty Ltd (ACN 108 218 355)
 East Australian Pipeline Pty Limited (ACN 064 629 009)
 EDWF Holdings 1 Pty Ltd (ACN 114 267 748)
 EDWF Holdings 2 Pty Ltd (ACN 114 267 793)
 EDWF Manager Pty Ltd (ACN 115 374 386)
 Gasinvest Australia Pty Ltd (ACN 065 055 478)
 N.T. Gas Distribution Pty Limited (ACN 071 741 618)
 N.T. Gas Easements Pty. Limited (ACN 051 412 643)
 Roverton Pty. Ltd. (ACN 011 071 917)
 SCP Investments (No.1) Pty Limited (ACN 084 521 817)
 SCP Investments (No.2) Pty Limited (ACN 084 521 951)
 SCP Investments (No.3) Pty Limited (ACN 085 991 984)
 Sopic Pty. Ltd. (ACN 010 851 288)
 Southern Cross Pipelines (NPL) Australia Pty Limited (ACN 085 991 948)
 Southern Cross Pipelines Australia Pty Limited (ACN 084 521 997)
 Trans Australia Pipeline Pty Ltd (ACN 006 699 378)
 Western Australian Gas Transmission Company 1 Pty Ltd (ACN 081 780 387)
 Wind Portfolio Pty Ltd (ACN 114 267 695)
 APA Bidco Pty Ltd (ACN 603 054 717)
 APA Transmission Pty Ltd (ACN 603 054 404)
 APA WGP Pty Ltd (ACN 140 760 612)
 APA Reedy Creek Wallumbilla Pty Limited (ACN 609 218 608)
 APA DPS2 Pty Limited (ACN 152 844 098)

	Diamantina Holding Company Pty Limited (ACN 149 762 130)
	Diamantina Power Station Pty Limited (ACN 149 762 176)
	APA Ethane Pty Limited (ACN 132 157 290) in its own right and as trustee of each of Moomba to Sydney Ethane Pipeline Trust, Ethane Pipeline Income Trust and Ethane Pipeline Income Financing Trust
	Gorodok Pty. Ltd. (ACN 057 156 751)
	APA (EPX) Pty Limited (ACN 613 224 285) in its own right and as trustee of EPX Trust
	EPX HoldCo Pty Limited (ACN 613 191 503)
	EPX Member Pty Limited (ACN 613 225 237)
	APA Midstream Holdings Pty Limited (ACN 617 436 870)
	APA Western Slopes Pipeline Pty Limited (ACN 615 958 748)
	Darling Downs Solar Farm Pty Ltd (ACN 611 319 003)
	APA Orbost Gas Plant Pty Ltd (ACN 149 682 628)
	(together with any Subsidiary (as defined in Condition 11.4) of the Principal Guarantor which is appointed from time to time, as an additional or replacement Guarantor in accordance with the terms of the Trust Deed (as defined below) and the Terms and Conditions of the Notes (an Additional Guarantor), but excluding any such Initial Guarantor or additional or replacement Guarantor which has been released from the Guarantee, the Guarantors and each a Guarantor).
	See “ <i>Guarantee</i> ” and “ <i>Guarantors</i> ” below.
Description:	Medium Term Note Programme
Arranger and Initial Dealer:	BNP Paribas
	The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to Dealers are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and all persons appointed as a dealer in respect of one or more Tranches.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations,

restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*”) including the following restrictions applicable at the date of this Offering Circular.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see “*Subscription and Sale*”).

Trustee:	The Bank of New York Mellon, London Branch
Registrar:	The Bank of New York Mellon SA/NV, Luxembourg Branch
Principal Paying Agent:	<p>The Bank of New York Mellon, London Branch</p> <p>The Issuer may from time to time appoint additional or successor agents as paying agents in accordance with the Agency Agreement (such paying agents, together with the Principal Paying Agents, the Paying Agents).</p>
Programme Size:	<p>Up to U.S.\$5,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer and the Guarantors may increase the limit of the Programme in accordance with the terms of the Programme Agreement. The Programme Agreement provides for the U.S.\$ equivalent of any Note denominated in another currency to be determined on or around the date agreement is reached to issue those Notes.</p>
Method of Issue:	<p>The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each, a Series) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each, a Tranche) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the</p>

	applicable Final Terms.
Distribution:	Notes may be distributed on a syndicated or non-syndicated basis.
Currencies:	Notes may be denominated in euro, Sterling, U.S. dollars, Singapore dollars, Japanese yen, Australian dollars and, subject to any applicable legal or regulatory restrictions, any other currency agreed between the Issuer and the relevant Dealer and specified in the applicable Final Terms.
Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 5.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer and specified in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer form or registered form as described in “ <i>Form of the Notes</i> ”. Registered Notes will not be exchangeable for Bearer Notes and Bearer Notes will not be exchangeable for Registered Notes.
Fixed Rate Notes:	Fixed Rate Notes will bear interest at a fixed rate per annum at the rate specified in the applicable Final Terms. Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined separately for each Series as follows:</p> <p>(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and</p>

	<p>updated as at the Issue Date of the first Tranche of the Notes of the relevant Series);</p> <p>(b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or</p> <p>(c) on such other basis as may be agreed between the Issuer and the relevant Dealer.</p> <p>The applicable method and the margin (if any) relating to such floating rate as may be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes will be specified in the applicable Final Terms.</p>
Other provisions in relation to Floating Rate Notes:	<p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer and specified in the applicable Final Terms.</p>
Dual Currency Notes:	<p>Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be agreed by the Issuer and the relevant Dealer and specified in the applicable Final Terms.</p>
Zero Coupon Notes:	<p>Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment (as specified in the applicable Final Terms).</p>
Redemption:	<p>The applicable Final Terms will specify either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.</p>
Denomination of Notes:	<p>The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer and specified in the applicable Final Terms, save that the minimum denomination of each Note will be such</p>

amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see “*Certain Restrictions — Notes having a maturity of less than one year*” above) and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (the **EEA**) or the United Kingdom (each a **Relevant State**) in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (as amended, the **Prospectus Regulation**) will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 9 except as required by law where such withholding or deduction is required in respect of taxes. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantors will, save in certain limited circumstances provided in Condition 9, be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of the Notes will contain a negative pledge provision as further described in Condition 4.

Cross Acceleration:

The terms of the Notes will contain a cross acceleration provision as further described in Condition 11.

Status of the Notes:

The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) at least equally with all other unsecured obligations of the Issuer from time to time outstanding.

Guarantee:

The payment of principal and interest in respect of the Notes and all other moneys payable by the Issuer pursuant to the Trust Deed will be unconditionally and irrevocably guaranteed on a joint and several basis by the Guarantors. The obligations of each Guarantor under the Guarantee will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of such Guarantor and will rank (save for certain obligations required to be preferred by law) at least equally with all other unsubordinated and

unsecured obligations of such Guarantor from time to time outstanding.

The obligations of the Principal Guarantor (and of certain other Guarantors), have been or will be incurred solely in their capacity as trustee of a trust. In such circumstances, the liability of such Guarantor under the Guarantee is limited to the extent of the Guarantor's indemnification out of the assets of the trust in respect of that liability subject to certain exceptions as specified in Condition 3.5.

Guarantors which provided their guarantee in their capacity as trustee of a trust will be entitled to have access to the asset of that trust to satisfy that liability only to the extent such Guarantors have a right of indemnity out of the trust assets (see "*Risk Factors — Ranking of claims*").

Guarantors:

The Issuer must ensure that any Subsidiary of the Principal Guarantor that is a guarantor in respect of (or is otherwise a co-obligor or jointly liable with respect to) any Financial Indebtedness (as defined in Condition 11) of any Obligor (as defined in Condition 11) under any bank facility or debt instrument issued in the Australian domestic or international capital markets where the principal amount of such facility or debt instrument, when aggregated with all other facilities or debt instruments in respect of which such Subsidiary is a guarantor, exceeds A\$100,000,000, is or becomes a Guarantor.

Such Subsidiary will be required to execute a Guarantor Accession Deed (as defined in the Trust Deed) by which it becomes a Guarantor under the Trust Deed, Agency Agreement and Programme Agreement (as defined below) (the **Programme Documents**) and undertakes for the benefit of each party to the Programme Documents to perform and comply with all the duties of a Guarantor under the Programme Documents.

The Issuer may at any time by notice to the Trustee, the Principal Paying Agent and the Noteholders procure the release from the Guarantee of any Guarantor that is (i) no longer a Subsidiary of the Principal Guarantor, or (ii) is not required to be a Guarantor in order to comply with Condition 3.3. If any Subsidiary of the Principal Guarantor that is a Guarantor specified in such notice has ceased or is to cease to be a Subsidiary of the Principal Guarantor as of a date specified in such notice, or is not or is to cease from a date specified in such notice to be

required to be a Guarantor in order for the Issuer to comply with Condition 3.3 (*Additional Guarantors*), then, so long as the Notes have not been accelerated and remain unpaid following an Event of Default on the date such Subsidiary ceases to be a Subsidiary of the Principal Guarantor or ceases to be required to be a Guarantor in order for the Issuer to comply with Condition 3.3 (as the case may be) (or, if later, the date of the notice referred to in Condition 3.4), the relevant Subsidiary shall be immediately released as a Guarantor. Where the release occurs after the notice referred to in Condition 3.4, the Issuer shall promptly give notice of such Guarantor's release to the Trustee, each Paying Agent and, in accordance with Condition 15, the Noteholders. The Principal Guarantor and Australian Pipeline Limited as trustee and responsible entity of APT Investment Trust may not be released from the Guarantee at any time other than, in the case of Australian Pipeline Limited as trustee and responsible entity of APT Investment Trust, where the units of APT Investment Trust are no longer stapled to the units of Australian Pipeline Trust, in which case, Condition 3.4 shall apply to Australian Pipeline Limited as trustee and responsible entity of APT Investment Trust.

Rating:

Notes issued under the Programme may be rated or unrated. Where an issue of certain Series of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme (if any) and (where applicable) such rating (or expected rating, as the case may be) will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Listing and admission to trading:

Application has been made to the SGX-ST for permission to deal in and for quotation of the Notes which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).

Application may be made for listing or quotation or admission to trading, as the case may be, of the Notes of

	<p>any Series on any other stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue Notes not listed and/or Notes not quoted or admitted to trading, as the case may be, on any stock exchange or market.</p> <p>For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, a Paying Agent in Singapore will be appointed and maintained in the event that the Notes are issued in definitive form. In addition, in the event that any of the Global Notes are exchanged for definitive Notes, an announcement of such exchange will be made through the SGX-ST. Such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the Paying Agent in Singapore.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series and specified in the applicable Final Terms. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
Governing Law:	<p>The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.</p>
Selling Restrictions:	<p>There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including the United Kingdom and Italy), Switzerland, Hong Kong, Japan, Singapore and Australia and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see “<i>Subscription and Sale</i>”).</p> <p>Offers of Notes will be conducted in a Relevant State specified as an 'Approved Jurisdiction' in the applicable Final Terms and will not be conducted in any other Relevant State.</p> <p>Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986 (the TEFRA D Rules) unless (i) the applicable Final Terms state that Bearer Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C)</p>

or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986 (the **TEFRA C Rules**) or (ii) the Notes are issued other than in compliance with the TEFRA D Rules or the TEFRA C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (**TEFRA**), which circumstances will be referred to in the applicable Final Terms as a transaction to which TEFRA is not applicable.

RISK FACTORS

Each of the Issuer and the Guarantors believes that the following factors may affect their ability to fulfil their obligations under Notes issued under the Programme which may in turn result in investors losing the value of their investment. Most of these factors are contingencies which may or may not occur and neither the Issuer nor any of the Guarantors is in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which the Issuer and Guarantors believe to be material for the purpose of assessing the market risks associated with the Notes issued under the Programme are also described below.

Each of the Issuer and the Guarantors believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the inability of the Issuer or any of the Guarantors to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons which may not have been considered significant risks by the Issuer and the Guarantors based on information currently available to them or which they may not currently anticipate. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.

APA Group (APA) is the registered business name of Australian Pipeline Trust and APT Investment Trust, the units of which trade on the Australian Securities Exchange under the ticker symbol “APA” as a single “stapled” security. References to APA in this section are made in the context of the business in its entirety including the respective businesses of the Issuer, the Principal Guarantor and their controlled entities.

Please refer to “Description of APA” and the Glossary for definitions of capitalised terms used but not otherwise defined in this section.

Factors that may affect the Issuer’s ability to fulfil its obligations under the Notes and the Guarantors’ ability to fulfil their obligations under the Guarantee

Regulatory Risks

APA’s business includes regulated assets

A number of APA’s assets are subject to economic regulation, including regulation of the prices that APA is permitted to charge as determined by the independent national energy regulator, the Australian Energy Regulator (**AER**), and the Economic Regulatory Authority of Western Australia (**ERA**). In HY2020, 8.7% and in FY2019, 8.3% of APA’s Energy Infrastructure segment revenue (excluding pass-through revenue) was derived from prices determined by regulators (which does not include revenue from APA’s assets subject to ‘light’ regulation or that are subject to an information disclosure and arbitration regime under Part 23 of the National Gas Rules (**NGR**), discussed below).

Regulatory pricing periods generally run for five years and reflect the regulator’s determination, amongst other matters, of APA’s opening regulated asset base, gas demand forecasts and projected operating expenditure, capital expenditure, regulatory depreciation, regulatory tax payable and weighted average cost of capital. However, costs and gas demand can change materially within a regulatory pricing period. Consequently, if APA is unable to manage the operating costs and capital expenditures within the regulatory allowance for a regulated asset, or if the regulator’s determination of the operating costs, capital costs, taxation or weighted average costs of capital at the beginning of a pricing period are insufficient to meet the actual costs incurred, or if the actual gas demand and therefore usage of APA’s asset falls below the regulator’s determination, APA’s financial position and/or performance may be adversely affected. There is no

certainty that APA will be able to recover the amount of capital or operating expenditure required to operate its price-regulated businesses.

The price regulation outcomes determined by the AER and the ERA under an access arrangement process for a full regulation asset may adversely affect APA's revenue in respect of that asset to the extent revenue on a full regulation asset is not derived from a haulage contract that has its terms and conditions, including price, agreed with a customer and set for the period of the contract.

AER and ERA decisions may only be challenged in court on judicial review grounds. If either the AER or the ERA makes an adverse determination with respect to the price regulation of one or more of APA's assets, APA's ability to successfully challenge such a determination would be limited, and its business, operations, financial position and/or performance could be negatively impacted.

In addition, a number of APA's assets are subject to light regulation which, while not a price regulation regime, enables the regulator to arbitrate any disputes with customers (and prospective customers) on price and other terms of access. Further, APA pipeline assets that are not subject to either full or light regulation are however subject to an information disclosure and arbitration regime under Part 23 of the NGR in which prices are negotiated between the customer and the pipeline operator using pricing methodologies published by the pipeline operator, subject to commercial arbitration in the event of failure to reach a negotiated outcome. Any decisions regarding APA's assets subject to light regulation or the information disclosure and arbitration regime under Part 23 of the NGR resulting from such arbitration may negatively affect APA's financial position and/or performance.

In addition to economic regulation, the natural gas industry in Australia is regulated from an operational and technical perspective. All pipeline, distribution, gas processing, storage and power generation assets owned and/or operated by APA require compliance with relevant federal, state and territory laws, regulations, licences and policies.

Risk of changes to the regulatory environment governing APA's activities

As the regulatory environment applicable to APA evolves, new and amended laws and regulations that impact APA's operations may be implemented, regulatory authorities may impose new requirements on the exercise of discretionary power, or existing laws or regulations may be subject to new interpretations. These and any other changes to laws and the regulatory environment may adversely affect APA's operations and financial position and/or performance.

The Council of Australian Governments Energy Council (**COAG Energy Council**) develops government policy in relation to the Australian domestic gas market.

Additional reforms have been introduced in relation to the development of:

- a capacity trading platform for trading secondary capacity;
- a day-ahead auction of contracted but un-nominated capacity;
- standards for key contract terms in primary, secondary and operational transportation agreements; and
- a reporting framework for secondary capacity trades that provides for the publication of the price and other related information on secondary trades.

These reforms may adversely impact the quantity and pricing of APA's sales of pipeline services in the primary market and, therefore, APA's financial position and/or performance.

In August 2019, the COAG Energy Council commenced the consultation 'Measures to improve transparency in the gas market: Regulation Impact Statement (**RIS**) for consultation' which considers options to improve

transparency in the eastern and northern Australian gas markets. In March 2020, a Final Decision RIS was agreed by COAG Energy Council. APA will be required to report increased information in relation to compression and storage facilities, and proposed and committed pipeline developments. The draft legislation to implement proposed changes will be released for consultation in late May/early June 2020 with finalised legislation planned to be introduced to parliament in late 2020. On 1 November 2019, the COAG Energy Council released a consultation RIS, *Options to Improve Gas Pipeline Regulation*. This RIS identified and evaluated options to deliver a more efficient and integrated regulatory framework for gas pipelines. Issues focused upon include the different forms and application of regulation to gas pipelines, information disclosure, negotiation frameworks and dispute resolution mechanisms. The COAG Energy Council's decision on the RIS is expected to be published in the first half of 2020. This process may lead to changes in the regulatory regime which may have an adverse impact on APA's financial position and/or performance.

Over the course of 2019 and 2020, the Australian Energy Market Commission has been working on rule changes affecting the Victorian Transmission System. In March 2020, the AEMC made final determinations in relation to proposed rule changes. These rule changes relate to the operation and settlement of Victoria's Declared Wholesale Gas Market. One set of changes is operative from 31 March 2020 and the other set of changes applies from 1 January 2023. These rule changes are not expected to impact APA's revenues from the Victorian Transmission System.

The Australian Competition and Consumer Commission (ACCC) is undertaking an inquiry into the supply of and demand for wholesale gas in the East Coast gas market in Australia. The inquiry covers the full supply chain, including pipelines, and will continue to December 2025. As well as publishing regular reports, the ACCC will make recommendations on longer term transparency measures. Any reforms arising from the ACCC's reports and/or recommendations may adversely affect APA's operations and financial position and/or performance.

Risk of changes in the regulatory treatment of APA's assets

Under the NGL, any person (including customers seeking access to a pipeline) may make an application for an unregulated pipeline to become "covered" and therefore subject to full or light economic regulation. Similarly, an application can be made seeking that light regulation be revoked and full price regulation be imposed instead. The additional costs, pricing regulation and risks associated with such a change may adversely affect APA's operations, financial position and/or performance.

Bypass and competitive risk

Bypass and competitive risk occurs when a new or existing transmission pipeline offers gas transportation services to the same end market serviced by existing APA pipelines, or otherwise alters flow configurations to the detriment of existing APA pipelines. This risk is particularly applicable to the Moomba Sydney Pipeline, the Parmelia Gas Pipeline, GGP, CGP and the SEA Gas Pipeline (50% owned by APA).

Additionally, there is the potential for new gas development projects that principally supply export markets to directly compete with domestic markets for the supply of gas. For example, major LNG gas projects directly linked to gas resources that are currently connected to APA's gas transmission assets could result in a reduction in the quantities of gas available for domestic markets thereby potentially reducing the demand for APA's gas pipeline transportation services within Australia and APA's future revenue.

In addition, LNG import facilities, the extension of electricity transmission lines, the use of diesel fuel for remote power generation and the growth of renewable power generation over the long-term may lead to increased bypass or competitive risk for APA's pipelines. If bypass and/or competitive risks increase and customers choose alternatives instead of contracting for services on APA's pipelines, APA's financial position and/or performance may be adversely affected.

Further, APA's Asset Management business operates in a competitive market that is subject to changes in market conditions, new market entrants and competitive cost pressure. These factors could impact APA's relationships with its Asset Management customers and may adversely affect APA's operations and financial position and/or performance.

Gas demand risks

The performance of APA's Energy Infrastructure businesses is affected by the volume of gas transported through APA's pipeline networks. In addition to gas supply, APA is dependent on end-user demand. End-user demand is subject to a range of variables, including a downturn in the resources industry. The relative price of gas and its competitive position with other energy sources (including electricity, coal and fuel oils) may reduce demand levels for services on APA's assets.

A reduction in demand for APA's transmission services may also arise if the use of gas swap contracts by customers increases. Gas swap contracts involve customers "swapping" gas at specified delivery points so as to reduce the distance gas needs to be transported. Increased usage of such contracts may adversely affect APA's financial position and/or performance.

Further, if there is increased use of gas storage facilities, the demand for gas transmission and storage services on APA's assets may decline.

The competitive position of gas and the actions of APA's customers cannot be predicted with certainty. If the demand for gas weakens, APA's financial position and/or performance may be adversely impacted.

If a reduction in demand for gas means that certain of APA's regulated assets cease to contribute to the provision of services by APA, a regulator might require that the regulatory value of such assets be removed from the relevant regulated asset base until such assets again contribute to the provision of services. This may impact the level of APA's regulated tariffs and may adversely affect APA's financial position and/or performance.

Gas supply risks

The availability of gas, competitively priced or otherwise (as compared with other energy sources including electricity, coal, fuel oils, solar, wind and other alternative energy sources), is essential for APA's customers' ongoing use of gas transmission pipelines and distribution networks. Certain factors such as gas reserve depletion, gas price volatility flowing from macro factors such as oil price shocks, allocation of gas to other markets and changes in government policy (including regulatory restrictions on gas production and the implementation of the Australian Domestic Gas Security Mechanism) may impact the availability of gas supply to meet market demand.

Within the Australian market, there are concerns of a potential shortfall of affordable gas available for domestic use, as increasing volumes of gas are contracted for the LNG export market. This has been compounded by delays in removing gas production moratoria (in whole or in part) in Victoria, New South Wales and South Australia. Any interruptions in gas supply may place upward pricing pressure on gas domestically, which may adversely affect the amount of gas contracted in the domestic market.

If there is a shortage of competitively priced gas for customers to transport through APA's gas pipelines, APA's financial position and/or performance may be adversely affected.

Counterparty risks

As part of its ongoing commercial activities, APA enters into gas transportation, gas processing, electricity supply and asset management agreements with various third parties. If a counterparty to such an agreement is unable to meet its commitments to APA, whether in whole or in part, there is a risk that future anticipated revenue would reduce unless and until APA is able to secure an alternative customer. Counterparty risk also

arises when contracts are entered into for derivatives (such as cross-currency swaps or fixed to floating rate swaps) with financial institutions. APA is also party to insurance contracts and is exposed to the risk of non-performance of an insurer should a claim arise.

APA is unable to predict whether counterparties will maintain their current levels of credit standing in the future, or otherwise default on their contractual obligations. The failure of a counterparty to a transportation, electricity supply, gas processing, asset management or derivative contract may adversely affect APA's financial position and/or performance.

APA is also exposed to counterparty risk with respect to existing interest rate and foreign currency hedging arrangements.

In addition, APA enters into contracts with its customers and other counterparties which give the counterparty rights to terminate the contracts if APA defaults on its obligations, or certain 'trigger' events occur. If APA's contracts are terminated by its counterparties, this may adversely affect APA's financial position and/or performance.

Further, APA has acquired certain customer contracts as part of the acquisition of other businesses which allow the customer to call "force majeure" if an unforeseeable event occurs (including failure of gas reserves). If the force majeure event persists for a prolonged period, the customer may have the right to terminate its contract with APA, which may adversely affect APA's financial position and/or performance.

Contracting risks

A large part of APA's revenue is the subject of long-term negotiated contracts with end customers. Due to a range of factors including bypass and competitive risk, customer demand risk, gas supply risk and counterparty risk, APA may not be successful in recontracting the available pipeline capacity when it comes due for contract renewal or APA may recontract on less favourable terms than previously obtained. Pipeline capacity may also be recontracted for a shorter term, which could require more frequent contract negotiations and lessen long term stability for APA. In addition, for pipelines not subject to price regulation or subject to light regulation, customers may seek commercial arbitration under the National Gas Rules as a means of determining price and other terms and conditions under the new information disclosure and commercial price arbitration regime. If APA is unable to recontract its pipeline capacity or recontracts it on less favourable terms than previously obtained, APA's financial position and/or performance may be adversely affected.

Reliance on third party service providers

APA outsources a number of its business operations, including network repair and replacement, construction of new facilities, specialised maintenance and inspection activities, operation of APA's security register and specialised advisory services. Third party service providers may fail to supply or manage business operations in accordance with their contractual obligations and in accordance with all applicable laws and regulations. Additionally, delayed communication, miscommunication and other human errors between APA and its third party service providers may have unintended adverse impacts on APA, especially considering the highly technical nature of its gas transmission, distribution network, power stations and gas processing facilities. APA's use of outsourcing thereby exposes it to risk to its business, operations, profits and financial position.

Interest rates and refinancing risks

APA is exposed to movements in interest rates where funds are borrowed at a floating interest rate and are not effectively hedged, or where fixed rate debt is being refinanced. Adverse interest rate movements may affect APA's earnings, both directly (through increased interest payments) and indirectly (through the impact on asset carrying values). APA's hedges may prove ineffective, and any increase in applicable interest rates will affect APA's costs of servicing unhedged borrowings. Either of those circumstances may adversely affect APA's financial position and/or performance.

APA covers its liquidity needs through the use of credit lines with banks, including refinancing of maturing loan facilities. In this context, APA depends on the willingness of banks to provide credit lines. Structural changes in the banking and financial markets may impact the willingness or ability of banks to provide credit lines to APA on commercially acceptable terms.

In addition to bank credit facilities, APA finances its activities and operations from time to time by the issuance of debt, principally in the global and domestic debt capital markets. Therefore, APA is dependent on access to these capital markets and investors. Changes in demand for and supply of debt instruments in global or domestic debt capital markets could limit APA's ability to fund its activities and operations (including APA's capacity to acquire other entities or pipelines) on commercially acceptable terms.

APA's debt maturities extend through to 2035 (see “*Summary of Financial Information - Debt Maturity Profile*”) so continued access to financing sources to extend and/or refinance debt facilities will be important. An inability to secure new debt facilities at a similar quantum and cost to existing debt facilities may adversely affect APA's operations and financial position and/or performance.

Credit rating or security risks

Credit ratings are subject to revision, suspension or withdrawal at any time by the assigning rating agency. Rating agencies may also revise or replace entirely the methodology applied to derive credit ratings. There is no assurance that any credit or security rating will remain in effect for a given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgement, circumstances warrant or a different methodology is applied to derive that rating. APA assumes no responsibility for verifying or updating information regarding such ratings should they change over time.

Any downgrade in APA's credit rating could adversely impact its ability to obtain financing, increase its financing costs or have an adverse effect on the price of the Notes. A downgrade could also cause APA's future debt to contain more restrictive covenants, which in turn could limit APA's ability to obtain additional financing or to respond to changes in business, economic or market conditions.

Foreign exchange risks

APA is subject to currency fluctuations in relation to the purchase, supply and installation of goods and services, and borrowings, in a currency other than Australian dollars. There can be no assurance that APA will be able to effectively hedge its foreign currency exposure, particularly in periods of significant currency volatility. Further, APA's revenues earned on the WGP are denominated in U.S. dollars which, if not designated in effective hedge relationships, will expose APA to movements in foreign exchange rates and there is a risk that adverse U.S.\$/A\$ exchange rate movements which may adversely affect APA's financial position and/or performance.

Investment risks

APA may acquire infrastructure and related assets or undertake additional or incremental investment in its existing assets. Any final investment decision in respect of such investment places considerable reliance on many assumptions.

There is a risk that the assumptions and forecasts relied on by APA in making investment decisions (some of which may relate to time periods many years away) may not be realised or may only be realised in part. This may adversely affect the outcome of APA's investments and may adversely affect APA's financial position and/or performance. There is also a risk that APA may be unable to secure further appropriate infrastructure investments on suitable terms, thereby limiting its growth.

Acquisition and integration risks

APA seeks to expand its portfolio through significant acquisitions of pipelines and other energy infrastructure assets. Integrating these various assets into APA's business could be impacted by unexpected events, such as:

- unanticipated costs (including accounting, reporting, land access, environmental compliance and technology costs);
- failure to obtain or maintain necessary approvals;
- failure to retain key employees or assets; or
- inadequate supervision or execution by managers of the asset integration processes.

APA may not be able to identify and/or successfully complete all prudent acquisition opportunities or mitigate all risks which may arise from an acquisition. This could prevent APA from obtaining anticipated operating advantages and cost savings and may adversely affect APA's financial position and/or performance. APA may fail to consider the appropriate risks and potential costs associated with certain acquired assets that are not part of its traditional gas infrastructure business. APA may also seek to undertake future acquisitions outside of Australia, including potentially in North America, where it lacks current operational experience. Further, changes to government policies or interventions by certain regulators, such as the ACCC, may prevent or limit APA's ability to pursue further acquisitions.

Construction and development risks

APA's business strategy includes working to expand its capacity in key areas of its existing pipeline network, as well as its renewable and gas-fired power generation plants, gas storage and processing facilities. Development of APA's assets could be impeded or halted entirely by a range of factors, including failure to obtain necessary regulatory approvals, technological, land access and climate considerations, employees or equipment shortages, higher than budgeted construction costs, insolvency events in service and equipment providers and project delays. There is also a risk of inadequate development work in the early stages of a project, for example errors or inadequacies in the concept design and planning phase. Accordingly, APA may not be able to implement current and future development and construction projects in the manner or within the timeframe and budget expected. These risks may impact the commerciality and economics of the development and may adversely impact APA's financial position and/or performance.

Operational risks

APA is exposed to a number of operational risks such as equipment failures, rupture of pipelines (including as a result of corrosion or loss of containment) with a risk of explosion, employee or equipment shortages, human error and unplanned interruptions caused by industrial disputes, damage by third parties and unforeseen accidents. Operational disruption, the cost of repairing or replacing damaged assets or remedying any related damages, and the risk of claims by customers following an operational disruption, may adversely affect APA's reputation, and financial position and/or performance.

Operating licences and authorisations

In addition to economic regulation, the natural gas industry in Australia is regulated from an operational and technical perspective. APA is directly or indirectly subject to a range of regulatory requirements such as environmental laws and regulations, occupational health and safety requirements and technical and safety standards, including those contained in pipeline licences.

All pipeline, distribution, gas processing, storage and power generation assets owned and/or operated by APA require compliance with relevant national, state and territory laws, regulations and policies. Changes in any such laws, regulations or policies may adversely affect APA's pricing, costs or compliance regimes.

In some instances, the operation of APA's assets is dependent on the granting and maintenance of appropriate licences, permits or regulatory consents. Although these authorisations may be granted or renewed following expiry (as the case may be), there can be no guarantee that authorisations will be renewed, granted or continued, or that more onerous terms will not be imposed on such authorisations. These authorisations may be subject to loss or forfeiture in the event of material non-compliance. Any failure to obtain or maintain necessary authorisations may adversely affect APA's operations, and financial position and/or performance.

Environmental risks

National, state and territory environmental laws and regulations affect the operations of APA's assets and apply to the sites, easements and facilities of APA's operations. These laws and regulations:

- create obligations to obtain and comply with approvals, including planning approvals;
- set standards relating to environmental compliance practices, processes and quality;
- provide for penalties and other liabilities for the violation of approvals and such standards; and
- may establish certain obligations to remediate facilities and locations where operations are, or were, previously conducted.

APA may be liable for the discharge of prohibited substances into the environment, environmental damage or other impacts caused by APA (including its officers, employees, consultants or contractors) or previous owners of property or assets acquired by APA. APA's liability may include fines, orders, clean-up costs, damages, remediation costs and orders, enforceable undertakings, civil and/or criminal sanctions and interruptions in operations. Such costs are challenging to estimate and could stretch over many years for a single violation. Increased costs associated with failure to comply with environmental laws may adversely affect APA's financial position and/or performance. Breaches may also result in the cancellation of some approvals, or in the imposition of more onerous operating conditions.

Even if APA is in compliance with the applicable environmental laws, regulations, approvals, standards or other requirements, it is possible that APA's construction projects and business operations may be subject to delays and/or be discontinued as a result of environmental disputes, environmental impact assessments and consultation processes, or the need to obtain necessary environmental approvals, which may adversely affect APA's financial position and/or performance.

Land tenure

APA's pipelines are primarily constructed and operated on land over which APA has easements, leases or statutory or other land tenure. In addition, if APA fails to maintain its land tenure rights or is otherwise required to relocate its pipelines, its operating business could be adversely affected. APA's business could also be negatively impacted if land access costs increase, including through rental increases, renewals of expiring agreements, prevention of easement encroachments or enforcement of APA's current land access rights. This may adversely affect APA's operations, and financial position and/or performance.

Health and safety risks

Occupational health and safety is a key risk area in the operation and maintenance of APA's assets, operations and facilities. The risk of operational hazards, as well as the inherently hazardous nature of maintenance and construction work involving gas transmission, power generation, electricity transmission and gas processing and distribution facilities could result in serious injury and loss of human life, both to APA's employees and third parties. APA's internal policy decisions on safety, the training provided to employees relating to hazard identification, risk assessments and incident prevention and awareness may not be effective and the risks of accidents or long term health impacts cannot be eliminated. Consequently, APA may receive employee,

customer or public claims for health and safety related issues from time to time. Such claims may adversely affect APA's operations, relations with employees and customers, reputation and financial position and/or performance.

APA is subject to Australian health and safety regimes and is required to comply with Australian legislation concerning the protection of the health and welfare of employees, contractors and the public. APA will incur compliance costs related to these obligations, and any failure or lapses in its compliance may result in it being exposed to fines, damages and criminal or civil sanctions. If significant health and safety consequences occur unusually frequently in APA's business or in an unusually severe fashion, APA could become subject to additional and unanticipated compliance costs. These may adversely affect APA's operations, reputation, and financial position and/or performance.

Compliance Risk

APA is subject to a range of operational regulatory requirements including climate change regulations, environmental laws and regulations, occupational health and safety requirements and technical and safety standards. Changes in any such laws, regulations or policies may increase compliance requirements which may adversely affect APA's operations and financial position and/or performance.

Reliability of or interference with APA's assets

APA's business is materially dependent on the reliability of its assets. In order to maintain the asset operations, repairs and maintenance are necessary. In some cases, such repairs and maintenance may be expensive and capital intensive and may adversely affect APA's operations, financial position and/or performance.

Also, as a result of urban encroachment and the size of APA's energy network, many of APA's assets are located close to populated areas. If these assets are exposed to interference, injury to persons or damage to property or the environment may occur. This may adversely affect APA's operations financial position and/or performance.

Risks of extreme weather events, sabotage and terrorist acts

APA is subject to the risk of accidents and incidents in respect of its pipelines and other infrastructure assets and adjacent sites, as well as to weather conditions, natural phenomena, natural disasters, vandalism and acts of terrorism.

APA has experienced extreme weather events that have caused damage to APA's assets in the past.

Sabotage of, and terrorist acts on, APA's assets may adversely affect APA's ability to provide APA's contracted services to its customers and could damage a third party's property to which a transmission or distribution network or power generation facility is connected.

Any of these events may impact APA's operations and could result in unplanned outages of APA's assets. These risks may result in a failure by APA to supply its customers, which may adversely affect APA's financial position and/or performance.

Climate change risk

To the extent climate change occurs, APA's businesses may be adversely impacted. To the extent climate change results in increases in temperature, sea levels and the frequency of adverse climatic events including fires, storms, floods and droughts, APA's financial results may be adversely affected including through lower gas volumes and revenues. In addition, there have been a number of legislative and regulatory initiatives proposed in recent years in an attempt to control or limit the effects of climate change, including greenhouse gas emissions. The adoption of this type of legislation or similar legislation mandating a reduction in

greenhouse gas emissions in the future may result in increased compliance costs for APA or additional operating restrictions on APA's business, affect the demand for natural gas or impact the prices APA charges to its customers, which may adversely impact APA's future business, financial position and/or performance.

Disease outbreak risks

The outbreak of communicable diseases (such as COVID-19, MERS, Ebola, the avian flu, H1N1, SARS and the Zika virus) in Australia, together with any actual or requested resulting restrictions on movement, travel and/or imposition of quarantines, could have a negative impact on the demand for energy, the economy and business activities of Australia. Such outbreaks may also affect investment sentiment and result in sporadic volatility in global capital markets. Any such actual or requested restrictions on movement, travel and/or imposition of quarantines, and/or any such changes in investment sentiment and volatility in global capital markets, could adversely impact the economy and business activities of Australia and other affected countries. This could, in turn, adversely affect the business, financial condition, results of operations and prospects of APA.

If any of APA's or its contractors' employees are suspected of contracting an epidemic disease, this could require APA or its contractors to quarantine some or all of these employees or disinfect the facilities used for its operations, which could in turn result in business continuity issues and/or additional costs. There can be no assurance that any precautionary measures taken against infectious diseases would be effective. A future outbreak of an infectious disease or any other serious public health concerns in Australia, and the impact of any governmental restrictions, directives and/or orders that may be imposed, could adversely affect the business, financial condition, results of operations and prospects of APA.

Disputes and litigation risks

APA may from time to time be involved in legal, regulatory and other proceedings and disputes arising from its businesses and operations. There is a risk that material or costly disputes or litigation, or adverse decisions by a regulator or court, may adversely affect APA's operations, and financial position and/or performance.

Labour activism and unrest among APA's employees may increase during periods of renegotiation of enterprise bargaining agreements disrupting APA's operations and this may adversely affect APA's financial position and/or performance.

Insurance

There may be some circumstances where APA's insurance will not cover, or will not be adequate to cover, the consequences of adverse events arising from operations. APA may also become liable for operational hazards, including pollution, against which it cannot insure or may have elected not to have insured or keep insured on account of high premium costs or otherwise. In that event, APA may incur costs that may adversely affect APA's financial position and/or performance.

People risks

APA's continued success is dependent, in part, on its ability to attract, engage, develop and retain the right employees within a market where there is varying supply of skilled workers. APA's operations are geographically dispersed which can make attraction and retention of skilled employees in regional and remote locations a challenge. When APA's operations expand or current employees leave, labour costs may increase and APA may be unable to attract and retain the employees required. Additionally, it may take a considerable period of training and time before new employees are equipped with the requisite skills to work safely and effectively on the inherently dangerous tasks associated with APA's assets. An inability to attract, train and retain the right employees may adversely affect APA's operations and financial position and/or performance.

APA also relies on the expertise and continued service of certain key executives but cannot guarantee the retention of such personnel. These key executives possess highly valuable institutional knowledge, without which APA's operations could be negatively affected.

Fraudulent behaviour of employees

APA is exposed to risks associated with fraudulent behaviour of its officers, employees, consultants, contractors and contractual counterparties. The occurrence of such behaviour may adversely affect APA's operations, and financial position and/or performance.

Legacy retirement benefit funds

APA has legacy defined benefit superannuation funds that are funded through a combination of employer and employee contributions, which are invested by third party/external superannuation funds managers in equities, bonds and other external assets and the liabilities for which reflect both the rules of the relevant schemes and current market conditions and values for the invested assets of the funds. The values of such assets are dependent on, among other things, the performance of a broad range of equity and debt markets, which have been particularly volatile in recent months. Any shortfall in the funding obligations of these funds may require additional funding from the employing entities thus increasing APA's liabilities. Such increased liabilities may have an adverse impact on APA's financial position and/or performance.

Information technology and cyber risks

APA's operations rely on a number of information technology systems, applications and business processes utilised in the delivery of business functions, including APA's customer management system, pipeline grid and integrated operations centre. APA's operating businesses depend on computer systems and network infrastructure. System interruptions may occur due to the replacement of systems, equipment failure, human error, natural disasters, sabotage (including cyber-attacks) and power outages. Interruptions may result in the unavailability of services, erroneous processing of third party instructions, and may reduce the relevant businesses' ability to maintain efficient operations and impact relationships with customers. Further, interruptions to APA's information technology systems and any lack of availability of backup facilities may adversely affect APA's reputation, financial position and/or performance.

Joint venture risks

APA holds a number of interests in companies together with joint venture partners through equity or other joint ventures. Certain decisions require approval of the other shareholders of the joint venture or their representatives. Therefore, irrespective of APA's proportional interest in the joint venture, APA cannot unilaterally control all decision-making processes of a joint venture, including decisions in respect of distributions. The joint venture partners in these projects may have economic or business interests or objectives that are different to those of APA, may be unable or unwilling to fulfil their obligations under the relevant joint venture contracts or may experience financial or other difficulties. In addition, APA's reputation and its relationships with governments and other stakeholders may be adversely affected through association with a partner that has engaged in misconduct or has been negligent in connection with a project. These risks could disrupt the operations of the joint venture and negatively impact APA's investment in, and returns from, the joint venture. This may adversely affect APA's financial position and/or performance.

Reputation risks

APA relies on a level of public acceptance of the development and transmission of gas and power generation infrastructure. APA's business, and the construction of its pipelines, power generation and other related infrastructure, may generate negative public sentiment with certain stakeholder groups and result in negative publicity for APA. Negative public sentiment, any resulting community action and related publicity may

result in federal and state governments implementing political measures that may adversely affect APA's reputation, operations, and financial position and/or performance.

Asset impairment

Where the value of an asset is assessed to be less than its carrying value, APA is obliged to recognise an impairment charge in its profit and loss account.

Asset impairment charges may result from the occurrence of unexpected adverse events that impact APA's expected performance. Assets are tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. This could result in the recognition of impairment provisions that may be significant and may adversely affect APA's financial position and/or performance.

Changes to accounting standards

Changes to AAS, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act may adversely affect APA's reported results of operations in any given period or APA's financial position and/or performance.

Changes in the tax treatment of APA's businesses could adversely impact its financial position

APA has made assumptions and taken positions in relation to its liability for income tax, stamp duty and goods and services tax across its businesses. In the event that the actual outcomes are different from expectations or they are not accepted by the relevant tax authorities, this may adversely affect APA's financial position and/or performance. Any adverse development, due either to changes in tax legislation or interpretation, could also adversely affect its financial position and/or performance.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Insolvency laws of Australia

As the members of the Group are incorporated under the laws of Australia, and substantially all of the Group's business and assets are located in Australia, an insolvency proceeding relating to a member or members of the Group would likely involve Australian insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of bankruptcy law or the insolvency laws of other jurisdictions with which the Noteholders may be familiar.

Whilst the extent of application of Australian insolvency laws in relation to companies acting as trustees, such as the Trustee Guarantors (see "*Risk Factors - Ranking of Claims*"), has recently been clarified by the High Court of Australia, there remain differences between the application of Australian insolvency laws to trustee and non-trustee companies.

In addition, legislation has been recently passed to amend certain aspects of Australia's insolvency laws. Amongst other things, with effect from 1 July 2018, a stay applies to the enforcement of rights against entities that arise due to (or in some cases following) the occurrence or subsistence of certain events or circumstances (**Specified Events**). These Specified Events include: (a) an entity publicly announcing that it is proposing a compromise or arrangement under section 411 of the Corporations Act or otherwise when an application to propose a compromise or arrangement under section 411 of the Corporations Act is made and the application states that it is being made for the purpose of the entity avoiding being wound up in insolvency; (b) the appointment of a managing controller to the whole or substantially the whole of the property of an entity; (c) an entity entering into administration; (d) an entity's financial position, if any of the preceding events have occurred; and (e) a reason that, in substance, is contrary to the relevant sub-section prescribing the relevant stay. The stay will also apply to the enforcement of rights due to certain reasons connected with the foregoing

that may be prescribed by regulation. To the extent that these stays apply to the Notes or the Trust Deed, they would restrict the exercise of rights in respect of Events of Default arising by reason of such events.

The legislation provides that specified contracts and rights may be excluded from the operation of the stay by regulation or declaration. Regulation 5.3A.50(k) of the Corporations Regulations exempt from the operation of the stays “a contract agreement or arrangement that is, or governs, securities, financial products, bonds, promissory notes, or syndicated loans”. As such, it is not expected that the stay will apply to the Notes or the Trust Deed. However, the legislative amendments and regulations are untested and aspects of their drafting are unclear.

There may be uncertainty in relation to marketing under the AIFMD in the EEA and the UK

Under the AIFMD and the Commission Delegated Regulation (EU) 231/2013 of 19 December 2012 and relevant guidance issued by the European Securities and Markets Authority, the marketing of shares or units of an alternative investment fund (an **AIF**) in an EEA jurisdiction and the UK is prohibited unless certain criteria are met. It is intended that, by marketing Notes only in the Approved Jurisdictions (as specified in the applicable Final Terms), there will be no requirement to comply with the AIFMD. There is, however, a risk in some jurisdictions that a bond issuance by an AIF could be characterised as marketing shares or units for the purposes of the AIFMD. In these cases, any bond issuances could only be marketed in such jurisdictions in accordance with the marketing restrictions applicable to AIFs and any marketing not in accordance with those rules would be unlawful. Such characterisation may therefore affect the liquidity of the Notes. It may also affect the regulatory treatment of the Notes for certain types of investor.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

Reliance on the Guarantee

The Notes are guaranteed pursuant to the Guarantee. The Issuer has minimal assets other than cash deposits and its investments in the Guarantors. If any or all of the Guarantors' financial condition deteriorates, it is possible that the Issuer may not have access to the resources or liquidity to pay the amounts required under the Notes and the Guarantors, individually or collectively, may not have the financial resources or liquidity to pay the amounts required under the Guarantee. Consequently, investors in the Notes may suffer direct and materially adverse consequences.

Potential investors should be aware that the subsidiaries of APA forming the Guarantor group may change in accordance with the Trust Deed and Subsidiaries may be added as Guarantors to ensure that Condition 3 of the Notes is complied with. Guarantors may also be released in circumstances where such release will not cause a breach of Condition 3 of the Notes. Those circumstances include where the Guarantor to be released is not a guarantor or co-obligor in respect of financial indebtedness of other Obligor in excess of A\$100,000,000 or is no longer a Subsidiary (as defined in Condition 11 of the Notes) of the Principal Guarantor. All Guarantors satisfying the conditions for release may be released with the exception of the Principal Guarantor and, for so long as the units in APT Investment Trust are stapled to the units of the Australian Pipeline Trust (**APT**), Australian Pipeline Limited in its capacity as trustee and responsible entity of APT Investment Trust. In the event that all other Guarantors satisfy the conditions of release, the Principal Guarantor would be the only entity guaranteeing the Notes.

Ranking of claims

The Notes are unsecured obligations of the Issuer and the guarantees of the Notes are unsecured obligations of the Guarantors.

Although the terms and conditions of the Notes restrict the Issuer and the Guarantors granting security to secure other capital markets indebtedness, there is no restriction on the Issuer or Guarantors granting security to secure other obligations. To the extent such security was granted, the obligations secured thereby would rank ahead of the Notes and guarantees provided by the Guarantors.

To the extent that assets are held by Subsidiaries that are not Guarantors, those assets would only be available to meet claims of Noteholders after the satisfaction of all liabilities of such subsidiaries and the return of any surplus assets as equity to the holding company of the Subsidiary that is a Guarantor (if any). There is no restriction on the liabilities that may be incurred by Subsidiaries that are not Guarantors, other than the requirements of Condition 3 of the Notes that a Subsidiary that guarantees or becomes a co-obligor in respect of financial indebtedness of other Obligor in excess of A\$100,000,000 must become a Guarantor.

Certain Guarantors (**Trustee Guarantors**), including the Principal Guarantor and Australian Pipeline Limited in its capacity as trustee and responsible entity of APT Investment Trust, have entered into and provided their guarantees in their capacity as trustee of a specified trust. All or substantially all of the assets of such Guarantors (as reflected in the financial statements of the Group) are assets of the specified trust and are only available to meet liabilities in respect of which such Trustee Guarantors have a right to be indemnified out of such assets. The Trustee Guarantors will only have a right to be indemnified out of the assets of the specified trusts in respect of their liabilities under the Guarantee to the extent that such liabilities are properly incurred (although the board of directors of each Trustee Guarantor has resolved that the giving of such guarantee constitutes the proper performance of its obligations as trustee of the specified trust). Furthermore, a Trustee Guarantor's right of indemnity may be lost if it commits a breach of trust. In such circumstances the assets of the relevant trust may only be available to satisfy claims under the guarantee upon the relevant Trustee Guarantor first rectifying such breach of trust.

Notes linked to “benchmarks” (including Floating Rate Notes)

The Programme allows for the issuance of Notes that reference certain interest rates or other types of rates or indices which are deemed to be “benchmarks”, including the London Interbank Offered Rate (**LIBOR**) and the Euro Interbank Offered Rate (**EURIBOR**), in particular with respect to certain floating rate Notes where the Reference Rate (as defined in the Conditions) may be LIBOR, EURIBOR or another such benchmark. The Final Terms for Notes will specify whether LIBOR, EURIBOR or another such benchmark is applicable.

Benchmarks are the subject of ongoing national and international regulatory reform. Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. For example, the UK Financial Conduct Authority has announced that after 2021 it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark and that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021 by the UK Financial Conduct Authority.

The Conditions and the Agency Agreement contain fallback provisions in the event that LIBOR or EURIBOR rates are not available, however the potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner in which the LIBOR benchmark or any other benchmark is administered, could result in discrepancies in the rates calculated according to the Conditions and the Agency Agreement and those based on any substitute or alternate benchmark that has become the market standard by or after 2021. Any such consequence could have a material adverse effect on the value and marketability of, and return on, any Notes linked to any such benchmark.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Dual Currency Notes

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) payment of principal or interest may occur at a different time or in a different currency than expected; and
- (iii) they may lose all or a substantial portion of their principal.

Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Dual Currency Notes and the suitability of such Notes in light of its particular circumstances.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Any failure by an investor to pay any subsequent instalment of the issue price in respect of his Notes could result in such investor losing all of his investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes may have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed or

(ii) determine without the consent of the Noteholders that any Event of Default shall not be treated as such where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do, or (iii) any modification to the Notes or the Trust Deed which is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven, or (iv) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 16 (*Meetings of Noteholders and Modification, Waiver and Substitution*).

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it. Enforceability of the Notes could also be affected by any changes to Australian insolvency law (see “*Risk Factors – Insolvency laws of Australia*”).

Notes where denominations involve integral multiples: definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination (as described in the applicable Final Terms) plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Trustee's actions

In certain circumstances (including the giving of notice to the Issuer and the Guarantors pursuant to Condition 11 (*Events of Default and Enforcement*)), the Trustee may (at its sole discretion) request the Noteholders to provide an indemnity and/or security to its satisfaction before it takes actions on behalf of the Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured to its satisfaction. Even if the Noteholders agree to indemnify and/or provide security to the Trustee, the time taken to agree the indemnity and/or security may impact on when such actions are taken.

The Trustee may decline to take action requested by the Noteholders, notwithstanding the provision of an indemnity or security to it, where it is not satisfied that the action is permitted by the terms of the Trust Deed or applicable law.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market

risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes and the Guarantors will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer or the Guarantors to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Issuer, the Guarantors or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Risks relating to unaudited interim financial statements deemed incorporated by reference

Any published unaudited interim financial statements of the Issuer (whether prepared on a consolidated or a non-consolidated basis) which are, from time to time, deemed to be incorporated by reference in this Offering Circular will not have been audited by the auditors of the Issuer. Accordingly, there can be no assurance that, had an audit been conducted in respect of such financial statements, the information presented therein would not have been materially different, and investors should not place undue reliance on them.

FORM OF THE NOTES

The Notes of each Series will be issued in either bearer form, with or without interest coupons and talons for further coupons if appropriate attached, or registered form, without interest coupons attached, in each case as specified in the applicable Final Terms.

Bearer Notes

The following applies to Notes specified in the applicable Final Terms to be in bearer form.

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent Global Note (a **Permanent Global Note**) which, in either case, will be delivered on or prior to the original issue date of the relevant Tranche to a common depositary (the **Common Depositary**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**). Notes in bearer form will be delivered and deliverable only outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of Notes will be made against presentation of the Temporary Global Note only outside the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) and only to the extent that customary certification to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person or any person within the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction), as required by U.S. Treasury Regulations, has been received by Euroclear and/or Clearstream, Luxembourg, as applicable, and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) in whole or in part upon a request as described therein either for (a) interests in a Permanent Global Note of the same Series or (b) for definitive Notes of the same Series with, where applicable, receipts, interest coupons and talons for further coupons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms (which notice period shall not exceed 60 days)), in each case against customary certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made to Euroclear and/or Clearstream, Luxembourg, as applicable, against presentation or surrender (as the case may be) of the Permanent Global Note without any requirement for certification.

Holders of beneficial ownership interests must look solely to their nominee and/or applicable clearing system to receive such payment and none of the Issuer, the Guarantors, the Trustee, the Principal Paying Agent or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in Global Bearer Notes or for maintaining, supervising or reviewing any records relating to such interests.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing, (ii) if the Permanent Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg the Issuer has been notified that Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system is available or (iii) the Issuer or a Guarantor has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form and a certificate to that effect signed by two officers of the Issuer, or as the case may be, the relevant Guarantor, is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (as applicable, and in any case acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent. No definitive Note delivered in exchange for a Permanent Global Note will be mailed or otherwise delivered to any location in the United States (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction) in connection with such exchange.

The following legend will appear on all Notes which have an original maturity of more than 365 days and on all receipts, interest coupons and talons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, receipts or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

The following applies to Notes specified in the applicable Final Terms to be in registered form.

The Registered Notes of each Tranche offered and sold in reliance on Regulation S under the Securities Act (**Regulation S**), which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a **Global Registered Note** and together with any Global Bearer Note, the **Global Notes**). Prior to expiry of the distribution compliance period (as defined in Regulation S), if any, applicable to each Tranche of Notes, beneficial interests in a Global Registered Note may not be offered or sold to, or for the account or benefit of, a U.S. person and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Global Registered Note will bear a legend regarding such restrictions on transfer.

Global Registered Notes will be deposited with a common depositary for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms. Persons holding beneficial interests in Global Registered Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Registered Notes in definitive form.

Payments of principal, interest or any other amount in respect of the Registered Notes in global form will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7.4) as the registered holder of the Global Registered Notes. Holders of beneficial ownership interests must look solely to their nominee and/or applicable clearing system to receive such payment and none of the Issuer, the Guarantors, the Trustee, the Principal Paying Agent, any Paying Agent, any Transfer Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to, or payments or deliveries made on account of, beneficial ownership interests in the Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Global Registered Note will be exchangeable (free of charge), in whole but not in part, for Registered Notes in definitive form without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing, (ii) if the Global Registered Note is held in Euroclear and/or Clearstream, Luxembourg and the Issuer has been notified that Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any case, no successor or alternative clearing system is available or (iii) the Issuer or a Guarantor has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Notes in definitive form and a certificate to that effect signed by two officers of the Issuer, or as the case may be, the relevant Guarantor, is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (as applicable, and in any case acting on the instructions of any holder of an interest in such Global Registered Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

Transfer of Interests

Interests in a Global Registered Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Registered Note in respect of the same Series. No beneficial owner of an interest in a Global Registered Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case, to the extent applicable.

General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single

Series with an existing Tranche of Notes, Notes of such further Tranche shall be assigned a common code and International Securities Identification Number (**ISIN**), which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S), if any, applicable to Notes of such Tranche.

For so long as any Note is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear and/or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg, as the case may be, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantors, the Trustee and their respective agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal, interest and any other amount payable on such nominal amount of such Notes, for which purposes the bearer of the relevant Global Bearer Note or the registered holder of the relevant Global Registered Note shall be treated by the Issuer, the Guarantors, the Trustee and their respective agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note, and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent, the Trustee and, as applicable, the Registrar.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or any of the Guarantors unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[MiFID II product governance / Professional investors and ECPs only target market] – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS] – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**) or in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended from time to time). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

[Notification under Section 309B(1)(C) of the Securities and Futures Act (Chapter 289) of Singapore] – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and are 'Excluded Investment Products' (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.)]

[Date]

APT PIPELINES LIMITED

(ABN 89 009 666 700)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Unconditionally guaranteed by

Australian Pipeline Limited (ABN 99 091 344 704)

in its capacity as trustee and responsible entity of

Australian Pipeline Trust (ARSN 091 678 778)

and by certain of its Subsidiaries

under its U.S.\$5,000,000,000

Euro Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the **Conditions**) set forth in the Offering Circular dated [●] April 2020 [and the supplemental Offering Circular dated [date]] ([together,] the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Offering Circular. The full information that has been provided on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date:]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the **Conditions**) set forth in the Offering Circular dated [original date] [and the supplemental Offering Circular dated [date]] ([together,] the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Offering Circular, save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[If the Notes have a maturity of less than one year from the date of their issue and the proceeds of issue are received in the United Kingdom, the minimum denomination must be £100,000 or its equivalent in any other currency.]

- | | | |
|---|-----------------------------------|--|
| 1 | (a) Issuer: | APT Pipelines Limited (ABN 89 009 666 700) |
| | (b) Guarantors: | Each entity named under “Guarantors” on the signature pages hereto |
| 2 | (a) Series Number: | [] |
| | (b) Tranche Number: | [] |
| | | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| 3 | Specified Currency or Currencies: | [] |
| 4 | Aggregate Nominal Amount: | |
| | Series: | [] |
| | Tranche: | [] |
| 5 | [(a)] Issue Price: | []% of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)] |
| | [(b)] Net Proceeds: | [] <i>(include for listed issues if required by the relevant stock exchange on which the Notes are listed.)</i> |
| 6 | (a) Specified Denominations: | [] |
| | | <i>(Note — where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:</i> |
| | | <i>“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above</i> |

[€100,000].”)

(N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area or United Kingdom exchange; and (ii) only offered in the European Economic Area or in the United Kingdom in circumstances where a prospectus is not required to be published under the Prospectus Regulation, the [€100,000] minimum denomination is not required.)

(In the case of Registered Notes, this means the minimum integral amount in which transfers can be made.)

- (b) Calculation Amount: []
- (If only one Specified Denomination, insert the Specified Denomination.*
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
- 7 (a) Issue Date: []
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
- 8 Maturity Date: [Fixed rate — specify date/ Floating rate — Interest Payment Date falling in or nearest to [specify month]]
- 9 Interest Basis: [[]% Fixed Rate]
- [[LIBOR/EURIBOR] +/- []% Floating Rate]
- [Zero Coupon]
- [Dual Currency Interest]
- [specify other]
- (further particulars specified below)*
- 10 Redemption/Payment Basis: [Redemption at par]
- [Dual Currency Redemption]
- [Partly Paid]
- [Instalment]
- [specify other]
- 11 Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
- 12 Put/Call Options: [Investor Put]
- [Issuer Call]
- [(further particulars specified below)]
- 13 (a) Status of the Notes: [Senior]

- (b) Status of the Guarantee: [Senior]
- 14 Listing: [SGX-ST/ Other (*specify*)/None]
- 15 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

[In the case of Instalment Notes and Partly Paid Notes consider whether it is necessary to modify the interest calculation provisions]

- 16 Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: []% per annum [payable [annually/semi-annually/quarterly/other (*specify*)] in arrear]
(If payable other than annually, consider amending Condition 6.1)
- (b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]/[*specify other*]
(N.B. This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount(s): [] per Calculation Amount
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []
(Applicable to Notes in definitive form.)
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or *specify other*]]
- (f) [Determination Date(s): [] in each year
(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)
N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration
N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))]
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
- 17 Floating Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: []
- (b) Business Day Convention: [Floating Rate Convention *[N.B. for use with Specified Periods only]*/Following Business Day

- Convention/Modified Following Business Day
Convention/Preceding Business Day Convention/[specify
other]]
- (c) Additional Business Centre(s): []
- (d) Manner in which the Rate of [Screen Rate Determination/ISDA
Interest and Interest Amount is to Determination/[specify other]]
be determined:
- (e) Party responsible for calculating []
the Rate of Interest and Interest
Amount (if not the Principal
Paying Agent):
- (f) ISDA Determination:
- (i) Floating Rate Option: []
- (ii) Designated Maturity: []
- (iii) Reset Date: []
- (g) Screen Rate Determination:
- (i) Reference Rate: []
*(Either LIBOR, EURIBOR or other, although additional
information is required if other — including fallback
provisions in the Agency Agreement (see Condition
6.2(b)(ii)))*
- (ii) Interest Determination []
Date(s):
*(Second Business Day prior to the start of each Interest
Period if LIBOR (other than Sterling or euro LIBOR),
first day of each Interest Period if Sterling LIBOR and
the second day on which the TARGET2 System is open
prior to the start of each Interest Period if EURIBOR or
euro LIBOR)*
- (iii) Relevant Screen Page: []
*(In the case of EURIBOR, if not Reuters EURIBOR01,
ensure it is a page which shows a composite rate or
amend the fallback provisions appropriately)*
- (h) Margin(s): [+/-] []% per annum
- (i) Minimum Rate of Interest: []% per annum
- (j) Maximum Rate of Interest: []% per annum
- (k) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360]

30E/360

30E/360 (ISDA)

Other]

(See Condition 6.2(d) for alternatives)

- (l) Fallback provisions, rounding []
provisions and any other terms
relating to the method of
calculating interest on Floating
Rate Notes, if different from those
set out in the Conditions:

- 18 Zero Coupon Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Accrual Yield: []% per annum

- (b) Reference Price: []

- (c) Any other formula/basis of []
determining amount payable:

- (d) Day Count Fraction in relation to [Condition 8.5(c) applies/specify other]

Early Redemption Amounts and
late payment: *(Consider applicable day count fraction if not U.S. dollar
denominated)*

- 19 Dual Currency Interest Note Provisions: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Rate of Exchange/method of [give or annex details]
calculating Rate of Exchange:

- (b) Party, if any, responsible for []
calculating the principal and/or
interest due (if not the Principal
Paying Agent):

- (c) Provisions applicable where [need to include a description of market disruption or
calculation by reference to Rate of settlement disruption events and adjustment provisions]
Exchange impossible or
impracticable:

- (d) Person at whose option Specified []
Currency(ies) is/are payable:

PROVISIONS RELATING TO REDEMPTION

*[In the case of Instalment Notes and Partly Paid Notes, consider whether it is necessary to modify the
Early Redemption Amount calculation]*

- 20 Issuer Call: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (c) If redeemable in part:
 - (i) Minimum Redemption Amount: []
 - (ii) Maximum Redemption Amount: []
- (d) Notice period (if other than as set out in the Conditions): []

(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee)

- 21 Investor Put: [Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (c) Notice period (if other than as set out in the Conditions): []

(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee)

- 22 Final Redemption Amount: [[] per Calculation Amount/specify other/see Appendix]

- 23 Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8.5): [[] per Calculation Amount/specify other/see Appendix]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 24 Form of Notes: [Bearer Notes: Temporary Global Note exchangeable for

- a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event]
- [Bearer Notes: Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Bearer Notes: Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event]
- [Registered Notes: Global Registered Note ([]) nominal amount [exchangeable for Registered Notes in definitive form]]
- (Ensure that this is consistent with the wording in the “Form of the Notes” section in the Offering Circular and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].” Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*
- 25 Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]
(Note that this paragraph relates to the place of payment and not Interest Period end dates to which subparagraph 17(c) relates)
- 26 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
- 27 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details. N.B. a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]
- 28 Details relating to Instalment Notes:
- (a) Instalment Amount(s): [Not Applicable/give details]
- (b) Instalment Date(s): [Not Applicable/give details]
- 29 Redenomination applicable: Redenomination [not] applicable
[(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))]
- 30 Other final terms: [Not Applicable/give details]

31	Ratings for the Notes:	[Not Applicable/ <i>give details</i>]
DISTRIBUTION		
32	(a) If syndicated, names of Managers:	[Not Applicable/ <i>give names</i>]
	(b) Stabilising Manager(s) (if any):	[Not Applicable/ <i>give name(s)</i>]
33	If non-syndicated, name of relevant Dealer:	[Not Applicable/ <i>give name</i>]
34	U.S. Selling Restrictions:	[Reg. S Compliance Category; TEFRA D/TEFRA C/TEFRA not applicable]
35	Prohibition of Sales to EEA and UK Retail Investors:	[Applicable/Not Applicable] <i>(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)</i>
36	Additional selling restrictions:	[Not Applicable/ <i>give details</i>]
37	Approved Jurisdictions (marketing in EEA member states and the UK only):	[Austria] [Belgium] [Denmark] [Finland] [France] [Germany] [Ireland] [Italy] [Luxembourg] [Netherlands] [Norway] [Portugal] [Spain] [Sweden] [United Kingdom]
OPERATIONAL INFORMATION		
38	(i) ISIN Code:	[]
	(ii) Common Code:	[]
	(iii) Classification of Financial Instruments Code (CFI):	[[]/Not Applicable]
	(iv) Financial Instrument Short Name (FISN):	[[]/Not Applicable]
	(v) Legal Entity Identifier:	261700SS8OEHD0COUJ33
	(vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/ <i>give name(s) and number(s)</i>]
	(vii) Delivery:	Delivery [against/free of] payment

- (viii) Name and address of Registrar (in []
the case of Registered Notes only):
- (ix) Names and addresses of additional []
Paying Agent(s) (if any):
- (x) Name and address of Transfer []
Agent (if any):
- (xi) Name and address of Calculation []
Agent (if any):

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on [Singapore Exchange Securities Trading Limited] [*or specify other relevant regulated market*] of the Notes described herein pursuant to the U.S.\$5,000,000,000 Euro Medium Term Note Programme of APT Pipelines Limited.

RESPONSIBILITY

The Issuer and the Guarantors accept responsibility for the information contained in these Final Terms.

Issuer

Signed on behalf of APT Pipelines Limited (ABN 89 009 666 700):

By: _____
Duly authorised

Guarantors

Signed by [*insert name*]

for [*List each Guarantor (together with ACN/ARBN) at Issue Date*]

each by its duly authorised attorney:

[*insert name*]

TERMS AND CONDITIONS OF THE NOTES

The following except for the paragraphs in italics are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below), each Definitive Bearer Note (as defined below) and each Definitive Registered Note (as defined below), but, in the case of Definitive Bearer Notes and Definitive Registered Notes, only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such Definitive Bearer Note or Definitive Registered Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of the Notes” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued by APT Pipelines Limited (ABN 89 009 666 700) (the **Issuer**) constituted by an Amended and Restated Trust Deed (such Amended and Restated Trust Deed as modified and/or supplemented and/or restated from time to time, the **Trust Deed**) dated 6 March 2019 made between the Issuer, Australian Pipeline Limited (ABN 99 091 344 704) in its capacity as trustee and responsible entity of Australian Pipeline Trust (ARSN 091 678 778) (the **Principal Guarantor**), each other Initial Guarantor (as defined in the Trust Deed) (Initial Guarantors together with any other entity appointed as a guarantor under and as defined in the Trust Deed, but excluding any entity released as a guarantor, the **Guarantors**) as guarantors and The Bank of New York Mellon, London Branch, in its capacity as trustee for the Noteholders, Receiptholders and Couponholders (as defined in the Trust Deed) (the **Trustee**, which expression shall include any successor as Trustee).

References herein to the **Notes** shall be references to the Notes of the Series of which this Note forms part and shall mean any of the following forming part of that Series:

- (a) any Notes represented by a global Note (a **Global Note**) in bearer form (a **Global Bearer Note**) or, as the context requires, such Global Bearer Note;
- (b) any Notes represented by a Global Note in registered form (each a **Global Registered Note**) or, as the context requires, such Global Registered Note;
- (c) any definitive Notes in bearer form (**Definitive Bearer Notes** and, together with Global Bearer Notes, the **Bearer Notes**) issued in exchange for a Global Bearer Note; and
- (d) any definitive Notes in registered form (**Definitive Registered Notes** and, together with Global Registered Notes, the **Registered Notes**) (whether or not issued in exchange for a Global Registered Note).

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Amended and Restated Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 6 March 2019 and made between the Issuer, the Initial Guarantors, the Trustee, The Bank of New York Mellon, London Branch as issuing and principal paying agent (the **Principal Paying Agent**, which expression shall include any successor principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents), The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the **Registrar**, which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein

(together with the Registrar, the **Transfer Agents**, which expression shall include any additional or successor transfer agents).

Interest bearing Definitive Bearer Notes have interest coupons (**Coupons**) and, if indicated in the applicable Final Terms, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

Definitive Bearer Notes repayable in instalments have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the **applicable Final Terms** are to the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders for the time being of the Notes (the **Noteholders** or **holders** in relation to any Notes, which expression shall mean, in the case of Bearer Notes, the holder of the Bearer Notes and, in the case of Registered Notes, the persons in whose name the Registered Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below), (in the case of Definitive Bearer Notes) the holders of the Receipts (the **Receiptholders**) and the holders of the Coupons (the **Couponholders**, which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection between 9:00 am and 3:00 pm (London time) Monday to Friday, excluding public holidays, at the principal office for the time being of the Trustee being at One Canada Square, London E14 5AL, England and at the specified office of each of the Paying Agents and the Registrar upon written request and satisfactory proof of holding. Copies of the applicable Final Terms are available for viewing at the registered office of the Issuer, the specified office of the Registrar (in the case of Registered Notes) and the specified offices of each of the Paying Agents (in the case of Bearer Notes) and copies may be obtained from those offices save that, if this Note is an unlisted Note of any Series, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer, the Trustee and the relevant Paying Agent or (in the case of Registered Notes) the Registrar as to its holding of such Notes and identity.

The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, and are bound by, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed and/or the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1 FORM, DENOMINATION AND TITLE

The Notes are either in bearer form or in registered form, as specified in the applicable Final Terms and, in the case of Definitive Bearer Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes, Receipts and Coupons will pass by delivery and title to the Registered Notes will pass on registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantors, the Paying Agents, the Registrar (in the case of a Registered Note) and the Trustee will (except as otherwise required by law) deem and treat the bearer of any Bearer Note, Receipt or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantors, the Paying Agents, the Registrar (in the case of a Registered Note) and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Bearer Note or the registered holder of the relevant Global Registered Note shall be treated by the Issuer, the Guarantors, any Paying Agent, the Registrar (in the case of a Registered Note) and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms or as may otherwise be approved by the Issuer, the Principal Paying Agent and the Trustee.

2 TRANSFER OF REGISTERED NOTES

2.1 Transfers of interests in Global Registered Notes

Transfers of beneficial interests in Global Registered Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. Notes represented by a Global Registered Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Notes in definitive form or for Notes represented by another Global Registered Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Global Registered Note registered in the name of a nominee for Euroclear or Clearstream, Luxembourg shall be limited to transfers of such Global Registered Note, in whole but not in part, to another nominee of Euroclear or Clearstream, Luxembourg (as the case may be) or to a successor of Euroclear or Clearstream, Luxembourg (as the case may be) or such successor's nominee and will be subject to compliance with all applicable legal and regulatory restrictions and the terms and conditions of the Agency Agreement.

2.2 Transfers of Registered Notes in definitive form

Subject as provided in Condition 2.5 (*Closed Periods*), upon the terms and subject to the conditions set forth in the Agency Agreement and subject to compliance with all applicable legal and regulatory restrictions, a Definitive Registered Note may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer:

- (a) the holder or holders must:
 - (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing; and
 - (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent; and
- (b) the Registrar or, as the case may be, the relevant Transfer Agent must be satisfied with the documents of title and the identity of the person making the request.

Any such transfer will be subject to such regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 5 to the Agency Agreement). Subject as provided above, the Registrar, or as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in Sydney, London and the city where the specified office of the Registrar, or as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office, to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.3 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 8 (*Redemption and Purchase*), the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

2.4 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer or the Transfer Agent shall require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration. No Agent will be liable for the loss of any Note in the course of delivery.

2.5 Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered during the period of (i) 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) 15 days before any date on which Notes may be called for redemption by the Issuer pursuant to Condition 8.3 (*Redemption at the option of the Issuer (Issuer Call)*), (iii) if a holder of a Registered Note elects to redeem its Registered Note pursuant to Condition 8.4 (*Redemption at the option of the Noteholders (Investor Put)*) in relation to that Noteholder only, at any time following the giving of notice of such redemption to the Issuer, and (iv) five business days ending on (and including) any Record Date (as defined in Condition 7.4).

2.6 Exchanges and transfers of Registered Notes generally

Holders of Definitive Registered Notes may exchange such Notes for interests in a Global Registered Note of the same type at any time.

3 STATUS OF THE NOTES AND THE GUARANTEES

3.1 Status of the Notes

The Notes and any related Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) at least equally with all other unsecured obligations of the Issuer, from time to time outstanding.

3.2 Status of the Guarantees

The payment of principal and interest in respect of the Notes and all other moneys payable by the Issuer under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed by the Guarantors in the Trust Deed on a joint and several basis (the **Guarantee**). The obligations of the Guarantors under the Guarantees are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of each Guarantor and rank (save for certain obligations required to be preferred by law) at least equally with all other unsecured obligations of the Guarantors, from time to time outstanding, subject to the limitation on enforcement set out in Condition 3.5 (*Capacity of certain Guarantors*). The obligations of each Relevant Trustee under the Guarantee are incurred solely in its capacity as trustee (and, if applicable, responsible entity) for the Relevant Trust.

3.3 Additional Guarantors

The Issuer must ensure that any Subsidiary (as defined in Condition 11 (*Events of Default and Enforcement*)) of the Principal Guarantor that is a guarantor in respect of (or is otherwise a co-obligor or jointly liable with respect to) any Financial Indebtedness (as defined in Condition 11 (*Events of Default and Enforcement*)) of

any Obligor (as defined in Condition 11 (*Events of Default and Enforcement*)) under any bank facility or under any debt instruments issued in the Australian domestic or international capital markets (either publicly or privately), in any case in a principal amount in excess of A\$100,000,000 (in aggregate for all such amounts for which such Subsidiary is a guarantor, co-obligor or otherwise jointly liable with respect to) is or becomes a Guarantor.

3.4 Release of Guarantors

Subject to this Condition, the Issuer may at any time by notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders procure the release from the Guarantee of any Guarantor that:

- (a) is no longer a Subsidiary of the Principal Guarantor; or
- (b) is not required to be a Guarantor in order for the Issuer to comply with Condition 3.3 (*Additional Guarantors*).

If any Subsidiary of the Principal Guarantor that is a Guarantor specified in such notice has ceased or is to cease to be a Subsidiary of the Principal Guarantor as of a date specified in such notice, or is not or is to cease from a date specified in such notice to be required to be a Guarantor in order for the Issuer to comply with Condition 3.3 (*Additional Guarantors*), then, so long as the Notes have not been accelerated and remain unpaid following an Event of Default, on the date such Guarantor ceases to be a Subsidiary of the Principal Guarantor or ceases to be required to be a Guarantor in order for the Issuer to comply with Condition 3.3 (*Additional Guarantors*) (as the case may be) (or, if later, the date of the notice referred to in this Condition 3.4) such Subsidiary shall be immediately released as a Guarantor. Where the release occurs after the notice referred to in this Condition 3.4, the Issuer shall promptly give notice of such Guarantor's release to the Trustee, each Paying Agent and, in accordance with Condition 15 (*Notices*), the Noteholders. This Condition does not apply (i) in the case of the Principal Guarantor; or (ii) in the case of Australian Pipeline Limited in its capacity as trustee and responsible entity of APTIT for so long as the units in APTIT are stapled to the units of the Australian Pipeline Trust.

All Guarantors shall be deemed to be aware of and bound by the provisions of this Condition and any release pursuant to it. All Guarantors remaining following a release pursuant to this Condition shall continue to be bound by the terms of the Guarantee notwithstanding the release of any other Guarantor.

3.5 Capacity of certain Guarantors

The Trust Deed provides that each Relevant Trustee enters into the Trust Deed solely in its capacity as trustee (and, if applicable, responsible entity) of the Relevant Trust and that any liability of a Relevant Trustee arising in connection with the Trust Deed (including, without limitation, each Relevant Trustee's guarantee and agreement to comply with these Conditions insofar as they apply to it) is limited and can be enforced against that Relevant Trustee only to the extent that such Relevant Trustee is able to satisfy that liability out of the assets of the Relevant Trust out of which it is actually indemnified from the liability. Each Noteholder is deemed to have acknowledged and agreed that it may enforce its rights against each Relevant Trustee with respect to the non-observance of the Relevant Trustee's obligations, only to the extent necessary to enforce the Noteholder's rights, powers and remedies against the Relevant Trustee in respect of the assets of the Relevant Trust. However, this limitation does not apply to any obligation or liability of a Relevant Trustee to the extent that it is not satisfied because, under the Relevant Trust Deed or by operation of law, a Relevant Trustee is not indemnified, or there is a reduction in the extent of a Relevant Trustee's indemnification, out of the assets of the Relevant Trust as a result of the Relevant Trustee's fraud, negligence or wilful default (as provided in the Trust Deed).

In this Condition 3.5, the following expressions have the following meanings:

Relevant Trust means:

- (a) in respect of Australian Pipeline Limited, the Australian Pipeline Trust, APTIT, the APA Sub Trust No 1, the APA Sub Trust No 2 and the APA Sub Trust No 3;
- (b) in respect of APT Parmelia Pty Ltd, the APT Parmelia Trust;
- (c) in respect of APA East Pipelines Pty Limited, the Epic Energy East Pipelines Trust;
- (d) in respect of APA VTS Australia Pty Limited, the GasNet Australia Trust and the GasNet Australia Investments Trust;
- (e) in respect of APA VTS A Pty Limited, the GasNet A Trust;
- (f) in respect of APA Ethane Pty Limited, the Moomba to Sydney Ethane Pipeline Trust, the Ethane Pipeline Income Trust and the Ethane Pipeline Income Financing Trust; and
- (g) in respect of the APA (EPX) Pty Limited, the EPX Trust.

Relevant Trust Deed means:

- (a) in respect of the Australian Pipeline Trust, the trust deed dated 18 February 2000 establishing the Australian Pipeline Trust (as amended);
- (b) in respect of APTIT, the trust deed dated 30 June 2005 establishing APTIT (as amended);
- (c) in respect of the APA Sub Trust No 1, the trust deed dated 1 June 2004 establishing the APA Sub Trust No 1 (as amended);
- (d) in respect of the APA Sub Trust No 2, the trust deed dated 1 June 2004 establishing the APA Sub Trust No 2 (as amended);
- (e) in respect of the APA Sub Trust No 3, the trust deed dated 25 June 2004 establishing the APA Sub Trust No 3 (as amended);
- (f) in respect of the APT Parmelia Trust, the trust deed dated 1 May 1997 establishing the APT Parmelia Trust;
- (g) in respect of the Epic Energy East Pipelines Trust, the trust deed dated 21 June 2000 establishing the Epic Energy East Pipelines Trust (as amended);
- (h) in respect of the GasNet Australia Trust, the trust deed dated 28 June 2001 establishing the GasNet Australia Trust (as amended);
- (i) in respect of the GasNet Australia Investments Trust, the trust deed dated 23 May 2003 establishing the GasNet Australia Investments Trust (as amended);
- (j) in respect of the GasNet A Trust, the trust deed dated 26 May 1999 establishing the GasNet A Trust (as amended);
- (k) in respect of the Moomba to Sydney Ethane Pipeline Trust, the trust deed as consolidated on 24 February 2009 establishing the Moomba to Sydney Ethane Pipeline Trust (as amended);
- (l) in respect of the Ethane Pipeline Income Trust, the trust deed dated 14 February 2006 establishing the Ethane Pipeline Income Trust (as amended);
- (m) in respect of the Ethane Pipeline Income Financing Trust, the trust deed dated 14 February 2006 establishing the Ethane Pipeline Income Financing Trust (as amended); and

- (n) in respect of the EPX Trust, the declaration of trust dated 4 July 2016 made by APA (EPX) Pty Limited establishing the EPX Trust (as amended).

Relevant Trustee means:

- (a) in respect of the Australian Pipeline Trust, APTIT, the APA Sub Trust No 1, the APA Sub Trust No 2 and the APA Sub Trust No 3, Australian Pipeline Limited;
- (b) in respect of the GasNet Australia Trust and the GasNet Australia Investments Trust, APA VTS Australia Pty Limited;
- (c) in respect of the APT Parmelia Trust, APT Parmelia Pty Ltd;
- (d) in respect of the Epic Energy East Pipelines Trust, APA East Pipelines Pty Limited;
- (e) in respect of the GasNet Australia Trust and the GasNet Australia Investments Trust, APA VTS Australia Pty Limited;
- (f) in respect of the GasNet A Trust, APA VTS A Pty Limited;
- (g) in respect of the Moomba to Sydney Ethane Pipeline Trust, the Ethane Pipeline Income Trust and the Ethane Pipeline Income Financing Trust, APA Ethane Pty Limited; and
- (h) in respect of the EPX Trust, APA (EPX) Pty Limited.

4 NEGATIVE PLEDGE

So long as any of the Notes remains outstanding:

- (a) the Issuer will not create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) (other than a Permitted Security Interest) upon, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
 - (i) all amounts payable by it under the Notes and the Trust Deed are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or
 - (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution of the Noteholders; and
- (b) each Guarantor will ensure that none of its Relevant Indebtedness will be secured by any Security Interest (other than a Permitted Security Interest) upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of it unless the Guarantor, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:
 - (i) all amounts payable by it under the Guarantee are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or
 - (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee shall in its absolute discretion deem not

materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution of the Noteholders.

For the purposes of the Conditions:

Extraordinary Resolution has the meaning set out in the Trust Deed.

Permitted Security Interest means:

- (a) any Security Interest existing at the Issue Date and any substitute Security Interest over the same present or future business, undertaking, assets or revenues (including any uncalled capital) in connection with the refinancing of any Relevant Indebtedness secured by such Security Interest (provided that the principal amount of Relevant Indebtedness secured by any such substitute Security Interest is not increased without the approval of an Extraordinary Resolution);
- (b) any Security Interest existing at the time of acquisition of any asset acquired by the Issuer or a Guarantor after the Issue Date and not created in contemplation of that acquisition and any substitute Security Interest created on that asset in connection with the refinancing of such Relevant Indebtedness secured on that asset (provided that the principal amount of Relevant Indebtedness secured by any such Security Interest is not increased without the approval of an Extraordinary Resolution); and
- (c) any Security Interest over the assets of any entity becoming a Guarantor after the Issue Date which Security Interest existed at the time of such entity becoming a Subsidiary (other than any Security Interest created in contemplation thereof) and any Security Interest thereafter created by such Subsidiary in substitution for the aforesaid Security Interest over the assets whose value does not materially exceed the current value of the assets subject to such original Security Interest and any substitute Security Interest over the assets subject to such original Security Interest in connection with the refinancing of any Relevant Indebtedness secured by the existing Security Interest (provided that the principal amount of Relevant Indebtedness secured by such substitute Security Interest is not increased without the prior approval of an Extraordinary Resolution),

and for the purpose of this definition a reference to an “asset” includes present or future business, undertaking, assets or revenues (including any uncalled capital).

Relevant Indebtedness means (a) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market (excluding loan notes or similar interests in the bank syndicated market), and (b) any guarantee, indemnity or other assurance against financial loss in respect of any such indebtedness.

5 REDENOMINATION

5.1 Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders or the Trustee, on giving prior notice to the Principal Paying Agent, the Trustee, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 15 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes and the Receipts shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Trustee and Principal Paying Agent (in the case of Bearer Notes) or the Trustee and Registrar (in the case of Registered Notes), that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes held (or, as the case may be, in respect of which Coupons are presented for payment) by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer (i) in the case of Relevant Notes in the denomination of euro 100,000 and/or such higher amounts as the Issuer may determine and notify to the Noteholders and any remaining amounts less than euro 100,000 shall be redeemed by the Issuer and paid to the Noteholders in euro in accordance with Condition 7 (*Payments*); and (ii) in the case of Notes which are not Relevant Notes, in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Trustee and Principal Paying Agent (in the case of Bearer Notes) or the Trustee and Registrar (in the case of Registered Notes) may approve) euro 0.01 and such other denominations as the Principal Paying Agent shall determine and notify to the Noteholders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the **Exchange Notice**) that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Issuer may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:
 - (i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and

(ii) in the case of definitive Notes, by applying the Rate of Interest to the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding; and

(g) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest.

Such other changes shall be made to this Condition as the Issuer may decide, after consultation with the Principal Paying Agent and the Trustee, and as may be specified in the notice, to conform it to the convention then applicable to instruments denominated in euro.

5.2 Definitions

In the Conditions, the following expressions have the following meanings:

Established Rate means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

euro means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

Redenomination Date means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to Condition 5.1 (*Redenomination*) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union;

Relevant Notes means all Notes where the applicable Final Terms provide for a minimum Specified Denomination in the Specified Currency which is equivalent to at least euro 100,000 and which are admitted to trading on a regulated market in the European Economic Area; and

Treaty means the Treaty on the Functioning of the European Union, as amended.

6 INTEREST

6.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date (or such earlier date as may be fixed for redemption in accordance with the Conditions).

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1 (*Interest on Fixed Rate Notes*):

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on (but excluding) the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

6.2 Interest on Floating Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate of interest (expressed as a percentage) equal to the Rate of Interest and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 6.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, **Business Day** means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Sydney and London and any Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

- (i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), the **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (a) if the applicable Floating Rate Option is based on the London interbank offered rate (**LIBOR**) or on the Euro-zone interbank offered rate (**EURIBOR**), the first day of that Interest Period or (b) in any other case, as specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(ii) **Screen Rate Determination for Floating Rate Notes**

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) **Determination of Rate of Interest and calculation of Interest Amounts**

The Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the **Interest Amount**) payable in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2 (*Interest on Floating Rate Notes*):

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;
- “Y2” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;
- “M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;
- “M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;
- “D1” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D1” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D1” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(e) Notification of Rate of Interest and Interest Amounts

The Principal Paying Agent or, if applicable, the Calculation Agent, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Guarantors, the Trustee, the Paying Agents and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 (*Notices*) as soon as possible after their determination but in no event later than the fourth Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15 (*Notices*).

(f) Determination or Calculation by Trustee

If for any reason at any relevant time the Principal Paying Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Principal Paying Agent defaults in its obligation to calculate any Interest Amount in accordance with subparagraph (b)(i) or subparagraph (b)(ii) above or as otherwise specified in the applicable Final Terms, as the case may be, and in each case in accordance with paragraph (d) above, the Trustee shall appoint an expert, selected by and at the cost of the Issuer, or, as the case may be, the Guarantors, to determine the Rate of Interest at such rate as, subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms, the expert shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Principal Paying Agent or the Calculation Agent, as applicable.

(g) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2 (*Interest — Interest on Floating Rate Notes*), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, or, if applicable, an expert appointed by the Trustee, shall (in the absence of wilful default, fraud or manifest error) be binding on the Issuer, the Guarantors, the Principal Paying Agent, the Registrar (if applicable), the Calculation Agent (if applicable), the other Paying Agents, the Trustee and all Noteholders, Receiptholders and Couponholders and (in the absence of wilful default or fraud) no liability whatsoever to the Issuer, the Guarantors, the Noteholders, the Receiptholders, the Couponholders or any other party shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.3 Interest on Dual Currency Interest Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Final Terms.

6.4 Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

6.5 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) the seventh day after notice is given to the relevant Noteholder(s) (whether individually or in accordance with Condition 15 (*Notices*)) that the full amount (including interest as aforesaid) in the relevant currency in respect of such Note is available for payment, provided that upon further presentation thereof being duly made, such payment is made.

7 PAYMENTS

7.1 Method of payment

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

The Issuer shall have no obligation to make payment to the relevant payee unless and until it has received the necessary account details from the payee, and the relevant payee shall not be entitled to further interest or other payment in respect of any resulting delay.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the **Code**), any current or future regulations thereunder or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such and intergovernmental agreement) (any such withholding or deduction, a **FATCA Withholding**).

7.2 Presentation of Definitive Bearer Notes, Receipts and Coupons

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 (*Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Bearer Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 7.1 (*Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final

instalment will be made in the manner provided in Condition 7.1 (*Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Definitive Bearer Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Bearer Note to which it appertains. Receipts presented without the Definitive Bearer Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Bearer Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive bearer form (other than Dual Currency Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 9 (*Taxation*)) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

7.3 Payments in respect of Global Bearer Notes

Payments of principal and interest (if any) in respect of Bearer Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

None of the Issuer, the Guarantors, the Trustee, the Paying Agents, the Transfer Agents or the Registrar will have any responsibility or liability for any aspect of the records relating to, or payments made on account of,

beneficial ownership interests in the Global Bearer Notes or for maintaining, supervising or renewing any records relating to such beneficial ownership interests.

7.4 Payments in respect of Registered Notes

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the **Register**) (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business and a day on which it is a business day in Sydney and London) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located and a day on which it is a business day in Sydney and London) before the relevant due date (the **Record Date**).

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by transfer to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business and a day on which it is a business day in Sydney and London) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located and a day on which it is a business day in Sydney and London) before the Record Date.

For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder (or the first named of joint holders) with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest or payment of instalment of principal in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) and instalments of principal (other than the final instalment) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the Issuer, the Guarantors, the Trustee, the Registrar, the Paying Agents or the Transfer Agents will have any responsibility or liability whatsoever for any aspect of the records relating to, or payments made on

account of, beneficial ownership interests in the Global Registered Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

7.5 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantors will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantors to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Bearer Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantors, adverse tax consequences to the Issuer or the Guarantors.

If payment cannot be made in accordance with this Condition because appropriate account details have not been provided, the Issuer has no obligation to make the payment until the Paying Agent has received those details together with a claim for payment and evidence to its satisfaction of the entitlement of the payee. No interest or other amount will be payable in respect of the delay.

Except as provided in the Trust Deed, no person other than the Trustee shall be entitled to enforce any obligation of the Issuer or the Guarantors to make any payment in respect of the Notes.

7.6 Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 10 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) in the case of Notes in definitive form only, the relevant place of presentation;
 - (ii) Sydney and London; and
 - (iii) each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre

of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

7.7 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 9 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (f) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 8.5 (*Redemption and Purchase — Early Redemption Amounts*)); and
- (g) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

8 REDEMPTION AND PURCHASE

8.1 Redemption at maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

8.2 Redemption for tax reasons

The Issuer may fix as the date for redemption of the Notes in whole, but not in part, any date prior to the Maturity Date (if this Note is neither a Floating Rate Note nor a Dual Currency Interest Note) or any Interest Payment Date (if this Note is either a Floating Rate Note or a Dual Currency Interest Note), on giving not less than 30 nor more than 60 days' notice to the Trustee and the Principal Paying Agent (in the case of Bearer Notes) or the Trustee and the Registrar (in the case of Registered Notes) and, in accordance with Condition 15 (*Notices*), the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee by giving the certificate described below immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) or the Guarantors would be unable for reasons outside their control to procure payment by the Issuer and in making payment themselves would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 9 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which

change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantors taking reasonable measures available to them,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantors would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee a certificate signed by two officers of the Issuer or, as the case may be, two officers of the Guarantors stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or, as the case may be, the Guarantors have or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders, the Receiptholders and the Couponholders.

Notes redeemed pursuant to this Condition 8.2 (*Redemption for tax reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 8.5 (*Early Redemption Amount*) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

8.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (a) not less than 30 nor more than 60 days' notice (or such other period as is specified in the relevant Final Terms) to the Noteholders in accordance with Condition 15 (*Notices*); and
- (b) not less than five business days before the giving of the notice referred to in (a) above, notice to the Trustee and to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Definitive Bearer Notes or Registered Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot (in such place as the Principal Paying Agent, in the case of Definitive Bearer Notes, or the Registrar, in the case of Definitive Registered Notes, may approve and in such manner as the Principal Paying Agent, or as applicable, the Registrar, shall deem to be appropriate) not more than 30 days prior to the date fixed for redemption and a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 (*Notices*) not less than 15 days prior to such date fixed for redemption (such date of selection being the **Selection Date**).

In the case of partial redemption of Bearer Notes which are represented by a Global Bearer Note, the relevant Bearer Notes will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg. If only some of the Notes then outstanding are to be so redeemed, the Optional Redemption Amount (after accounting for any interest accrued to (but excluding) the relevant Optional Redemption Date) shall be an

amount that is (A) equal to or greater than the Minimum Redemption Amount and (B) equal to or less than the Maximum Redemption Amount. In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 (*Notices*) not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 8.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 (*Notices*) at least five days prior to the Selection Date.

8.4 Redemption at the option of the Noteholders (Investor Put)

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 15 (*Notices*) not less than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 8.4 in any multiple of their lowest Specified Denomination. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time between 9:00 am and 3:00 pm (London time) Monday to Friday, excluding public holidays, of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.2 (*Transfer of Registered Notes in definitive form*). If this Note is a Definitive Bearer Note, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 8.4 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 11 (*Events of Default*), in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 8.4. A Noteholder may not give notice requiring the Issuer to redeem any Notes held by it after the Issuer has given notice that it will redeem the Notes under Condition 8.2 (*Redemption for tax reasons*) or Condition 8.3 (*Redemption at the option of the Issuer (Issuer Call)*).

8.5 Early Redemption Amounts

For the purpose of Condition 8.2 (*Redemption for tax reasons*) above and Condition 11.1 (*Events of Default*), each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (a) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (b) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and a Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (c) in the case of a Zero Coupon Note, at an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

y is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms.

8.6 Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to Condition 8.5 (*Early Redemption Amounts*).

8.7 Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

8.8 Purchases

The Issuer, any Guarantor or any Subsidiary of the Issuer or a Guarantor may at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, resold or, in the case of the Issuer only, reissued, or, at the option of any such purchaser, surrendered to any Paying Agent or the Registrar for cancellation.

8.9 Cancellation

All Notes which are redeemed will be cancelled forthwith (together with, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 8.8 (*Purchases*) above (together with, in the case of Definitive Bearer Notes, all unmatured Receipts, Coupons

and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

8.10 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 8.1 (*Redemption at maturity*), 8.2 (*Redemption for tax reasons*), 8.3 (*Redemption at the option of the Issuer (Issuer Call)*) or 8.4 (*Redemption at the option of the Noteholders (Investor Put)*) above or upon its becoming due and repayable as provided in Condition 11.1 (*Events of Default relating to Notes*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.5(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Note has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*).

9 TAXATION

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer or the Guarantors will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantors will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note, Receipt or Coupon;
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7.6 (*Payment Day*));
- (c) to the extent that the payee (i) is treated as a resident (for the purposes of the relevant double taxation agreement) in a jurisdiction having a double taxation agreement with the relevant jurisdiction of the holder giving complete exemption from Taxes otherwise imposed by such jurisdiction on the payment and (ii) is not excluded from the benefit of such exemption;
- (d) which is required by reason of the holder being an associate (as that term is defined in section 128F of the Australian Tax Act) of the Issuer;
- (e) in respect of a payment to, or to a third party on behalf of, a holder who is a resident of Australia or a holder who is a non-resident of Australia carrying on business in Australia at or through a permanent establishment in Australia, in circumstances where such withholding or deduction would not have been

required if the holder or any person acting on his behalf had provided to the Issuer an appropriate tax file number, Australian business number or details of an exemption from providing those numbers; or

- (f) which is required by reason of the Australian Commissioner of Taxation giving a notice under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 of the Taxation Administration Act 1953 (Cth).

For the avoidance of doubt, neither the Issuer, the Guarantors, nor any affiliate thereof, will be required to pay any additional amounts in respect of FATCA Withholding (as defined in Condition 7.1).

As used herein:

- (i) **Tax Jurisdiction** means the Commonwealth of Australia or any political subdivision or any authority thereof or therein having power to tax;
- (ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15 (*Notices*); and
- (iii) **Australian Tax Act** means the Income Tax Assessment Act 1936 of Australia.

10 PRESCRIPTION

The Notes, Receipts and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 or Condition 7.2 (*Presentation of Definitive Bearer Notes, Receipts and Coupons*) or any Talon which would be void pursuant to Condition 7.2 (*Presentation of Definitive Bearer Notes, Receipts and Coupons*).

11 EVENTS OF DEFAULT AND ENFORCEMENT

11.1 Events of Default relating to Notes

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) (but if the event described in paragraph (b) below occurs, only if the Trustee shall have certified in writing to the Issuer and the Guarantors that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer and the Guarantors that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events (each, subject in the case of paragraph (b) below, to the giving of such certificate, an **Event of Default**) occurs and is continuing:

- (a) **(failure to pay)**: the Issuer fails to pay or repay any amount of principal or interest due in respect of the Notes when due and payable and does not remedy that failure:
 - (i) within five Business Days; or
 - (ii) if such non-payment is due solely to administrative error, whether by the Issuer, a Paying Agent, the Registrar (in the case of Registered Notes) or a bank involved in transferring funds

to a Paying Agent, the Registrar or the Noteholders, within five Business Days after notice that the amount has not been paid is given to the Issuer by the relevant Paying Agent, the Registrar or the Noteholders;

- (b) **(other failure)**: an Obligor fails to perform an obligation it has under the Notes or the Trust Deed other than a provision requiring the payment of money as contemplated by Condition 11.1(a) and the Obligor does not remedy that failure within 20 Business Days after receipt by the Issuer of a notice from the Trustee specifying the failure and requiring it to be remedied;
- (c) **(cross acceleration)**: any Financial Indebtedness of an Obligor:
 - (i) becomes due and payable before the scheduled date for payment by reason of the occurrence of a default or event of default (however described); or
 - (ii) is not paid when due or within any applicable grace period,except where the Obligor's liability to make the payment is being contested in good faith and provided that the aggregate of the Financial Indebtedness in respect of which one or more of the events mentioned above in this paragraph (c) have occurred exceeds A\$100,000,000 (its equivalent in any other currency);
- (d) **(Insolvency Event)**: an Insolvency Event occurs in respect of an Obligor (and in the case of any such Insolvency Event in relation to a Subsidiary of the Issuer, such event has had or is likely to have a Material Adverse Effect);
- (e) **(enforcement process)**: a distress, attachment, execution or other legal process for a sum in excess of A\$100,000,000 (or its equivalent in other currencies) is levied, enforced or taken on or against all or a substantial part of, the assets of an Obligor which:
 - (i) is not discharged or stayed within 60 days; and
 - (ii) where such action or process is in respect of a Subsidiary of the Issuer, such event has had or is likely to have a Material Adverse Effect;
- (f) **(enforcement of Encumbrance)**: any Encumbrance becomes enforceable or is enforced against all or a substantial part of the assets of an Obligor (and in the case of any such event in relation to a Subsidiary of the Issuer, such event has had or is likely to have a Material Adverse Effect);
- (g) **(APT Trust)**:
 - (i) the APT Trust Deed in respect of the Australian Pipeline Trust is amended in any way or revoked so as to:
 - (A) affect the power or authority of the Principal Guarantor to enter into and perform its obligations under the Notes or the Trust Deed; or
 - (B) restrict, except where required by law, the Principal Guarantor's right of indemnity under the APT Trust Deed;
 - (ii) the Principal Guarantor is removed as trustee or responsible entity of the Australian Pipeline Trust or retires; or
 - (iii) the Principal Guarantor's right of indemnity or subrogation is restricted or limited or derogated from (whether or not arising under the APT Trust Deed, except as expressly set out in the APT Trust Deed),

and, in any case, that has or is reasonably likely to have a Material Adverse Effect;

- (h) **(nationalisation)**: all or a substantial part of the assets of an Obligor are compulsorily acquired by, or by order of, a governmental, or any governmental authority orders the sale or divesting of all or a substantial part of the assets of an Obligor, and in any case such action has or is reasonably likely to have a Material Adverse Effect;
- (i) **(change of control of Issuer)**: the Issuer ceases to be a Subsidiary of the Principal Guarantor; or
- (j) **(vitiation)**:
 - (i) if the Trust Deed or the Notes cease to be, or are claimed by the Issuer or any Guarantor not to be, in full force and effect; or
 - (ii) the Issuer or any Guarantor repudiates the Trust Deed or the Notes.

11.2 Notice of Event of Default

Promptly, and in any event within five Business Days of becoming aware of the existence of an Event of Default, the Issuer must give notice to the Noteholders in accordance with Condition 15 (*Notices*) specifying the event and any action being taken or proposed by the Issuer to remedy it.

11.3 Enforcement

At any time after any of the Notes have become immediately due and payable and have not been repaid, the Trustee may, at its discretion and without notice, take such proceedings against the Issuer and/or the Guarantors as it may think fit to enforce the provisions of the Trust Deed, the Notes, the Receipts and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes, the Receipts or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder, Receiptholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantors unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

11.4 Definitions

For the purposes of the Conditions:

APT Trust Deed means the trust deed dated 18 February 2000 establishing the Australian Pipeline Trust (as amended).

APTIT means the APT Investment Trust (ARSN 115 585 441) constituted under a trust deed dated 30 June 2005 establishing that trust (as amended).

Australian Pipeline Trust means the trust and registered scheme of that name having Australian Registered Scheme Number 091 678 778.

Controller means a receiver, receiver and manager, administrator, liquidator, official manager, controller (as defined in section 9 of the Corporations Act) or other similar official.

Corporations Act means the Australian Corporations Act 2001 (*Cth*).

Encumbrance means an interest or power:

- (a) reserved in or over an interest in any asset, including any retention of title; or

- (b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes any agreement to grant or create any of the above.

Financial Indebtedness means any indebtedness in respect of moneys borrowed or in respect of any financial accommodation including, without limitation, under or in respect of:

- (a) any liability under any finance lease;
- (b) any liability under any bill of exchange, debenture, note or other security or under any acceptance credit facility;
- (c) any guarantee or other assurance against financial loss; and
- (d) any swap, option, hedge, forward, futures or similar transaction (a **Derivative Transaction**) entered into in connection with protection against or benefit from a fluctuation in any rate or price (and, when calculating the value of any Derivative Transaction, only the marked to market value shall be taken into account).

Insolvency Event means the happening of any of the following events in relation to a company:

- (a) an order is made that the company be wound up (except for the purposes of a solvent reconstruction or amalgamation on terms which do not have or are not likely to have a Material Adverse Effect under paragraph (a) or (c) of the definition of that term);
- (b) the company resolves to wind itself up or applies for or consents to an order that it be wound up (except in any case for the purposes of a solvent reconstruction or amalgamation on terms which do not have or are not likely to have a Material Adverse Effect under paragraph (a) or (c) of the definition of that term);
- (c) an application is made for an order appointing a Controller to the company and the application is not set aside or dismissed within 60 days;
- (d) a Controller is appointed over any substantial part of the assets of the company, unless the appointment is capable of being set aside and is set aside within 60 days of the appointment being made;
- (e) except to reconstruct or amalgamate while solvent on terms which do not have or are not likely to have a Material Adverse Effect under paragraph (a) or (c) of the definition of that term, the company initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium), or enters into, resolves to enter into, or takes any steps to enter into or to consider entering into, a scheme or arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors;
- (f) the company suspends payment of its debts generally, admits in writing that it is unable to pay its debts (or any class of its debts) as they become due and payable, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is found by a court to be insolvent; or
- (g) the company ceases or threatens to cease to carry on the whole or a substantial part of its business, save in circumstances which do not have or are not likely to have a Material Adverse Effect.

Material Adverse Effect means a material adverse effect on:

- (a) the ability of the Obligors (taken as a whole) to perform their obligations under the Notes or the Trust Deed;
- (b) the remedies or rights of the Trustee or the Noteholders under the Notes or the Trust Deed; or
- (c) the condition (financial or otherwise), prospects, results of operations or business affairs of the Guarantors and their Subsidiaries (which for the avoidance of doubt includes the Australian Pipeline Trust and APTIT) (taken as a whole).

Obligor means the Issuer and each Guarantor.

Subsidiary means in relation to a corporation or a trust (**entity**):

- (a) if the entity controls the composition of the board of another entity which is a corporation — that other entity; or
- (b) if the entity is in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of shareholders or unitholders of another entity — that other entity,

and, in relation to the Principal Guarantor, is taken to include APTIT and Australian Pipeline Limited in its capacity as responsible entity and trustee of APTIT and each Subsidiary thereof (as the context requires) for so long as the units in APTIT are stapled to the units in Australian Pipeline Trust.

12 REPLACEMENT OF BEARER NOTES, RECEIPTS, COUPONS AND TALONS

Should any Bearer Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity (including security) as the Issuer may reasonably require. Mutilated or defaced Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 PAYING AGENTS AND REGISTRAR

The names of the initial Paying Agents and the Registrar and their initial specified offices are set out below.

The Issuer is entitled, with the prior written approval of the Trustee (such approval not to be unreasonably withheld), to vary or terminate the appointment of the Registrar or any Paying Agent or any Transfer Agent and/or appoint additional or other Paying Agents, Registrar and Transfer Agents and/or approve any change in the specified office through which any Paying Agent and/or Registrar and/or Transfer Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent and, if required by the Conditions, a Calculation Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (c) there will at all times be a Registrar and a Transfer Agent which, so long as Registered Notes are listed on any stock exchange or admitted to listing by any other relevant authority, will have a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and

- (d) so long as the Notes are listed on the Singapore Stock Exchange and the rules of the Singapore Stock Exchange so require, in the event that any of the Global Notes are exchanged for Notes in definitive form, there will at all times be a Paying Agent in Singapore. In addition, an announcement of such exchange will be made through the Singapore Stock Exchange. Such announcement will include material information with respect to the delivery of the definitive Notes, including details of the Paying Agent in Singapore.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7.5 (*General provisions applicable to payments*). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and the Guarantors and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

14 EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10 (*Prescription*).

15 NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English-language daily newspaper of general circulation in Australia, and for so long as the Notes are admitted to trading on, and listed on the Singapore Stock Exchange, a daily newspaper of general circulation in Singapore. It is expected that any such publication in a newspaper will be made in the *Australian Financial Review* in Australia and the *Business Times* in Singapore. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices to holders of Registered Notes will be deemed validly given if mailed to their registered addresses appearing on the Register and will be deemed to have been given on the third day after the day on which it was mailed and, in addition, for so long as the Registered Notes are admitted to trading on, and listed on the Singapore Stock Exchange and the rules of that stock exchange so require, a daily newspaper of general circulation in Singapore. It is expected that any such publication in a newspaper will be made in the *Business Times* in Singapore. Any such notice will be deemed to have been given on the first date of such publication. In addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange so

require, a copy of such notices will be published in a daily newspaper of general circulation in the places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such mailing or publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

16 MEETINGS OF NOTEHOLDERS AND MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Principal Guarantor or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than ten per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Conditions, the Notes, the Receipts, the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, the Receipts or the Coupons or modifying the provisions concerning the quorum required at any meeting of the Noteholders or the majority required to pass an Extraordinary Resolution), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Receiptholders and Couponholders.

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification to the Notes or the Trust Deed which is of a formal, minor or technical nature or to correct a

manifest error or an error which, in the opinion of the Trustee, is proven. Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders, Receiptholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders, Receiptholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholder or Couponholder be entitled to claim, from the Issuer, the Guarantors, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders, Receiptholders or Couponholders except to the extent already provided for in Condition 9 (*Taxation*) and/or any undertaking or covenant given in addition to, or in substitution for, Condition 9 (*Taxation*) pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, Receiptholders or Couponholders at any time agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes (and, in the case of Definitive Bearer Notes, the Receipts, the Coupons) and the Trust Deed of another company, being a Subsidiary of the Principal Guarantor (the **Substituted Issuer**), subject to:

- (a) no payment of principal, interest or other amount in respect of the Notes being overdue;
- (b) the Substituted Issuer assuming all obligations of the Issuer under the Notes and the Transaction Documents and such obligations being legal, valid and binding upon it;
- (c) the Notes being unconditionally and irrevocably guaranteed by the Guarantors (which shall be deemed to exclude such Substituted Issuer if it is a Guarantor);
- (d) the Substituted Issuer having obtained all authorisations required in any jurisdiction in which the Substituted Issuer is organised or located for the Substituted Issuer to assume and perform the obligations of the Issuer in respect of the Notes;
- (e) the Substituted Issuer being able, under the laws of any jurisdiction in which it is organised or located, to effect payment of all amounts necessary for the fulfilment of the payment obligations on or in connection with the Notes in the currency in which the relevant payment obligation is due without withholding or deduction for or on account of any Taxes;
- (f) the opinions of lawyers of recognised standing in Australia and of lawyers of recognised standing in the jurisdiction in which the Substituted Issuer is organised or located to the effect that the matters referred to in paragraphs (b), (c), (d) and (e) above have been satisfied and delivered to the Trustee, Principal Paying Agent and Registrar;
- (g) the Notes continuing to have a credit rating from an internationally recognised rating agency at least equal to the credit rating of the Notes immediately prior to the substitution and evidence of this having been delivered to the Register;
- (h) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution; and
- (i) certain other conditions set out in the Trust Deed having been complied with.

17 INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER AND THE GUARANTOR

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer, the Guarantors and/or any of their respective Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, Receiptholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

18 FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders, the Receiptholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20 GOVERNING LAW AND SUBMISSION TO JURISDICTION

20.1 Governing law

The Trust Deed, the Agency Agreement, the Notes, any Receipts, any Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, any Receipts and any Coupons are governed by, and shall be construed in accordance with, English law.

20.2 Submission to jurisdiction

The Issuer and each Guarantor irrevocably agree, for the benefit of the Trustee, the Noteholders, any Receiptholders and any Couponholders, that the courts of England and New South Wales are to jointly have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes, the Receipts and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, the Receipts and/or the Coupons) and accordingly submit to the exclusive jurisdiction of the English courts and New South Wales courts. In the event that the Issuer or any Guarantor commences any suit, action or proceedings (together referred to as **Proceedings**), such Proceedings shall be brought in either the courts of England or the courts of New South Wales but not both, whether concurrently or otherwise. Therefore, once Proceedings are commenced in the courts of England, Proceedings concerning the same dispute may not be commenced in New South Wales and vice versa.

The Issuer and each Guarantor waive any objection to the courts of England and New South Wales on the grounds that they are an inconvenient or inappropriate forum. The Trustee, the Noteholders, any Receiptholders and any Couponholders may take any Proceedings arising out of or in connection with the

Trust Deed, the Notes, any Receipts and any Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, any Receipts and any Coupons) against the Issuer or any Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

20.3 Appointment of Process Agent

The Issuer and each Guarantor appoint Elemental CoSec Limited at its registered office at 27 Old Gloucester Street, London WC1N 3AX as its agent for service of process in respect of Proceedings for which the courts of England are to have exclusive jurisdiction, and undertake that, in the event of Elemental CoSec Limited ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

20.4 Other documents and the Guarantors

The Issuer and the Guarantors have in the Trust Deed and the Agency Agreement submitted to the exclusive jurisdiction of the English courts and New South Wales courts and, in respect of Proceedings for which the English courts are to have exclusive jurisdiction, appointed an agent for service of process in England on terms substantially similar to those set out above.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer to refinance indebtedness of the Group, for capital expenditures and for general corporate purposes of the Group, unless otherwise disclosed in the relevant Final Terms.

SUMMARY FINANCIAL INFORMATION

APA Group (APA) is the registered business name of Australian Pipeline Trust (APT) and APT Investment Trust (APTIT), the units of which trade on the Australian Securities Exchange (ASX) under the ticker symbol “APA” as a single “stapled” security. References to APA in this section are made in the context of the business of APA in its entirety including the respective businesses of the Issuer, the Principal Guarantor and their controlled entities.

The following information is a summary of selected consolidated financial information for APA for the financial year ended 30 June 2017 through to the financial year ended 30 June 2019 and the six months to 31 December 2018 and 2019. The summary consolidated financial information has been derived from APA’s consolidated financial statements. APA’s consolidated financial statements for financial years ending June have been audited, and for half years ending December have been reviewed, by Deloitte Touche Tohmatsu, independent auditors. APA’s consolidated financial statements are prepared and presented in accordance with A-IFRS. Investors should read the summary consolidated financial information below in conjunction with the consolidated financial statements and the accompanying notes incorporated by reference in this Offering Circular.

Income Statement

A\$'000	Year ended 30 June			Half-Year ended 31 December (reviewed)	
	2017	2018	2019	2018	2019
Total Revenue	2,326,420	2,386,722	2,452,171	1,237,158	1,313,834
Total Revenue excluding pass-through revenue.....	1,888,280	1,941,415	2,030,973	1,012,910	1,077,818
Depreciation and Amortisation ...	(570,021)	(578,916)	(611,358)	(297,645)	(319,410)
Finance Costs	(518,249)	(515,515)	(500,020)	(240,263)	(246,187)
Profit Before Tax	386,334	429,894	464,979	250,470	277,460
Income Tax Expense	(149,488)	(165,055)	(176,966)	(93,070)	(102,413)
Profit After Tax	236,846	264,839	288,013	157,400	175,047
EBITDA	1,470,122	1,518,474	1,573,756	787,682	842,207
EBIT	900,101	939,558	962,398	490,037	522,797

Balance Sheet

A\$'000	As at 30 June			As at 31 December (reviewed)
	2017	2018	2019	2019
Total Current Assets	772,331	448,909	717,503	402,862
Total Non-Current Assets	14,273,617	14,778,317	14,716,424	14,683,114
Total Assets	15,045,948	15,227,226	15,433,927	15,085,976
Total Current Liabilities	698,235	954,847	1,006,527	944,972
Total Non-Current Liabilities	10,369,530	10,145,552	10,828,003	10,667,421
Total Liabilities	11,067,765	11,100,399	11,834,530	11,612,393
Net Assets	3,978,183	4,126,827	3,599,397	3,473,583
Total Equity	3,978,183	4,126,827	3,599,397	3,473,583

Cash Flow Statement

A\$'000	Year ended 30 June			Half-Year ended 31 December (reviewed)	
	2017	2018	2019	2018	2019
Net Cash Provided by Operating Activities.....	973,936	1,031,627	1,012,127	470,184	511,853
Net Cash Used in Investing Activities	(377,526)	(875,528)	(703,052)	(454,990)	(210,916)
Net Cash (Used in)/Provided by Financing Activities.....	(285,805)	(449,711)	(54,715)	14,517	(581,518)
Net (Decrease)/Increase in Cash and Cash Equivalents.....	310,605	(293,612)	254,360	29,711	(280,581)
Cash and Cash Equivalents at the Beginning of the period.....	84,506	394,501	100,643	100,643	354,947
Unrealised exchange gains/(losses) on cash held.....	(610)	(246)	(56)	50	84
Cash and Cash Equivalents at the End of the period.....	394,501	100,643	354,947	130,404	74,450

Non-IFRS financial measures

EBITDA and EBIT as well as the related ratios presented in this Offering Circular are supplemental measures of APA's performance and its ability to service debt that are not required by, or presented in accordance with, International Financial Reporting Standards (**IFRS**). EBITDA and EBIT are not measurements of APA's financial performance or its ability to service debt under IFRS and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with IFRS or as alternatives to cash flow from operating activities as a measure of APA's ability to service debt. In addition, EBITDA and EBIT are not standardised terms, hence a direct comparison between companies using such terms may not be possible.

APA believes that EBITDA and EBIT facilitate comparisons of operating performance from period to period and company to company by eliminating (as applicable) potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expense) and minority interests. APA also presents EBITDA and EBIT because APA believes that they are frequently used by securities analysts, investors and other interested parties in evaluating similar companies in APA's industry, many of whom present such non-IFRS financial measures when reporting their results. Finally, APA presents EBITDA and EBIT as a supplemental measure of its ability to service its debt.

Nevertheless, EBITDA and EBIT have limitations as analytical tools, and should not be considered in isolation from, or as a substitute for analysis of APA's financial condition or results of operations, as reported under IFRS. Because of these limitations, EBITDA and EBIT should not be considered measures of discretionary cash available to APA to invest in the growth of its business. APA compensates for these limitations by relying primarily on its IFRS results and using EBITDA and EBIT measures only as supplemental analytical tools. See APA's consolidated financial statements contained in this Offering Circular for more information.

Pass-through Revenue and Costs

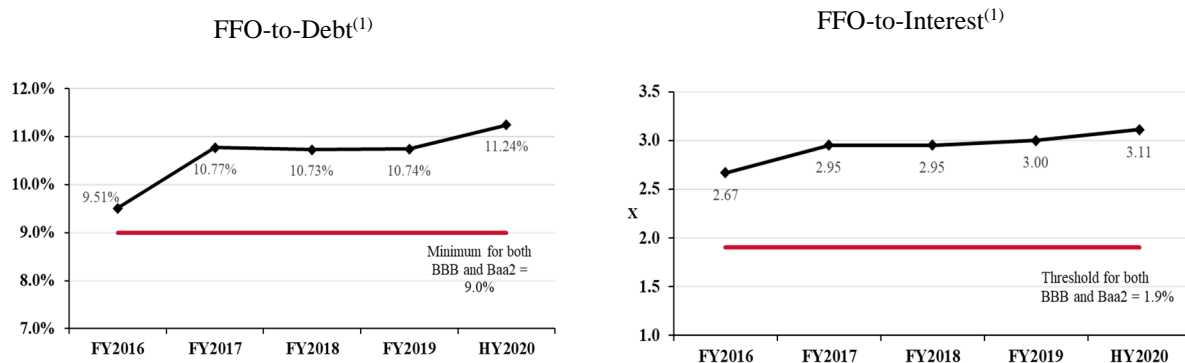
Pass-through revenue is revenue on which no margin is earned. Pass-through revenue and costs arise mainly in the Asset Management operations in respect of AGN assets, and the assets of GDI (EII) Pty Ltd (**GDI**) (following the divestment of the Allgas Gas Network in December 2011). In the statement of comprehensive income in the reviewed consolidated financial statements of APT and its controlled entities for HY2020 and in the audited consolidated financial statements of APT and its controlled entities for FY2017, FY2018 and FY2019, the line item "Other operating costs — pass-through" equates to an equivalent amount of revenue included in the "Revenue" line item. As APA measures its revenue performance by excluding pass-through revenue, APA primarily discusses revenue excluding pass-through revenue and also presents revenue excluding pass-through revenue separately in its presentation of revenue under "*Summary Financial Information*".

Credit metrics

The Issuer, the borrowing entity of APA, currently has the following two investment grade credit ratings:

- BBB long-term corporate credit rating (outlook Stable) assigned by Standard & Poor's (**S&P**) in June 2009, and last confirmed on 17 February 2020; and
- Baa2 long-term corporate credit rating (outlook Stable) assigned by Moody's Investors Service (**Moody's**) in April 2010, and last confirmed on 20 February 2020

The rating agencies have typically used Funds From Operations to Debt (**FFO-to-Debt**) and Funds From Operations to Interest (**FFO-to-Interest**) as the quantitative measures to assess creditworthiness and in the formulation of credit ratings. APA's historical rating metrics for the last half year and four fiscal years are set out in the charts below.



Note:

- (1) FFO-to-Debt and FFO-to-Interest (represented by the black line), have been calculated by APA to approximate the metrics reported by S&P and Moody's.

As at 31 December 2019, APA had the following bank facilities and debt securities on issue:

Capital Markets Issuances	Committed Amount A\$ (equiv.) million ⁽¹⁾	Undrawn A\$ million	Maturity
Bank Facilities			
2015, 2016, 2017, 2018 & 2019 Bilateral bank facilities	400	280	May 2020 to July 2022
2018 Syndicated bank facilities.....	1,000	1,000	30 June 2023 and 31 December 2023
Capital Markets Borrowings			
2007 US Private Placement Notes	296	None	May 2022
2010 Australian MTNs	300	None	July 2020
2012 Rule 144A Notes	735	None	October 2022
2012 GBP EMTNs	536	None	November 2024
2015 Rule 144A Notes ⁽²⁾	1,777	None	10 & 20 year tranches maturing March 2025 & March 2035
2015 GBP EMTNs ⁽²⁾	1,140	None	March 2030

Capital Markets Issuances	Committed Amount A\$ (equiv.) million⁽¹⁾	Undrawn A\$ million	Maturity
2015 EUR EMTNs.....	1,132	None	March 2022
2015 EUR EMTNs ⁽²⁾	879	None	March 2027
2016 Australian MTNs.....	200	None	October 2023
2017 Rule 144A Notes	1,109	None	July 2027
2019 GBP Medium Term Notes	742	None	March 2031
2019 JPY Medium Term Notes	133	None	June 2034
Total	10,379	1,280	

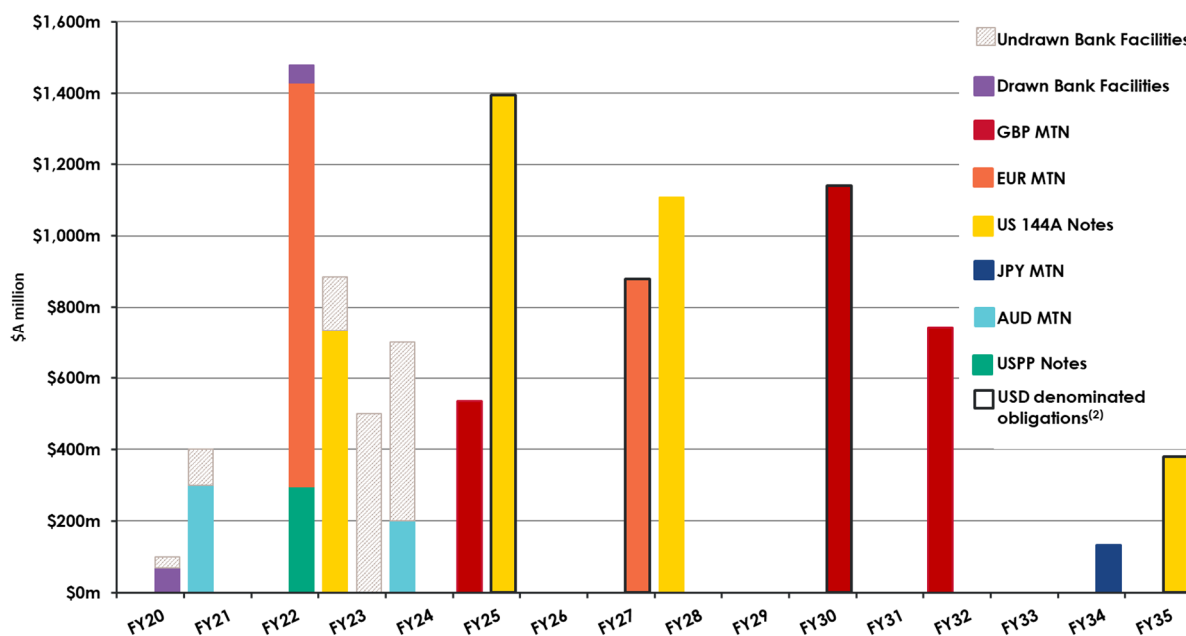
Notes:

- (1) The A\$ equivalent amounts in the above table reflect the foreign exchange rates at which the relevant cross-currency swaps were executed.
- (2) USD denominated obligations translated to AUD at the prevailing rates at inception (2015 Rule 144A Notes AUD/USD=0.7879; 2015 GBP and EMTNs AUD/USD=0.7772).

Debt Maturity Profile

APA's refinancing obligations are spread over a period up to FY2035. The weighted average remaining maturity of APA's drawn indebtedness was 6.5 years with 99% of interest rates fixed or hedged as of 31 December 2019. The following chart illustrates APA's debt maturity profile as at 31 December 2019.

Maturity Profile (in A\$) of Drawn Debt — 31 December 2019



(1) Obligations translated to AUD at the prevailing rates at inception (2015 Rule 144A Notes AUD/USD=0.7879; 2015 GBP and EMTNs AUD/USD=0.7772).

DESCRIPTION OF THE ISSUER

Incorporation

The Issuer was incorporated on 15 November 1948 with limited liability in Queensland, Australia. All of the shares in the Issuer are held by APL, the responsible entity (**Responsible Entity**) and the trustee of both APT and APTIT. APL holds all of the shares in the Issuer in its capacity as responsible entity and trustee of APT. The Issuer's registered address is located at Level 25, 580 George Street, Sydney NSW 2000, Australia.

Business Overview

The principal activities of the Issuer are to manage treasury activities (being the sole corporate borrower on behalf of APA), advancing borrowings to companies within APA and being the parent investment company for APT.

Directors and Company Secretary

The following table sets out the members of the Board of Directors and the Company Secretaries of the Issuer:

Name	Position
Michael Fraser	Chairman
Robert (Rob) Wheals	Managing Director and Chief Executive Officer
Steven Crane	Non-Executive Director
James Fazzino	Non-Executive Director
Debra Goodin	Non-Executive Director
Shirley In't Veld	Non-Executive Director
Peter Wasow	Non-Executive Director
Nevenka Codevelle	Company Secretary
Amanda Cheney	Company Secretary

The members of the Board of APL and its Company Secretaries are the same as those listed above of the Issuer. Brief profiles of the individuals are provided in the section of this Offering Circular entitled "*Ownership Structure and Management*".

OWNERSHIP STRUCTURE AND MANAGEMENT

Legal Framework and Ownership Structure

APA comprises two trusts, APT and APTIT, which are registered managed investment schemes regulated by the Corporations Act, the Issuer and their respective controlled entities. Securities in APT were initially listed on the ASX on 13 June 2000. Units in APT are “stapled” to units in APTIT on a one-to-one basis so that one APT unit and one APTIT unit trade as a single stapled security on the ASX under the ticker symbol “APA”.

APT and APTIT, as registered managed investment schemes, are required by the Corporations Act to have a Responsible Entity to operate the schemes and perform the functions conferred on the Responsible Entity by the scheme’s constitutions and the Corporations Act. The Responsible Entity and trustee of both of APT and APTIT is APL.

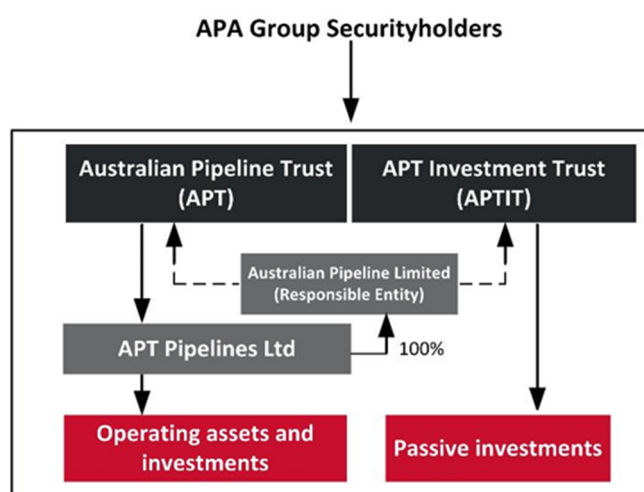
The Board comprises seven Directors, five of whom (including the Chairman, Michael Fraser) are independent. James Fazzino is a non-independent Director and Robert (Rob) Wheals is the Managing Director and Chief Executive Officer of APA.

Under the Corporations Act, APL as Responsible Entity of each of APT and APTIT, and APL’s officers, must act in the best interests of the security holders and, if there is a conflict between the security holders’ interests and the interests of the Responsible Entity, give priority to the former. Chapter 5C of the Corporations Act details various other obligations that a Responsible Entity has in relation to registered managed investment schemes such as APT or APTIT and other aspects of the regulation of such schemes.

The character of profit distributions from the two trusts differs and that affords flexibility with respect to returns to security holders on their investment in APA. APT generally provides post-tax distributions whilst APTIT provides pre-tax distributions which may include a tax-deferred component. By nature of APTIT’s taxation status, if net income earned by APTIT is not distributed to security holders, tax may be payable by APL.

As at 28 February 2020, APA had approximately 1,179 million securities on issue with a market capitalisation of A\$12.7 billion.

APA’s ownership structure is outlined below:



Significant Investors

Based on publicly available information, as at 4 March 2020 the following entities had notifiable 'substantial holdings' under the Corporations Act of more than 5% of APA's stapled securities (a person's notifiable 'substantial holding' is the aggregate of the 'relevant interests' (broadly defined) in voting securities held by the person and by its 'associates' (also broadly defined)):

- UniSuper 16.1%
- Vanguard Group 6.0%
- BlackRock Group 5.8%

As at 28 February 2020, the following entities had registered holdings of more than 5% of APA's stapled securities:

- HSBC Custody Nominees (Australia) Limited 23.9%
- BNP Paribas Nominees Pty Limited 17.4%
- J P Morgan Nominees Australia Limited 12.9%
- Citicorp Nominees Pty Ltd 8.4%

Neither notifiable 'substantial holdings' nor registered holdings precisely equate with beneficial holdings (beneficial holdings are generally not notifiable under Australian law). The 'substantial holding' notification requirements are based on 'relevant interests' (generally a broader concept than beneficial interests) as outlined above, and registered holdings reflect legal rather than beneficial ownership.

Related Party Transactions

For a discussion of related party transactions, see Note 28, 28 and 29 to APT's financial statements for FY2019, FY2018 and FY2017 respectively, each of which is incorporated by reference in this Offering Circular.

Board of Directors

Brief profiles of the Directors of APL as at the date of this Offering Circular are as follows:

Michael Fraser, Chairman

Mr. Fraser was appointed by the board of directors of APL as a Director on 1 September 2015 and was appointed Chairman of the Board on 27 October 2017. He has more than 35 years' experience in the Australian energy industry. He has held various executive positions at AGL Energy culminating in his role as Managing Director and Chief Executive Officer for the period of seven years until February 2015.

Mr. Fraser is a Director of Aurizon Holdings Limited. He is also a former Chairman of the Clean Energy Council, Elgas Limited, ActewAGL and the NEMMCo Participants Advisory Committee, as well as a former Director of Queensland Gas Company Limited, the Australian Gas Association and the Energy Retailers Association of Australia.

Mr. Fraser is a member of the Audit and Risk Management Committee and the Chairman of the Nomination Committee.

Robert Wheals, Managing Director and Chief Executive Officer

On 13 May 2019, APA announced that Mr Wheals had been appointed Chief Executive Officer and Managing Director of APA Group, effective 6 July 2019. Mr. Wheals has over 25 years' of experience in Australia and internationally in the energy infrastructure and telecommunications sectors. He has worked in roles in operations, finance, commercial, strategy, infrastructure investments, mergers and acquisitions, as well as regulatory.

Mr. Wheals joined APA in September 2008 as General Manager Commercial to manage the commercial function of APA's transmission business, which includes over 15,000 kilometres of gas transmission pipelines, storage and processing facilities. In 2012, Mr. Wheals was appointed Group Executive Transmission and was responsible for approximately 85% of APA's earnings before interest, tax and depreciation. In this role, Mr. Wheals was responsible for the commercial, operational and safety performance of APA Group's transmission and gas storage assets.

Mr. Wheals has a deep understanding of the Australian energy market and the challenges facing Australia today and into the future, in particular the challenge of balancing sustainable lower emissions energy with reliable and affordable energy for end users. Prior to joining APA, Mr. Wheals was General Manager of Strategy at AAPT in Sydney.

Mr. Wheals has a Bachelor of Commerce Degree, is a Chartered Accountant and a Graduate Member of the Australian Institute of Company Directors.

Steven Crane, Non-Executive Director

Mr. Crane was appointed by the Board as a Director on 1 January 2011. He has over 40 years' experience in the financial services industry. His background is in investment banking, having previously been Chief Executive Officer of ABN AMRO Australia and BZW Australia.

Mr. Crane has considerable experience as a non-executive Director of listed entities. He is currently Chairman of nib holdings limited, Taronga Conservation Society Australia, Global Value Technology Limited, and a Director of SCA Property Group. He was formerly Chairman of Adelaide Managed Funds Limited and Investa Property Group Limited, a Director of Bank of Queensland Limited, Transfield Services Limited, Adelaide Bank Limited, Foodland Associated Limited and APA Ethane Limited, the responsible entity of Ethane Pipeline Income Fund, and a member of the Advisory Council for CIMB Securities International (Australia) Pty Ltd.

Mr. Crane is a member of the Audit and Risk Management Committee, the People and Remuneration Committee and the Nomination Committee.

James Fazzino, Non-Executive Director

Mr. Fazzino was appointed as a Non-Executive Director on 21 February 2019. Mr. Fazzino has extensive experience both domestically and internationally, in the industrial chemicals, fertilisers, explosives and manufacturing sectors. He is currently the Chairman of Manufacturing Australia and formerly the Managing Director and Chief Executive Officer of Incitec Pivot and prior to that its Finance Director and CFO. He is currently the Co-Convenor of the Male Champions of Change 2015 Group, a member of the Expert Advisory Panel of the Australian Energy Market Operator, Chairman of Osteon Medical, Vice-Chancellor's Fellow at La Trobe University, Australia and Adjunct Professor at La Trobe Business School.

Mr. Fazzino is a member of the Audit and Risk Management Committee and the Health Safety and Environment Committee.

Debra Goodin, Non-Executive Director

Ms. Goodin was appointed as a Non-Executive Director on 1 September 2015. She has considerable experience as a non-executive director, including as a member and Chair of Board Audit and Risk and Remuneration Committees. She is currently a Director of ASX-listed companies Senex Energy Limited and Atlas Arteria Limited. In addition, she chairs the Audit and Risk Committees of Senex Energy Limited and Atlas Arteria Limited. Ms. Goodin is also a Director and Audit Committee Chair of Australia Pacific Airports Corporation Limited as an IFM owners representative. She was formerly a Director of oOh!media Limited and Ten Network Holdings Limited.

Ms. Goodin also has executive experience in operations, finance and corporate development, including with engineering and professional services firms, and is a Fellow of Chartered Accountants Australia and New Zealand.

Ms. Goodin is the Chair of the Audit and Risk Management Committee, a member of the Health Safety and Environment Committee and a member of the Nomination Committee.

Shirley In't Veld, Non-Executive Director

Ms. In't Veld was appointed as a Non-Executive Director on 19 March 2018. She has expertise and experience in the energy, mining and renewables sector.

Ms. In't Veld is currently a Non-Executive Director with Northern Stars Resources Limited and NBN Co Limited and Deputy Chair of CSIRO. She is formerly a Non-Executive Director of Perth Airport, DUET Group, Asciano Limited, Alcoa of Australia Limited and a Council Member of the Chamber of Commerce and Industry of Western Australia. She was also the Managing Director of Verve Energy (2007 – 2012) and, before that, she worked for 10 years in senior roles at Alcoa of Australia, WMC Resources Ltd, Bond Corporation and BankWest. In 2014, she was Chairman of the Queensland Government Expert Electricity Panel and a member of the Renewable Energy Target Review Panel for the Department of Prime Minister and Cabinet and, was until, recently a Council member of the Australian Institute of Company Directors (WA) and an Advisory Board member of the SMART Infrastructure Facility (University of Wollongong).

Ms. In't Veld is Chair of the Health, Safety and Environment Committee and a member of the People and Remuneration Committee.

Peter Wasow, Non-Executive Director

Mr. Wasow was appointed as a Non-Executive Director on 19 March 2018. He has experience in the resources sector as both a senior executive and director. He retired as Managing Director and Chief Executive Officer of Alumina Limited in mid-2017. Previously, he had held the position of Executive Vice President and Chief Financial Officer at Santos Limited and, in a 20-year plus career at BHP, he held senior positions including Vice President, Finance, and other senior roles in Petroleum, Services, Corporate, Steel and Minerals.

Mr. Wasow is a Non-Executive Director with Oz Minerals Limited and the privately held GHD Group. He is formerly a Non-Executive Director of Alcoa of Australia Limited, AWA Brazil Limitada, AWAC LLC and Alumina Limited.

Mr. Wasow is the Chair of the People and Remuneration Committee and a member of the Audit and Risk Management Committee.

Management Team

The management team comprises executives and managers with extensive experience in the energy infrastructure business.

APA executive management team

Brief profiles of the members of APA's executive management team as at the date of this Offering Circular are as follows:

Robert Wheals

See "Board of Directors" above.

Peter Fredricson, Chief Financial Officer

Mr. Fredricson joined APA as the Chief Financial Officer in June 2009. As CFO, Mr. Fredricson is responsible for all financial aspects of APA Group, including accounting and financial reporting, financial compliance and governance, taxation, treasury, balance sheet management, capital strategy, investor relations, procurement, and modelling and analysis.

Mr. Fredricson has considerable expertise in the listed energy infrastructure sector and over 30 years' experience in senior financial roles in energy infrastructure, financial services and investment banking organisations across Australia, New Zealand and Asia.

On 20 December 2019, APA announced that Mr Fredricson intends to retire and will remain with APA until December 2020, at the latest, with the aim of supporting the new CFO during the transition period.

Ross Gersbach, President North American Development

Mr. Gersbach is responsible for progressing APA Group's investment strategy in North America, and is based in Houston, Texas.

Prior to relocating to Texas in 2019, Mr. Gersbach was Chief Executive Strategy and Corporate Development. In this role he was responsible for enhancing APA Group's portfolio of assets to complement the value of its infrastructure, including APA Group's investments in midstream gas infrastructure, and the operation and development of these assets.

Mr. Gersbach was a director of APA Group from 2004, before joining the management team in April 2008. He has over 25 years' experience in senior positions across a range of energy related sectors, covering areas such as infrastructure investments, mergers and acquisitions, and strategic developments. Mr. Gersbach has extensive commercial experience and has managed a portfolio of infrastructure assets in the natural gas and electricity distribution network sector, as well as a portfolio of renewable assets.

Kevin Lester, Group Executive Infrastructure Development

Mr. Lester is responsible for the project governance, development, engineering, procurement and delivery of APA Group's infrastructure expansion and growth projects. The division also has responsibility for providing engineering governance, standards, system and asset modelling, provision of land access, approvals and community engagement across all projects.

Mr. Lester joined APA Group in August 2012, continuing a career in the management of major infrastructure projects, including energy infrastructure.

Mr. Lester is a director and a past president of the Australian Pipelines and Gas Association.

Elise Manns, Group Executive People, Safety & Culture

Ms. Manns is responsible for managing APA Group's People, Safety and Culture division, which covers APA's health, safety, environment and heritage systems and performance, remuneration and benefits, performance and organisational capability, talent management, learning and leadership development, workforce planning and resourcing, diversity and inclusion, change management, and HR administration and reporting.

Ms. Manns joined APA Group in May 2012 as General Manager Human Resources and in October 2015 joined the executive team as Group Executive Human Resources. Ms. Manns has a strong background in employment relations and workplace change, organisational restructuring and business improvement.

Ms. Manns has over 25 years' human resources experience in Australia's heavy manufacturing, engineering, steel and utilities sectors.

Nevenka Codevelle, Group Executive Governance & External Affairs

Ms. Codevelle is responsible for APA Group's Governance and External Affairs division. The division comprises company secretarial, legal, group risk and compliance, insurance, communications, sustainability, community and stakeholder relations, economic regulation, and external policy development.

Ms. Codevelle has been with APA Group since February 2008, during which time she has held the roles of General Counsel and Company Secretary.

Ms. Codevelle has over 25 years' experience in Australia and internationally in energy and other infrastructure industries. Prior to joining APA Group, Ms. Codevelle was a senior policy advisor with the National Competition Council and senior lawyer in law firms in Australia and overseas.

Darren Rogers, Group Executive Operations

Mr. Rogers is responsible for the safe operations, maintenance, asset management and in-year revenue and cost responsibility of APA's portfolio of Transmission, Power, Networks and Midstream infrastructure assets. This includes over 15,000 kilometres of transmission pipelines; solar and wind farms; and gas storage, processing and distribution.

Mr. Rogers joined APA Group in 2017 as General Manager Asset Management for Transmission before becoming Group Executive Transmission. Aside from his experience at APA Group, Mr. Rogers has performed senior executive roles in commercial, asset management and operations, leading large and complex divisions and across these companies.

Hannah McCaughey, Group Executive Transformation & Technology

Ms. McCaughey leads APA Group's response to decarbonisation, decentralisation and digitisation. The Transformation and Technology business unit is responsible for identifying emerging energy market opportunities, while delivering business transformation, continuous improvement initiatives and technology solutions.

Ms. McCaughey joined APA Group in March 2020 and was previously with Ausgrid, where she was Executive General Manager People and Transformation. Before that, Ms McCaughey held senior management roles in energy and transformation at Centrica, parent company of British Gas, in the United Kingdom.

Craig Stallan, Acting Group Executive Strategy & Commercial

Mr Stallan is responsible for APA Group's corporate strategy, business development, mergers and acquisition, and customer relationship management. In addition, Mr Stallan oversees commercial contract management

governance, commercial contract negotiations and commercial risk management for APA Group's Transmission, Power and Midstream businesses.

Prior to joining APA Group, Mr Stallan performed senior executive roles in commercial, operations and projects, leading large and complex divisions in the oil and gas industries.

Board Practices

Board Election Process

The Board regularly reviews succession planning for Board membership, with the goal of seeking to identify candidates with appropriate skills and experience who can exercise an independent and informed judgment on matters which come before the Board. New Directors are appointed by the Board, and, if their nomination is approved at the next Annual Meeting of APA stapled securityholders, then stand for election at APL's Annual General Meeting following their appointment in order to be confirmed into office. All Directors other than the Managing Director of APL must submit themselves for re-election at least every three years.

Responsibilities

The Board has adopted a formal Board Charter and has also established delegations of authority that set out the matters to be delegated to management. The charter provides that the Board's responsibilities include:

- approving the core values and purpose of APA Group and articulations of APA Group's desired corporate culture (including the APA Code of Conduct);
- approving the strategic intent of APA Group and monitoring management's implementation in line with the values, purpose and desired corporate culture of APA Group;
- selecting and appointing (and, if appropriate, removing from office) the Managing Director and Chief Executive Officer, determining his/her conditions of service and monitoring his/her performance against established objectives;
- approving the appointment (and, if appropriate, the removal from office) of the Chief Financial Officer and Company Secretaries;
- assessing the skills, experience and diversity desirable for the Board and reviewing the extent to which it is represented on the Board;
- assessing the performance of the Board, its Committees and individual non-executive directors;
- assessing suitable candidates for the Board and the nomination and appointment of Directors;
- reviewing, on a regular basis, Board and senior management succession planning and development;
- approving conditions of service and performance monitoring procedures to apply to senior management, including with respect to risk outcomes and corporate culture;
- determining distribution policy and the amount, nature and timing of distributions;
- approving annual budgets and longer-term strategic and business plans, including major capital expenditure;
- monitoring and reviewing financial performance and management processes aimed at ensuring the integrity of financial reporting (including the external audit), and approving the half-year and annual financial statements and reports;

- setting specific limits of authority for management to commit APA Group to including new expenditure, enter contracts or acquire businesses without prior Board approval;
- approving the risk appetite statement within which the Board expects management to operate;
- reviewing and considering the potential impacts of risks relating to climate change on APA Group's strategy and business;
- receiving information regarding material breaches of the Code of Conduct;
- reviewing and approving non-executive directors' board and committee fees;
- approving APA Group remuneration strategy and policy;
- setting performance targets for the Managing Director and Chief Executive Officer and management, considering performance against those targets and determining remuneration outcomes, including having regard to risk outcomes and corporate culture;
- confirming (with the assistance of the People and Remuneration Committee) that APA Group's remuneration policies are aligned with the core values, purpose, strategic direction and risk appetite of APA Group;
- reviewing and approving material corporate governance principles, policies and procedures, including the policies recommended by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations;
- approving measurable objectives for achieving diversity (including gender diversity) in the composition of the Board, the executive management team and the workforce generally, and assessing APA Group's progress in achieving those objectives;
- overseeing APA Group's policies and reporting in respect of modern slavery and human rights related matters, and approving related disclosures; and
- ensuring effective and timely reporting to securityholders.

Meetings

The Board meets formally on a regular basis, in accordance with a schedule agreed annually, and whenever necessary to deal with urgent matters which might arise between scheduled meetings.

Director Independence

The Board has adopted an Independence of Directors Policy and annually assesses the independence of its Directors. The Board's overarching test for independence is whether the Director is independent of management and free of any interest, position or relationship that might influence, or could reasonably be perceived to influence, in a material respect the capacity of the Director to bring an independent judgement to bear on issues before the Board and to act in the best interests of APA as a whole rather than in the interest of an individual securityholder or other party. The policy outlines the circumstances in which a Director will normally not be considered independent, including if he or she is, or has been within the last three years, in a material business relationship (e.g. as a supplier, professional advisor, consultant or customer) with APA or any of its related entities, or is an officer of, or otherwise associated with, someone in such a relationship.

Director Indemnities

APL has entered into a range of deed polls and indemnity agreements with each of its Directors.

Board Committees

The Board has established four standing committees to assist with the effective discharge of its duties:

- Audit and Risk Management Committee;
- People and Remuneration Committee;
- Nomination Committee; and
- Health, Safety and Environment Committee.

The Audit and Risk Management Committee is chaired by an independent director and comprised of a majority of independent Non-Executive Directors. The People and Remuneration Committee, the Health, Safety and Environment Committee and Nomination Committee are chaired by an independent director and comprised of a majority of independent directors. Each committee has no less than three members.

DESCRIPTION OF APA

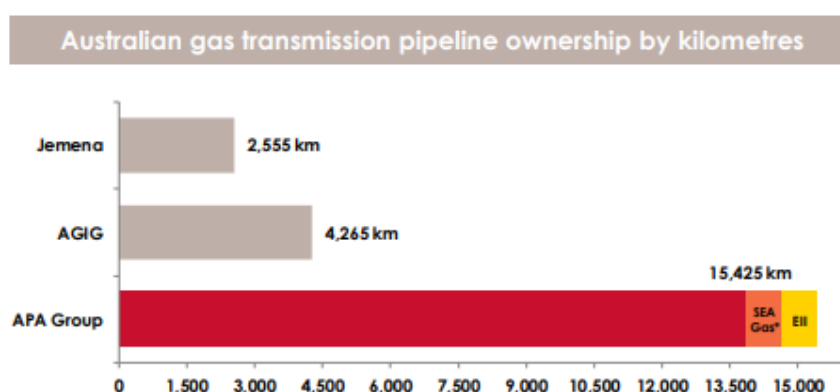
Business Overview

APA is headquartered in Sydney, Australia and is listed on the ASX. APA is included in the S&P/ASX 50 index, the MCSI All World Capital Index and the FTSE All World Index and, as at 28 February 2020, had a market capitalisation of A\$12.7 billion.

APA is a leading energy infrastructure business in Australia with a skilled workforce in excess of 1,800 people.

APA has a diverse portfolio of over 15,000 kilometres¹ of gas transmission pipelines that span every state and territory on mainland Australia and delivered about half of the nation's natural gas during FY2019. It also owns or has interests in other related energy infrastructure assets such as gas storage facilities, gas processing facilities, gas compression facilities, renewables and gas fired power generation assets, SEA Gas Pipeline, Mortlake Gas Pipeline, GDI, EII and EII2.

The chart below illustrates the relative size of APA's gas transmission pipeline portfolio (which includes pipelines in which APA has invested through its energy investments) as compared to its main competitors in the Australian market as at 31 December 2019, as measured by gas transmission pipeline length.



Notes:

APA data as at 31 December 2019 (which includes the Ethane Pipeline), the AER State of the Energy Market December 2019 and publicly available reports from Jemena and AGIG.

*The SEA Gas Pipeline data also includes the Mortlake Gas Pipeline. EII refers the pipeline investments that APA holds under Energy Infrastructure Investments Pty Limited. APA is not aware of any energy investments of Singapore Power/China State Grid (owners of Jemena) or Australian Gas Infrastructure Group (AGIG) which are not represented in the chart above. Length of pipelines is only one measure of size and may not be indicative of gas transported, earnings or cash flow.

APA has ownership interests in, and/or operates, GDI and Australian Gas Networks Limited (AGN) gas distribution networks as well as APA's 100% owned Tamworth Gas Network, which together own approximately 29,000 kilometres of gas mains and pipelines, and over 1.4 million gas consumer connections.

¹ Owned and/or operated by APA. Gas transmission pipeline length is not adjusted for proportional ownership and represents the entire lengths of the pipelines or networks (including in relation to APA's energy investments, such as SEA Gas and Energy Infrastructure Investments Pty Limited) independent of the level of APA's ownership interest in such pipelines or networks.

APA also has interests in, and operates, other energy infrastructure assets and businesses, including SEA Gas Pipeline, Mortlake Gas Pipeline, Energy Infrastructure Investments Pty Limited (**EII**) and EII 2 Pty Ltd (**EII2**).

APA has direct management and operational control over the majority of its assets and investments. APA's revenue (excluding pass-through revenue) and EBITDA have all increased over the last three and a half financial years, as illustrated in the table below.

A\$M

	FY2017	FY2018	FY2019	HY2019	HY2020
EBITDA	1,470.1	1,518.5	1,573.8	787.7	842.2
Revenue (excluding pass-through)	1,888.3	1,941.4	2,031.0	1,012.9	1,077.8
Total Assets	15,045.9	15,277.2	15,433.9	15,307.0	15,086.0

The Group's operations are reported below based on its three principal business segments, being Energy Infrastructure, Asset Management and Energy Investments.

Energy Infrastructure

This segment contributed approximately 92.7% and 94.4%, respectively, of the Group's revenue (excluding pass-through) and EBITDA (before corporate costs) during the six-month period ended 31 December 2019. Revenue (excluding pass-through revenue) was A\$997.9 million, an increase of 5.5% on the previous corresponding period (HY2019: A\$945.6 million, FY2019: A\$1,899.1 million). EBITDA was also higher compared to the previous corresponding period at A\$830.9 million or 5.3% (HY2019: A\$789.4 million, FY2019: A\$1,572.4 million).

During the six-month period ended 31 December 2019, 78.2% of Energy Infrastructure revenue (excluding pass-through) was from capacity reservation charges from long term contracts, 2.9% from contracted fixed revenue and 9.3% from throughput charges and other variable revenues. Given the dynamic East Coast gas market, APA also received additional revenue from the provision of flexible short-term and "Other" services, accounting for around 0.8% of total Energy Infrastructure revenue received. The portion of APA's revenue that is regulated was approximately 8.7% of HY2020 Energy Infrastructure segment revenue.

APA manages its counterparty risk in a variety of ways. One aspect is to consider customers' credit ratings. During the period, approximately 93% of all revenue was received from counterparties with investment grade credit ratings. Diversification of its customer base is another risk moderator – during the six-month period ended 31 December 2019, 46.7% of revenue was from energy sector customers; 25.4% of revenue was from customers in the utilities sector; 21.4% from resources sector customers; and 6.5% from industrial and other customers.

Asset Management

Asset Management includes the provision of commercial, operating services and/or asset maintenance services to APA's energy investments and third parties for appropriate fees. APA provides asset management and operational services under long term contracts to the majority of its energy investments and to a number of third parties who own assets where APA has significant operating expertise. APA's main customers are EII

and GDI. APA also has arrangements to operate until 2027 the gas distribution networks owned by AGN, in which APA divested its ownership interest in August 2014.

Revenue (excluding pass-through revenue) from asset management services increased by A\$9.1 million or 18.7% to A\$58.0 million (HY2019: A\$48.9 million, FY2019: A\$94.4 million) and EBITDA (excluding corporate costs) increased by A\$3.6 million or 12.8% to A\$31.3 million (HY2019: A\$27.7 million, FY2019: A\$53.0 million). APA continues to drive solid connection growth on behalf of both AGN and GDI through continued distribution network expansion in new housing estates and medium-high density housing developments as natural gas continues to be a fuel of choice for cooking, hot water and heating in residential markets.

For the six-month period ended 31 December 2019, customer contributions were A\$5.4 million. For FY2020, it is expected that customer contributions will remain in-line with the long-term average of around A\$10 million per annum, although APA continues to expect annual swings in customer contributions, as these are driven by customers' individual and specific work programmes and requirements.

Energy Investments

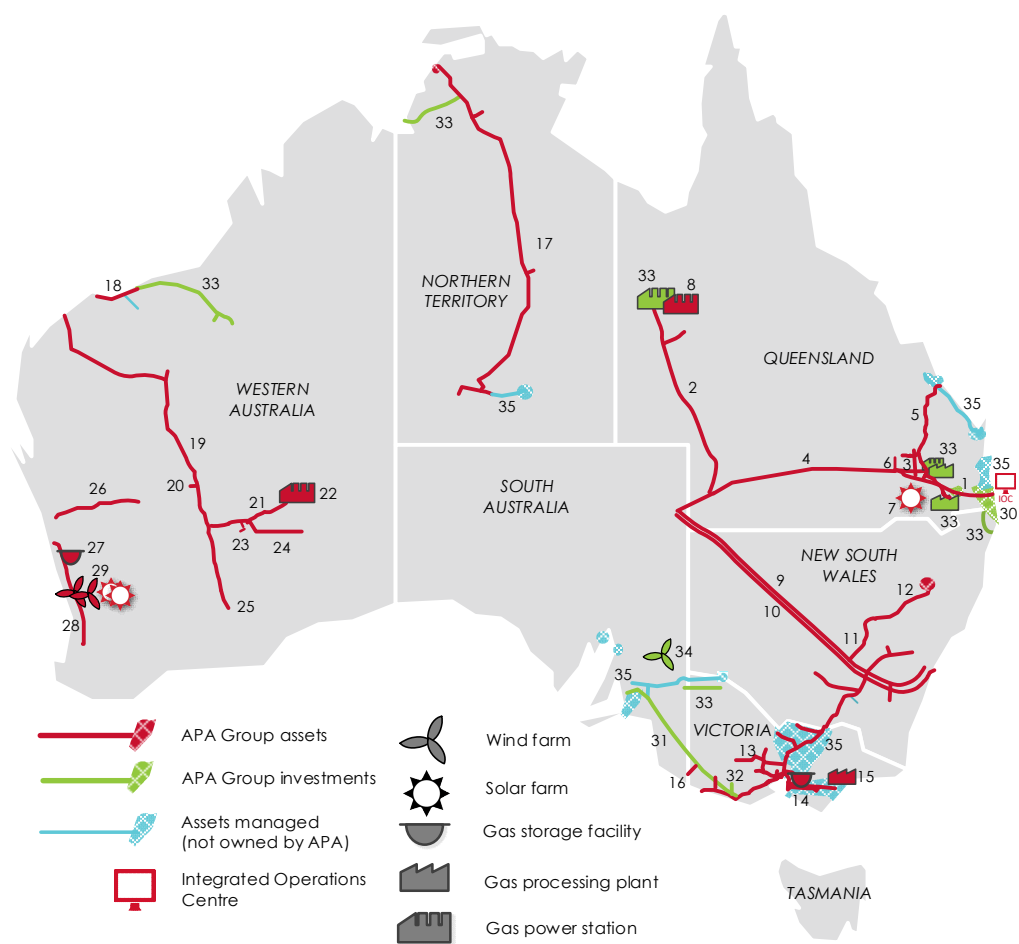
APA has invested in a number of complementary energy infrastructure assets, companies and joint ventures, including SEA Gas Pipeline, Mortlake Gas Pipeline, EII, EII2 (an investment in the North Brown Hill wind farm) and GDI (which owns the Allgas gas distribution network). APA holds a number of roles in respect of the majority of these investments in addition to its ownership interest. Each investment is equity accounted.

APA's ability to manage these investments and provide operational and/or corporate support services provides flexibility in growing the business, harnesses in-house expertise, and ensures synergies are delivered from a lower cost base over a broader portfolio of assets.

Energy Investments EBITDA increased by A\$5.4 million or 41.7% to A\$18.4 million (HY2019: A\$13.0 million, FY2019: A\$28.4 million).

APA Assets and Investments

APA's energy infrastructure assets, energy investment assets and asset management business are illustrated and described in the map below. Interests in APA's energy investments are presented as at 31 December 2019.



Energy Infrastructure assets

	Pipeline Length/Generating Capacity	Economic Regulatory Status
East Coast and Central Region assets		
(1) Roma Brisbane Pipeline (including Peat Lateral)	583 km	Full regulation ⁽¹⁾
(2) Carpentaria Gas Pipeline.....	944 km	Light regulation ⁽²⁾
(3) Berwyndale Wallumbilla Pipeline	112 km	Subject to Part 23 of NGR ⁽³⁾
(4) South West Queensland Pipeline	936 km	Subject to Part 23 of NGR ⁽³⁾
(5) Wallumbilla Gladstone Pipeline (including Laterals)	556 km	Subject to Part 23 of NGR ⁽³⁾⁽⁷⁾
(6) Reedy Creek Wallumbilla Pipeline.....	49 km	Subject to Part 23 of NGR ⁽³⁾
(7) Darling Downs Solar Farm	110 MW	Not regulated
(8) Diamantina and Leichhardt Power Stations	242 MW / 60 MW	Not regulated
(9) Moomba Sydney Pipeline	2,029 km	Partly light regulation/Partly subject to Part 23 of NGR ⁽⁵⁾
(10) Ethane Pipeline	1,375 km	Not regulated ⁽⁴⁾
(11) Central West Pipeline.....	255 km	Light regulation ⁽²⁾
(12) Central Ranges Pipeline and	295 km	Subject to Part 23 of NGR ⁽⁴⁾
Tamworth Gas Network (gas distribution)	~250 km of gas mains, ~3,800	Subject to Part 23 of NGR ⁽³⁾

	Pipeline Length/Generating Capacity	Economic Regulatory Status
	gas consumer connections	
(13) Victorian Transmission System	1,847 km	Full regulation ⁽¹⁾
(14) Dandenong LNG Storage Facility.....	12,000 tonnes	Not regulated
(15) Orbest Gas Processing Plant ⁽⁸⁾	12 km / ~68 TJ/d	Not regulated
(16) SESA Pipeline.....	45 km	Subject to Part 23 of NGR ⁽³⁾
(17) Amadeus Gas Pipeline (including Laterals).....	1,661 km	Full regulation ⁽¹⁾
West Australian assets		
(18) Pilbara Pipeline System	249 km	Subject to Part 23 of NGR ⁽³⁾
(19) Goldfields Gas Pipeline (88.2%).....	1,546 km	Partly fully regulated/Partly subject to Part 23 of NGR ⁽⁶⁾
(20) Agnew Lateral.....	25 km	Not regulated ⁽⁴⁾
(21) Yamarna Gas Pipeline.....	198 km	Subject to Part 23 of NGR ⁽³⁾
(22) Gruyere Power Station	45 MW	Not regulated
(23) Mt Morgans Gas Pipeline	5 km	Subject to Part 23 of NGR ⁽³⁾
(24) Eastern Goldfields Pipeline.....	293 km	Subject to Part 23 of NGR ⁽³⁾
(25) Kalgoorlie Kambalda Pipeline	44 km	Light regulation ⁽²⁾
(26) Mid West Pipeline (50%).....	362 km	Subject to Part 23 of NGR ⁽³⁾
(27) Mondarra Gas Storage and Processing Facility	18 PJ	Not regulated ⁽⁴⁾
(28) Parmelia Gas Pipeline	448 km	Subject to Part 23 of NGR ⁽³⁾
(29) Emu Downs Wind Farm	80 MW	Not regulated
(29) Emu Downs Solar Farm.....	20 MW	Not regulated
(29) Badgingarra Wind Farm.....	130 MW	Not regulated
(29) Badgingarra Solar Farm.....	19.3 MW	Not regulated

Notes:

- (1) Pipelines that are covered by the NGAR ("Scheme Pipelines"), that are subject to full regulation in which the AER (or ERA in WA) approves an access arrangement, including tariffs based on a determination of the value of invested capital and a return on that capital ("full regulation" pipeline).
- (2) Scheme Pipelines that are subject to light regulation in which prices are negotiated between the customer and the pipeline operator, subject to arbitration by the AER (or ERA in WA) in the event of failure to reach a negotiated outcome.
- (3) Pipelines that are not covered by the NGAR ("Non-Scheme Pipelines"), but that are subject to the information disclosure and commercial arbitration regime under Part 23 of the NGL.
- (4) Non-Scheme Pipelines that are exempt from the Part 23 information disclosure and arbitration regime by virtue of their small size or lack of third party access as well as other non-regulated pipelines.
- (5) The sections of the MSP from Marsden to Wilton, Lithgow, Canberra and Wagga Wagga are subject to light regulation. The balance of the MSP (the sections from Moomba to Marsden and the interconnect from Wagga Wagga to Culcairn) are subject to the information disclosure and commercial arbitration regime under Part 23 of the NGR.
- (6) Part of the capacity of the Goldfields Gas Pipeline (for all of its geographical reach) is subject to full regulation by the relevant regulatory authorities, whereas part of its capacity (including many of its laterals), (for all of its geographical reach) is exempt from the information disclosure and arbitration regime under Part 23 of the NGR by virtue of its small size or lack of third party access.
- (7) Due to a "greenfield" exemption the WGP was granted under the Commonwealth of Australia's National Gas Law, it will not be subject to regulation by the AER until at least 2030.
- (8) Asset under commissioning.

Energy Investments and Asset Management

Energy Investment	Ownership interest
(30) GDI.....20%	Gas distribution: Allgas Gas Network ~3,800 km of gas mains (including 175 km of transmission pipelines), ~113,500 gas consumer connections in QLD
(31) SEA Gas Pipeline50%	Gas pipeline: 687 km pipeline from Iona and Port Campbell, Victoria to Adelaide, SA
(32) SEA Gas (Mortlake) Partnership..... 50%	Gas pipeline: Mortlake Gas Pipeline (83 km) from the Otway Gas Plant near Port Campbell to Mortlake Power Station

Energy Investment	Ownership interest
(33) EII.....19.9%	Gas pipelines: Telfer/Nifty Gas Pipelines and lateral (488 km); Bonaparte Gas Pipeline (286 km); Wickham Point Pipeline (12 km) Electricity transmission cables: Murraylink (180 km) and Directlink (63 km) Gas-fired power stations: Daandine Power Station (30 MW) and X41 Power Station (41 MW) Gas processing facilities: Kogan North (12 TJ/d); Tipton West (33 TJ/d)
(34) EII2.....20.2%	Wind generation: North Brown Hill Wind Farm (132 MW), SA
(35) AGNNone ⁽¹⁾	Gas distribution: ~25,300 km of gas mains and pipelines, including 1,124 km of transmission pipelines, ~1.3 million gas consumer connections in SA, Vic, NSW, Qld & NT

Notes:

- (1) In August 2014, APA sold its 33.1% ownership interest in AGN. Operating and maintenance agreements with AGN remain in place until 2027.

Recent Developments

Retirement of Chief Financial Officer

On 20 December 2019, APA announced that Peter Fredricson indicated his intention to retire from his position as Chief Financial Officer by 31 December 2020.

History since 2000

2000	June — APT listed on the ASX with an interest in approximately 7,000 km of pipelines.
2001	February — Acquisition of the remaining 15% interest in the RBP.
2003	March — Interest in the GGP increased to 48.5%.
2004	August — Acquisition of the PGP, the Mondarra Gas Storage Facility and an additional interest in the GGP (taking the total interest in the GGP to 88.2%).
2005	February — Acquisition of the remaining 30% interest in the CGP.
2006	March — Completion of construction and commissioning of Kogan North gas processing facility in Queensland. March — Acquisition of Murraylink electricity interconnector. June — Execution of a 25 year gas transportation agreement with the PWC in the Northern Territory and commitment to the development of the BGP. November — Acquisition of the Allgas Gas Network gas distribution business in Queensland. December — Acquisition of the VTS and the Dandenong LNG storage facility in Victoria. December — Restructured as a stapled entity comprising Australian Pipeline Trust and APT investment Trust, and now known as APA Group.
2007	January — Completion of construction and commissioning of the Daandine Power

Station, Queensland.

February — Acquired the Directlink electricity interconnector in NSW.

March — Completion of construction of the Tipton West gas processing facility in Queensland.

June/July — Acquisition of the Origin Energy Networks assets. The assets included a one third equity interest in the SEA Gas Pipeline, 17.2% equity interest in Envestra (now known as AGN), the long term asset management agreement to operate AGN's assets (including the requisite resources) and a number of other energy assets.

November — Completed construction and commissioning of the X41 Power Station in Queensland.

2008..... **August** — Acquisition of the CRP and CRN in New South Wales.

December — Completion of construction of the 287 km BGP in the Northern Territory.

December — Sold a number of APA's low growth assets into EII, an unlisted investment vehicle and joint venture with Marubeni Corporation and Osaka Gas Company Ltd of Japan. APA retained 19.9% equity and the asset management and operations of those assets.

2009..... **February** — Increase of APA's interest in Envestra (now known as AGN) to 30.6% through participation in and partly underwriting Envestra's rights issue.

June — The Issuer obtained a BBB (stable) rating from S&P.

October — EII2, another APA joint venture with Marubeni Corporation and Osaka Gas, purchased the North Brown Hill wind farm project in South Australia. APA's equity interest in EII2 is 20.2%.

2010..... **March** — Acquisition of the BWP in Queensland.

April — Announcement of the acquisition of a 14.9% interest in the HDF and increased APA's interest to 19.8% between May and November.

April — The Issuer obtained a Baa2 (stable) rating from Moody's.

2011..... **May** — Announcement of the expansion of the Mondarra Gas Storage Facility, underwritten by a 20 year revenue agreement with foundation customer Verve Energy (now known as **Synergy**).

June — Acquisition of the AGP in the Northern Territory.

July — Acquisition of the Emu Downs wind farm and adjacent development site in Western Australia.

December — Sale of the Allgas Gas Network into GDI, a new APA minority-owned investment vehicle of which APA owned 20%. APA retained the asset management and operations of the Allgas Gas Network.

December — Announcement of an off-market take-over bid for HDF, of which APA already held 20.7% interest.

2012..... **December** — Completion of the take-over of HDF, assuming control of the Epic Energy assets and operations.

2013..... **May** — Completion of the sale of the MAPS to QIC Global Infrastructure.

July — Announcement of an approach to Envestra (now known as AGN) regarding a proposal for an all-share merger.

2014.....	<p>August — Announcement of the divestiture of 33% equity holding in Envestra after APA accepted the Cheung Kong Group consortium’s cash offer for all its shares in Envestra.</p> <p>December — Completed the construction of and commissioned the Diamantina Power Station, a 242 MW combined cycle gas-fired power station and the Leichhardt Power Station, a 60 MW open cycle gas-fired power station, jointly owned and constructed by APA and AGL.</p> <p>December — Entered into a binding sale and purchase agreement with BG Group to acquire the QCLNG Pipeline for U.S.\$5 billion. Final purchase price was U.S. \$4.6 billion.</p> <p>December — Launched an equity raising of A\$1,839 million fully underwritten accelerated renounceable entitlement offer for APA’s stapled securities and completed the offer in January 2015.</p>
2015.....	<p>June — Completed the acquisition of the Wallumbilla Gladstone Pipeline (formerly QCLNG Pipeline).</p> <p>November — Commissioned the 293 km Eastern Goldfields Pipeline greenfield project in Western Australia.</p>
2016.....	<p>March — Increased ownership of the Diamantina and Leichhardt Power Stations in Queensland from 50% to 100%.</p> <p>March – Launched an unconditional, off-market takeover bid for Ethane Pipeline Income Fund (EPX). APA owned 6.08% of EPX securities.</p> <p>June — Increased ownership of EPX to 100%.</p> <p>June — Opened the Integrated Operations Centre (IOC) in Brisbane, Queensland. The IOC allows APA customers to manage their energy portfolios across all of APA’s assets with greater flexibility and through a single point of contact.</p> <p>August — Partnered with REST Industry Super to acquire the onshore Mortlake Gas Pipeline, supplying gas from the offshore Otway Basin to the Origin-owned Mortlake Power Station.</p> <p>September — Signed a 20-year GTA with APLNG for APA to build and operate the RCW, a 49 km pipeline to be commissioned in 2018.</p> <p>December — Signed a 13 year power purchase agreement with Western Australian energy provider, Synergy, for the 20 MW Emu Downs Solar Farm.</p>
2017.....	<p>February — Signed a 12 year power purchase agreement with Alinta Sales Pty Ltd (Alinta) to underpin the construction of the 130 MW Badgingarra Wind Farm, which is adjacent to APA’s Emu Down Wind and Solar Farm in Western Australia.</p> <p>May — Acquired the greenfield 110 MW Darling Downs Solar Farm, in southwest Queensland.</p> <p>June — APA announced it will design, build, own and operate the 198 km Yamarna Gas Pipeline and 45 MW Gruyere Power Station in Western Australia to supply power to the Gruyere Gold Project.</p> <p>August — APA announced it will construct the Mt Morgans Gas Pipeline a 5 km lateral connecting to APA’s Eastern Goldfields Gas Pipeline to supply power to Dacian’s Mt Morgans Gold Project. Mt Morgans Gas Pipeline was commissioned in</p>

January 2018.

October — Acquired the Orbost Gas Processing Plant in Victoria to upgrade and operate the plant in order to process natural gas from the Sole gas field on behalf of Cooper Energy.

2018..... **February** — Launched an A\$500 million pro-rata accelerated institutional tradeable retail renounceable entitlement offer for APA stapled securities, which offer was completed in March 2018.

March — Opened the 20 MW Emu Downs Solar Farm in Western Australia.

May — The 49 km RCW Pipeline in Queensland was completed and commissioned.

June — Entered into a Development Agreement and associated Gas Transportation Agreement with AGL Energy for the development and construction of the Crib Point Pakenham Pipeline. The project is subject to AGL Energy making a financial investment decision.

June — Extended the existing Power Purchase Agreement with Alinta Energy for the Badgingarra Wind Farm, to include a solar farm. The combined wind and solar Power Purchase Agreement will extend the original 12 year Power Purchase Agreement by an additional 5 years to 2035.

2019..... **January** – Gruyere Power Station, Badgingarra Wind Farm and Darling Downs Solar Farm were completed and commenced commercial operations.

July – Rob Wheals commenced as APA’s Chief Executive Officer and Managing Director with effect from 6 July 2019 following Mick McCormack’s retirement on 5 July 2019.

August – Badgingarra Solar Farm was completed and commenced commercial operation.

September – Ross Gersbach, formerly APA’s Chief Executive Strategy and Development relocated to APA’s Houston, USA office, commencing in the role of President North American Development.

December – APA’s proposed 220 MW Dandenong Power Station in Victoria, was selected as one of the first two projects to progress to agreement of key initial support terms under the Federal Government’s Underwriting New Generation Investments program (UNGI).

December – Peter Fredricson, APA’s Chief Financial Officer indicated his intention to retire from his CFO position in 2020, remaining with APA until December 2020 at the latest.

Investment Highlights

Leading energy infrastructure business in Australia with a portfolio that cannot be readily replicated

- Through an integrated portfolio of assets and investments, APA is Australia’s largest transporter of natural gas as measured by pipeline length, capacity and volume transported. APA’s gas transmission network is Australia’s largest in terms of scale and geographic diversity and cannot be readily replicated. APA has a diverse portfolio of over 15,000 kilometres² of gas transmission pipelines that

² Owned and/or operated by APA.

spans every state and territory on mainland Australia. APA estimates that it transported about half of Australia's natural gas consumption during FY2019. It also owns or has interests in other related energy infrastructure assets such as gas storage facilities, gas processing facilities, gas compression facilities, renewables and gas fired power generation assets.

- In addition, APA has ownership interests in and/or operates gas distribution networks, which together consist of approximately 29,000 kilometres³ of gas mains and pipelines and over 1.4 million gas consumer connections.
- APA believes that it is well positioned to generate further value from its assets by enhancing the scale, efficiency and flexibility of its network through the ongoing expansion of and enhancements to its infrastructure portfolio. APA continues to optimise its existing asset portfolio to meet the demands of existing and new customers through a variety of projects, which are generally either fully underwritten by customers through long-term gas transportation arrangements or have received regulatory approval through the relevant access arrangement. These projects include compression (increasing pressure of gas flowing through the pipeline to enable higher throughput), looping (increasing the capacity of a pipeline by installation of an additional pipeline, parallel to and joined with the original pipeline), lateral additions (branch pipelines linking a main pipeline to a market, end-user or other pipeline) and installing bi-directional capabilities on existing APA pipelines. APA is also improving its services through technological system upgrades and commercial arrangements that are designed to provide a seamless service to customers across pipeline systems.

Quality assets with long expected lives requiring a relatively low level of maintenance capital expenditure

- The average age of APA's transmission pipeline assets, weighted by pipeline length, is approximately 25 years compared to their expected lives of between 50 and 80 years;
- The large majority of APA's gas transmission assets are located underground and in non-urban locations resulting in relatively well-conditioned assets and a low level of stay-in-business or maintenance capital expenditure.
- APA takes a long-term view of asset management and undertakes an ongoing maintenance schedule designed to ensure that its assets meet statutory and technical licence conditions and are maintained in good condition. APA's maintenance includes, but is not limited to, aerial and physical surveys of its pipeline routes, the use of internal pipeline inspection gauges, or "pigs", risk-based inspection techniques and reliability-centred maintenance strategies on pipelines and facilities to ascertain asset condition and ensure safe, reliable operations.

Stable and predictable cash flow from price regulated assets and long term contracts

- APA's improving financial performance is partly attributable to the nature of its energy infrastructure asset base, the majority of which benefits from price regulation and/or long-term "take-or-pay" contracts, generally with fixed and known indexation methodology. The revenue weighted average contract tenor as at 1 January 2020 is in excess of 12 years. Additionally, the majority of APA's revenue is generated from transmission of gas based on capacity reservation or other fixed tariffs. Consequently, APA has no material direct exposure to underlying movements in natural gas or other energy-related commodity prices. Tariffs under those contracts reflect the amount of capacity reserved and are payable irrespective of gas transmission volumes shipped by that customer;

³ Gas transmission pipeline length is not adjusted for proportional ownership and represents the entire lengths of the pipelines or networks (including in relation to APA's energy investments, such as SEA Gas and Energy Infrastructure Investments Pty Limited) independent of the level of APA's ownership interest in such pipelines or networks.

- Two of APA's major full regulation assets are RBP and the covered sections of GGP. APA's other significant full regulation asset, the VTS, operates through a market carriage system that is operated by the Australian Energy Market Operator (AEMO). Under this market carriage model, as the pipeline owner, APA makes the system available to the AEMO, as an independent system/market operator, which allocates pipeline capacity through a pool approach. Customers do not reserve physical capacity. Rather, they obtain from the wholesale gas market a financially firm right to transport gas through the pipeline (see "*Industry/Regulatory Environment – Regulatory environment – Full Regulation*");
- In the six-month period ended 31 December 2019, revenue (excluding pass-through revenue and other interest income) from price regulated assets accounted for 8.7% of APA's Energy Infrastructure segment revenue (excluding pass-through revenue and other interest income). In FY2019, revenue (excluding pass-through revenue and other interest income) was derived from prices determined by regulators and accounted for 8.3% of APA's total revenue (excluding pass-through revenue and other interest income). APA's "full regulation" assets are those which the regulatory authorities have determined, among other things, demonstrate natural monopoly characteristics and have a degree of market power. In setting prices for price regulated assets, the relevant regulator considers various factors, including forecast demand, efficient operating costs, capital expenditures and the costs of debt financing and equity;
- The four major Part 23 regulation and light regulation assets are the MSP, the CGP, the SWQP and the WGP (see "*Industry/Regulatory Environment – Regulatory environment – Light Regulation*");
- In the six-month period ended 31 December 2019, 89.8% of Energy Infrastructure revenue (excluding pass-through revenue) was from contracted and regulated revenue (HY2019: 92.2%, FY2019: 91.0%). Specifically, 78.2% of Energy Infrastructure revenue (excluding pass-through revenue) was from take or pay capacity reservation charges from long term offtake agreements (HY2019: 78.6%, FY2019: 79.8%), 9.3% from throughput charges and other variable revenues (HY2019: 6.9%, FY2019: 8.1%), and 2.9% from other contracted fixed revenue (HY2019: 4.2%, FY2019: 2.9%). APA also received revenues from the provision of flexible short term services, accounting for around 0.6% of total Energy Infrastructure revenues received (HY2019: 0.7%, FY2019: 0.8%). The portion of APA's revenue that is subject to regulated tariffs was approximately 8.7% of HY2020 Energy Infrastructure revenue (HY2019: 9.4%, FY2019: 8.3%); and
- The GGP, RBP, MSP, VTS, SWQP, CGP and the WGP collectively contributed 79.9% and 81.2% of APA's HY2020 and FY2019 Energy Infrastructure segment EBITDA, respectively.

The following table summarises the contribution of each segment to HY2020 and FY2019 EBITDA.

Asset	FY2019 Contribution to EBITDA	FY2019 Contribution to EBITDA	HY2020 Contribution to EBITDA	HY2020 Contribution to EBITDA
	(A\$ millions)	(%)	(A\$ millions)	(%)
Energy Infrastructure	1,572.4	95.1	830.9	94.4
Asset Management	53.0	3.2	31.3	3.5
Energy Investments	28.4	1.7	18.4	2.1
Total EBITDA excluding corporate cost ⁽¹⁾	<u>1,653.8</u>	100.0	<u>880.6</u>	100.0

Asset	FY2019 Contribution to EBITDA (A\$ millions)	FY2019 Contribution to EBITDA (%)	HY2020 Contribution to EBITDA (A\$ millions)	HY2020 Contribution to EBITDA (%)
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Notes:

(1) Totals may not add due to rounding.

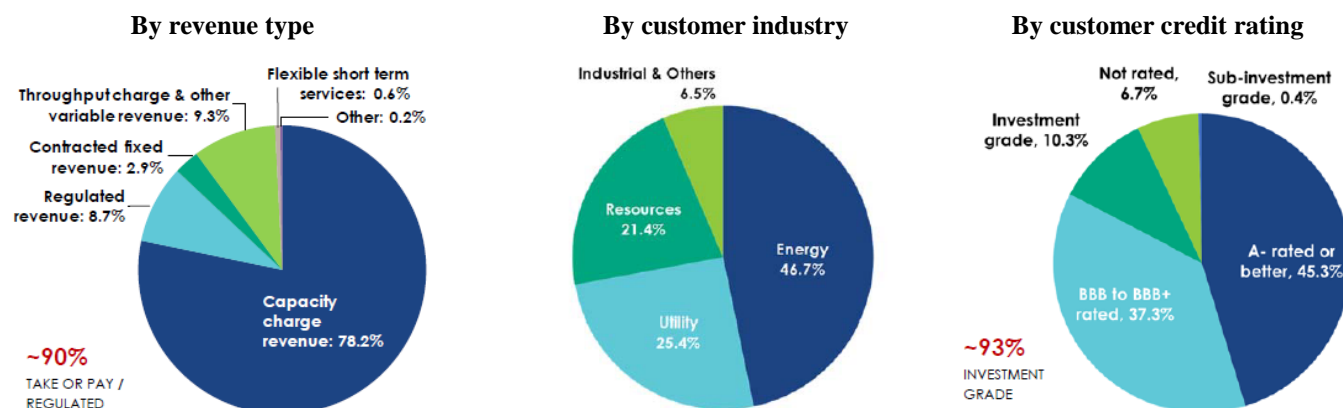
Quality customer base and diversified asset footprint

- APA's revenue stream is diversified across customers, geography and assets, which APA believes enhances the stability of its revenue through economic cycles. In HY2020, APA's top ten customers represented approximately 76% of its Energy Infrastructure revenue (excluding pass-through revenue and other interest income);
- APA's top ten customers include AGL Energy and Origin Energy, two of the largest integrated utilities in Australia, BG Group⁴ and BHP, and in HY2020 no single client represented greater than 21% of APA's Energy Infrastructure business segment revenue (excluding pass-through revenue and other interest income). Additionally, based on the contracts underlying APA's major assets (the WGP, GGP, RBP, VTS, MSP, SWQP and CCP), APA estimates that approximately 93% of its HY2020 revenue (excluding pass-through revenue and other interest income) was contracted with customers with an investment grade credit rating or joint ventures with investment grade parties.

The following chart illustrates APA's Energy Infrastructure revenue split by revenue type, by customer credit rating and by customer industry.

Energy Infrastructure Revenue Split

As at 31 December 2019



Note: (1) BBB- rated or joint venture with an investment grade average rating across owners. Rating can be from S&P or equivalent rating agency.

Strong balance sheet and prudent capital management

APA's assets have relatively long lives and generate stable long-term cash flows that facilitate the servicing of its obligations under long term debt financings. Given APA's portfolio of gas pipelines and distribution

⁴ BG Group was acquired by Royal Dutch Shell PLC on 15 February 2016.

networks, the consistency of earnings, the extent of take-or-pay contractual agreements and the low risk profile of the assets, APA is well positioned to maintain its balance sheet with investment grade credit rating metrics and maintain current levels of debt relative to equity. APA's historical FFO-to-Debt and FFO-to-Interest for HY2020 and the last four fiscal years are set out in "*Summary Financial Information – Credit Metrics*". In addition, APA's growth capital expenditure, other than expenditure relating to its energy investments, is generally either fully underwritten by its customers through long-term gas transportation arrangements or has received regulatory approval through the relevant access arrangement. APA has historically funded organic growth through operating cash flow retained in the business and a combination of debt and equity financings.

As at 31 December 2019, APA had around A\$1,280 million in total committed undrawn facilities available to assist in the ongoing funding of the business (see "*Summary Financial Information – Credit metrics*"). APA remains committed to funding its growth with appropriate levels of equity, cash retained in the business, and funding from debt facilities in order to maintain strong BBB and Baa2 metrics.

Integrated in-house management and experienced management team

APA has an experienced executive management team which is focused on developing and implementing APA's core strategies. Mr. Robert Wheals joined APA in September 2008 as General Manager Commercial and was appointed Group Executive Transmission in 2012, responsible for approximately 85% of APA's earnings before interest, tax and depreciation. Mr. Wheals became Chief Executive Officer and Managing Director of APA Group on 6 July 2019. Mr. Wheals has a deep understanding of the Australian energy market and the challenges facing Australia today and into the future, in particular, the challenge of balancing sustainable lower emissions energy against reliable and affordable energy for end users. On 1 June 2009, Mr. Peter Fredricson joined APA as its Chief Financial Officer. Mr. Fredricson has expertise in the listed energy infrastructure sector and more than 20 years of experience in senior financial roles in financial services and investment banking companies in Australia, Asia and the Pacific. APA's President, North American Development, Mr. Ross Gersbach joined the management team on 1 February 2008 and has over 25 years of experience in senior positions across a range of energy related sectors, covering areas such as infrastructure investments, mergers and acquisitions and strategic developments. The executive team also comprises Ms. Nevenka Codevelle (Group Executive Governance & External Affairs), Mr. Darren Rogers (Group Executive Operations), Ms. Hannah McCaughey (Group Executive Transformation & Technology), Mr. Kevin Lester (Group Executive Infrastructure Development), Ms. Elise Manns (Group Executive People, Safety & Culture) and Mr. Craig Stallan (Acting Group Executive Strategy & Commercial). Collectively, the executive team has extensive experience in their respective areas and a proven record of achievement.

A skilled and experienced workforce of more than 1,800 employees performs the majority of commercial, engineering and operational functions for APA's assets and the assets APA operates for its co-investors and others. APA's workforce helps optimise operating costs over an asset's life cycle, maximise revenue generation per asset and reduces payments to third parties to manage and maintain assets.

Strategy

As a leading energy infrastructure owner in Australia, APA believes that it is well-positioned to benefit from expected continued growth in Australian gas production, demand for use of transmission pipelines, and opportunities pertaining to a lower carbon energy future by executing the following business strategy.

- *Deliver services its customers value consistent with APA's Customer Promise.* Critical to APA's business are its customers who include large industrials, retailers and resource companies. APA's largest customers represent an important part of its current revenue stream and are key players in the future development of the Australian energy market. Increasingly, customers have more choices about

their energy mix and it is critical that APA takes a ‘whole of business’ approach to understanding and working with its customers to deliver world class energy solutions. APA’s Customer Promise is a commitment by all APA employees, whether directly customer facing or not, to deliver services their customers value. APA has a national account team structure, with sales teams responsible for customer portfolios. This structure is designed to provide strong customer focus, single accountability and a “whole of customer view”. APA also has a national contracts management function for day-to-day management of all existing contracts with the aim of ensuring a seamless sales and service experience for APA’s customers. Additionally, the evolution of APA’s customer IT platform, APA Grid, has given APA’s customers access to a single platform to interact with APA across Australia. It allows APA’s customers to enter nominations, and view reports and maintenance schedules for all transmission assets on one site. The APA Grid, coupled with the IOC, allows APA to provide improved services to its customers.

- *Continuing to strengthen APA’s asset and stakeholder management, development and operational capabilities.* APA is continuing to actively pursue group-wide initiatives to ensure best in class systems and practices are utilised. APA seeks asset development opportunities that leverage existing assets and utilises the depth of its comprehensive asset management and operational skills. The creation of the East Coast Grid and the Goldfields Gas Grid in the West, as well as continued system enhancements have allowed for greater flow and the ability to deliver gas where it is needed most. The establishment of the IOC in 2016 allowed APA to oversee its pipeline grid and manage volatility caused by events such as weather, maintenance, and planned and unplanned customer events. APA believes it can continue to deliver growth from its existing assets and leverage off the expected increased gas demand requirements of its customers. APA’s refreshed operating model (rolled out in February 2020) further supports APA’s commitment to continuous improvement of its capabilities. Under the new structure, the Operations division now oversees the safe and efficient operations of all of APA’s assets and investments, regardless of asset type. The Governance, Risk and Legal division has been expanded to encompass External Affairs and Reputation, Economic Regulatory and External Policy, as well as Sustainability and Community.
- *Continuing APA’s growth focus to enhance its portfolio of gas transmission pipelines, gas-fired and renewable power generation assets and midstream energy infrastructure assets, including gas storage and gas processing.* APA is in discussions with its customers regarding its customers’ future energy requirements and how APA can leverage its assets and skills to optimise their energy solutions. APA has a solid history of organic growth capital expenditure, with all projects supported by long term contracts with its customers. APA continues to see strong organic growth opportunities across Australia and across all asset classes.
- *Explore growth opportunities in APA’s core business of gas transmission and distribution in North America.* APA continually reviews opportunities to undertake accretive acquisitions consistent with its strategy and investment criteria. It has identified North America as a potential new investment region. Senior Executive Ross Gersbach relocated to APA’s Houston, Texas office in September 2019 to continue due diligence on the gas energy infrastructure market, focusing on regulated local distribution company type infrastructure opportunities
- *Maintain APA’s financial strength.* APA aims to manage its balance sheet and intends to maintain its investment grade credit ratings at BBB rating by S&P and Baa2 rating by Moody’s to help ensure that it has continued access to a broad range of global debt capital markets to fund its business.

Investment Appraisal

APA has documented procedures for capital expenditure and investing in new projects. These include annual budgets, detailed appraisal and review procedures, levels of authority and due diligence requirements where assets are being acquired. APA has disciplined criteria by which it assesses any opportunities designed to maintain and enhance security holders' returns and diversify business risks.

Continuous Disclosure

APA retains a Disclosure Committee and an appropriately instituted policy that assists the Managing Director to make decisions with respect to what information is to be disclosed to the market in order to comply with the ASX Listing Rules requirements on continuous disclosure. The Managing Director is required to discuss some categories of proposed announcements with the Chairman of the Board.

The Company Secretary is responsible for issuing approved announcements to the ASX for release to the market and reports quarterly to the Board on such announcements. Copies of announcements are placed on APA's website (www.apa.com.au) and sent to Directors on release to the market.

Environmental Management

National, state and territory environmental laws and regulations affect the operations of APA's assets and apply to the sites, easements and facilities of APA's operation. These laws and regulations:

- set standards relating to environmental practices, processes and quality of assets;
- provide for penalties and other liabilities for the violation of such standards; and
- establish certain obligations to remediate facilities and locations where operations are, or were, previously conducted.

APA has an environmental management plan to help it manage environmental compliance and risk. Environmental Management Plans are prepared and independently audited for construction activities and, in accordance with the relevant standards, environmental plans are in place for APA's assets and are managed in accordance with APA's Environmental Management system, contracts and the terms and conditions of the licences that have been issued to APA.

Senior management reviews external audit reports and internal reports prepared relating to environmental issues and material breaches, if they were to occur, are reported to the Board. No material breaches have occurred and APA is in compliance with the environmental management plans that are in place and with the terms of the licences issued to it and the relevant legislation, including the Standard.

Employees

In HY2020, APA had more than 1,800 employees spread across every Australian mainland state and territory, managing and operating the majority of its assets and undertaking corporate, financial, accounting, human resource, commercial and regulatory activities for the business. APA has a national focus on the management and operation of its business, with teams working across assets and functional lines to generate further value from the business.

The salary arrangements for approximately 30% of APA's employees at any point in time are covered by enterprise bargaining agreements negotiated with the employees, with union involvement, however not all operation and field staff are union members. APA has not experienced any material disruptions to its

operations as a result of industrial action since listing in June 2000. All of APA's enterprise agreements are current, having been renegotiated in the last 12 months.

Insurance

APA carries insurance against insurable events which have the potential to cause damage to its assets (including associated loss of earnings and costs of repair) and certain legal liabilities it may incur to third parties. With advice from professional insurance brokers, insurances are placed with insurers of good reputation and credit rating for limits of liability that APA believes reflect both its potential exposures and prudent industry practice. Such insurances are generally subject to industry standard policy exclusions and other terms and conditions. APA may elect to self-insure and/or carry larger deductibles for some risks.

APA believes that its insurance policies are appropriate and adequate to protect against major operating and other identified risks. However, not all risks and liabilities are insurable or insured, and the insurance coverage APA maintains may not extend to cover all insurable liabilities and losses.

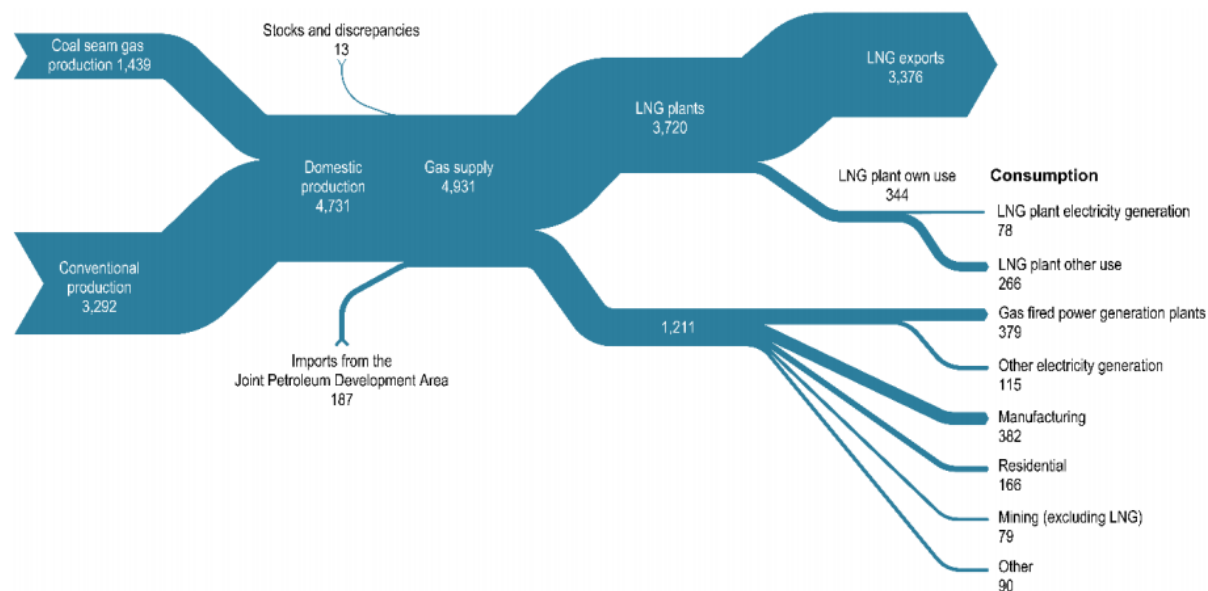
Litigation and Disputes

As of the date of this Offering Circular there are no legal or arbitration proceedings pending or known to be contemplated that may in the future have or have had, in the 12 months preceding the date of this Offering Circular, a material effect on the financial position or profitability of the Issuer or any member of APA. Members of APA are party to a number of minor litigation matters in the ordinary course of business. APA believes that any ultimate liability in those litigation matters will not be material to its financial position, results of operations or cash flows.

INDUSTRY/REGULATORY ENVIRONMENT

The Australian Natural Gas Market

Natural gas produced in Australia is consumed either domestically or exported as LNG predominantly to Asian markets. The diagram below illustrates how Australia's total production was consumed in the 2017-18 year.



Source: Department of the Environment and Energy (2019) *Australian Energy Statistics*, Tables A and F

The major consumers of gas in Australia are the electricity generation, manufacturing, residential and mining sectors. According to the Department of the Environment and Energy (DEE), the largest consumer of gas is the electricity generation sector, followed by manufacturing that is comprised of a few large consumers, including metal product industries (mainly smelting and refining activities) the chemical industry (fertilisers and plastics). DEE reports that mining where gas is used for power generation and process heat and residential use for water heating, space heating and cooking are the other material areas of consumption.

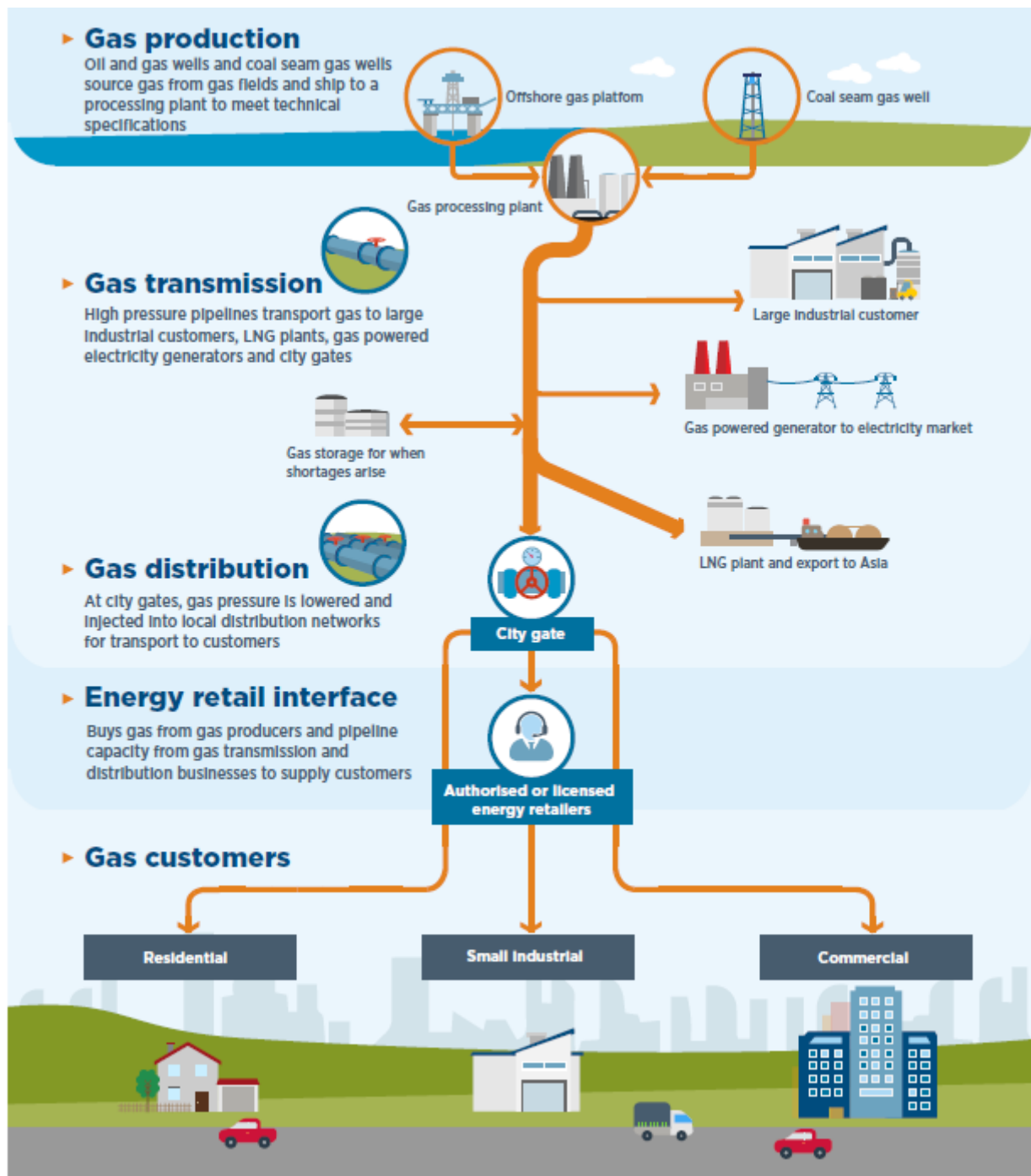
The Australian domestic gas market to date has consisted of three distinct regional markets. The largest of these is the Australian East Coast market, which accounted for approximately 57.1% of domestic gas consumption in FY2018, according to DEE. This eastern market consists of Queensland, New South Wales, Victoria, South Australia and Tasmania. The two other markets are the Western Australian market and the Northern Territory market, which accounted for approximately 40.0% and 2.9% of domestic gas consumption in FY2018, respectively, according to DEE. These three markets are geographically isolated from one another, making transmission and distribution of gas between markets uneconomic at present. As a result, all gas production was either consumed within each market or exported as LNG. The Northern Gas Pipeline connects Northern Territory to Queensland and it commenced operations in January 2019.

The natural gas industry in Australia comprises the physical supply chain and the marketing chain. The physical supply chain comprises:

- **Production:** extracting the gas from the conventional reservoirs or coal seams and treatment to sales quality;

- *Transmission*: encompasses the transportation of sales quality gas at high pressure, generally over long distances;
- *LNG production and export*: a large portion of gas produced in Australia is processed into LNG for export to international gas markets; and
- *Distribution*: involves reticulation of the sales quality gas through a network of low pressure, smaller diameter pipelines to end-users — industrial, commercial and residential customers. For larger industrial customers and power generators, sales quality gas is often delivered at higher pressure directly from the transmission pipeline.

The image below depicts the supply chain of the Australian gas industry and how they interact.



Source: AER State of the Energy Market 2018.

Note: Natural gas produced onshore can be from conventional and coal seam wells.

Marketing of natural gas occurs at a number of levels, related principally to the size of the transactions. Natural gas producers market gas in wholesale quantities to LNG producers, large industrial and power generation customers and energy retailers. Energy retailers deal in both wholesale and retail quantities, selling to industrial, commercial and residential customers. Vertical integration in the energy market results in some energy retailers and electricity generators also being natural gas producers.

In Australia, gas transmission and distribution pipeline owners may have transportation agreements with producers, retailers, aggregators, large industrial customers and power generators. The gas transmission and

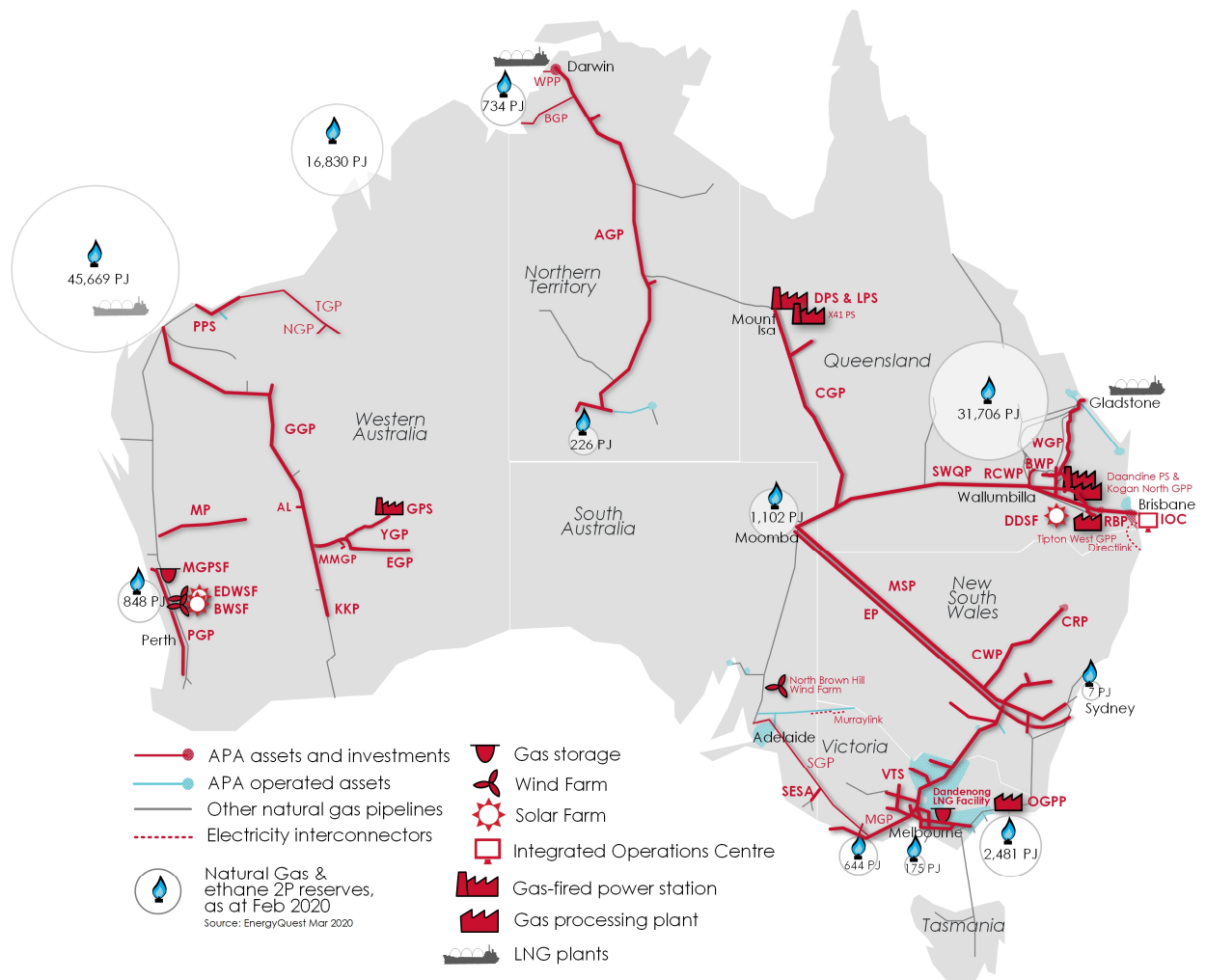
pipeline owners are paid a tariff for pipeline capacity and other gas transportation services (e.g. storage services) by whichever party in the marketing chain has the transportation agreement. The table below illustrates key participants in each sector of the natural gas market in Australia.

Production	Transmission	Distribution	Retail
<ul style="list-style-type: none"> • Santos • Shell • Chevron • CNOOC • BP • Inpex • Arrow • BHP • ExxonMobil • Woodside Petroleum • Origin Energy • Beach Energy • Cooper Energy • Senex Energy • Gladstone LNG (Santos, Petronas, Total, Kogas) • Australia Pacific LNG (Origin Energy, ConocoPhillips, Sinopec) • Queensland Curtis LNG (BG Group, CNOOC) • Ichthys Project (Inpex, Total) • Other LNG projects include Wheatstone, Gorgon (Chevron), North West Shelf Venture, Pluto, Darwin LNG Project, Prelude) 	<ul style="list-style-type: none"> • APA Group • Jemena (State Grid Corporation of China and Singapore Power International) • Australian Gas Infrastructure Group • QIC Global Infrastructure • Gladstone LNG Pipeline (Santos, Petronas, Total, Kogas) • Australia Pacific LNG Pipeline (Origin Energy, ConocoPhillips, Sinopec) 	<ul style="list-style-type: none"> • GDI EII • AGN • Jemena (State Grid Corporation of China and Singapore Power International) • AusNet Services • ATCO Gas Australia 	<ul style="list-style-type: none"> • AGL Energy • Origin Energy • EnergyAustralia • Alinta Energy • Simply Energy • Red Energy

Source: APA, *State of the Energy Market AER, 2018*; *EnergyQuarterly*, *EnergyQuest March 2020*.

Natural Gas Production

The exploration, production, transmission, distribution and marketing of natural gas are major economic activities in Australia, with gas being Australia's third largest energy resource after coal and uranium. Australia has approximately 100,400 PJ of proved and probable reserves of conventional natural gas, coal seam gas and ethane as at February 2020, according to EnergyQuest, see map below.



Source: EnergyQuest, March 2020

According to EnergyQuest, approximately 64% of Australian natural gas and ethane reserves (proven and probable) are located off the west and north-west coast of Australia. Australia also has significant unconventional gas resources in the form of coal seam gas, tight gas and shale gas. In eastern Australia, gas reserves are dominated by the large coal seam gas resources which exist predominately in the Queensland coal basins. EnergyQuest estimates that the proved and probable reserves of coal seam gas in Queensland were approximately 31,400 PJ as at February 2020.

Natural Gas Transmission

In Australia, the majority of gas producing fields are located in remote areas. In contrast, the principal domestic gas markets are generally concentrated around the major population centres. The majority of gas consumed in Australia is consequently transported through transmission pipelines over relatively long distances.

For the most part, these transmission pipelines connect one source of supply with one market. Historically, there has been little interconnection between Australia's discrete pipeline systems. However, in Australia's east there has been growth in interconnected pipelines, enabling greater flexibility in the transport of gas from multiple gas sources to multiple markets.

The majority of the early pipelines constructed in Australia were initially government owned. Until 1994, only Queensland and the Northern Territory had predominantly privately owned transmission pipeline infrastructure.

In 1994, the Commonwealth sold the Moomba to Sydney Pipeline (**MSP**) and associated laterals to East Australian Pipeline Limited. The privatisation trend continued such that by the end of 1999 all major transmission pipelines in Australia were privately held.

Natural Gas Distribution

The gas distribution industry has generally followed a similar course to gas transmission pipelines, including significant privatisation of government owned utilities. Many gas distribution businesses began in Australian capital cities during the 19th century, supplying manufactured gas. With the development of natural gas fields and associated construction of transmission pipelines, the existing gas distribution networks were converted to natural gas and expanded to include regional centres. Gas distribution networks continue to expand with population growth, with gas networks extended into new residential housing and commercial developments.

Liquefied Natural Gas Industry

Liquefied Natural Gas (**LNG**) is produced by converting natural gas to a liquid form for ease and safety of non-pressurized storage or transport. According to the Australian Department of Foreign Affairs and Trade, the value of Australia's LNG exports is estimated to have risen from A\$2.2 billion in FY2004 to A\$30.9 billion⁵ in FY2018, becoming Australia's third largest commodity export after iron ore and coal. The development of an LNG export facility requires large amounts of upfront capital investment in purchasing or building processing plants, ports and shipping facilities. Currently, Australia's LNG export projects are principally located in Western Australia's North West Shelf, Gladstone in Queensland and Darwin in the Northern Territory.

Australia liquefaction facilities



Source: US Energy Information Administration (EIA)

LNG projects in the North West Shelf include the Gorgon LNG Project (producing since March 2016 and has production capacity of 15.6 million tonnes per annum (**mtpa**)), Wheatstone LNG Project (producing since October 2017 and has production capacity of 8.9 mtpa), Pluto (producing since April 2012 and has production

⁵ Composition of Trade Australia 2017-18, Table 27: Australia's Major Merchandise Exports Rank, Value And Growth

capacity of 4.9 mtpa) as well as the North West Shelf Venture, Australia's first LNG project, which began shipping cargoes in 1989 and has grown to include 5 production trains, and produces up to 16.9 mtpa. The Prelude LNG Project, sponsored by Shell, Inpex, OPIC and Kogas, commenced operations in December 2018 and is the world's second floating LNG platform as well as the largest offshore facility ever constructed. It is expected to produce at least 5.3 mtpa of liquids, 3.6 mtpa of LNG, 1.3 mtpa of condensate and 0.4 mtpa of LPG and is in the initial phase of production.

LNG projects in Darwin include Ichthys Project (joint venture partners Inpex and Total) which shipped its first LNG cargo in October 2018 (production capacity expected of 8.9 mtpa) as well as Darwin LNG Project which liquefies gas from the Timor Sea (producing since 2006 and production capacity of 3.2 mtpa). Three Queensland LNG export projects are the A\$23.7⁶ billion QCLNG Project (in production since December 2014), the A\$24.7 billion APLNG Project (in production since December 2015) and the A\$21.6⁶ billion GLNG Project (in production since September 2015). All three projects are producing LNG from coal seams, which involve the production of coal seam natural gas in the gas fields in Queensland (Surat basin and/or Bowen basin), and transmission and delivery of gas to their LNG facilities on Curtis Island off Gladstone where coal seam natural gas is converted into LNG.

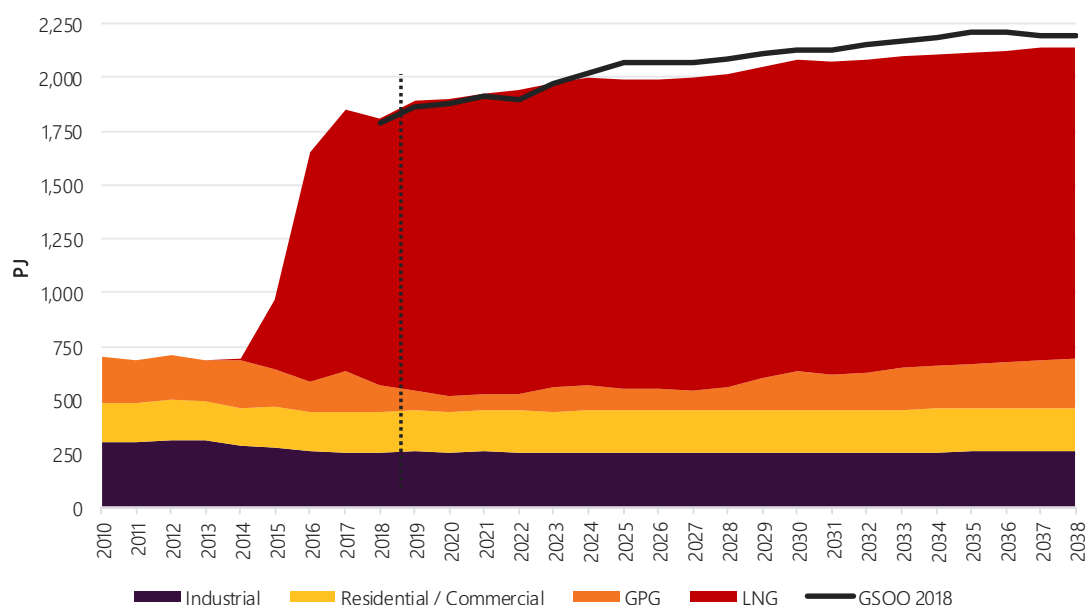
The QCLNG Project was developed by BG Group (now owned by Shell), CNOOC (50% of Train 1) and Tokyo Gas (2.5% of Train 2) and has a production capacity of 8.5mtpa. APA's Wallumbilla Gladstone Pipeline (**WGP**) is a key component of the QCLNG Project because it transports all coal seam gas from the Surat Basin to the Queensland Curtis LNG Plant.

The APLNG Project was developed by Origin Energy, ConocoPhillips and Sinopec as joint venture partners and has a production capacity of 9 mtpa.

The GLNG Project which was developed by Santos, Petronas, Total and Kogas as joint venture partners, has a production capacity of 7.8 mtpa.

The projects mentioned above have all entered into long-term (approximately 20 year) contractual obligations with overseas LNG buyers. The LNG producers have hedged their supply risks by finding and developing substantial proven and probable CSG reserves in the Surat and Bowen basins. At the time the above projects were sanctioned, the extent to which they expected to rely on reserves owned by them to meet their contractual export commitments varied. The APLNG Project and QCLNG Project primarily expected to meet their LNG needs through development of resources owned by them. By contrast, the GLNG Project always expected to source gas from other producers in the east coast gas market to supplement its CSG reserves. These long term contracts underwrote the projects which increased demand.

⁶ "Australian LNG Projects", www.appea.co.au.



Source: AEMO, 2019 Gas Statement of Opportunities (GSOO).

Note: GPG refers to gas powered generation. Gas demand forecasts used in the GSOO were previously published separately in the annual National Gas Forecasting Report (NGFR)⁷.

According to the ACCC the gas price in the eastern Australia market is now linked to international markets as a result of the Queensland LNG plants.

LNG import terminal projects have been proposed to supply natural gas to the domestic Australian market. This would provide an additional source of gas for domestic consumption. None of these projects have reached final investment decision.

Regulatory environment

Australia's economic regulatory regime for gas pipelines, which is referred to as the National Gas Access Regime is set out in the NGL and the NGR. The NGAR is administered in Western Australia by the ERA, a state based regulator, and in all other states and territories by the AER.

Pipelines that are subject to full regulation or light regulation under the NGAR are referred to as "covered" and as "Scheme Pipelines". Pipelines that are not covered (i.e., not subject to full or light regulation under the NGAR) are referred to as "Non-Scheme Pipelines".

There are four tiers of pipeline regulation in Australia under the NGAR:

1. Scheme Pipelines that are subject to "full regulation" in which the AER (or ERA in WA) approves an access arrangement, including tariffs based on a determination of the value of invested capital, a return on that capital and operating costs amongst other factors;
2. Scheme Pipelines that are subject to "light regulation" in which prices are negotiated between the customer and the pipeline operator, subject to arbitration by the AER (or ERA in WA) in the event of failure to reach a negotiated outcome;

⁷ National Gas Forecasting Report available at <http://www.aemo.com.au/Gas/National-planning-and-forecasting/National-Gas-Forecasting-Report>.

3. Non-Scheme Pipelines that are subject to an information disclosure and arbitration regime under Part 23 of the NGR, in which prices are negotiated between the customer and the pipeline operator using pricing methodologies published by the pipeline, subject to commercial arbitration in the event of failure to reach a negotiated outcome; and
4. Non-Scheme Pipelines that are exempt from the information disclosure and arbitration regime under Part 23 of the NGR by virtue of their small size or lack of third party access.

The NGL includes criteria and a process whereby a pipeline can become regulated under the regime (**covered**). Under the NGL, any person (including customers seeking access to a pipeline) may make an application that an unregulated pipeline become “covered” and therefore subject to full or light economic regulation. If such an application was made, and certain statutory criteria satisfied, the relevant pipeline could become subjected to economic regulation. Similarly, an application can be made seeking that light regulation be revoked and full regulation be imposed instead.

Full Regulation

Pipelines which are regarded as having a degree of market power such that regulated access will significantly increase competition in a dependent market are typically subject to full regulation. Some of APA’s pipelines have been covered by the NGAR and subject to full regulation since it was introduced in the 1990s establishing regulator-approved tariffs. The NGL and NGR contain principles which are applied in regulating third party access to natural gas transmission pipelines and distribution networks throughout Australia. They establish the rights and obligations of asset owners and users in relation to third party access to natural gas transmission and distribution. They provide a degree of predictability as to the terms and conditions of access to the services of specific gas infrastructure facilities, while preserving the role of commercial negotiation. APA has managed numerous price reviews since the original third party access regime commenced in 1998.

The following are core principles of the NGL and the NGR for price regulated assets:

- Reference Tariffs are applicable for standard services termed “Reference Services”. Reference Services for each asset are specified in an access arrangement approved by the regulator. The owner is required to provide the Reference Service to users at the Reference Tariff where there is available capacity except where it is not possible to do so safely;
- A user can accept a Reference Service at the Reference Tariff or seek to negotiate with the owner for a different service at a different tariff;
- The owner is able to offer discounts on its Reference Tariffs and the regulator may take account of this in subsequent tariff determinations where the discount provides benefits to other users of the pipeline (by, for example, avoiding inefficient bypass of the pipeline); and
- Disputes about access to pipeline services are resolved by binding arbitration undertaken by the regulator.

Reference Tariffs

Reference Tariffs are approved by the relevant regulator. Reference Tariffs are designed to provide a revenue stream to the owner sufficient to recover the following over the economic life of the asset:

- Return of the prudent and efficient capital invested and tax thereon;
- A rate of return on the capital invested (Weighted Average Cost of Capital or **WACC**); and
- An efficient level of operating costs.

Some regulated assets are also subject to incentive schemes for operating expenditure, which reward (or penalise) the pipeline owner by reference to its actual cost performance compared to approved forecasts. For pipelines subject to such a scheme, these rewards (or penalties) make up an additional element of the revenue building blocks.

The standard calculation of target revenue for the purposes of determining the Reference Tariffs is set out below:

$$\begin{aligned} \text{Target revenue} &= \left(\text{RAB} \times \text{WACC} \right) + \text{Opex} + \text{Regulatory depreciation} + \text{Regulatory taxation} \\ \text{RAB} &= \text{Opening value of assets} - \text{Regulatory depreciation over period} + \text{Approved capex} - \text{Asset disposals} \end{aligned}$$

Source: APA

For APA's existing price regulated assets, the key regulatory risk is the rate of return. The regulator sets a binding rate of return instrument for a defined interval of four years. Key methods and parameter values are fixed in the rate of return instrument, but the methods allow for variation in some market determined rates (for example, long term government bond rates) over time. The binding rate instrument in force at the time of a regulatory decision to reset tariffs is to be applied. The AER's binding rate of return instrument came into effect on 1 January 2019. The ERA's rate of return guidelines were published on 16 December 2018.

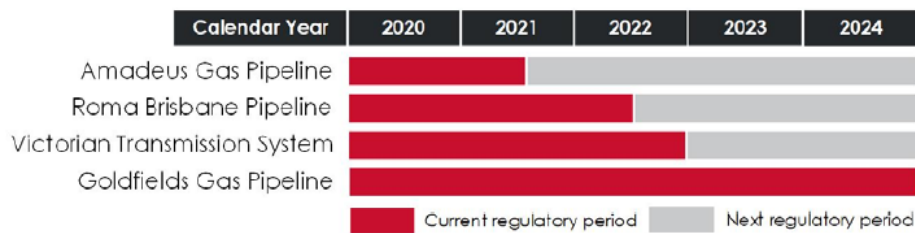
These instruments (both the AER's and ERA's instruments) set the rate of return as a weighted average of a rate of return on equity and a rate of return on debt. The weighting uses an assumed gearing (ratio of debt to total assets) which is fixed in the instrument (currently 0.6 in the AER instrument; 0.55 in Western Australia). The return on equity must be calculated using the Capital Asset Pricing Model, using parameters for that model – beta (β) and the market risk premium (MRP) – which are specified in the instrument ($\beta = 0.6$, MRP = 6.1% in the AER instrument; $\beta = 0.7$, MRP = 6.0% in Western Australia). The risk free rate of the Capital Asset Pricing Model must be calculated, using the method set out in the instrument, from long term Australian Government bond rates at the time a regulatory decision is made (10-year bonds in the AER instrument; 5-year bonds in Western Australia). In the AER instrument, the rate of return on debt is to be a 10-year moving average of the cost of debt with term to maturity of 10 years for a business with a BBB+, or equivalent, credit rating, calculated using the methods set out in the instrument (which currently provide for a transition into the moving average). A different approach applies in Western Australia. The rate of return on debt must be calculated, using the methods set out in the instrument, as the 5-year interest rate swap rate at the time the regulatory decision is made, plus a 10-year moving average of the premium above the 10-year swap rate for debt with term to maturity of 10 years for a business with a BBB+, or equivalent, credit rating.

Tariffs are typically set for a period of five years, but can vary during that period in accordance with an adjustment mechanism approved by the regulator. The adjustment mechanism must provide for tariff variation as the rate of return on debt (but not the rate of return on equity), calculated using the method set out in the binding instrument, varies during the period of five years. The adjustment mechanism will also usually provide for inflation adjustment of the tariff using a CPI-X formula, where **CPI** is inflation measured by the Consumer Price Index, and **X** represents a productivity factor.

Regulatory resets

During the six months ended 31 December 2019, and the year ended 30 June 2019, approximately 8.7% and 8.3% of APA's Energy Infrastructure segment revenues, respectively, were derived from regulated tariffs under approved access arrangements with remaining revenues being primarily derived from medium to long-

term contracts and under light or no regulation. Regulatory resets of Reference Tariffs generally occur every five years. The diagram below outlines the scheduled regulatory reset dates for pipelines owned and operated by APA.



Under the NGL, new pipelines can make an application for a 15 year regulation exemption.

Light Regulation

Typically, “light regulation” pipelines are those considered to exhibit some natural monopoly characteristics but which do not have sufficient market power to warrant full regulation but nonetheless the benefits of regulation are assessed to outweigh the costs. For assets subject to “light regulation”, contractual terms including price are negotiated between the asset owner and customers/shippers. There is no tariff established by the regulator for “light regulation” pipelines. The regulator becomes involved as the binding arbitrator only where there is a dispute and the contractual terms cannot be agreed.

Rolling out of Part 23 compliance

In October 2018, APA published its first set of financial statements and associated information as specified under Part 23 of the National Gas Rules. Together with the January 2018 publication of APA’s pricing principles and methodology, and standing terms, prospective pipeline users now have available a broad range of information to enable enhanced assessment of pipeline service offers. APA has continued to work with its customers to negotiate commercial terms that are acceptable and beneficial for all parties. There have been no formal access requests that could lead to arbitration since that formal process was introduced in August 2017. APA’s experience is that its gas transportation customers continue to work with APA to develop commercial arrangements that are mutually beneficial and satisfactory to all parties.

Part 24 and 25 capacity trading and auction

APA undertook extensive business system developments to ensure the successful implementation on 1 March 2019 of both a Capacity Trading Platform for the secondary trade of pipeline capacity, and a daily auction facility of firm contracted but un-nominated pipeline capacity. Both facilities are being run by the AEMO.

Information disclosure and commercial price arbitration regime

Additional information disclosure and commercial arbitration rules came into effect in August 2017 (December 2017 in Western Australia) and they apply to APA’s unregulated pipelines, which are known by the term “non-scheme” pipelines. APA has worked with the Gas Market Reform Group, Australian Energy Market Operator and the industry on the design and implementation of the additional rules over the past four years.

Under the new regime, pipeline operators are required to publish their pricing methodologies for services provided by Non-Scheme Pipelines. This disclosure supports negotiation of prices between the customer and the pipeline operator. If a customer and a pipeline operator cannot come to an agreement regarding pricing for

services for a pipeline subject to Part 23 of the NGR, this regime provides an option to access an arbitrator to determine a commercial outcome that would occur in a workably competitive market.

This information for APA's East Coast and Central Region gas transmission assets was published on APA's website on 31 January 2018. This information includes APA's pricing methodology and other information in relation to pipeline services and tariffs for these assets consistent with the requirements of the National Gas Rules (Part 23). The published tariffs are consistent with tariffs that APA has agreed with its customers over a number of years and with competitive outcomes. APA supports this initiative of improved information transparency. The information for APA's Western Australia gas transmission assets was published on 19 June 2018. Additional disclosure provisions of individual pipeline financial statements, application of the prescribed recovered capital methodology, and average prices was published on APA's website on 31 October 2018.

Gas Policy Developments

Regulation Impact Statements ("RIS")

In August 2019, the COAG Standing Committee of Officials released 'Measures to improve transparency in the gas market: Regulation Impact Statement for consultation'. The RIS presents options to improve transparency in the eastern and northern Australian gas markets. In March 2020, the COAG Energy Council released their Decision RIS on transparency. APA will be required to report increased information in relation to certain compression and storage facilities, and proposed and committed pipeline developments. APA accepts the proposed changes as enhancing gas market transparency subject to ensuring alignment with existing information disclosure requirements under the Corporations Act and the ASX Listing rules. Draft legislation to implement the changes is expected for consultation in late May/early June 2020 with legislation to go to parliament in late 2020. At the end of October 2019, the COAG Energy Council released for consultation its RIS "Options to improve gas pipeline regulation". This RIS process addresses the Energy Council's initiative in August 2018 to consider further improvements to the regulatory framework and the mandated review of Part 23 of the NGR. The RIS outlined four options for reform including a 'no change' option. APA has been active in the consultation process, including suggesting a hybrid option that draws upon elements from the RIS and the existing National Gas Law and Rules. Under APA's hybrid option, all pipelines would be subject to regulation with the minimum level being Part 23 of the National Gas Rules. The negotiate-arbitrate model would be retained, with an exemption for greenfield pipelines. All existing pipelines would retain their current regulated status at the start of the new scheme. The current test applying the existing Form of Regulation factors in Section 16 of the National Gas Law would then be utilised to determine which pipelines should move from "lighter" Part 23 regulation to "heavier" full regulation or vice versa. APA believes this hybrid option addresses concerns about regulatory coverage of pipelines by ensuring the appropriate form of regulation while harmonising the level of information available across all regulatory classes of pipelines. Consultation on the RIS closed on 20 December 2019 and a period of assessment and review will be undertaken by senior officials from government and statutory authorities prior to publishing the decision RIS, which is expected during the second half of 2020.

Security of Critical Infrastructure

The Federal Government introduced the Security of Critical Infrastructure Act in 2018 with the objective of providing a framework for managing risks to national security from foreign involvement in Australia's critical infrastructure. All required information on APA's assets and investment assets which met the threshold criteria under the legislation was submitted during the period to the Critical Infrastructure Register, maintained by the Critical Infrastructure Centre. This included information on pipelines, gas storage facilities, power stations and electricity interconnectors. APA has responded to enquiries received from the Critical

Infrastructure Centre and continued to provide updates to the Critical Infrastructure Register to maintain completeness and accuracy of information, with no new assets added to the register in HY2020.

GLOSSARY

A\$	Australian currency (dollars).
AAS	Australian Accounting Standards as published by the Australian Accounting Standards Board, including the Australian Accounting Interpretations adopted by the Australian Accounting Standards Board, and the Corporations Act.
ABN	Australian Business Number.
ACCC	Australian Competition and Consumer Commission.
access arrangement	An arrangement for access to a price regulated pipeline or distribution network covered by the NGL and NGR (setting out the terms and conditions, including price, at which third parties can acquire services on the pipeline or network).
ACN	Australian Company Number.
AEMO	Australian Energy Market Operator.
AER	Australian Energy Regulator.
AGL Energy	AGL Energy Limited (ABN 74 115 061 375).
AGN	Australian Gas Networks Limited (formerly Envestra Limited).
AGP	Amadeus Basin to Darwin gas pipeline, Northern Territory.
A-IFRS	Australian International Financial Reporting Standards as published by the AAS Board, including the Australian Accounting Interpretations adopted by the AAS Board, and the Corporations Act.
Allgas or Allgas Gas Network	Gas distribution network located in Queensland owned by GDI.
APA Group or APA	The registered business name of APT and APTIT, the units of which trade on the ASX under the ticker symbol “APA” as a single “stapled” security. References in this Offering Circular to APA are also made generally in the context of the business of APA in its entirety, including the respective businesses of the Issuer, the Principal Guarantor and their controlled entities.
APL	Australian Pipeline Limited (ACN 091 344 704).
APLNG Project	The Australia Pacific LNG project, Queensland.
APT	Australian Pipeline Trust (ARSN 091 678 778).
APTIT	APT Investment Trust (ARSN 115 585 441).
APT Pipelines or Issuer	APT Pipelines Limited (ACN 009 666 700), a wholly owned subsidiary of APL, as the responsible entity and trustee of APT.
Arrow	Arrow Energy Holdings Pty Ltd.
ARSN	Australian Registered Scheme Number.
ASIC	Australian Securities and Investments Commission.

ASX	ASX Limited (ACN 008 624 691), the Australian Securities Exchange.
BG Group	BG Group plc
BGP	Bonaparte Gas Pipeline.
BHP	BHP Group Limited (ABN 49 004 028 077) and its controlled entities.
Board	The Board of Directors of APL or the Issuer (as the context requires), unless otherwise indicated.
BP	BP Plc.
BWP	Berwyndale Wallumbilla Pipeline, Queensland.
capacity	The maximum quantity of gas which a pipeline can transport from a receipt point to a delivery point under normal operating conditions and as currently configured.
CGP	Carpentaria Gas Pipeline, Queensland.
CNOOC	China National Offshore Oil Corporation.
COAG Energy Council	The Council of Australian Governments Energy Council
Commonwealth	Commonwealth of Australia and where the context so permits, includes the Federal Government of Australia.
compression	Whereby the pressure of the gas flowing through the pipeline is raised, enabling higher throughput.
Corporations Act	Australian Corporations Act 2001 (Cth).
CPI	Consumer Price Index, a general measure of Australian household price inflation.
CRN	Central Ranges Network, New South Wales.
CRP	Central Ranges Pipeline, New South Wales.
Darwin LNG Project	Darwin LNG Project, Northern Territory.
DEE	Department of Environment and Energy.
Derivative Transaction	The meaning given to it in “ <i>Terms and Conditions of the Notes — Events of Default and Enforcement.</i> ”
Directlink	An electricity interconnector asset, owned by EII.
Directors	Directors of APL or the Issuer (as the context requires), unless otherwise indicated.
East Coast Grid	APA’s East Coast Grid mainly comprises CGP, SWQP, WGP, RBP, MSP and VTS.
EBIT	Earnings exclusive of interest expense and income tax expense.
EBITDA	Earnings exclusive of interest expense, income tax expense, depreciation and amortisation.
EII	Energy Infrastructure Investments Pty Limited (ACN 104 348 852).
EII2	EII 2 Pty Ltd (ACN 139 673 215).

EMTN	Euro Medium Term Note.
EnergyQuest	EnergyQuest, an Australian-based energy advisory firm, which specialises in market analysis and strategy for energy companies, buyers, investors and governments.
Envestra	Envestra Limited (ACN 078 551 685) (now known as AGN).
ERA	Economic Regulation Authority.
Ethane Pipeline	Moomba to Port Botany Ethane Pipeline.
Excluded Subsidiaries	Certain subsidiaries that are excluded from the requirement to provide a guarantee under the Issuer's bank debt facilities, being Goldfields Gas Transmission Pty Ltd (ABN 87 004 273 241), APT SPV2 Pty Ltd, APT SPV3 Pty Ltd, APT SEA Gas Holdings Pty Limited (ACN 124 754 767), APA Sea Gas (Mortlake) Holdings Pty Ltd (ABN 56 612 184 684) and APA Sea Gas (Mortlake) Pty Ltd (ABN 24 612 185 734) and (in summary) any direct or indirect subsidiary of a Parent Guarantor party to certain limited recourse borrowing arrangements.
fiscal year	1 July to 30 June.
FFO-to-Debt	Funds From Operations divided by the sum of current and non-current borrowings and operating lease liabilities and unamortised borrowing costs, minus cash and cash equivalents and 50% reclassification of any hybrid issuances as defined by the credit rating agencies, and including derivatives at fair value. Calculated on a rolling 12 month basis.
FFO-to-Interest	Funds From Operations plus finance costs and any amount of interest expense included in the cost of qualifying assets, minus 50% reclassification of any interest on hybrid issuances as defined by the credit rating agencies divided by interest and other costs of finance paid as disclosed in the statement of cash flows plus any amount of interest expense included in the cost of qualifying assets. Calculated on a rolling 12 month basis.
Funds From Operations	EBITDA minus finance costs, current income tax expense, the amount of interest expense included in the cost of qualifying assets, the share of net profits of associates and joint ventures using the equity method, plus cash distributions from associates and joint ventures using the equity method.
FY2017	Financial Year to 30 June 2017.
FY2018	Financial Year to 30 June 2018.
FY2019	Financial Year to 30 June 2019.
GasNet	GasNet Australia Group.
GDI	GDI (EII) Pty Limited (ABN 96 154 766 524).
GGP	Goldfields Gas Pipeline, Western Australia.
GLNG Project	The Gladstone LNG Project, Queensland.
Gorgon LNG Project	The Gorgon Gas Project, Western Australia.

GTA	Gas Transportation Agreement.
HDF	Hastings Diversified Utilities Fund.
HY2019	The six months to 31 December 2018.
HY2020	The six months to 31 December 2019.
Ichthys Project	Ichthys LNG Project, Northern Territory.
Inpex	INPEX Corporation.
Interconnect or Interconnector	A section of pipeline or electricity infrastructure allowing bi-directional energy flow between states and territories of Australia or distinct networks.
Issuer	See “ APT Pipelines ”.
joule or J	The main SI unit for measuring all forms of energy is the joule.
km	Kilometres.
Kogas	Korea Gas Corporation.
lateral	A branch pipeline linking a main pipeline to a market or end-user or other pipeline.
LNG	Liquefied natural gas.
looping	Increasing the capacity of a pipeline by installation of an additional pipeline (in sections or entirely), parallel to and joined with the original pipeline(s).
MAPS	Moomba to Adelaide Pipeline System, South Australia.
Moody’s	Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.
MSP	Moomba Sydney Pipeline system in New South Wales, including laterals and the NSW-VIC Interconnect.
mtpa	Million tonnes per annum.
MTN	Medium Term Note.
Murraylink	An electricity interconnector asset owned by EII.
MW	Megawatt. 1 MW = 10 ⁶ watts.
NGAR	National Gas Access Regime.
NGL	National Gas Law.
NGR	National Gas Rules.
North West Shelf Venture	North West Shelf LNG Project, Western Australia.
NSW	New South Wales, Australia.
NT	Northern Territory, Australia.
Origin Energy	Origin Energy Limited (ABN 30 000 051 696) and its relevant controlled entities.
Parent Guarantors	APL, in its separate capacities as trustee and responsible entity of APT and APTIT
pass-through revenue	Revenue which passes through APA’s accounts but upon which no

	margin is earned such as, in some cases, reimbursements of construction or other costs which were incurred for customers.
Petronas	Petronas Australia Pty Ltd and its Australian subsidiaries.
PGP	Parmelia Gas Pipeline, Western Australia.
PJ	Petajoule. 1 PJ = 10 ¹⁵ joules.
Pluto	Pluto LNG Project, Western Australia
Prelude LNG Project	The Prelude FLNG facility, Western Australia
PWC	The Power and Water Corporation, a Northern Territory of Australia Government owned utility. Also known as Power and Water.
QCLNG Project	Queensland Curtis LNG Project, Queensland.
QLD	Queensland, Australia.
RBP	Roma Brisbane Pipeline, Queensland.
regulated asset base	The regulatory value of assets regulated under the NGL or the National Electricity Law.
RCW	Reedy Creek Wallumbilla Pipeline.
Reference Service	A service specified in an Access Arrangement and in respect of which a Reference Tariff has been specified in that access arrangement.
Reference Tariff	Pipeline tariff for a Reference Service specified in an access arrangement approved by a regulator according to pricing principles detailed in the NGR.
Responsible Entity	Australian Pipeline Limited (ACN 091 344 704) and, generally in Australia, a licensed entity or body that operates a registered managed investment scheme.
S&P	Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., and its successors.
SEA Gas	South East Australia Gas Pty Ltd.
securityholder	The registered holder of ordinary stapled securities in APT and APTIT.
SESA Pipeline	South East South Australia Pipeline.
Shell	Royal Dutch Shell plc.
SI	International System of Units (Système International d'Unités).
Standard	AS2885, the Gas and Liquid Petroleum pipelines standard.
SWQP	South West Queensland pipeline.
TJ	Terajoule. 1 TJ = 10 ¹² joules.
TJ/d	Terajoule per day.
Total	Total SA.
USPP Notes	US Private Placement Notes.
VIC	Victoria, Australia.

VTs	Victorian Transmission System.
WACC	Weighted Average Cost of Capital, which refers to the weighted average of the cost at which an entity can borrow debt and the cost at which it can raise equity.
watt or W	Particularly for electricity, the basic SI unit of power is the watt and a commonly used unit is the kilowatt (1,000 watts).
WGP	Wallumbilla Gladstone Pipeline, formerly the QCLNG Pipeline.
Wheatstone LNG Project	The Wheatstone Gas Project, Western Australia.

TAXATION

Australian Taxation

*The following is a general summary of the taxation treatment under the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 (the **Tax Act**), at the date of this Offering Circular, of payments of interest (as defined in the Tax Act) on the Notes and certain other matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of holders of the Notes (including dealers in securities, custodians or other third parties who hold the Notes on behalf of any absolute beneficial holders of the Notes), nor does it deal with the Australian tax treatment of any Dual Currency Notes or Notes issued at a premium over par; should the Issuer issue Notes of such kind, the Australian tax treatment of those Notes will be addressed in the applicable Final Terms.*

The following is a general guide only and should be treated with appropriate caution. Prospective holders of the Notes should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

Interest withholding tax

An exemption from Australian interest withholding tax imposed under Division 11 A of Part III of the Tax Act (IWT) is available in respect of the Notes under section 128F of the Tax Act if all the following conditions are satisfied:

- the Issuer is a resident of Australia when it issues the Notes;
- the Issuer is a resident of Australia when interest (as defined in section 128A(1AB) of the Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- the Notes are issued in a manner which satisfies the ‘public offer test’ as outlined in section 128F(3) of the Tax Act. The ‘public offer test’ should be satisfied where the Notes (whether in global form or otherwise) are offered for issue:
 - (a) to 10 or more persons who are carrying on the business of providing finance, or investing or dealing in securities, in the course of operating in financial markets who are not “associates” of each other for the purposes of section 128F(9) of the Tax Act; or
 - (b) to at least 100 investors who have acquired debentures in the past or are likely to be interested in acquiring debentures; or
 - (c) as a result of being accepted for listing on a stock exchange under an agreement requiring listing; or
 - (d) publicly in electronic form, or in another form, that was used by financial markets for dealing in debentures or debt interests; or
 - (e) to a dealer, manager or underwriter who under an agreement with the Issuer offers to sell the Notes within 30 days by one of the preceding methods;
- the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes or interests in the Notes were being, or would later be, acquired, directly or indirectly, by an “associate” of the Issuer, except as permitted by section 128F(5) of the Tax Act; and

- at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an “associate” of the Issuer, except as permitted by section 128F(6) of the Tax Act.

Associates

An “associate” of the Issuer for the purposes of section 128F of the Tax Act refers to entities such as natural persons, companies, trustees and partnerships that by reason of a family or business connection are regarded as associates of a particular entity.

The associate test operates to determine whether an entity is an associate of the Issuer. The associate test also considers whether the potential Noteholders are themselves associated with each other.

Where the Issuer and Noteholders are companies, associates of the Issuer/Noteholder will broadly include:

- an entity who (together with its associates) holds a majority voting interest in the Issuer/Noteholder;
- an entity who (together with its associates) sufficiently influences the Issuer/Noteholder;
- an entity who is controlled by the Issuer/Noteholder (and its associates) through a majority voting interest; or
- an entity that is ‘sufficiently influenced’ by the Issuer/Noteholder (and its associates).

Subsection 318(6) of the Tax Act provides that:

‘a company is sufficiently influenced by an entity or entities if the company, or its directors, are accustomed or under an obligation (whether formal or informal), or might reasonably be expected, to act in accordance with the directions, instructions or wishes of the entity or entities (whether those directions, instructions or wishes are, or might reasonably be expected to be, communicated directly or through interposed companies, partnerships or trusts)’.

Where the Issuer/Noteholder is capable of benefiting (whether directly or indirectly) under a trust, associates of the Issuer/Noteholder will include the trustee of such trusts.

Where the Issuer/Noteholder is a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under any of the foregoing then they will be associates for the purposes of section 128F(9) of the Tax Act.

However, for the purposes of sections 128F(5) and (6) of the Tax Act (see the fourth and fifth bullet points under “*Interest withholding tax*” above), “associate” does not include:

- onshore associates (i.e., Australian resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia); or
- offshore associates (i.e., Australian resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not hold the Notes in the course of carrying on business through a permanent establishment in Australia (each an **Offshore Associate**)) who are acting in the capacity of:
 - (a) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme; or

- (b) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

Compliance with section 128F of the Tax Act

The Issuer intends to issue the Notes in a manner that satisfies the requirements of the exemption from IWT as outlined above.

Pursuant to the Programme Agreement entered into between the Initial Dealer and the Issuer, the relevant Dealer must not, as part of the primary distribution of any Notes, sell any relevant Notes to any person that the employees of such Dealer directly involved in the sale of the Notes actually know or have reasonable grounds to suspect, or that the Issuer has notified the Dealer, is an Offshore Associate of the Issuer.

Under such Programme Agreement, if any employee of a relevant Dealer effecting the sale, or otherwise directly involved in the sale of the Notes, does not know, or does not have reasonable grounds to suspect, that a person is an Offshore Associate, then the relevant Dealer is not obliged to make positive inquiries of that person, to confirm that person is not such an Offshore Associate.

On the basis that the Notes are issued, and interest on the Notes is paid, in compliance with section 128F, no deduction or withholding in respect of Australian IWT should be required to be made from any payment of principal or interest made by the Issuer in respect of the Notes.

Other tax matters

Under Australian laws as presently in effect:

- *income tax — offshore holders of the Notes* — assuming the requirements of section 128F of the Tax Act are satisfied with respect to the Notes, payments of principal and interest to a Noteholder who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- *gains on disposal of Notes — offshore holders of the Notes* — a Noteholder who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of the Notes by a non-Australian resident holder to another non-Australian resident where Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not generally be regarded as having an Australian source; and
- *stamp duty and other taxes* — no *ad valorem* stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes subject to the Note issued being ‘debt interests’ as described below; and
- *other withholding taxes on payments in respect of Notes* — section 12-140 of the Taxation Administration Act 1953 (the **Taxation Administration Act**) imposes a type of withholding tax at the rate of (currently) 47% on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number (**TFN**) (in certain circumstances), an Australian Business Number (**ABN**) or proof of some other exception (as appropriate). Assuming the requirements of section 128F of the Tax Act are satisfied with respect to the Notes, then the requirements of section 12-140 do not apply to payments to a holder of Notes issued in registered form who is not a resident of Australia and not holding those Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of holders of the Notes

issued in registered form may be subject to a withholding where the Noteholder does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate); and

- *supply withholding tax* — payments in respect of the Notes can be made free and clear of the “supply withholding tax” imposed under section 12-190 of the Taxation Administration Act; and
- *direction by the Commissioner* - the Commissioner of Taxation may give a direction under section 255 of the Tax Act or section 260-5 of Schedule 1 of the Taxation Administration Act 1953 or any similar provision requiring the Issuer to deduct from any payment to any other party (including a holder of Notes) any amount in respect of tax payable by that other party; and
- *goods and services tax (GST)* — neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of the Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of Notes, would give rise to any GST liability in Australia; and
- *debt/equity rules* — Division 974 of the Tax Act contains tests for characterising debt and equity for Australian tax purposes, including for the purposes of IWT. The Issuer intends to issue Notes which are to be characterised as “debt interests” for the purposes of the tests contained in Division 974 and the returns paid on the Notes are intended to be characterised as “interest” for the purposes of section 128F of the Tax Act.

Taxation of financial arrangements

Division 230 of the Tax Act contains a regime for the taxation of financial arrangements issued, or held, by Australian residents (or non-residents operating through an Australian permanent establishment) (the **TOFA regime**). Where it applies, the TOFA regime may impact upon the tax character and tax timing of gains and losses arising from those financial arrangements. The TOFA regime does not contain any measures that would override the exemption from Australian IWT available under section 128F of the Tax Act.

Payments under the Guarantee

Australian income tax law does not specifically address the question of whether or not any payment by the Guarantors under the Guarantee of amounts in respect of interest on the Notes would be subject to IWT or whether or not, if the payment would otherwise be subject to IWT, the payment would be exempt from IWT to the same extent that the payment of interest on the Notes to which it relates would be exempt from IWT under section 128F of the Australian Tax Act. However, the Australian Taxation Office has released a Taxation Determination concluding that payments by a guarantor in respect of interest on debentures (such as the Notes) should be regarded as interest subject to IWT but that such payments should be entitled to the benefit of the exemption contained in section 128F of the Australian Tax Act if payments of interest in respect of those debentures by the Issuer are exempt from IWT under section 128F of the Australian Tax Act.

Interest on bearer securities

Pursuant to section 126 of the Tax Act, payments of interest in respect of Notes may be subject to withholding on account of Australian tax at a rate of 45% if the Notes are in bearer form and the Issuer does not provide the names and addresses of the holders of the Notes to the Commissioner of Taxation. No such tax is imposed if the Notes are held by non-resident holders (that do not hold the Notes in the course of carrying on a business at or through a permanent establishment in Australia) where the exemption provided by section 128F of the Tax Act is available or if Australian IWT is payable. However, section 126 of the Tax Act will apply to resident holders. The Issuer intends to treat operators of clearing systems as the holders of the Notes for these purposes (consistent with Taxation Determination TD 2001/19).

Payment of additional amounts

If an amount of Australian withholding tax is required to be deducted or withheld by the Issuer (or a Guarantor) from payments of interest in relation to the Notes, then the Issuer or Guarantors (as the case may be) must, subject to certain exceptions set out in Condition 9 of the Notes, pay an additional amount that would result in the holders of the Notes receiving an amount equal to that which they would have received had no such deduction or withholding been made. In such circumstances and subject to the Terms and Conditions, the Issuer may redeem the Notes.

Australian resident holders

The income received by Australian resident holders in respect of the Notes will be included in the assessable income of those holders for Australian income tax purposes. Australian resident holders that derive a gain on a sale or redemption of Notes will be subject to Australian tax on such gain.

US and UK Resident holders of Notes

Australia has signed a number of amended double tax conventions (the **Treaties**) with the **Specified Countries** (defined below). The Treaties apply to interest derived by a resident of a Specified Country.

The Treaties effectively exempt IWT from applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and
- certain unrelated financial institutions resident in a Specified Country which substantially derive their profits by carrying on a business of raising and providing finance.

The availability of this IWT exemption is subject to certain exceptions.

Under the Treaties interest paid in respect of arrangements involving back-to-back loans and economically equivalent arrangements would still be subject to the 10% IWT rate. In addition, the anti-avoidance provisions in the Tax Act may apply.

Specified Countries include the United States of America, France and the United Kingdom.

The Proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (**Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (**participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member

States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

FATCA Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold U.S. tax on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting, or related requirements. The issuer may be a foreign financial institution for these purposes. Under proposed U.S. Treasury Regulations, however, such withholding on foreign passthru payments will not apply to payments made before the date that is two years after the date on which applicable final regulations that define foreign passthru payments are published. Further, obligations, such as the Notes, issued on or prior to the date that is six months after the date on which applicable final regulations defining foreign passthru payments are filed generally would be “grandfathered” and would not be subject to withholding unless they are characterised as equity for U.S. federal income tax purposes or they are materially modified after such date. As of the date hereof, no such regulations have been issued. A number of jurisdictions (including Australia) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, there generally will be no additional amounts payable to compensate for the withheld amount; however, APA does not expect to withhold any U.S. tax pursuant to FATCA with respect to the Notes.

Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**CRS**) will require certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS.

A jurisdiction that has signed the CRS Competent Authority Agreement, which includes Australia, may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

SUBSCRIPTION AND SALE

Subject to the terms and conditions contained in an amended and restated programme agreement dated 21 April 2020 (as amended, restated or supplemented, the **Programme Agreement**) between the Issuer, the Initial Guarantors and BNP Paribas (the **Initial Dealer** and together with any other dealers appointed under the terms of the Programme Agreement, the **Dealers**), Notes may be offered on a continuous basis by the Issuer to the Dealers. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Programme Agreement also provides for Notes to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of any Notes. The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer may violate the registration requirements of the Securities Act.

Each issuance of Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

Prohibition of Sales to EEA and UK Retail Investors

Unless the Final Terms in respect of any Notes specifies the “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed

under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II;
- (b) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (c) not a qualified investor as defined in the Prospectus Regulation (as defined below).

If the Final Terms in respect of any Notes specifies the “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in relation to each Member State of the European Economic Area and the United Kingdom (each, a **Relevant State**), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the Final Terms in relation thereto to the public in that Relevant State except that it may make an offer to the public in that Relevant State of any Notes at any time under the following exemptions under the Prospectus Regulation:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression **an offer of Notes to the public** in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129 (as amended).

United Kingdom

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Switzerland

Under Swiss law, certain entities described herein, in particular the registered managed investment schemes APT and APTIT, may qualify as a collective investment scheme under Swiss regulations, none of which have been licensed for distribution to non-qualified investors by the Swiss Financial Market Supervisory Authority FINMA (**FINMA**) as a foreign collective investment scheme pursuant to article 120(1) of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, as amended (**CISA**), and no representative or paying agent in Switzerland has been appointed pursuant to article 120(4) CISA. Accordingly, the Notes may only be offered (within the meaning of article 3(g) of the Swiss Federal Act on Financial Services (**FinSA**) or marketed (within the meaning of article 127a of the Collective Investment Schemes Ordinance), directly or indirectly, in Switzerland and this document and any other marketing or offering documents relating to the Issuer, the Principal Guarantor, the Other Guarantors or the Notes may only be made available in Switzerland to professional clients as defined in article 4(3) FinSA, private clients within the meaning of article 4(2) FinSA who are in a long-standing investment advisory- or investment management relationship with a regulated financial intermediary in accordance with article 10(3^{ter}) CISA and who did not declare that they shall not be treated as qualified investors within the meaning of the CISA. Investors in the Notes do not benefit from the specific investor protection provided by the CISA and the supervision by the FINMA in connection with the licensing for offering or the appointment of a representative or a paying agent in Switzerland.

No application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA.

Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per la Società e la Borsa* (**CONSOB**) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed and each further Dealer under the programme will be required to represent and agree that it has not offered, sold or delivered and will not offer, sell or deliver any Notes or distribute any copy of this Offering Circular or any other document relating to the Notes in Italy except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and/or CONSOB regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

In any event, any offer, sale or delivery of the Notes or distribution of copies of the Offering Circular or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**) and CONSOB Regulation No. 20307 of 15 February 2018, all as amended from time to time; and
- (ii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Japan

The Notes have not been and will not be registered under Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not directly or indirectly, offered or sold and will not directly or indirectly offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other relevant laws and regulations of Japan.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (i) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement,

invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

Each Dealer has acknowledged, and each further Dealer under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each future Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) as modified or amended from time to time (together, the **SFA**)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person who is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the ‘securities’ or ‘securities-based derivatives contracts’ (each term as defined in section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B(1)(C) of the SFA – In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified in the relevant Final Terms in respect of any Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA), that all Notes issued or to be issued under the Programme shall be ‘prescribed capital markets products’ (as

defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or the Notes has been, or will be, lodged with the ASIC. Each Dealer represents and agrees, and each further Dealer under the Programme will be required to represent and agree, that it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any offering circular or any other offering material or advertisement relating to the Notes in Australia,

unless (a) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not (other than by reason of section 708(14) or section 708A of the Corporations Act) require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act, (b) such action complies with all applicable laws, regulations and directives (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act), (c) such action does not require any document to be lodged with ASIC and (d) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761G of the Corporations Act.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will only offer any Note for issue or sale or invite offers to subscribe for or purchase any Note or deliver any Note or possess or distribute the Offering Circular or other material in relation to the Notes in circumstances which, to the best of its knowledge and belief, comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Guarantors, the Trustee nor any of the other Dealers shall have any responsibility therefor.

Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to further agree that the offering and marketing of the Notes by such Dealer will be conducted in the EEA and the United Kingdom only if the relevant jurisdiction is specified as an 'Approved Jurisdiction' in the applicable Final Terms and will not otherwise be conducted by such Dealer in any other EEA member state or the United Kingdom.

None of the Issuer, the Guarantors, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

For the purposes of these selling restrictions, the Notes include interests or rights in Notes held in Euroclear or Clearstream, Luxembourg or any other clearing system.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms, the Subscription Agreement, Dealer Accession Letter or dealer confirmation, as relevant.

GENERAL INFORMATION

Authorisation

The establishment of the Programme was duly authorised by resolutions passed by the Board of Directors of the Issuer on 6 September 2010. The giving of the Guarantee was duly authorised by resolutions passed by the Board of Directors of the Principal Guarantor on 18 October 2010 and by each other Initial Guarantor on or before the date of its execution of or accession to the Trust Deed as a Guarantor. The giving of the Guarantee will also be authorised by each further Additional Guarantor at the time such entity becomes a Guarantor. The issue of each Tranche of Notes has been and the issue of each future Tranche of Notes will be, duly authorised by resolutions passed by the Board of Directors of the Issuer on or before its issue date.

Listing of Notes

Application has been made to the SGX-ST for permission to deal in and for the listing of and quotation for any Notes that may be issued pursuant to the Programme and which are agreed on or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. Admission to the Official List of the SGX-ST and the listing and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantors, the Programme or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. The Notes will trade on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) so long as any of the Notes remain listed on the SGX-ST.

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, a Paying Agent in Singapore will be appointed and maintained in the event that the Notes are issued in definitive form. In addition, in the event that any of the Global Notes are exchanged for definitive Notes, an announcement of such exchange will be made through the SGX-ST. Such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the Paying Agent in Singapore.

Documents Available

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and the specified offices of the Principal Paying Agent at One Canada Square, London E14 5AL, England, and, in respect of Notes listed on the SGX-ST, from the specified offices of the Paying Agent for the time being in Singapore upon written request and proof of holding between 9:00 am and 3:00 pm Monday to Friday, excluding public holidays:

- (a) the constitutional documents of the Issuer and the constitutional documents of each of the Guarantors;
- (b) the audited consolidated financial statements of the Group in respect of the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019 together with the audit report prepared in connection therewith. The Group currently prepares audited consolidated accounts on an annual basis;
- (c) the unaudited consolidated financial statements of the Group for the six-month period ending 31 December 2019 (together with any audit or review reports prepared in connection therewith);
- (d) the most recently published audited consolidated annual financial statements of the Group and the most recently published unaudited interim financial statements (if any) of the Group, in each case

together with any audit or review reports prepared in connection therewith. The Group currently prepares unaudited consolidated interim accounts on a half-yearly basis;

- (e) the Trust Deed (which includes the forms of the Global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons) and the Agency Agreement;
- (f) a copy of this Offering Circular; and
- (g) any future offering circulars, prospectuses, information memoranda and supplements to this Offering Circular, including Final Terms (save that the Final Terms relating to a unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer, the Trustee, the relevant Paying Agent and (in the case of Registered Notes) the Registrar as to its holding of Notes and identity) and any other documents incorporated herein or therein by reference.

Clearing Systems

Each series of Bearer Notes will be initially represented by either a Temporary Global Note or a Permanent Global Note that will (unless otherwise specified in the applicable Final Terms) be deposited on the issue date thereof with (as specified in the Final Terms) a common depositary on behalf of Euroclear and Clearstream, Luxembourg or any other agreed clearance system compatible with Euroclear and Clearstream, Luxembourg. Each series of Registered Notes will be initially represented by interests in a Global Registered Note and (unless otherwise specified in the applicable Final Terms) deposited on the issue date thereof with (as specified in the Final Terms) a common depositary for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg.

The Legal Entity Identifier of the Issuer is 261700SS8OEHD0COUJ33. The appropriate Common Code and the ISIN for each series of Bearer Notes or Registered Notes will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

Save as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2019 and there has been no material adverse change in the financial position or prospects of the Issuer or the Group since 31 December 2019.

Litigation

There are no legal or arbitration proceedings pending or known to be contemplated that may in the future have or have had, in the 12 months preceding the date of this Offering Circular, a material effect on the financial position or profitability of the Issuer or any other member of the Group. Members of the Group are

party to a number of minor litigation matters in the ordinary course of business. APA believes that any ultimate liability in those other litigation matters will not be material to its financial position, results of operations or cash flows.

Auditors

The auditors of the Group are Deloitte Touche Tohmatsu, who have audited the Group's accounts, without qualification, in accordance with Australian Auditing Standards for each the financial years ended on 30 June 2017, 30 June 2018 and 30 June 2019. Deloitte Touche Tohmatsu have also reviewed, but not audited, the Group's accounts in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity for each of the six months ended 30 December 2018 and 30 December 2019. The auditors of the Group have no material interest in any entity which forms part of the Group.

The reports of the auditors of the Group are included or incorporated in the form and context in which they are included or incorporated, with the consent of the auditors who have authorised the contents of that part of this Offering Circular.

Parties Transacting with the Issuer and the Guarantors

Certain of the Arranger, the Trustee, the Paying Agents, the Registrar, the Transfer Agents and the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer, the Guarantors and other Group entities in the ordinary course of business.

REGISTERED OFFICE OF THE ISSUER

APT Pipelines Limited
Level 25
580 George Street
Sydney NSW 2000
Australia

REGISTERED OFFICE OF THE PRINCIPAL GUARANTOR

Australian Pipeline Limited
in its capacity as trustee and responsible entity of
Australian Pipeline Trust
Level 25
580 George Street
Sydney NSW 2000
Australia

TRUSTEE

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
England

PRINCIPAL PAYING AGENT AND TRANSFER

AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
England

REGISTRAR

The Bank of New York Mellon SA/NV, Luxembourg Branch
2-4 rue Eugene Ruppert
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L-2453 Luxembourg

ARRANGER AND INITIAL DEALER

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LEGAL ADVISERS

*To the Issuer and the Initial Guarantors as to
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*To the Issuer and the Initial Guarantors as to
Australian law*

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To the Arranger and Initial Dealer as to English law

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*To the Trustee, Principal Paying Agent, Transfer Agent and
Registrar as to English law*

Norton Rose Fulbright Australia

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Sydney NSW 2000
Australia

LISTING AGENT

Linklaters Singapore Pte. Ltd.

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Singapore 049145

AUDITORS

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