



ASX ANNOUNCEMENT

17 December 2014

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

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

**ENTITLEMENT OFFER**

**NOTIFICATION OF INELIGIBLE RETAIL SECURITYHOLDERS**

APA Group (ASX: APA) attaches a copy of the notification that is being sent to ineligible retail securityholders today in relation to its fully underwritten 1 for 3 accelerated renounceable entitlement offer.

Yours sincerely,

Mark Knapman  
Company Secretary  
Australian Pipeline Limited

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States, or in any other jurisdiction in which such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Securities in any jurisdiction outside Australia or New Zealand. In particular, neither the Entitlements nor the New Securities have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Securities may not be offered, sold or resold to, persons in the United States or to persons who are acting for the account or benefit of a person in the United States, unless such Entitlements or New Securities have been registered under the Securities Act or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

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**About APA Group (APA)**

APA is Australia's largest natural gas infrastructure business, owning and/or operating in excess of \$12 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 minority interests in a number of energy infrastructure enterprises including SEA Gas Pipeline, Energy Infrastructure Investments and GDI.

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, [www.apa.com.au](http://www.apa.com.au)



## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

17 December 2014

Dear securityholder

### APA Group – Notification to Ineligible Retail Securityholders

On 10 December 2014, APA Group (ASX: APA) (**APA**) announced that it was conducting a fully underwritten pro rata accelerated renounceable entitlement offer (**Entitlement Offer**) to eligible APA securityholders, to subscribe for 1 new APA stapled security (**New Securities**) for every 3 existing APA stapled securities (each a **Security**) held as at 7.00pm (Sydney time) on 15 December 2014, (**Entitlement**) at an issue price of \$6.60 per New Security (**Issue Price**).

The Entitlement Offer comprises an institutional component (**Institutional Entitlement Offer**) and an offer to Eligible Retail Securityholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Entitlement Offer is being made by APA without a Product Disclosure Statement in accordance with section 1012DAA of the Corporations Act 2001 (the **Act**) as modified by ASIC Class Order [CO 08/35].

The Institutional Entitlement Offer and institutional shortfall bookbuild was completed on 12 December 2014 and raised approximately \$860 million. The Retail Entitlement Offer is expected to raise approximately \$979 million. The proceeds of the Entitlement Offer will be used by APA, along with debt financing, to fund the acquisition of the QCLNG pipeline from BG Group. Further information in relation to the Entitlement Offer has been disclosed to the ASX.

This letter is to inform you that you are not an Eligible Retail Securityholder (as defined below) for the purposes of the Retail Entitlement Offer.

### 1 ELIGIBILITY CRITERIA

APA has determined that, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Act, it would be unreasonable to extend the Retail Entitlement Offer to securityholders in countries other than Australia and New Zealand due to the legal limitations and potential cost of complying with regulatory requirements in those countries. As such, the Retail Entitlement Offer is restricted to securityholders who are Eligible Retail Securityholders (as defined below).

'Eligible Retail Securityholders' are those persons who:

- are registered as a holder of Securities as at 7.00pm (Sydney time) on 15 December 2014;
- have a registered address in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States;
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional investors under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

As you do not satisfy the criteria stated above, you are deemed not to be an Eligible Retail Securityholder for the purposes of the Retail Entitlement Offer.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(2) of the Act, APA will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Securities under the Retail Entitlement Offer.

Notwithstanding the above, APA may (at its absolute discretion) extend the Retail Entitlement Offer to any institutional securityholders who were not able to participate in the Institutional Entitlement Offer (subject to compliance with applicable laws).

## **2 RETAIL BOOKBUILD**

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You may still receive some benefit from the Retail Entitlement Offer. Arrangements have been made for the New Securities to which ineligible securityholders would have been entitled to be sold through a retail bookbuild process (**Retail Bookbuild**), which is to be undertaken, by the underwriters of the Entitlement Offer (the **Underwriters**), on or about 20 January 2015. You will receive any premium paid in the Retail Bookbuild over \$6.60 (being the **Issue Price**) (less any withholdings required by law). However, there is no guarantee that any premium will be paid or, therefore, that you will receive any proceeds as a result of the Retail Bookbuild.

The ability to sell New Securities under the Retail Bookbuild, and the ability to obtain any premium over the Issue Price, will be dependant on various factors, including market conditions. Similarly, the bookbuild price may not be the highest price available, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the Underwriters, will, if accepted, result in otherwise acceptable allocations to clear the entire book. The Underwriters and APA have the right to close the Retail Bookbuild early or to extend the bookbuild closing time in their absolute discretion (but have no obligation to do so), without recourse or notice to you. The Underwriters are not acting for or on behalf of and are not responsible as a fiduciary to any APA securityholder, and do not have any obligation to any APA securityholder in relation to the conduct of the Retail Bookbuild or in respect of the price obtained under that bookbuild. To the maximum extent permitted by law, none of APA, the Underwriters, their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents and advisers will be liable (including for negligence) for any failure to procure subscribers under the Retail Bookbuild at a price equal to or in excess of the Issue Price.

Any proceeds received may have Australian and overseas tax consequences, depending on individual circumstances. You may be entitled to a refund of some or all tax withheld. You should seek professional tax advice regarding the taxation of any proceeds received.

## **3 NO ACTION REQUIRED**

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This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. You are not required to do anything in response to this letter.

If you have any questions, please contact your professional adviser or the APA Securityholder Information Line on 1800 992 312 (toll free within Australia) or +61 1800 992 312 (from outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) during the Retail Entitlement Offer Period.

Yours sincerely,



**Mark Knapman**  
Company Secretary  
Australian Pipeline Limited

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States, or in any other jurisdiction in which such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Securities in any jurisdiction outside Australia or New Zealand. In particular, neither the Entitlements nor the New Securities have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Securities may not be offered, sold or resold to, persons in the United States or to persons who are acting for the account or benefit of a person in the United States, unless such Entitlements or New Securities have been registered under the Securities Act or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on APA's current expectations, estimates and projections about the industries in which APA operates, and beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of APA, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. APA cautions securityholders and prospective securityholders not to place undue reliance on these forward-looking statements, which reflect the view of APA only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. APA will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

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