

Ethane Pipeline Income Fund

Ethane Pipeline Income Trust
ARSN 118 961 167

Ethane Pipeline Income Financing Trust
ARSN 118 961 023

APA Ethane Limited
ACN 132 157 290

Level 19, HSBC Building
580 George Street
Sydney NSW 2000

Phone: 02 9693 0000
Fax: 02 9693 0093
www.ethanepipeline.com.au

ASX RELEASE

7 March 2016

The Manager

ASX Market Announcements
Australian Securities Exchange
4th Floor, 20 Bridge Street
Sydney NSW 2000

Electronic Lodgement

Dear Sir or Madam

Company Announcement

I attach the following announcement for release to the market:

- Takeover offer for EPX

Yours sincerely



Amanda Keenan
Company Secretary
APA Ethane Limited

ASX RELEASE

7 March 2016

TAKEOVER OFFER FOR EPX

The Ethane Pipeline Income Fund (“**EPX**”) announces that it has received an unconditional, all-cash, off-market takeover offer from Australian Pipeline Limited (ABN 99 091 344 704) as responsible entity of Australian Pipeline Trust (ARSN 091 678 778) (“**APA**”) to acquire all of the securities in EPX that it does not currently own (the “**Offer**”). APA currently holds 6.08% of the securities in EPX.

APA has announced it intends to make an unconditional cash offer of \$1.88 per security. In addition, EPX securityholders will be entitled to retain the declared EPX distribution for the March 2016 quarter of 3.25 cents per EPX security if eligible on the distribution record date.

Owing to the fact that Robert Wright, EPX’s Chairman, was until recently a director of APA Group, the directors determined to form an Independent Board Committee (“**IBC**”) to consider the Offer. The IBC representatives are Nancy Fox (appointed Chairperson of the IBC) and Rick Coles who will consider all aspects of the Offer. The IBC has appointed RBC Capital Markets as financial adviser and Gilbert + Tobin as legal adviser. The IBC has considered the advice from its advisers in forming their view. The IBC will shortly appoint an independent expert to opine on whether the Offer is fair and reasonable to securityholders.

The IBC unanimously recommends that shareholders accept the Offer (in the absence of a superior offer and subject to an Independent Expert opining that the Offer is fair and reasonable). However, the IBC recommends that securityholders do not accept the Offer until they have had the opportunity of considering the target statement and whether the independent expert has determined whether the Offer is fair and reasonable.

EPX will submit an application to the ASX to amend the record date for eligibility to receive the distribution of 3.25 cents per EPX security from 30 March 2016 to 16 March 2016 to enable securityholders to receive the distribution and accept the Offer from the date the Offer is expected to open. EPX understands that APA intends to open the Offer mid to late March.

The Offer provides EPX securityholders with the ability to realise a cash premium to recent trading prices, whilst removing all the future risks associated with EPX’s business and future distributions. The Offer represents a \$0.41 (cash offer only) and \$0.4425 (cash offer plus March 2016 distribution) premium, that is 27.9% and 30.1% respectively, to the last closing price of EPX securities on 4 March 2016 of A\$1.47.



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The Responsible Entity of EPX is APA Ethane Limited and the Fund Manager is APT (MIT) Services Pty Limited, both of which are associated with APA. EPX has implemented appropriate governance and protocols for officers and managers of EPX (as well as those possessing EPX confidential information) to ensure that the interests of EPX securityholders are protected.

EPX will keep securityholders informed of developments in relation to the Offer as appropriate.

For further information please contact

Nancy Fox

Independent Director of EPX
Chair of Independent Board Committee
Ph: +61 411 251 743

Kay Stuart

Director
RBC Capital Markets
Ph: +61 2 9033 3212
Email: epx_enquiries@rbccm.com

About the Ethane Pipeline Income Fund

The Fund's core asset is the 1,375km Moomba to Sydney Ethane Pipeline that supplies ethane from the Cooper Basin production facility at Moomba, South Australia to Qenos' Botany ethylene plant.