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APA Group

Australian Pipeline Ltd
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Australian Pipeline Trust
ARSN 091 678 778

APT Investment Trust
ARSN 115 585 441

ASX Release

15 July 2010

APA issues A$300 million Medium Term Notes

Australia's largest natural gas infrastructure business APA Group (ASX: APA), today announced the launch and pricing of an issue of A$300 million of 10 year fixed-rate A$ Medium Term Notes (MTNs) to Australian and international institutional bond investors.

The MTNs are priced at a margin of 240 basis points above the benchmark, being the 10 year mid-swap rate prevailing at the time of pricing.

The proceeds of the issue will be used to refinance existing facilities ahead of maturity with a view to extending the average maturity of APA's debt portfolio and reducing debt costs in the longer term.

Chief Financial Officer Peter Fredricson said: "This is APA's first MTN issue and the first in the Australian market by a BBB rated corporate for a maturity of 10 years. We are very pleased to be the initial BBB issuer in this space."

The MTN issue was well received by a range of Australian and international fixed interest investors. Strong interest was shown during a non-deal roadshow to key MTN investors by APA Managing Director Mick McCormack and Mr Fredricson in June 2010.

Mr Fredricson said: "Investors were attracted to APA's secure infrastructure business, our clear and focussed strategy and its leading position in the country's natural gas infrastructure sector.

"Noting that we originally launched a $200 million deal, we are pleased that investors have strongly supported this offering with $300 million, confirming their confidence in APA's business.

"The MTN issue is consistent with several of APA's capital management strategies. It extends the average length of APA's debt maturity profile to better align with the long term nature of our assets; it diversifies our sources of funding; it reduces our future debt costs; and it progressively moves APA to a position whereby no more than 20 per cent of APA's debt matures in any one financial year."

The joint lead managers and arrangers to the bond issue were Australia and New Zealand Banking Group (ANZ) and National Australia Bank (NAB) with both Commonwealth Bank of Australia and Westpac Banking Corporation acting as co-managers.

The issuer, APT Pipelines Limited, the borrowing entity of APA, is rated BBB with a stable outlook (Standard & Poor's) and Baa2 with a stable outlook (Moody's).

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About APA Group (APA)
APA Group (ASX: APA) is Australia's largest natural gas infrastructure business, owning and/or operating more than $8 billion of gas transmission and distribution assets. Its pipelines and assets span every state and territory on mainland Australia, delivering more than 50% of the nation's gas usage. Unique amongst its peers, APA has direct management and operational control over the majority of its assets and investments. APA also holds minority interests in energy infrastructure enterprises including Envestra, SEA Gas Pipeline, Hastings Diversified Utilities Fund and Energy Infrastructure Investments (EII). For more information visit APA's website, www.apa.com.au.