

HSBC Building
Level 19
580 George Street
Sydney NSW 2000
PO Box R41
Royal Exchange NSW 1225

Phone 61 2 9693 0000
Fax 61 2 9693 0093
www.pipelinetrust.com.au

APA Group



Australian Pipeline Ltd
ACN 091 344 704

Australian Pipeline Trust
ARSN 091 678 778

APT Investment Trust
ARSN 115 585 441

ASX RELEASE

4 November 2008

The Manager

Company Announcements Office
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:

- Security Purchase Plan Offer

Yours sincerely

A handwritten signature in black ink, appearing to read "Mark Knapman".

Mark Knapman
Company Secretary



4 November 2008

Dear Securityholder

SECURITY PURCHASE PLAN

The Board of Australian Pipeline Limited, as responsible entity for Australian Pipeline Trust and APT Investment Trust (ASX:APA), is pleased to offer you an opportunity to acquire additional APA securities under a Security Purchase Plan ("SPP"). The SPP is available to APA securityholders to increase their investment in APA, Australia's leading gas transportation infrastructure business.

The SPP enables securityholders to acquire new APA securities to a value of \$1,000, \$3,000 or \$5,000, free from brokerage and other transaction costs. The price will be at a 2.5% discount to the average of the daily volume weighted average price of APA securities over the five trading days up to and including the close of the offer on 28 November 2008.

Securities issued under the SPP will rank equally with existing securities and will qualify for the interim distribution payable for the six months ending 31 December 2008, expected to be paid in March 2009.

Participation in the SPP is voluntary and not transferrable, which means you may accept or reject the offer but you cannot transfer your right to participate to a third party.

Participation in the SPP is open to all APA securityholders who have a registered address in Australia or New Zealand as at 5:00 pm (Sydney time) on 29 October 2008 (the Record Date). **The offer to participate opens on 4 November 2008 and closes on 28 November 2008 with new securities expected to be issued on 8 December 2008.**

The market price of APA securities may rise or fall between the date of the offer and the date when the new securities are issued. At the time of issue, the issue price of the new securities may be higher or lower than the price of APA securities trading on the ASX.

The Terms and Conditions of the SPP are further detailed on the reverse of the SPP Application Form enclosed with this letter. You should read the SPP Terms and Conditions carefully before you decide whether to participate in the SPP.

Use of proceeds

APA intends to use the capital raised through the SPP to fund ongoing growth opportunities in its gas infrastructure business across Australia.

APA is Australia's leading gas transportation business, owning and operating approximately 12,000 km of high pressure natural gas pipelines across mainland Australia and over 2,300 km of gas distribution networks in eastern Australia. Natural gas fuels homes, businesses, industry and power generation. Its importance as a clean fuel is increasing as Australia seeks to reduce its impact on the environment. APA's new pipelines and pipeline expansion projects facilitate the delivery of natural gas.

Some of APA's key growth projects in the 2009 financial year include:

- Construction of the Bonaparte Gas Pipeline and the Wickham Point lateral in the Northern Territory,
- Expansion of the Goldfields Gas Pipeline in Western Australia and the Carpentaria Gas pipeline in Queensland through additional compression, and
- Expansion of the Moomba Sydney Pipeline in New South Wales and the APA Gas Network in Queensland.

All the above projects are largely underwritten by either regulatory arrangements or long term contracts.

APA is a robust and secure business with dependable long term revenue and cash flows, internal operating capability and real opportunities for organic growth. The APA Board and management have a clear vision to continue to grow APA as the nation's leading gas transmission and distribution business with a simple philosophy of maximising value and returns for all securityholders. Despite the turbulent market conditions, our outlook remains unchanged, being to deliver growth in distributions of at least 5%, underpinned by growing operating cash flow.

How to participate in the SPP

To apply for a parcel of APA securities, please follow the instructions on the enclosed SPP Application Form. You should carefully read the SPP Terms and Conditions on the reverse side of that form.

Please ensure you send your SPP Application Form and payment, allowing enough time for mail delivery, to be received by Link Market Services Limited on or before Friday 28 November 2008.

If you have any questions in relation to the SPP, please contact the APA Securityholder Information Line on:

- 1800 882 619 toll free within Australia, or
- +61 2 8280 7928 for overseas callers.

We welcome your participation in the SPP and take this opportunity to thank you for your continued support.

Yours sincerely



Leonard F Bleasel AM
Chairman

Record Date: 29 October 2008
Offer Opens: 4 November 2008
Allotment Date: 8 December 2008

SRN/HIN:

Offer Closes
5:00pm (Sydney Time): 28 November 2008

SECURITY PURCHASE PLAN ("SPP") APPLICATION FORM

This is an offer to eligible holders of APA Group (APA) stapled securities ("Securityholders") to subscribe for additional stapled securities in APA ("stapled securities") under the Terms and Conditions of the SPP ("Offer").

By completing this Application Form and forwarding it with your payment, you (a) acknowledge that you have read and understood the Terms and Conditions of the SPP and agree to be bound by the constitutions and by-laws of APA ("Constitution"), (b) apply to subscribe for stapled securities in accordance with the Terms and Conditions of the SPP, (c) certify that the aggregate application amount of stapled securities which you have applied for under this SPP (including through joint beneficial holdings), even if you received more than one offer under this SPP, together with Stapled Securities issued to you in any similar plan offer by APA in the 12 months before the allotment date, does not exceed A\$5,000, (d) acknowledge that none of APA, its advisers and agents has (i) provided you with any financial product or investment advice and (ii) is not under any obligation to provide any such advice, and (e) acknowledge that the information on the SPP has been prepared without taking into account your investment objectives, financial circumstances or particular needs. A reference to 'A\$' in this Application Form, the Terms and Conditions and in the Chairman's letter with which this Application Form was enclosed, is a reference to the lawful currency of Australia.

Please note:

- The Terms and Conditions of the SPP, including on the reverse of this Form, should be read carefully and in their entirety.
- Payments may only be made by BPAY®, cheque or money order in Australian dollars and drawn on an Australian branch of a financial institution. Cash payments will not be accepted.
- Payment by BPAY® or receipt by APA of this Application Form duly completed, together with the full subscription amount, will constitute acceptance in accordance with the Terms and Conditions of the SPP and the Constitution of APA by the Securityholder named on this Application Form. APA may reject an acceptance of this Offer, in its absolute discretion, if payment is not received in accordance with the Terms and Conditions, is incomplete or if the exact amount applied for is not tendered.

Accepting this Offer using BPAY®

- To pay via BPAY® refer to the Biller Code and Reference Number below, and contact your participating financial institution.
- You are not required to return this Application Form.
- By paying by BPAY®, you will be deemed to have completed an Application Form for the number of stapled securities the subject of your payment amount.

Accepting this Offer by cheque or money order

- Cheque or money orders are to be made payable to: 'APA Group – SPP Account' and crossed Not Negotiable.
- The completed Application Form should be torn off below and forwarded with your payment to reach APA's registry by **5:00pm (Sydney Time) on 28 November 2008**. Please allow sufficient time for collection and delivery by postal services as the postal acceptance rule does not apply.
- If located within Australia please forward your Application Form, along with payment, in the reply paid envelope provided. New Zealand Securityholders must forward it to the postal address set out below. Securityholders outside of Australia and New Zealand are not eligible to participate in this Offer.
- Your form cannot be faxed to APA's registry as payment must be attached to your Application Form.

Mailing Address: APA Group C/- Link Market Services Limited, GPO Box 3560, Sydney, NSW 2001, Australia

Hand Delivery Address: APA Group C/- Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000 (*Please do not use this address for express post mailing*)

This Offer is non-renounceable – No signature is required

If you require further information on how to complete this Application Form please contact Link Market Services Limited on 1800 882 619 toll free within Australia, or +61 2 8280 7928 for overseas callers.

Please detach this tear-off slip and return with your cheque or money order

APA Group



Biller Code: 34249

Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au

© Registered to BPAY Pty Ltd ABN 69 079 137 518

I/We wish to purchase APA stapled securities with an aggregate subscription price of (tick one box only):

A\$1,000

OR

A\$3,000

OR

A\$5,000

Payment Details (if paying by cheque or money order):

Drawer

Cheque Number

BSB Number

Account Number

Amount of cheque

A\$

Make your cheque or money order payable to "APA Group – SPP Account"

(must correspond with amount ticked above)

Contact Details:

Telephone Number – Business Hours

Contact Name (PRINT)

TERMS AND CONDITIONS OF SPP

How much can you invest?

You may apply to invest in new stapled securities having a purchase value of A\$1,000, A\$3,000 or A\$5,000.

If you receive more than one offer from APA, for example because of separate holdings under separate security accounts or because you are a joint holder of stapled securities, the maximum you may apply to invest under this Offer as a sole and joint holder of new stapled securities is A\$5,000. APA reserves the right to reject any application where this has not been complied with.

If subscriptions received from Securityholders exceed the 30% issue threshold under ASX Listing Rule 7.2 Exception 15, APA will scale back applications on a pro rata basis. If this occurs, you may be allocated stapled securities to a value which is less than what you applied for and APA will refund any excess application money (without interest).

How will we determine the Issue Price?

The Issue Price for each stapled security the subject of this Offer will be the price equal to a 2.5% discount to the average of the daily volume weighted average price of APA stapled securities traded during the 5 trading days immediately up to and including the close of the Offer on 28 November 2008 ("the Closing Date").

The market price of APA stapled securities may change between the Closing Date and the date that the new APA stapled securities are allotted to you. APA does not make any assurance that stapled securities in APA will trade at or above the Issue Price following the allotment date. Securityholders should seek their own financial advice in relation to this Offer and participation in the SPP.

No fraction of new stapled securities will be issued. Fractions of new stapled securities calculated at the date of issue will be rounded up to the nearest whole new stapled security.

What will the cost base of a new APA Stapled Security be for Capital Gains Tax Purposes?

An APA stapled security comprises a unit in the Australian Pipeline Trust (APT) and a unit in APT Investment Trust (APTIT). While these comprise a single component security and can only be dealt with together, they are separate assets for capital gains tax purposes. In determining your cost base for an APT unit and an APTIT unit the Board of APA will allocate 70.8% of the Issue Price for each new APA stapled security to an APT unit and 29.2% of the Issue Price for each new APA stapled security to an APTIT unit. Securityholders should seek their own taxation advice in relation to this Offer and their participation in the SPP.

Who is eligible to apply under this Offer?

Participation in the SPP is open to Securityholders registered on APA's security register as at 5:00pm on 29 October 2008 ("the Record Date") and have an address specified in the register as being in Australia or New Zealand. The Offer to each eligible Securityholder is made on the same terms and conditions. The Offer is non-renounceable. If a trustee or nominee is expressly noted on the register of members as holding stapled securities on account of another person (a 'beneficiary'), the beneficiary is taken to be the registered holder of the stapled securities and any application or certification by the trustee or nominee is taken to be an application and certification by the beneficiary for the purposes of (amongst others) paragraph c(v) of ASIC Class Order 02/832. If stapled securities are held on your behalf by a trustee or nominee, but the trustee or nominee is not expressly noted on the register of members as holding stapled securities on account of another person, an application by the trustee or nominee is taken to be an application by the registered Securityholder.

Can I transfer my Offer to a third party?

The Offer is non-renounceable, so you cannot transfer your right to participate in the SPP to a third party.

Do you have to pay any costs?

No brokerage, commission or other transaction costs apply to the issue of new stapled securities under the SPP. The only cost to you is the Issue Price of the new stapled securities.

What will be the Issue Date?

The new stapled securities will be issued on 8 December 2008 or as soon as possible after that date. APA's registry, Link Market Services Limited, will send you a holding statement as soon as practicable after the Issue Date.

What rights will the new stapled securities carry?

New stapled securities will rank equally in all respects with existing stapled securities and will be entitled to the interim distribution for the 6 months ending 31 December 2008.

How do you apply for new stapled securities under the SPP?

To apply for new stapled securities under this Offer, you must:

- Carefully read these Terms and Conditions
- On the Application Form on the back of this page:
 - ✓ Tick the box beside the amount you wish to purchase; either A\$1,000, A\$3,000 or A\$5,000.
 - ✓ Complete the cheque details section. Or, if paying via BPAY®, see details on reverse side.
 - ✓ Write your daytime telephone number – just in case we have any questions.
 - ✓ You DON'T need to sign the Application Form.
- **BPAY® Option** – Contact your participating institution and make the payment via BPAY®. Do not return this Application Form if you elect the BPAY® Option.
- **Cheque and Money Order Option** – Write out your cheque or get your money order made payable to "APA Group – SPP Account". Send the Application Form and your cheque using the reply-paid envelope provided: Alternatively, please mail or deliver to the address below.

By Postal Mail

APA Group
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Or hand delivered to

APA Group
C/- Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Make sure you send your Application Form and cheque allowing enough time for mail delivery, so Link Market Services Limited receive them no later than 5:00pm (Sydney time) on 28 November 2008. APA reserves the right not to process any Application Forms and cheques received after the Closing Date.

Can APA change the Offer?

APA retains the right to vary the date the Offer closes, the date new stapled securities are allotted and the date holding statements are dispatched to Securityholders. Any variation of date will be notified to the Australian Securities Exchange. APA may change or terminate the SPP at any time prior to the Issue Date and will advise the Australian Securities Exchange in the event that this occurs. Any omission to give notice of changes to, or termination of, the SPP, or the non-receipt of any such notice, will not invalidate the change or termination. If the SPP is withdrawn, all application monies will be refunded. No interest will be paid on any refunded application monies.

In addition to any rights of APA to reject applications as set out in these Terms and Conditions, APA also reserves the right to allocate fewer, or no, APA stapled securities than an eligible Securityholder applies for under the SPP if APA believes that the allotment of those stapled securities would contravene any of the ASX Listing Rules or the *Corporations Act 2001* (Cth). In any such case, excess application monies will be returned to the relevant applicant(s). No interest will be paid on application monies so returned.

How is a dispute resolved?

APA may settle any dispute in connection with the SPP in any manner it thinks fit, whether generally or in relation to any participant. APA's decision shall be final and binding. APA reserves the right to waive strict compliance with any provisions of these Terms and Conditions.

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the stapled securities you hold) to be included in the public register of the entity in which you hold stapled securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold stapled securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this Application Form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

HSBC Building
Level 19
580 George Street
Sydney NSW 2000
PO Box R41
Royal Exchange NSW 1225

Phone 61 2 9693 0000
Fax 61 2 9693 0093
www.pipelinetrust.com.au

APA Group



Australian Pipeline Ltd
ACN 091 344 704

Australian Pipeline Trust
ARSN 091 678 778

APT Investment Trust
ARSN 115 585 441

ASX RELEASE

For further information please contact:

Chris Kotsaris, Investor Relations APA Group
Telephone: (02) 9693 0049 or Mob: 0402 060 508
Email: chris.kotsaris@apa.com.au

Joanne Collins, Gavin Anderson & Company
Telephone: (02) 9552 8939 or Mob: 0423 029 932
Email: jcollins@gavinanderson.com.au

About APA Group (APA)

APA Group, comprised of Australian Pipeline Trust and APT Investment Trust, is the major ASX-listed energy transmission company in Australia with interests in almost 12,000 km of natural gas pipeline infrastructure, over 2,300 km of gas distribution networks in south east Queensland, Coal Seam Gas processing plants, gas fired power stations, gas storage facilities and two high voltage direct current interconnector systems.

APA manages and operates all its assets and also provides management and operation services to gas distribution and transmission company Envestra (which owns 19,100 km of natural gas distribution networks and 1,029 km of natural gas transmission pipelines). It also holds an 18 percent stake in Envestra and a one-third interest in the SEAGas pipeline. APA Group has a varied and quality customer base including AGL Energy, Cooper Eromanga Basin Producers, Xstrata, Newmont, CS Energy, BHP Billiton, OZ Minerals, Incitec Pivot, Origin Energy, RioTinto, Newcrest, Nickel West, Synergy and Verve Energy.