

**NEWS RELEASE**

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**EARLY RESULTS CONFIRM AUSTRALIAN PIPELINE TRUST ON TRACK**

The Australian Pipeline Trust (ASX: APA) today announced its audited results for the 18 day period from its listing day to 30 June 2000. Operating profit after tax was \$2.2 million, compared with \$0.9 million forecast in the Australian Pipeline Trust (the Trust) prospectus for the same period. This result was achieved through a combination of increased pipeline revenue due to cold June weather in New South Wales and ACT, coupled with cost containment.

Confirming its status as one of Australia's largest infrastructure companies, the Trust yesterday became a fully weighted constituent member of the ASX 200, ASX 300 and other appropriate ASX share price indices.

Mr George Bennett, Chairman of Australian Pipeline Trust said " This is a fitting start to our business, and one which holds great promise for the future. The new business is performing to expectations."

"The Trust will be paying the distribution for the period ending 30 June 2000, as forecast in the prospectus, concurrent with the distribution for the September 2000 period. Both distributions shall be paid to unit holders in December 2000.

Mr Jim McDonald, Chief Executive Officer of the Australian Pipeline Trust said "We have now been trading for over two months. While this result is better than forecast for the 18 trading days of June, the two months results confirms that the Trust is performing in line with the prospectus forecast."

"The business has bedded down well since listing, as evidenced by these very early results. Management and administration is in place, and we continue to explore growth and development opportunities," Mr McDonald said.

The Australian Pipeline Trust has interests in over 7,000 kilometres of high-pressure gas transmission pipelines in Australia, covering four states and two territories. The Trust listed on the Australian Stock Exchange (ASX: APA) on June 13, 2000.

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Q. Can you quantify/put in perspective the impact of Duke Energy's Bass Strait to Sydney pipeline on APA's revenues?

A.

*Duke will take some Sydney market share – we anticipated this in the prospectus – but I assure you they won't get it easily. We have many advantages in a competitive market in NSW.*

Q. Is the increasingly strident activity by the ACCC impacting your business now, or will it in the future? (decreasing rates of return, pricing, anti-monopoly)

A.

*I am concerned by the focus on cost of service regulation, when we need to be focussed on supply side issues for gas and how we can finance major pipelines now in contemplation.*

Q. What new developments/pipelines/consortiums is APA considering?

A.

*We have announced the \$54 million Peat/Scottie lateral in Queensland. It is too early to talk about others*

Q. Is the relationship with your largest shareholder, AGL, and second largest (Petronas) delivering any benefits/hindrances?

A.

*Yes/no*