



30 March 2006

ANNOUNCEMENT TO THE MARKET

APA acquires Murraylink

Australian Pipeline Trust (APA) today announced it has acquired the Murraylink electricity transmission assets for \$153 million plus transactions costs, following a competitive tender process.

Under the terms of the transaction, APA acquired 100% of the shares in Murraylink HQI Australia Pty Limited and SNC-Lavalin Investment Australia Pty Ltd, the ultimate owners of the Murraylink electricity transmission assets. These assets include the 180km underground high voltage direct current cable interconnector between Berri in South Australia and Red Cliffs (near Mildura) in Victoria.

The acquisition is cash flow positive and cash yield accretive immediately, and enhances APA's ability to continue to grow distributions by, at least, CPI annually. The impact on full-year profit is expected to be small.

The acquisition of Murraylink was funded through a one-year acquisition bridge facility. Gearing has increased to 68%, still comfortably within APA's current lending covenants of 72.5%.

APA Chief Executive Officer Mick McCormack said the acquisition of Murraylink is another step in acquiring quality assets in line with APA's strategy to pursue value-accretive acquisitions in complementary asset classes.

"Murraylink marks APA's first significant acquisition of a non-gas transmission asset, and is a logical progression from natural gas pipelines into complementary energy transmission assets. It is a low risk operation and is an ideal asset to leverage off our skills and asset management experience. In particular, the asset management, operating, and regulatory skills involved in managing the Murray link assets are similar to those needed to run a gas pipeline business.

"The acquisition price and cash flow profile meet our investment criteria and compares favourably with comparable transactions in the sector. We believe the acquisition will greatly enhance our ability to deliver on our goal of increasing distributions on an annual basis by at least CPI," Mr McCormack said.

Murraylink is covered by an approved revenue cap until 2013, which provides a fixed annual revenue stream of around \$13 million. The established regulated asset base underpins the certainty of revenues beyond 2013.

Murraylink is the world's longest underground high voltage direct current power cable, connecting the Victorian and South Australian National Electricity Market regions, with a rated capacity of 220 MW into either region. In addition to the underground cable, the interconnect includes converter stations at Red Cliffs, Victoria (145 km from border) and at Monash in Berri, SA (35 km from border), connecting Murraylink into the respective AC transmission networks.

APA was advised by Pacific Road Corporate Finance on the acquisition, with legal advice provided by Atanaskovic Hartnell and funding by Citigroup.

For further information please contact:

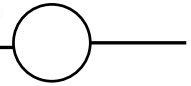
Mick McCormack, Chief Executive Officer

Telephone: (02) 9693 0011

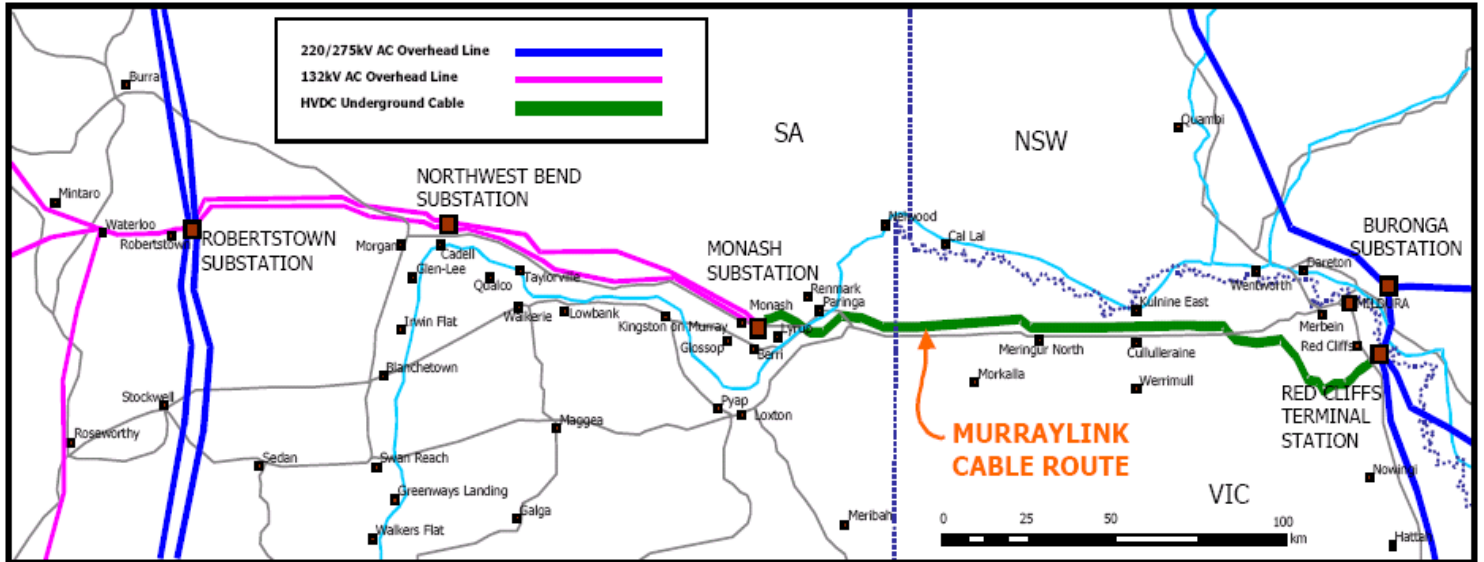
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About Australian Pipeline Trust (APA)

The Australian Pipeline Trust is the major ASX-listed energy transmission company in Australia with interests in more than 8,000km of natural gas pipeline infrastructure. The trust has a varied and quality customer base including AGL, Cooper Eromanga Basin Producers, Xstrata, Newmont, CS Energy, BHP Billiton, Zinifex, Incitec Pivot, Origin, Energex, RioTinto, Nickel West and WPC.



MAP OF MURRAYLINK CABLE ROUTE



FOOTPRINT OF APA'S ASSETS

