



MEDIA RELEASE

1 November 2006

APA INVESTS IN SECOND QUEENSLAND COAL SEAM GAS PROCESSING FACILITY

Australian Pipeline Trust (APA) announced today that it has entered into an agreement with Arrow Energy and Beach Petroleum Limited to build, own and operate a \$31 million coal-seam gas processing facility at Tipton West, west of Brisbane. The agreement is conditional upon the execution of associated subsidiary agreements.

This is APA's second investment in coal seam gas processing facilities following the completion earlier this year of the \$13 million coal seam gas processing facility at Kogan, west of Brisbane.

APA's facility at Tipton West will filter, dehydrate, compress and initially deliver up to 10 PJ of processed gas a year for delivery to the Braemar Power Station. The agreement provides for the future expansion of the facility and connection into APA's Roma – Brisbane Pipeline as additional gas sales from the Tipton West field are secured.

The facility will operate for 15 years and generate cash flows to APA of approximately \$6.5 million a year.

Development of the facility is already well advanced with commissioning of the facility and first revenue from the project expected in March 2007.

The investment in this project is in line with APA's strategy to invest in value accretive greenfield projects which are complementary to APA's existing assets and which deliver on APA's commitment to grow unitholder distributions by at least CPI annually.

APA Managing Director Mick McCormack said: "The Tipton West gas processing facility is a further development of the infrastructure necessary to support APA's vision for an eastern coast gas transmission grid connecting the eastern states.

"APA believes the delivery of coal seam gas through the proposed east coast gas transmission grid will be beneficial for both the community and for businesses and will enhance competition.

This project supports our strategy to diversify into complementary energy businesses."

For further information please contact:

Mick McCormack, Australian Pipeline Trust
Telephone: (02) 9693 0000
Email: mmccormack@pipelinetrust.com.au

Paula Hannaford, Gavin Anderson & Company
Telephone: (02) 9552 4499 or Mb: 0413 940 180
Email: phannaford@gavinanderson.com.au

Level 5
Airport Central Tower
241 O'Riordan Street
PO Box 934
Mascot NSW 2020

Phone: 61 2 9693 0000
Fax: 61 2 8339 0005
www.pipelinetrust.com.au

Australian
Pipeline Trust



Australian Pipeline Limited
ACN 091 344 704

ARSN 091 678 778

MEDIA RELEASE

1 November 2006

About Australian Pipeline Trust (APA)

The Australian Pipeline Trust is the major ASX-listed energy transmission company in Australia with interests in more than 10,000kms of natural gas pipeline infrastructure, a CSG processing plant, gas storage facilities and a high voltage direct current interconnector system including a 180km underground transmission cable. 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, Synergy and Verve Energy.