



ASX ANNOUNCEMENT

21 July 2014

APA Group (ASX: APA)
(also for release to APT Pipelines Limited (ASX: AQH))

APA to develop a new pipeline in the Goldfields region of Western Australia

APA Group (ASX:APA), Australia's largest natural gas infrastructure business, today announced it will further expand its portfolio with the development of a new gas transmission pipeline to supply mining operations in the eastern Goldfields region of Western Australia.

APA has entered into two new long term gas transportation agreements with AngloGold Ashanti Australia Limited (AngloGold Ashanti) for the transportation of gas from Yarraloola at the northern tip of the Goldfields Gas Pipeline to AngloGold's Sunrise Dam and Tropicana gold mining operations. Tropicana is a joint venture between AngloGold Ashanti (70% and manager) and Independence Group NL (30%). The two mines will use natural gas for local power generation, displacing diesel fuel and LNG transported by road.

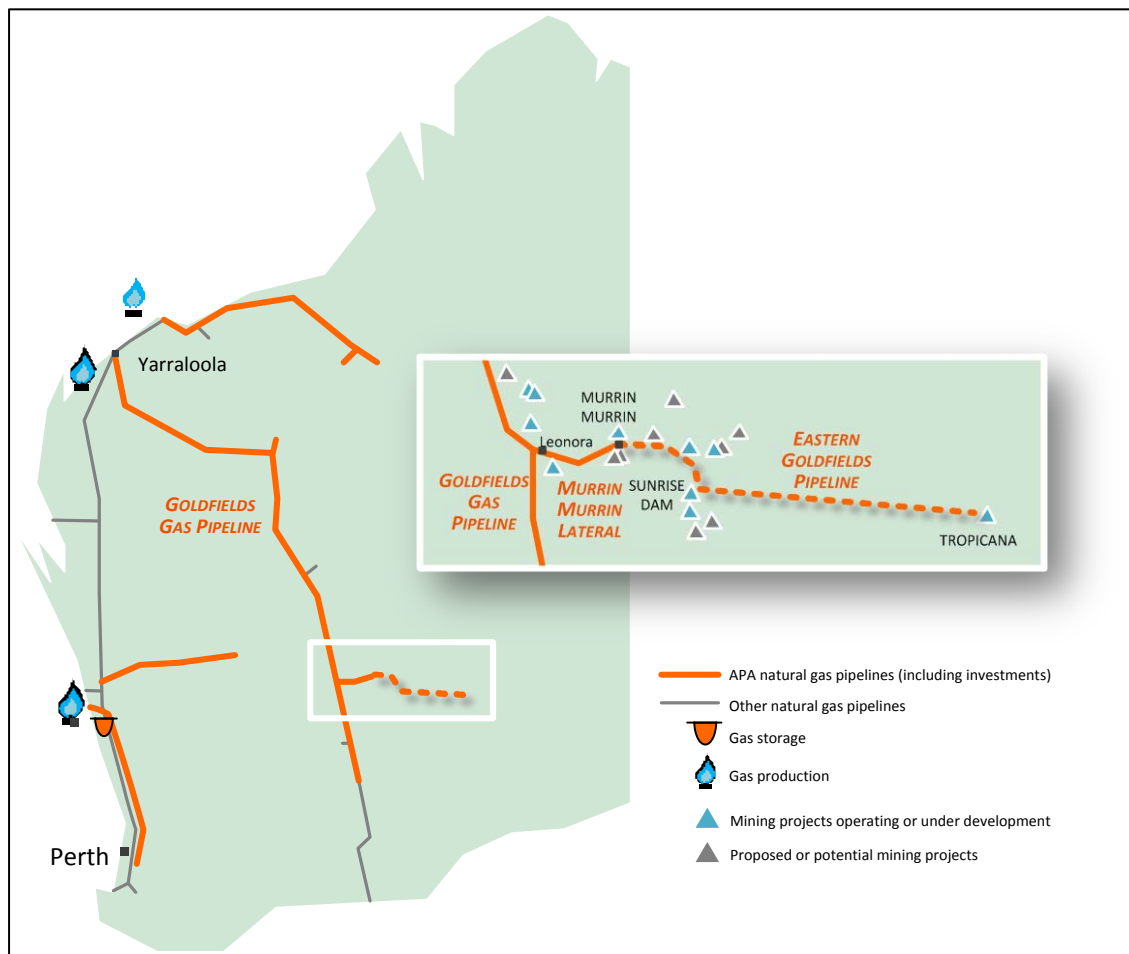
The agreements underpin the construction of a new 292 km gas transmission pipeline – the Eastern Goldfields Pipeline – that will connect AngloGold Ashanti's mines to APA's existing pipelines. Under the agreements, APA will transport gas a total distance of 1,500 km to the mines through three of its interconnected pipelines – the Goldfields Gas Pipeline, the Murrin Murrin Lateral and the new Eastern Goldfields Pipeline.

APA will construct the Eastern Goldfields Pipeline and associated infrastructure for an estimated total capital cost of \$140 million. Engineering, design and procurement work has commenced, with completion expected prior to January 2016 when gas transportation services are due to commence.

APA Managing Director Mick McCormack said: "This new 292km pipeline will extend our portfolio to service mines in the eastern Goldfields region of Western Australia. While the pipeline's construction is underpinned by long-term gas transportation agreements with AngloGold Ashanti, the Eastern Goldfields Pipeline can be further expanded to service other mines in the region in addition to these initial contracts. Access to natural gas, a reliable and cost competitive energy supply, will assist our new and existing customers in reducing costs at their mining operations."

"With more than 14,000 kilometres of gas transmission pipelines across Australia, APA is uniquely placed to respond to changing gas supply and demand patterns right across the country. The commitment we have announced today to the new Eastern Goldfields Pipeline continues our track record of identifying capital expansion opportunities that deliver on the needs of our customers while leveraging APA's existing infrastructure."

Additional information – location of the Eastern Goldfields Pipeline



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About APA Group (APA)

APA is Australia's largest natural gas infrastructure business, owning and/or operating \$12 billion of energy assets. Its gas transmission pipelines span every state and territory on mainland Australia, delivering approximately half of the nation's gas usage. APA has direct management and operational control over its assets and the majority of its investments. APA also holds minority interests in energy infrastructure enterprises including Envestra, SEA Gas Pipeline, Energy Infrastructure Investments and GDI.

APT Pipelines Limited is a fully owned subsidiary of Australian Pipeline Trust and is the borrowing entity of APA Group.

For more information visit APA's website, www.apa.com.au