Australian Pipeline Ltd ACN 091 344 704 Australian Pipeline Trust ARSN 091 678 778 APT Investment Trust ARSN 115 585 441

9 October 2012

APA Group

ASX ANNOUNCEMENT

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

APA Offer now unconditional and payment within 7 business days

APA Group (ASX: APA) today announced that it has waived the final defeating condition of its Offer for Hastings Diversified Utilities Fund (ASX: HDF) (condition (a) – (minimum acceptance condition)). Accordingly, APA's Offer is now unconditional.

Payment of offer consideration

As the Offer is now unconditional, HDF securityholders who have accepted the Offer on or before today's date will be paid the offer consideration within seven business days. HDF securityholders who accept the Offer after today's date will be paid the offer consideration within seven business days of that acceptance being received.

Reduction in cash component of offer consideration

HDF has announced that a 2.5 cent distribution will be paid for the quarter ended 30 September 2012. As previously announced, the consideration under APA's Offer will be reduced for any HDF distributions paid after 8 August 2012.

The cash component of the APA offer consideration is therefore reduced to 69.5 cents for each HDF security accepted into the Offer. HDF securityholders who held HDF securities on the record date for the distribution (i.e. 28 September 2012) will also be entitled to receive the 2.5 cent distribution from HDF.

Additional consideration

APA will pay a further \$0.08 cash for each HDF security accepted into the Offer if it obtains a 90% interest in HDF securities and becomes entitled to proceed to compulsory acquisition.

HDF securityholders who have already accepted the Offer, or accept the Offer before APA becomes entitled to proceed to compulsory acquisition, will receive the additional consideration as soon as practicable (but within seven business days) of APA becoming entitled to proceed to compulsory acquisition. HDF securityholders who have not accepted at that time will be paid the total consideration as soon as practicable.

Mark Knopne

Mark Knapman Company Secretary Australian Pipeline Limited

For further information please contact:

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About APA Group (APA)

APA is Australia's largest natural gas infrastructure business, owning and/or operating more than \$8 billion of gas transmission and distribution assets. Its pipelines and assets span every state and territory on mainland Australia, delivering 50% of the nation's gas usage. Unique amongst its peers, 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, Hastings Diversified Utilities Fund and Energy Infrastructure Investments.

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, <u>www.apa.com.au</u>