



21 June 2017

ASX ANNOUNCEMENT

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

APA TO BUILD NEW GAS PIPELINE AND POWER STATION IN THE GOLDFIELDS REGION, WA

APA Group (ASX:APA), Australia's leading energy infrastructure business, today announced it will construct a new gas transmission pipeline and a gas-fired power station to supply power to the Gruyere Gold Project ("Gruyere Project") in Western Australia. APA will design, build, own and operate the 198 kilometre pipeline (to be known as the "Yamarna Gas Pipeline") and 45 megawatt gas-fired power station, with a total cost of construction of around \$180 million.

The Gruyere Project is a 50:50 joint venture between the ASX listed Gold Road Resources Ltd (ASX: GOR) and the global miner Gold Fields Limited (together, "Gruyere JV"). It is located in the Yamarna greenstone belt of Western Australia, 200 kilometres north-east of Laverton, and to the north of APA's Eastern Goldfields Pipeline.

A 15 year transportation agreement has been entered into to support a 15 year Electricity Supply Agreement with the Gruyere JV to deliver the necessary energy for the project.

Gas will be transported a total of almost 1,500 kilometres to the Gruyere mine site using four APA interconnected gas pipelines: Goldfields Gas Pipeline¹, Murrin Murrin Lateral, Eastern Goldfields Pipeline and the Yamarna Gas Pipeline.

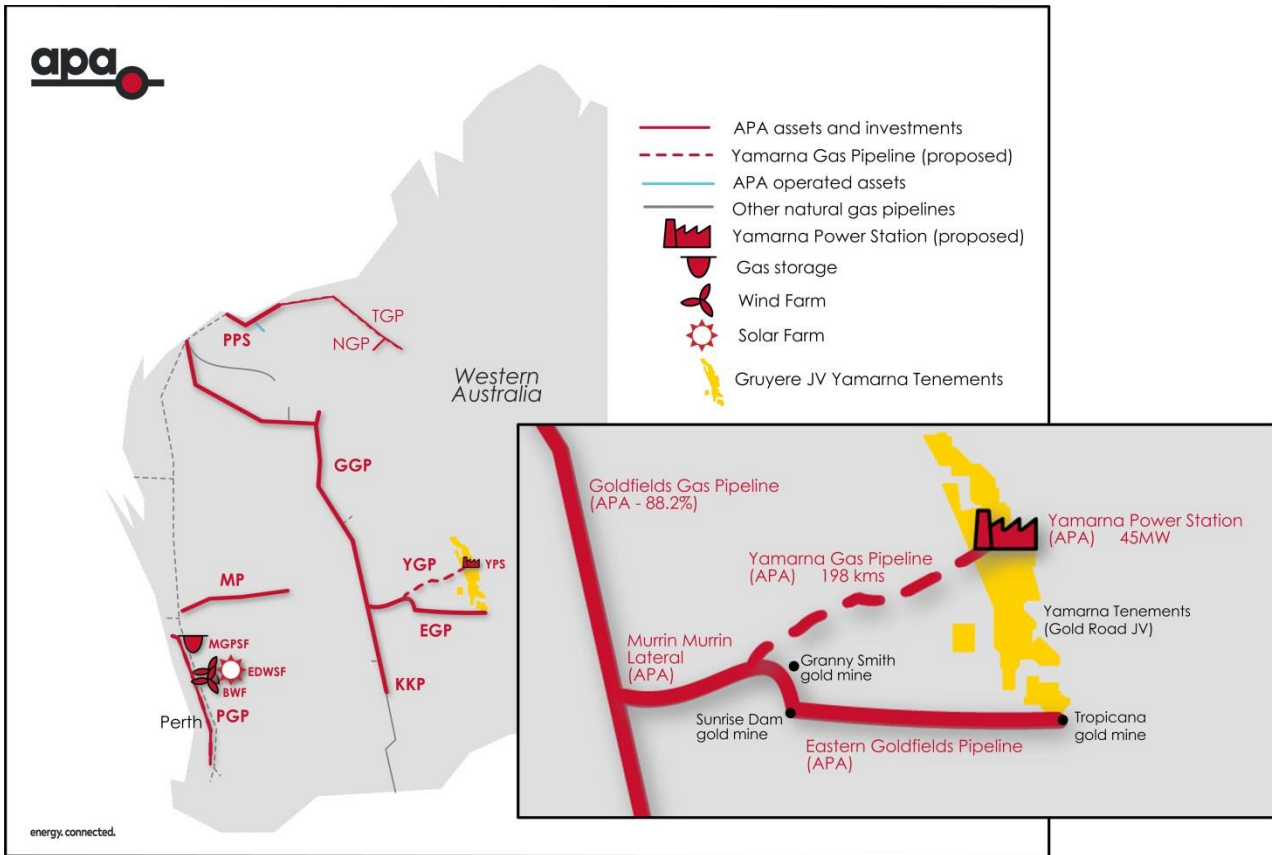
Commissioning of both the pipeline and power station is expected to be late 2018, to align with the Gruyere JV's expectation of first gold scheduled for early 2019.

APA Group CEO and Managing Director, Mick McCormack said, "I am very pleased to announce this organic growth project – it ticks all the APA boxes in terms of demonstrating our capability in energy solutions and construction; leveraging APA's interconnected energy infrastructure; and long term contracts with highly creditworthy counterparties. This is another example of where we have been able to deliver a compelling energy solution for a customer using both our pipeline and power generation capabilities."

"We built and commissioned the Eastern Goldfields Pipeline 18 months ago, and the Gruyere JV will be the third customer to take advantage of our interconnected pipelines in this region to provide a safe and reliable energy solution - as an infrastructure owner, you want to see your assets worked hard. APA continues to deliver on its growth strategy. Since our FY16 results in August last year, we have announced around \$1 billion of committed projects."

¹ Goldfields Gas Pipeline is 88.2% majority owned by APA

Location and indicative route of the Yamarna Gas Pipeline and Yamarna Power Station



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About APA Group (APA)

APA is Australia's largest natural gas infrastructure business, owning and/or operating around \$20 billion of energy infrastructure 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 ownership interests in a number of energy infrastructure enterprises including SEA Gas Pipeline, SEA Gas (Mortlake) Partnership, Energy Infrastructure Investments and GDI Allgas Gas Networks.

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

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