



17 October 2022

ASX ANNOUNCEMENT

APA Infrastructure Limited (ASX: AP2)

Basslink Acquisition Update

Attached is an announcement made by APA Group (ASX: APA) which is provided for the information of APA Infrastructure Limited securityholders.

Authorised for release by Amanda Cheney

Company Secretary

APA Infrastructure Limited

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About APA Group (APA)

APA is a leading Australian Securities Exchange (ASX) listed energy infrastructure business. We own and/or manage and operate a diverse, \$21 billion portfolio of gas, electricity, solar and wind assets. Consistent with our purpose to strengthen communities through responsible energy, we deliver approximately half of the nation's gas usage and connect Victoria with South Australia and New South Wales with Queensland through our investments in electricity transmission assets. We are also one of the largest owners and operators of renewable power generation assets in Australia, with wind and solar projects across the country. APA Infrastructure Limited is a wholly owned subsidiary of APA Infrastructure Trust and is the borrowing entity of APA Group. For more information visit APA's website, apa.com.au.

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ASX ANNOUNCEMENT

APA Group (ASX: APA)

BASSLINK ACQUISITION UPDATE

Leading Australian energy infrastructure business, APA Group (ASX: APA), confirms it has entered into documentation to potentially acquire Basslink Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (**Basslink**) and agreed documentation with Hydro Tasmania and the State of Tasmania in relation to the ongoing operations of Basslink.

Basslink owns and operates the 370km high voltage direct current electricity interconnector between Victoria and Tasmania.

The transaction is subject to a number of conditions precedent, including the approval of the deed of company arrangement proposed by APA at the second meeting of creditors of Basslink, which is scheduled to be held on Tuesday 18th October. Under the proposal APA will acquire Basslink for \$773 million^{1,2}. These proceeds will be used to repay Basslink creditors, including APA's existing senior secured debt of \$648 million³. A further update will be provided following the second meeting of creditors of Basslink.

Background

APA acquired 100% of the senior secured bank debt of Nexus Australia Management Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (Nexus), which is the borrowing entity of Basslink, in March 2022 at a discount to face value and has been participating in a receiver-led process for the sale, restructure or recapitalisation of the business of Basslink. As part of the transaction the full amount of APA's debt and interest accrued will be repaid by it being in effect set off against the purchase price.

Authorised for release by Amanda Cheney

Company Secretary
APA Group Limited

¹ Includes current estimate of stamp duty and other transaction costs of \$33 million.

² Exclusive of cash.

³ This amount represents the face value of APA's senior secured debt in Basslink plus interest accrued.

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