



ASX ANNOUNCEMENT

19 June 2013

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

Amendment to Distribution Reinvestment Plan

During its meeting today, the Board of Australian Pipeline Limited (APL) resolved to amend with immediate effect APA Group's Distribution Reinvestment Plan (DRP). The amendments introduce a right for APL, as responsible entity, to suspend the DRP, remove the requirement for APL to give 30 days' notice to terminate the DRP and clarify some drafting.

The attached booklet contains the amended DRP rules and relevant "questions and answers".

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Company Secretary
Australian Pipeline Limited

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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

APA GROUP
DISTRIBUTION REINVESTMENT PLAN

19 June 2013

Disclaimer

This document does not constitute an offer of securities and does not give the right to any person to invest in securities in any jurisdiction in which it would not be lawful to make such an offer or give such a right.

This document is not investment or tax advice and does not take into account the investment objectives, financial situation and particular needs of an investor. You should consult your financial or other professional adviser prior to making a decision on whether or not to participate in the Plan.



HIGHLIGHTS OF THE DISTRIBUTION REINVESTMENT PLAN

- Defined words and expressions used in this booklet are capitalised. Please see the Definitions section of the DRP's Rules on pages 8 and 9 of this booklet for their meanings.
- On each distribution payment date, the distribution on participating Stapled Securities is automatically reinvested in additional Stapled Securities which the Responsible Entity of each of Australian Pipeline Trust and APT Investment Trust may in its absolute discretion, either issue or cause to be acquired on market by a broker for transfer to Participants.
- Stapled Securities will be transferred or issued under the DRP at the average of the daily volume weighted average traded price (excluding certain transactions specified in the Rules) over a period of 10 Trading Days ending on the fifth Trading Day prior to the date scheduled for payment of the relevant distribution, less such discount (if any) set by the Responsible Entity from time to time (and rounded to the nearest whole cent, with 0.5 of one cent being rounded down). If in the circumstances, the Responsible Entity considers the period of 10 Trading Days to be inappropriate it can extend, reduce or change the timing of the period. Participation is entirely voluntary and you can choose to reinvest all, part or none of your distribution in the DRP.
- You do not have to appoint a broker and you will not pay any fees, brokerage or other transaction costs for Stapled Securities allocated under the DRP. The APA Group pays the administrative costs associated with each issue.
- Stapled Securities allocated under the DRP will rank equally with existing Stapled Securities.
- A DRP statement outlining the distribution calculation and the details of your participation will be mailed on the payment date.

HOW TO JOIN THE DRP

If you wish to participate in the DRP, please complete and sign a DRP Election Form, available from the APA Group Registry or our website, and return it to the Registry. Subject to the Responsible Entity's discretion, participation in the DRP will commence with the first distribution payment after the APA Group receives and accepts the duly completed and executed DRP Election Form, provided the Form is received by 5.00pm on the Record Date for determining entitlements to that distribution.

ENQUIRIES

If you wish to enquire about the DRP, please contact the APA Group's Registry – Link Market Services Limited at the following address:

Locked Bag A14

Sydney South NSW 1235

Telephone: +61 1800 992 312

Facsimile: 02 9287 0303

Email: apagroup@linkmarketservices.com.au

or contact your stockbroker, accountant or professional adviser.



QUESTIONS AND ANSWERS

1. HOW DO I PARTICIPATE IN THE DRP?

Participation in the DRP is entirely voluntary. You can choose to participate by completing a DRP Election Form. Forms can be downloaded from www.apa.com.au or requested from our Registry on +61 1800 992 312.

2. WHO IS ELIGIBLE TO PARTICIPATE IN THE DRP?

Only ordinary holders of Stapled Securities who have a registered address in Australia or New Zealand are eligible to participate in the DRP, unless specific approval has been given by the Responsible Entity.

3. HOW IS THE ISSUE PRICE CALCULATED?

Stapled Securities will be issued or transferred under the DRP at the Issue Price, which (subject to the operation of the Rules) is the average of the daily volume weighted average traded price of all APA Group's Stapled Securities sold on the ASX (excluding certain transactions specified in the Rules) over a period of ten Trading Days ending on the fifth Trading Day prior to the date scheduled for payment of the relevant distribution (or an alternative period considered to be appropriate by the Responsible Entity) less such discount (if any) set by the Responsible Entity from time to time (and rounded to the nearest whole cent, with 0.5 of one cent being rounded down).

4. HOW MANY STAPLED SECURITIES WILL I RECEIVE?

The number of Stapled Securities each Participant will receive is the number (rounding to the nearest whole unit with 0.5 being rounded down) obtained by dividing the amount of the cash distribution held on behalf of the holder of Stapled Securities (net of withholding tax if any) by the Issue Price.

5. HOW WILL I KNOW HOW MANY STAPLED SECURITIES I RECEIVE UNDER THE DRP?

All participants in the DRP will be sent a statement on the payment date. This statement will include:

- The number of participating Stapled Securities you held at the distribution Record Date;



- The distribution payment calculation (including withholding tax deductions, if applicable);
- The Issue Price of the DRP Stapled Securities;
- The number of DRP Stapled Securities issued to you; and
- If you are a partial Participant you will also receive your cheque or direct credit payment advice in the same envelope.

6. HOW WILL MY DRP STAPLED SECURITIES BE TREATED FOR THE SUBSEQUENT DISTRIBUTION PAYMENTS?

DRP Stapled Securities will rank equally with existing Stapled Securities in all respects, entitling holders to a full distribution payment in any subsequent distribution. DRP Stapled Securities will become participating Stapled Securities for the purposes of any subsequent distribution.

7. WHAT HAPPENS IF I HAVE MORE THAN ONE HOLDING OF STAPLED SECURITIES?

You will need to lodge a separate application for each separate holding of Stapled Securities (that is, holdings which are registered under different names and holdings which are held in Issuer or Broker Sponsored form under CHESS) and you must correctly identify each holding on the Form.

8. CAN THE DRP BE CHANGED OR TERMINATED?

The DRP may be altered or amended by the Responsible Entity, in its sole discretion, at any time.

The Responsible Entity may, in its sole discretion and at any time, by written notice to all Participants to take effect on the date specified in the notice, suspend or terminate the Plan, or limit the number of Stapled Securities held by each holder of Stapled Securities able to participate in the Plan.

9. CAN I SELL MY DRP STAPLED SECURITIES?

Stapled Securities acquired through the DRP can be sold at any time after allocation and quotation. If you sell all of your Stapled Securities between a distribution Record Date and distribution payment date, your distribution payment in respect of participating Stapled Securities will be reinvested in the DRP. However, if you sell all of your Stapled Securities before the distribution Record Date, you will not receive



Stapled Securities under the DRP or any other payment on the distribution payment date.

10. CAN I TERMINATE MY PARTICIPATION IN THE DRP?

A Participant may at any time prior to the relevant distribution Record Date terminate participation in the Plan by notice in writing to the Responsible Entity in a form acceptable to the Responsible Entity. In addition, a Participant will cease to participate in the Plan in respect of all or so many of the Stapled Securities of the Participant as may be transferred upon entry of such transfer in the Register (prior to the relevant distribution Record Date).

11. WHAT ARE THE RULES?

The Rules of the DRP are detailed on pages 7 to 13 and may be altered or amended by the Responsible Entity, in its sole discretion, at any time.

You should read those Rules and not rely on this summary. In the event of any inconsistency between the Rules of the DRP and this summary, the Rules will prevail.

12. WHAT IS THE TAXATION TREATMENT?

Distributions reinvested in Stapled Securities will be subject to the same taxation treatment usually accorded to cash distributions. The APA Group cannot advise on the taxation implications of participating in the DRP. If you have any questions regarding taxation implications, please consult your stockbroker, accountant or professional adviser.



RULES OF THE DISTRIBUTION REINVESTMENT PLAN

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**APA GROUP COMPRISING AUSTRALIAN PIPELINE TRUST ARSN 091 678 778
AND APT INVESTMENT TRUST ARSN 115 585 441**

DISTRIBUTION REINVESTMENT PLAN

The Distribution Reinvestment Plan is available to the holders of Stapled Securities in APA Group and allows those holders to reinvest their distribution entitlement in additional Stapled Securities. Participation in the Plan is optional.

1. DEFINITIONS

In this Plan:

"APA Group" means APT and APTIT;

"APT" means the Australian Pipeline Trust ARSN 091 678 778 established by a trust deed dated 18 February 2000 as amended from time to time;

"APTIT" means the APT Investment Trust ARSN 115 585 441 established by a trust deed dated 30 June 2005 as amended from time to time;

"ASX" means ASX Limited;

"Designated Stapled Securities" means in relation to a Holder the number of Stapled Securities designated by the Holder in an application made to participate in the Plan in accordance with clause 2(c) as varied from time to time by the Participant;

"DRP" or **"Plan"** means the Distribution Reinvestment Plan established by these Rules;

"Holder" means a person who holds Stapled Securities;

"Issue Price" has the meaning given to that term in clause 4;

"Participant" means a Holder who participates in the Plan;

"Record Date" means the date books are closed to record distribution entitlements;

"Register" means the register of Holders maintained by APT and APTIT;

"Registry" means Link Market Services Limited;

"Responsible Entity" means Australian Pipeline Limited (ACN 091 344 704);

"Rules" means the rules of Plan set out in pages 7 – 13 of this document;

"**Stapled Security**" means a fully paid unit in APT stapled to a fully paid unit in APTIT on a one for one basis; and

"**Trading Day**" has the meaning given to that expression in the ASX Listing Rules.

2. PARTICIPATION IN PLAN

- (a) Each Holder may apply for participation in the Plan.
- (b) Pursuant to clause 4.7 of the constitutions of each of APT and APTIT, the Responsible Entity may determine that a Holder having a registered address in a country other than Australia ("**Foreign Holder**") cannot participate in the Plan if it is in the best interests of all Holders and is not unfair to the Foreign Holder. The legal requirements of a jurisdiction outside Australia may also prevent a Holder from participating in the Plan. The issue of Stapled Securities to Holders who at the time of issue are not resident in Australia will be subject to all necessary Australian Government approvals. It will be the responsibility of each Holder to obtain any such approvals.
- (c) Applications must be in writing or another form acceptable to the Responsible Entity and must authorise the Responsible Entity to hold the cash distributions payable on all or a designated number of Stapled Securities held by the Participant.
- (d) By applying to participate in the Plan, the Holder warrants to each of APT and APTIT that they are eligible to participate in the Plan and agrees to be bound by these Rules and the constitutions of APT and APTIT in respect of all Stapled Securities issued to or acquired for the Holder under these Rules.

3. SUBSCRIPTION FOR STAPLED SECURITIES

- (a) The Responsible Entity must hold all cash distributions (net of withholding tax) on the Designated Stapled Securities on behalf of the Participant and (subject to paragraph (c) below) subscribe for further Stapled Securities to be issued in the name of that Participant. Subscriptions will be made on the date a cash distribution is paid and Stapled Securities so created rank fully for all distributions paid after the date of issue.
- (b) The number of Stapled Securities to be subscribed for on behalf of a Participant (subject to paragraph (c) below) is the number (rounding to the nearest whole Stapled Security with 0.5 being rounded down) obtained by dividing the amount of cash then held by the Responsible Entity on behalf of that Participant by the Issue Price calculated in accordance with clause 4.



- (c) If at any time the Responsible Entity forms the view that either APT or APTIT does not require additional capital, the Responsible Entity may apply a proportion of or all cash distributions (net of withholding tax) on the Designated Stapled Securities then held by it in the purchase of Stapled Securities on market in the name of Participants in which case the number of Stapled Securities to be transferred to each Participant is the number (rounding to the nearest whole Stapled Security with 0.5 being rounded down) obtained by dividing the amount of cash then held by the Responsible Entity on behalf of that Participant (after any subscription for Stapled Securities has occurred under paragraph (a)) by the Issue Price calculated in accordance with clause 4.
- (d) Following each issue or acquisition of Stapled Securities, the Participant will receive a statement listing the number of Stapled Securities issued or transferred to the Participant and the Issue Price per Stapled Security.

4. ISSUE PRICE OF STAPLED SECURITIES

- (a) The Issue Price for each Stapled Security to be issued or transferred on any date to Participants pursuant to the Plan will be the average of the daily volume weighted average traded price for a Stapled Security for all sales (excluding transactions referred to in clause 4(b)) on ASX for the period of ten Trading Days ending on the fifth Trading Day prior to the date scheduled for payment of the relevant distribution (or an alternative period considered to be appropriate by the Responsible Entity), discounted by such amount (if any) as the Responsible Entity determines from time to time (and rounded to the nearest whole cent, with 0.5 of one cent being rounded down).
- (b) For the purposes of clause 4(a), the following transactions are excluded:
 - (i) any transaction defined in the ASX Market Rules as a “Special Crossing”;
 - (ii) any transaction defined in the ASX Market Rules as a “Crossing” that occurs prior to the commencement of normal trading or during the closing phase or after-hours adjust phase;
 - (iii) any transaction pursuant to the exercise of options granted by the Responsible Entity over unissued units in APT and APTIT; or
 - (iv) any transaction which the Responsible Entity considers is not reflective of natural supply and demand.

- (c) If the Responsible Entity believes that the calculations in clause 4(a) do not provide a fair reflection of the market price of a Stapled Security, the Issue Price is to be the amount determined by a valuer (appointed by the Responsible Entity), to be the fair market price of the Stapled Security.

5. ASX QUOTATION

Application will be made for official quotation by ASX of Stapled Securities issued pursuant to the Plan.

6. ALTERATIONS TO PARTICIPATION

A Participant may at any time vary the quantity of that Participant's Designated Stapled Securities by notice in writing to the Responsible Entity.

7. TERMINATION BY PARTICIPANT

- (a) A participant may at any time prior to the relevant distribution Record Date terminate participation in the Plan by notice in writing to the Responsible Entity in a form acceptable to the Responsible Entity.
- (b) A Participant will cease to participate in the Plan in respect of all or so many of the Stapled Securities of the Participant as may be transferred upon entry of such transfer in the Register (prior to the relevant distribution Record Date).

8. TERMINATION OR SUSPENSION OF PLAN BY RESPONSIBLE ENTITY

The Responsible Entity may, in its sole discretion and at any time, by written notice to all Participants to take effect on the date specified in the notice:

- (a) suspend the Plan (whether for a period of time, in respect of one or more particular distributions, or otherwise);
- (b) terminate the Plan; or
- (c) limit the number of Stapled Securities held by each Holder able to participate in the Plan.

9. NOTICES

Any notice or other communication to the Responsible Entity relating to the Plan must be in writing and addressed to:



The Registry
APA Group
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

10. ALTERATIONS TO THE RULES

The Rules of the Plan may be altered, amended, deleted or added to by the Responsible Entity, in its sole discretion, at any time.

11. LODGEMENT

All applications must be received by 5pm Sydney time on the relevant Record Date. Late lodgements will not be accepted.

12. GENERAL

(a) Governing Law

- (i) The Plan, its operation and these Rules are governed by and must be construed according to the law applying in New South Wales.
- (ii) Each Participant, irrevocably and unconditionally, submits to the non-exclusive jurisdiction of the courts of New South Wales, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to the Plan, its operation or the Rules.

(b) Taxation

None of the Responsible Entity, APT or APTIT takes responsibility for the taxation liabilities of any Participant. Participants should obtain their own advice, if required.

(c) No advice

Each Participant acknowledges, by applying to participate in the Plan or varying or terminating their participation in the Plan, that none of the Responsible Entity, APT or APTIT has given, or is required to give, any investment, financial product, taxation or other advice concerning the Participant's decision regarding participation in the Plan.

(d) Disclaimer of liability

None of the Responsible Entity, APT or APTIT (nor any of their officers, employees or agents) is responsible to any Participant, for any loss or alleged loss or disadvantage suffered or incurred by a Participant as a result directly or indirectly, of the establishment or operation of the Plan, participation in the Plan or any advice given with respect to the participation in the Plan.

(e) Underwriting

The Responsible Entity may arrange for the Plan to be underwritten in respect of a particular distribution on any terms the Responsible Entity determines.