



8 December 2020

ASX ANNOUNCEMENT

APA Group (ASX: APA)

APA Makes First Hybrid Energy Microgrid Investment

Leading Australian energy infrastructure business, APA Group (ASX: APA) today announced a two phased power expansion agreement with existing customer, Gruyere Gold Mine in Western Australia, which will increase total installed capacity by 45% from 45MW to 64MW.

The agreement includes the creation of the Gruyere Hybrid Energy Microgrid (Gruyere Microgrid) - APA's first hybrid energy microgrid investment. Total capital expenditure for all expansion works will be approximately \$38 million¹.

In the first phase of works, APA will expand the Gruyere Power Station with the installation of a twelfth reciprocating gas-fired engine. Work is currently underway on this expansion, which is expected to be commissioned in mid-2021.

In the second phase, APA will build, own and operate a 13MWp solar farm backed-up by a 4.4MW/4.4MWh battery energy storage system. APA's microgrid will utilise a hybrid control system that combines cloud and weather forecasting, battery control and the existing reciprocating engine control systems to optimise efficiency and maximise the use of renewable generation. The Gruyere Microgrid is expected to be commissioned in Q4 2021.

The overall blended carbon intensity of power supply to the Gruyere Gold Mine will be approximately 10% lower with the microgrid expansion, combining energy security with emissions reduction.

The Gruyere Gold Mine is a 50:50 joint venture between the ASX listed Gold Road Resources Ltd (ASX: GOR) and Gruyere Mining Company Pty Ltd, a member of the global Gold Fields group (together, "Gruyere JV"), and is an existing customer of APA for both gas transportation and gas power generation.

Rob Wheals, APA's CEO and Managing Director said, "This new Gruyere battery storage and microgrid project is an exciting first for APA, demonstrating our ability to respond to the needs of our customers with world-class energy solutions.

"This project builds on our existing energy infrastructure footprint in the remote mining region of the northern Goldfields and will enable Gruyere JV to continue to unlock the potential of the Gruyere Gold Mine, while maintaining energy supply reliability through a sustainable power solution for the mine site operations.

"Consistent with our purpose to strengthen communities through responsible energy, we are delighted to be working with the Gruyere JV on this innovative energy solution."

When completed, APA will provide renewable energy supported by battery storage, underpinned by the reliability of gas-fired power to the Gruyere Gold Mine. Gas will continue to be supplied on a take-or-pay basis by APA's interconnected gas pipeline network.

The Gruyere Power Station expansion complements APA's recent announcement of the soon to be constructed Northern Gas Interconnect (NGI) pipeline that will create a WA Gas Grid which includes 2,690 kms of APA interconnected pipelines running north to south and west to east across the state. The ability to flexibly and seamlessly move gas around Western Australian from multiple gas supply basins will give customers increased gas supply options and security of supply. The WA Gas Grid will stimulate significant economic development in Western Australia through new mining investments and thousands of jobs.

¹ Includes capitalised interest.



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About APA Group (APA)

APA is a leading Australian energy infrastructure business, owning and/or operating around \$22 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