



Media Statement >>

4 April 2004

EPIC ENERGY “REST” PIPELINE ASSETS SOLD TO HASTINGS FUNDS MANAGEMENT

The Board of Epic Energy (Epic) today announced the signing of a Sale Agreement for all the gas pipeline assets known as Epic Energy Rest. The total benefits to Epic from the sale of Epic Energy Rest are approximately \$663 million, including debt to be repaid or assumed by the purchaser.

Hastings Fund Management (Hastings) will purchase the Moomba to Adelaide Pipeline System (MAPS), South West Queensland Pipeline System (SWQP), Pilbara Pipeline System (PPS) and South East Pipeline on behalf of a special purpose unit trust.

The Epic Board selected the Hastings offer after Hastings and other parties submitted their final offers on Friday 2 April 2004.

Epic's Chief Executive Officer, Mr David Williams, said the sales process managed by Carnegie, Wylie & Company was competitive and yielded a positive outcome for Epic's unitholders with the best offer on the table being accepted.

“We are pleased to have found a new owner who shares our growth vision for these strategic assets.

“Hastings recognises the value of the portfolio and Epic's capabilities as an operator.

“We welcome the new owner and the end of a period of uncertainty in relation to The Rest for our employees,” Mr Williams said.

Under the Sale Agreement Epic will continue as the operator of all the Epic Energy Rest assets, ensuring a minimal impact on the safe day-to-day operations of the pipelines.

Hastings will acquire Epic's employment, services and systems vehicle (Corporate Shared Services) which provides services to Epic Energy Rest and also the Dampier to Bunbury Natural Gas Pipeline (“DBNGP”). This arrangement will continue with the DBNGP for a twelve-month transitional period.

Media enquires regarding this transaction should be directed to:
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>> About Epic Energy REST Assets

Epic Energy Rest Assets

	Moomba to Adelaide Pipeline System (MAPS)	South West Queensland Pipeline System (SWQP)	Pilbara Pipeline System (PPS)	South East Pipeline (SEP)
Location	South Australia	Queensland	Western Australia	South Australia
Length	781 km with 326 km of laterals	755 km	PEP - 219 km BEP - 24km Wodgina - 80km	70 km
Capacity	418 TJ/day	130 TJ/day	165 TJ/day	N/A
Acquired by Epic	1995	1996	PEP - 1998 BEP - 1998 Wodgina - 2001	1995
Specifics	Connects the Cooper Basin production and processing facilities at Moomba to Adelaide and South Australian regional centres	Connects gas producers in the Cooper Basin at Ballera to Wallumbilla	PEP connects the DBNGP with BHP Billiton's Hot Briquetted Iron plant and the Duke Energy power stations at Port Hedland BEP connects PEP to Dampier. Wodgina connects the PEP to the Sons of Gwalia Tantalum mine at Wodgina	Delivers gas from the Katnook gas processing plant near Penola in the south east of South Australia to an industrial customer at Snuggery and also to Mt Gambier for retail and commercial customers
Regulation	Regulated by the Australian Competition and Consumer Commission (ACCC).	Regulated by the ACCC. Derogations do not allow scrutiny by the ACCC until December 2016 for firm transportation service.	Tariffs specified in long term transportation agreements	Tariffs specified in long term transportation agreements

In addition to operating its own pipelines, Epic operates the following pipelines for third parties:

- the SA Cooper Basin Unit Producers' Liquids Pipeline which carries condensate from the Moomba fields to facilities at Port Bonython; and
- the Envestra owned Riverland Pipeline system which connects to the MAPS at Angaston and services the towns of Murray Bridge and Berri in SA; and
- the Cape Lambert Pipeline, located northeast of Karratha in WA, on behalf of Rio Tinto.

