

## **Inter Pipeline Completes Acquisition of Remaining Interest in the Cold Lake Pipeline System**

**CALGARY, ALBERTA, December 16, 2016:** Inter Pipeline Ltd. ("Inter Pipeline")(TSX:IPL) announced today the successful closing of its acquisition of the remaining 15 percent interest in the Cold Lake pipeline system from Canadian Natural Resources Limited ("Canadian Natural") for \$527.5 million, subject to closing adjustments.

This immediately accretive acquisition, announced on December 12, 2016, results in Inter Pipeline owning 100 percent of the 1,400 km Cold Lake pipeline system, which is the largest transporter of Cold Lake area bitumen production.

Canadian Natural received \$350 million in cash and \$177.5 million through the issuance of 6,417,740 Inter Pipeline common shares in consideration for its Cold Lake ownership interest. Funding for the cash component of the acquisition was provided from proceeds of a new 10-year medium term note offering that closed today.

Concurrent with closing of this acquisition, Inter Pipeline has entered into a binding long-term take-or-pay agreement with Canadian Natural to transport diluent and bitumen blend for its Kirby North SAGD oil sands project. The agreement will trigger the construction of a new \$125 million pipeline connection to the Kirby North production facility, with service targeted for the first quarter of 2020.

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### **Inter Pipeline Ltd.**

Inter Pipeline is a major petroleum transportation, natural gas liquids processing, and bulk liquid storage business based in Calgary, Alberta, Canada. Inter Pipeline owns and operates energy infrastructure assets in western Canada and Europe. Inter Pipeline is a member of the S&P/TSX 60 Index and its common shares trade on the Toronto Stock Exchange under the symbol IPL. [www.interpipeline.com](http://www.interpipeline.com)

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### **Disclaimer**

Certain information contained herein may constitute forward-looking statements that involve risks and uncertainties. Readers are cautioned not to place undue reliance on forward-looking statements, including, but not limited to, statements regarding the capital costs and timing for the targeted service date of the first phase of Canadian Natural's Kirby North project. Such statements reflect the current views of Inter Pipeline with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause the results of Inter Pipeline to differ materially from those expressed in the forward-looking statements. Factors that could cause actual results to vary from forward-looking information or may affect the operations, performance, development and results of Inter Pipeline's businesses include, among other things: the potential for undisclosed liabilities associated with the Cold Lake acquisition and realizing the expected benefits from the Cold Lake acquisition and the related transportation agreement with Canadian Natural. Such information, although considered reasonable by Inter Pipeline at the time of preparation, may later prove to be incorrect and actual results may differ materially from those anticipated in the statements made. For this purpose, any statements that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements often contain terms such as "may", "will", "should", "anticipate", "expects" and similar expressions. Such risks and uncertainties include, but are not limited to, risks associated with operations, such as loss of markets, regulatory matters, government policies, environmental risks, industry competition, potential delays and cost overruns of construction projects, and the ability to access sufficient debt or equity capital from internal and external

sources. You can find a discussion of those risks and uncertainties in Inter Pipeline's securities filings at [www.sedar.com](http://www.sedar.com). The forward-looking statements contained in this news release are made as of the date of this document, and, except to the extent required by applicable securities laws and regulations, Inter Pipeline assumes no obligation to update or revise forward-looking statements made herein or otherwise, whether as a result of new information, future events, or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary note.

All dollar values are expressed in Canadian dollars unless otherwise noted.