

Inter Pipeline Announces Completion of Polaris Pipeline Expansion for Imperial's Kearl Project

CALGARY, ALBERTA, JUNE 22, 2015: Inter Pipeline Ltd ("Inter Pipeline") (TSX: IPL) announced today that it has completed capacity expansion work on its Polaris Pipeline system in support of the second phase of the Kearl oil sands project operated by Imperial Oil Resources Ventures Limited ("Imperial"). In August 2013, Imperial exercised its contractual option to increase its firm capacity commitment on the Polaris Pipeline system from 60,000 barrels per day to 120,000 barrels per day. This prompted a \$45 million pump station expansion which is now in service.

As part of the expansion, Inter Pipeline re-commissioned three existing pump stations on the 12-inch diameter mainline that runs between Lamont, Alberta and the Kearl site north of Fort McMurray. The capacity of this pipeline segment has been increased to approximately 165,000 barrels per day, bringing the total installed capacity of the Polaris pipeline system to approximately 865,000 barrels per day.

"Polaris remains the largest merchant diluent system in the area, with 540,000 barrels per day of diluent capacity commitments from eight oil sands producers" said Christian Bayle, President and Chief Executive Officer of Inter Pipeline. "With an ultimate transportation capacity of 1.3 million barrels per day, we are well positioned to continue to cost effectively capture new transportation opportunities as regional production grows over time."

As a result of the completion of the Polaris capacity expansion, Inter Pipeline will now receive an incremental \$19 million in annual EBITDA under the 25-year Kearl ship-or-pay transportation contract.

Inter Pipeline Ltd.

Inter Pipeline is a major petroleum transportation, natural gas liquids extraction, and bulk liquid storage business based in Calgary, Alberta, Canada. Inter Pipeline owns and operates energy infrastructure assets in western Canada and northern Europe. Additional information about Inter Pipeline can be found at www.interpipeline.com

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.

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

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Certain financial measures referred to in this news release including EBITDA are not measures recognized by GAAP. These non-GAAP financial measures do not have standardized meanings

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