

Inter Pipeline Adopts Shareholder Protection Rights Plan

CALGARY, ALBERTA, MARCH 24, 2014: Inter Pipeline Ltd. ("Inter Pipeline") (TSX: IPL) announced today that effective immediately its Board of Directors ("the Board") has adopted a Shareholder Protection Rights Plan ("Rights Plan"). The purpose of the Rights Plan is to grant shareholders and the Board adequate time to consider and evaluate any unsolicited takeover bid made for Inter Pipeline's common shares ("Shares"). The Rights Plan provides the Board with the flexibility to identify and negotiate value-enhancing alternatives, and encourage the fair treatment of shareholders in connection with any takeover bid. The Rights Plan is similar to existing shareholder rights plans adopted by other Canadian public companies, and has not been adopted in anticipation of any known take-over bid.

The Rights Plan provides for the issuance of one right ("Right") per Share, with each Right "stapled" to its Share. Initially, Rights certificates will not be distributed to shareholders, nor will their issuance be dilutive to cash flow or earnings per share or change the manner in which shareholders currently trade Shares. However, if a person or group acting in concert acquires beneficial ownership of 20 percent or more of the outstanding Shares, the Rights will separate from the Shares and permit shareholders, other than the acquiring person or group, to purchase additional Shares at a substantial discount to the current market price.

A bid that meets certain criteria intended to protect the interests of all shareholders will be deemed to be a "permitted bid" and will not trigger the Rights Plan. These criteria require, among other things, that the bid be made by way of a take-over bid circular to holders of voting shares and remain open for acceptance by shareholders for at least 60 days.

The Rights Plan has been conditionally accepted by the Toronto Stock Exchange, subject to ratification by Inter Pipeline's shareholders. Inter Pipeline intends to submit the Rights Plan to shareholders for their consideration at the annual and special meeting of shareholders on May 12, 2014 in Calgary, Alberta. If the Rights Plan is not confirmed by Inter Pipeline's shareholders, it will terminate and have no further force or effect.

Full details of the Rights Plan will be available under Inter Pipeline's profile on SEDAR at www.sedar.com in due course.

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's common shares trade on the Toronto Stock Exchange under the symbol IPL.

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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 Rights Plan, including the anticipated benefits of the Rights Plan. 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", "expect" and similar expressions. Such risks

and uncertainties include, but are not limited to, risks associated with operations, such as loss of markets, regulatory matters, environmental risks, industry competition, potential delays and cost overruns of construction projects, and the ability to access sufficient 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. 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.