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Inter Pipeline Announces Closing of \$300 million Offering of Common Shares

CALGARY, ALBERTA, MARCH 26, 2014: Inter Pipeline Ltd. ("Inter Pipeline") (TSX: IPL) announced today that it has closed its previously announced equity offering of 10,400,000 common shares ("Shares") at \$28.90 per Share for gross proceeds of \$300,560,000. The offering was made on a bought deal basis through a syndicate of underwriters led by TD Securities Inc., as sole bookrunner, and CIBC World Markets Inc., as co-lead underwriter, and including RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Scotia Capital Inc., FirstEnergy Capital Corp., Canaccord Genuity Corp. and Peters & Co. Limited.

Inter Pipeline will use the net proceeds of the offering to repay bank indebtedness that was incurred to fund Inter Pipeline's capital expenditure program and other general corporate purposes. Inter Pipeline is currently advancing a multi-year \$3.2 billion expansion program on its Cold Lake and Polaris pipeline systems under commercially secured contracts with major oil sands producers.

This news release is not an offer of securities for sale in the United States. The Shares offered have not been and will not be registered under the United States Securities Act of 1933 and accordingly are not being offered for sale and may not be offered, sold or delivered, directly or indirectly within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, except pursuant to an exemption from the registration requirements of that Act.

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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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. 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.