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## **Inter Pipeline Announces Closing of \$600 Million Subscription Receipt Offering**

**CALGARY, ALBERTA, August 17, 2016:** Inter Pipeline Ltd. ("Inter Pipeline") (TSX: IPL) announced today that it has closed its previously announced equity offering of 22,430,000 subscription receipts at \$26.75 per subscription receipt for gross proceeds of \$600,002,500. The offering was made on a bought deal basis through a syndicate of underwriters led by TD Securities Inc., as sole bookrunner, and co-led by CIBC Capital Markets and RBC Capital Markets, and including BMO Capital Markets, National Bank Financial Inc., Scotiabank, AltaCorp Capital Inc., Canaccord Genuity Corp., FirstEnergy Capital Corp. and Peters & Co. Limited.

Inter Pipeline will use the net proceeds of the offering to partially fund the previously announced acquisition of The Williams Companies Inc.'s and William Partners L.P.'s Canadian natural gas liquids midstream businesses ("Williams Canada").

Each subscription receipt represents the right of the holder to receive, upon closing of the acquisition and without payment of additional consideration or further action, one common share of Inter Pipeline. The holder will also receive an amount equal to the dividends Inter Pipeline declares on the common shares, if any, for the record dates which occur during the period from today to the date immediately preceding the date that common shares are issued on the exchange of the subscription receipts.

The gross proceeds from the sale of subscription receipts will be held in escrow pending the closing of the acquisition. If the acquisition fails to close by January 31, 2017, or the acquisition is terminated at an earlier time, the gross proceeds and pro rata entitlement to interest earned on the escrowed proceeds thereon will be paid to holders of the subscription receipts.

The subscription receipts will commence trading on the Toronto Stock Exchange today under the symbol "IPL.R".

*This news release is not an offer of the Subscription Receipts or underlying common shares for sale in the United States. The Subscription Receipts to be offered and the underlying Common Shares have not been and will not be registered under the United States Securities Act of 1933 or any state securities laws 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.*

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### **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 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 completion, size, funding and timing of the Williams Canada acquisition and the exchange of subscription receipts for common shares on completion of the Williams Canada Acquisition. 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, risks relating to closing of the Williams Canada acquisition. 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, 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.