

Inter Pipeline Announces Increase to Monthly Cash Dividend

CALGARY, ALBERTA, November 3, 2016: Inter Pipeline Ltd. ("Inter Pipeline") (TSX: IPL) announced today that its board of directors has approved a 3.8 percent increase to its monthly cash dividend from \$0.13 to \$0.135 per share. On an annualized basis, dividends will increase by \$0.06 per share from \$1.56 to \$1.62. Shareholders of record as of November 22, 2016 will be eligible for Inter Pipeline's new monthly dividend rate of \$0.135 per share, with payment expected on or about December 15, 2016. Inter Pipeline's dividend payments to shareholders are designated as "eligible dividends" for Canadian tax purposes.

"Inter Pipeline continues to produce stable financial and operating results allowing us to deliver strong returns to our shareholders" said Christian Bayle, President and Chief Executive Officer. "This is Inter Pipeline's fourteenth consecutive dividend increase and reflects the strength of our diversified energy infrastructure business and the benefits of our recent acquisition of the Williams Canada NGL midstream business."

In September, Inter Pipeline successfully completed the acquisition of the shares of The Williams Companies Inc.'s and Williams Partners L.P.'s Canadian natural gas liquids (NGL) midstream businesses for approximately \$1.35 billion. Inter Pipeline is now the only processor and fractionator of oil sands upgrader offgas liquids. The acquisition provides a platform for material future investment in NGL and olefin processing infrastructure including the expansion of capacity at existing facilities, the connection to new off-gas supply sources and the construction of integrated downstream petrochemical facilities.

Effective with the October 2016 dividend, Inter Pipeline re-instated the premium component of its Premium Dividend™ and Dividend Reinvestment Plan ("Plan"). Currently, eligible shareholders enrolled in the regular dividend reinvestment component of the Plan have their dividends reinvested in additional common shares issued from treasury at the Average Market Price (as defined in the Plan) on the applicable dividend payment date. There are no changes to this regular dividend reinvestment component of the Plan.

Since inception, Inter Pipeline has distributed approximately \$3.7 billion in cash payments to investors.

TM denotes trademark of Canaccord Genuity Corp.

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

Contact Information

Investor Relations:

Jeremy Roberge
Vice President, Capital Markets
Email: investorrelations@interpipeline.com
Tel: 403-290-6015 or 1-866-716-7473

Media Relations:

Breanne Feigel
Manager Corporate Communications
Email: mediarelations@interpipeline.com
Tel: 587-475-1118

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 sustainability of future dividends. 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 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.