

Inter Pipeline Announces September 2016 Cash Dividend and Increase to Revolving Credit Facility

CALGARY, ALBERTA, September 8, 2016: Inter Pipeline Ltd. ("Inter Pipeline") (TSX:IPL) announced today the declaration of a cash dividend of \$0.13 per share for September 2016. This dividend will be paid on or about October 14, 2016 to shareholders of record on September 22, 2016. This dividend is designated as an "eligible dividend" for Canadian tax purposes.

On August 30, 2016, Inter Pipeline reached an agreement with its lending syndicate to increase the size of its senior, unsecured revolving credit facility from \$1.25 billion to \$1.5 billion. The term of the credit facility remains unchanged with a maturity date of December 4, 2020, which can be extended further under certain conditions. This credit facility was increased in part to fund a portion of Inter Pipeline's acquisition of the Williams Canadian NGL midstream business, which was first announced on August 8, 2016. The acquisition is expected to close in the third quarter of 2016.

Since inception, Inter Pipeline has distributed approximately \$3.6 billion in cash payments to investors. Inter Pipeline's objective is to provide investors with sustainable monthly cash dividends, with dividend growth upside tied to the development of Inter Pipeline's portfolio of growth projects.

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

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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 sustainability of future dividends and the anticipated closing date of the 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. 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.