

Inter Pipeline Fund Successfully Renews \$2.3 Billion of Revolving Credit Facilities

CALGARY, ALBERTA, December 15, 2011: Inter Pipeline Fund (“Inter Pipeline”) (TSX: IPL.UN) announced today that it has successfully completed the renewal of two revolving credit facilities totaling \$2.3 billion. The fully committed facilities consist of a \$750 million credit facility at the Inter Pipeline Fund corporate level, and a \$1.55 billion credit facility at the subsidiary Inter Pipeline (Corridor) Inc. level. Together these facilities provide significant liquidity and financial flexibility to support ongoing financial requirements.

“We are very pleased to renew over \$2 billion in credit facilities on favourable terms and with strong support from our key lenders,” commented Bill van Yzerloo, Chief Financial Officer of Inter Pipeline. “These committed long-term credit agreements eliminate any near-term refinancing risk associated with maturing facilities and further strengthen our ability to finance current growth opportunities at attractive rates.”

Inter Pipeline successfully closed the five year, \$750 million revolving credit facility with a group of nine Canadian and international lenders on December 5, 2011. The facility has an initial maturity date of December 5, 2016, but can be extended under certain conditions. Renewal terms were more favourable than those of Inter Pipeline’s previous credit facility, reflecting Inter Pipeline’s substantial growth over the last five years and successful execution of its business plan. The facility is available for ongoing growth initiatives and will be the primary source of financing for the pending DEOT bulk liquid storage acquisition in Denmark, which is expected to close in early 2012.

Inter Pipeline (Corridor) Inc.’s \$1.55 billion revolving credit facility closed today with a group of fifteen Canadian and international lenders. The four year facility has an initial maturity date of December 15, 2015, but can be extended under certain conditions. This new bank arrangement will be primarily used to support Corridor’s successful Canadian commercial paper program. The Corridor pipeline system is commercially operated under a cost of service contract with the Corridor shippers and as such, all interest and other costs associated with this facility are recovered from the shippers.

Inter Pipeline Fund

Inter Pipeline is a major petroleum transportation, natural gas liquids extraction, and bulk liquid storage business based in Calgary, Alberta, Canada. Structured as a publicly traded limited partnership, Inter Pipeline owns and operates energy infrastructure assets in western Canada, the United Kingdom, Germany and Ireland. Additional information about Inter Pipeline can be found at www.interpipelinefund.com

Inter Pipeline is a member of the S&P/TSX Composite Index. Class A Units trade on the Toronto Stock Exchange under the symbol IPL.UN.

Eligible Investors

Pursuant to Inter Pipeline’s limited partnership agreement dated October 9, 1997, as amended, all unitholders are required to be residents of Canada. A copy of the limited partnership agreement can be found at www.interpipelinefund.com by selecting “Corporate Governance”. If a unitholder is a non-resident of Canada (“Non-Eligible Unitholder”), he will not be considered to be a member of the partnership effective the date the Class A Units were acquired. Inter Pipeline requires all Non-Eligible Unitholders to dispose of their Class A Units in accordance with the limited partnership agreement.

In most cases, a unitholder with an address outside of Canada will be a Non-Eligible Unitholder.

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Disclaimer

Certain information contained herein may constitute forward-looking statements that involve risks and uncertainties. Forward-looking statements in this news release include, but are not limited to, statements regarding anticipated closing of the DEOT bulk liquid storage acquisition. Readers are cautioned not to place undue reliance on forward-looking statements. Such information, although considered reasonable by the General Partner of 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, including the Corridor pipeline system expansion project, 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.