

## **Inter Pipeline to Provide Diluent Transportation for Athabasca Oil Corporation Hangingstone Project**

**CALGARY, ALBERTA, November 6, 2013:** Inter Pipeline Ltd. (“Inter Pipeline”) (TSX: IPL) announced today that it has entered into a binding agreement with AOC Hangingstone Partnership, a wholly owned subsidiary of Athabasca Oil Corporation (“AOC”), to provide diluent transportation services for AOC’s multi-phase Hangingstone oil sands project. Under the terms of a 25-year ship-or-pay agreement, Inter Pipeline will provide AOC with an initial 4,500 barrels per day of committed capacity on its Polaris pipeline in support of the first production phase of the Hangingstone project.

AOC, through the Hangingstone Partnership, expects to develop the Hangingstone project in several phases over the coming years. Inter Pipeline holds the exclusive right to provide diluent transportation for future phases of the project. Should all three planned phases be developed, Inter Pipeline estimates that the Hangingstone project may require up to 30,000 barrels per day of diluent.

Inter Pipeline will initially provide transportation service utilizing Polaris’ existing 12-inch diameter diluent mainline. A new \$25 million, 4 kilometer pipeline lateral with associated metering facilities will connect Polaris to the AOC Hangingstone oil sands facility. Diluent capacity for Phases 2 and 3 of the AOC Hangingstone project is expected to be provided through a future extension of the new 30-inch diameter Polaris mainline that is currently under construction. A map of the new connection to the AOC Hangingstone project is available on our website at [www.interpipeline.com](http://www.interpipeline.com).

“Inter Pipeline is pleased to add AOC to our growing portfolio of diluent delivery customers on the Polaris pipeline system,” stated David Fesyk, President and Chief Executive Officer of Inter Pipeline. “Over the past two years we have signed transportation contracts with six oil sands customers on Polaris, representing committed volumes in excess of 500,000 barrels per day. These firm capacity contracts continue to support the phased, capital efficient expansion of the Polaris system.”

Inter Pipeline expects to initially generate long term annual EBITDA of approximately \$5 million when the new AOC connection enters commercial service in early 2015. Inter Pipeline will also earn additional EBITDA when AOC increases its diluent capacity commitments through the phased development of the Hangingstone project. All operating costs will be recovered on a flow through basis.

### **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](http://www.interpipeline.com).

Inter Pipeline shares trade on the Toronto Stock Exchange under the symbol IPL.

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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, timing and completion cost estimates for the Polaris expansion, and forward EBITDA estimates. 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", "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](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.

### **Non-GAAP Financial Measures**

Certain financial measures referred to in this news release, namely, "EBITDA" and "cash flow" are not measures recognized by GAAP. These non-GAAP financial measures do not have standardized meanings prescribed by GAAP and therefore may not be comparable to similar measures presented by other entities. Investors are cautioned that these non-GAAP financial measures should not be construed as alternatives to other measures of financial performance calculated in accordance with GAAP.