

Inter Pipeline Modifies Shareholder Rights Plan To Support Strategic Alternatives Review

CALGARY, ALBERTA, March 31, 2021: Inter Pipeline Ltd. ("Inter Pipeline" or the "Company") (TSX: IPL) announced today that its Board of Directors (the "Board"), has unanimously adopted a limited-purpose supplemental shareholder rights protection plan (the "Supplemental Rights Plan"), following a recommendation of the Special Committee of independent directors (the "Special Committee").

The Supplemental Rights Plan is not intended to prevent Brookfield Infrastructure Partners L.P. ("Brookfield") or its affiliates from acquiring the Company pursuant to its hostile takeover bid dated February 22, 2021 (the "Hostile Bid"). The Supplemental Rights Plan includes a technical revision to Inter Pipeline's existing shareholder rights protection plan to treat certain financial derivatives, which have already been utilized by Brookfield, as equivalent to beneficial share ownership.

The Special Committee, in consultation with its financial and legal advisors, recommended closing this loophole in Inter Pipeline's existing shareholder rights protection plan in order to support and facilitate the Board's previously announced comprehensive review of strategic alternatives (the "Strategic Review") to maximize shareholder value.

The Strategic Review was announced on February 18, 2021 and is being overseen by the Special Committee chaired by Margaret McKenzie, who is also Inter Pipeline's newly appointed Chair of the Board. "We are pleased with the progress that has already been made in conducting the Strategic Review," said Ms. McKenzie. "This change to our rights plan is in the best interests of our shareholders and helps to preserve the integrity of our Strategic Review process."

The Supplemental Rights Plan requires approval by shareholders within six months of the Supplemental Rights Plan's effective date, failing which it will terminate. The Corporation has been notified by the Toronto Stock Exchange ("TSX") that the TSX will defer consideration of the acceptance of the Supplemental Rights Plan until such time as the TSX is satisfied that the appropriate securities commission will not intervene pursuant to National Policy 62-202 – *Take-Over Bids – Defensive Tactics*. Pursuant to TSX policies, the TSX normally defers acceptance of shareholder rights plans adopted in response to a specific take-over bid.

A full copy of the Supplemental Rights Plan will be available at www.sedar.com and www.interpipeline.com. A detailed summary of the Supplemental Rights Plan will be set out in Inter Pipeline's Material Change Report which will be available at www.sedar.com.

About Inter Pipeline Ltd.

Inter Pipeline is a major petroleum transportation and natural gas liquids processing business based in Calgary, Alberta, Canada. Inter Pipeline owns and operates energy infrastructure assets in Western Canada and is building the Heartland Petrochemical Complex – North America's first integrated propane dehydrogenation and polypropylene facility. 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 effects and benefits of the Supplemental Rights Plan. In respect of the forward-looking statements, Inter Pipeline has provided such statements in reliance on certain expectations and assumptions relating to the Hostile Bid, the effect of the Supplemental Rights Plan and the Strategic Review. There can be no assurance that the Supplemental Rights Plan will be effective in achieving its stated goals. Additional factors that may affect the outcome of such forward looking statements or the operations, performance, development and results of Inter Pipeline's businesses are described in Inter Pipeline's reports and filings with the Canadian securities regulatory authorities including in the Directors' Circular dated March 8, 2021 and in Inter Pipeline's most recent MD&A and Annual Information Form, and other documents it files from time to time. You can find these documents by referring to Inter Pipeline's profile on SEDAR (www.sedar.com). 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 are deemed to be forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release, and, except to the extent required by applicable law, 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 news release are expressly qualified by this cautionary note.