News Release

For immediate release
August 4, 2022

Keyera Corp. Announces 2022 Second Quarter Results, Raises 2022 Marketing Guidance

CALGARY, August 4, 2022 - Keyera Corp. (TSX:KEY) ("Keyera") announced its 2022 second quarter financial results today, the highlights of which are included in this news release. To view the MD&A and financial statements, visit either Keyera's website or Keyera's filings on SEDAR at www.sedar.com.

Second Quarter Financial Highlights

- Adjusted earnings before interest, taxes, depreciation, and amortization ("adjusted EBITDA" [1]) was $316 million, compared with $224 million for the second quarter of 2021. The year-over-year increase was largely driven by strong Marketing segment performance.
- The company realized cash flow from operating activities ("CFO") of $199 million, compared with $112 million for the same period in 2021.
- Distributable cash flow[1] ("DCF") was $209 million ($0.94 per share), compared with $148 million ($0.67 per share) for the second quarter of 2021.
- Net earnings were $173 million ($0.78 per share), compared to $79 million ($0.36 per share) for the same period in 2021.
- The company continues to preserve balance sheet strength, ending the quarter with a net debt to adjusted EBITDA ratio[2] of 2.3 times, which is below the company's target range of 2.5 to 3.0 times.

Business Segment Highlights

- The **Gathering and Processing** ("G&P") segment delivered a record realized margin[1,3] of $88 million, compared to $86 million for the same period last year. Contributing to this performance was record throughput at the Pipestone and Wapiti gas plants and higher volumes across the South region portfolio.
- Keyera's **Liquids Infrastructure** segment delivered realized margin[1,3] of $98 million, compared to $96 million for the same period last year. The increase was the result of strong demand for fractionation services.
- The **Marketing** segment contributed a realized margin[1,3] of $162 million, compared to $79 million in the second quarter of 2021. These results were driven by robust commodity prices and record iso-octane margins due to strong motor gasoline pricing and octane demand.

KAPS Pipeline Project Update

- KAPS is now over 70% complete and the project is estimated to cost approximately $900 million, net to Keyera (previously $800 million to $880 million). The increase in cost is mainly driven by weather related productivity losses, as well as inflationary pressure for items such as matting required to access excessively wet construction sites.

Increasing Marketing Segment Realized Margin and Cash Tax Guidance

- For 2022, realized margin[1] for the Marketing segment is now expected to range between $380 million and $410 million (previously $300 million to $340 million).
- As a result of higher Marketing segment margins, cash tax expense for 2022 is now expected to range between $55 million and $65 million (previously $30 million to $40 million).

Capital Expenditure Guidance Update

- Growth capital for 2022 is now expected to be between $680 million and $720 million (previously $620 million to $660 million), excluding capitalized interest. The increased growth capital guidance range is primarily based on the higher estimated cost to complete the KAPS project. The majority of KAPS related costs are forecasted to be incurred in 2022.
- Maintenance capital guidance remains unchanged with a range between $100 million and $120 million.

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[1] Keyera uses certain non-GAAP and other financial measures such as EBITDA, adjusted EBITDA, funds from operations, distributable cash flow, distributable cash flow per share, payout ratio, realized margin and return on invested capital. Since these measures are not standard measures under GAAP, they may not be comparable to similar measures reported by other entities. For a reconciliation of the historical non-GAAP financial measures to the most directly comparable GAAP measure, refer to the section of this news release titled "Non-GAAP and Other Financial Measures". For the assumptions associated with the realized margin guidance for the Marketing segment, refer to the section titled "Segmented Results of Operations: Marketing" of Management's Discussion and Analysis.

[2] Ratio is calculated in accordance with the covenant test calculations related to the company's credit facility and senior note agreements and excludes hybrid notes.

[3] Realized margin is not a standard measure under GAAP and excludes the effect of $10 million in non-cash gains from commodity-related risk management contracts. See the section of this news release titled "Non-GAAP and Other Financial Measures".

Summary of Key Measures

(Thousands of Canadian dollars, except where noted)	Three months ended June 30, **2022**	2021	Six months ended June 30, **2022**	2021
Net earnings	**173,006**	78,595	**286,800**	164,420
Per share ($/share) – basic	**0.78**	0.36	**1.30**	0.74
Cash flow from operating activities	**198,763**	112,071	**655,815**	380,500
Funds from operations[1]	**246,290**	181,346	**443,863**	362,411
Distributable cash flow[1]	**208,553**	147,940	**387,011**	312,691
Per share ($/share)[1]	**0.94**	0.67	**1.75**	1.41
Dividends declared	**106,091**	106,091	**212,182**	212,182
Per share ($/share)	**0.48**	0.48	**0.96**	0.96
Payout ratio %[1]	**51%**	72%	**55%**	68%
Adjusted EBITDA[2]	**315,931**	223,701	**573,134**	448,531
Gathering and Processing				
Gross processing throughput[3] (MMcf/d)	**1,529**	1,448	**1,521**	1,426
Net processing throughput[3] (MMcf/d)	**1,300**	1,218	**1,305**	1,206
Liquids Infrastructure				
Gross processing throughput[4] (Mbbl/d)	**180**	146	**183**	150
Net processing throughput[4] (Mbbl/d)	**80**	75	**85**	80
AEF iso-octane production volumes (Mbbl/d)	**15**	15	**14**	15
Marketing				
Inventory value	**330,517**	207,240	**330,517**	207,240
Sales volumes (Bbl/d)	**164,600**	145,500	**179,600**	159,400
Acquisitions	**—**	11,165	**—**	11,165
Growth capital expenditures	**182,455**	80,149	**426,024**	128,177
Maintenance capital expenditures	**26,906**	21,917	**34,142**	25,822
Total capital expenditures	**209,361**	113,231	**460,166**	165,164
Weighted average number of shares outstanding – basic and diluted	**221,023**	221,023	**221,023**	221,023

	As at June 30, **2022**	2021
Long-term debt[5]	**3,600,315**	3,276,826
Credit facility	**—**	—
Working capital surplus[6]	**(132,054)**	(173,022)
Net debt	**3,468,261**	3,103,804
Common shares outstanding – end of period	**221,023**	221,023

Notes:

1 Funds from operations, distributable cash flow, distributable cash flow per share and payout ratio are not standard measures under Generally Accepted Accounting Principles ("GAAP") and therefore, may not be comparable to similar measures reported by other entities. For additional details regarding the composition of these measures, how management utilizes them, and for a reconciliation of funds from operations and distributable cash flow to the most directly comparable GAAP measure, cash flow from operating activities, refer to the section of this news release titled "Non-GAAP and Other Financial Measures".

2 Adjusted EBITDA is not a standard measure under GAAP and therefore, may not be comparable to similar measures reported by other entities. For additional details regarding the composition of this measure, how management utilizes it, and for a reconciliation of adjusted EBITDA to the most directly comparable GAAP measure, net earnings, refer to the section of this news release titled "Non-GAAP and Other Financial Measures".

3 Includes gas volumes and the conversion of liquids volumes handled through the processing facilities to a gas volume equivalent. Net processing throughput refers to Keyera's share of raw gas processed at its processing facilities.

4 Fractionation throughput in the Liquids Infrastructure segment is the aggregation of volumes processed through the fractionators and the de-ethanizers at the Keyera and Dow Fort Saskatchewan facilities.

5 Long-term debt includes the total value of Keyera's hybrid notes which receive 50% equity treatment by Keyera's rating agencies. The hybrid notes are also excluded from Keyera's covenant test calculations related to the company's credit facility and senior note agreements.

6 Working capital is defined as current assets less current liabilities.

CEO's Message to Shareholders

Keyera is uniquely positioned to benefit from the global drive toward energy security. We believe commodity prices are poised to remain strong, driven by constrained global supply and continued demand for responsibly produced energy. Our fully integrated assets, combined with our marketing services, allow us to efficiently connect customers' NGL production from the wellhead to the highest value end-markets. This unique advantage allows us to maximize value for our customers, and deliver strong, stable returns for Keyera's shareholders.

We aim to grow stable, contracted cash flows from our fee-for-service infrastructure business that provides the foundation for a stable and growing dividend over time. Complementing our fee-for-service business is our Marketing segment that enables us to fund infrastructure projects, like our KAPS pipeline project, and enhances our ability to consistently deliver superior return on invested capital.

Our Marketing segment is poised to generate record cash flows. With robust commodity prices and record iso-octane premiums generated in the second quarter, our Marketing segment is now expected to deliver between $380 million and $410 million in realized margin for the year. For context, the Marketing segment generated record realized margin of $373 million in 2019. With the strong Marketing contribution in 2022, we now anticipate exiting the year with Net Debt to EBITDA within our target range of 2.5 to 3 times.

Our **Gathering and Processing** ("G&P") volumes grew by 6% compared to the same period last year due to higher volumes at Pipestone, Wapiti and across our South region assets. At Wapiti, we've begun to utilize the second processing train as demand for our services is increasing. We are working with our customers to manage the water disposal associated with the raw gas to ensure we continue to maximize utilization. As we continue to see increased demand from producers in the Northern region, we are evaluating opportunities to expand the capacity of our Pipestone gas plant.

Adding to the favourable outlook for the G&P segment, we are pleased to see continued consolidation amongst upstream producers, with well capitalized companies aiming to grow production. Most recently, a producer near our Simonette gas plant announced plans to double production over the next 3 to 5 years. We have capacity at Simonette to support growth in gas volumes, and our KAPS pipeline to transport associated liquids volumes.

Our **Liquids Infrastructure** segment delivered another steady quarter backed by continued strong performance from our fractionation, storage, and condensate transportation businesses. We continue to engage with customers to gather support for an expansion to our fractionation business. We are competitively advantaged to efficiently add fractionation capacity given our existing footprint, including extensive storage and connectivity to high value NGL markets.

Our KAPS pipeline project is a game-changer for Keyera as it is the missing link in our value chain, that will connect our Montney G&P business and other third-party facilities to our highly profitable Liquids Infrastructure business in Edmonton and Fort Saskatchewan. It also provides meaningful future growth opportunities, like our Zone 4 expansion which would extend the pipeline to near the British Columbia border. KAPS stands to capture growing volumes from the Western Canada basin. This growth is underpinned by many factors including the increasing importance of energy security and the role Canada plays in delivering responsibly produced energy to the world.

We were very pleased to see the Competition Bureau ("the Bureau") take decisive action to protect competition in our industry, specifically as it relates to our KAPS pipeline project. Following a thorough review, including extensive engagement with industry producers, the Bureau requires that the other 50% interest in the KAPS project be sold to a third party through an independently supervised disposition process. The Bureau also imposed strict requirements to ensure that commercially sensitive data, including customer information, is protected. The action taken by the Bureau further reinforces both industry's desire for competition and the importance of KAPS as a critically important alternative to the existing pipeline system. We look forward to the conclusion of the sale process, and to continuing our strong track record of collaborating with our partners.

Grounded in financial discipline, and with several strategic growth opportunities underway, Keyera is well positioned to continue to generate shareholder value for decades to come.

In Q3, we will be releasing our second environmental, social, and governance (ESG) report which will detail our sustainability progress.

On behalf of Keyera's board of directors and management team, I thank our employees, customers, shareholders, and other stakeholders for their continued support.

Dean Setoguchi
President and Chief Executive Officer
Keyera Corp.

Second Quarter 2022 Results Conference Call And Webcast

Keyera will be conducting a conference call and webcast for investors, analysts, brokers and media representatives to discuss the financial results for the second quarter of 2022 at 8:00 a.m. Mountain Time (10:00 a.m. Eastern Time) on Thursday, August 4, 2022. Callers may participate by dialing 888-664-6392 or 416-764-8659. A recording of the call will be available for replay until 10:00 p.m. Mountain Time (12:00 a.m. Eastern Time) on August 18, 2022 by dialing 888-390-0541 or 416-764-8677 and entering pass code 439429.

Internet users can listen to the call live on Keyera's website at www.keyera.com/news/events. Shortly after the call, an audio archive will be posted on the website for 90 days.

Additional Information

For more information about Keyera Corp., please visit our website at www.keyera.com or contact:

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About Keyera Corp.

Keyera Corp. (TSX:KEY) operates an integrated Canadian-based energy infrastructure business with extensive interconnected assets and depth of expertise in delivering energy solutions. Its predominantly fee-for-service based business consists of natural gas gathering and processing; natural gas liquids processing, transportation, storage and marketing; iso-octane production and sales; and an industry-leading condensate system in the Edmonton/Fort Saskatchewan area of Alberta. Keyera strives to provide high quality, value-added services to its customers across North America and is committed to conducting its business ethically, safely and in an environmentally and financially responsible manner.

Non-GAAP and Other Financial Measures

This news release refers to certain financial and other measures that are not determined in accordance with Generally Accepted Accounting Principles ("GAAP") and as a result, may not be comparable to similar measures reported by other entities. Management believes that these supplemental measures facilitate the understanding of Keyera's results of operations, leverage, liquidity and financial position. These measures do not have any standardized meaning under GAAP and therefore, should not be considered in isolation, or used in substitution for measures of performance prepared in accordance with GAAP. For additional information on these non-GAAP and other financial measures, including reconciliations to the most directly comparable GAAP measures for Keyera's historical non-GAAP financial measures, refer below and to Management's Discussion and Analysis available on SEDAR at www.sedar.com and Keyera's website at www.keyera.com.

Funds from Operations and Distributable Cash Flow ("DCF")

Funds from operations is defined as cash flow from operating activities adjusted for changes in non-cash working capital. This measure is used to assess the level of cash flow generated from operating activities excluding the effect of changes in non-cash working capital, as they are primarily the result of seasonal fluctuations in product inventories or other temporary changes. Funds from operations is also a valuable measure that allows investors to compare Keyera with other infrastructure companies within the oil and gas industry.

Distributable cash flow is defined as cash flow from operating activities adjusted for changes in non-cash working capital, inventory write-downs, maintenance capital expenditures and lease payments, including the periodic costs related to prepaid leases. Distributable cash flow per share is defined as distributable cash flow divided by weighted average number of shares – basic. Distributable cash flow is used to assess the level of cash flow generated from ongoing operations and to evaluate the adequacy of internally generated cash flow to fund dividends.

The following is a reconciliation of funds from operations and distributable cash flow to the most directly comparable GAAP measure, cash flow from operating activities:

Funds from Operations and Distributable Cash Flow	**For the three months ended June 30,**		**For the six months ended June 30,**	
(Thousands of Canadian dollars)	**2022**	2021	**2022**	2021
Cash flow from operating activities	**198,763**	112,071	**655,815**	380,500
Add (deduct):				
Changes in non-cash working capital	**47,527**	69,275	**(211,952)**	(18,089)
Funds from operations	**246,290**	181,346	**443,863**	362,411
Maintenance capital	**(26,906)**	(21,917)	**(34,142)**	(25,822)
Leases	**(10,213)**	(10,858)	**(21,461)**	(22,636)
Prepaid lease asset	**(618)**	(631)	**(1,249)**	(1,262)
Distributable cash flow	**208,553**	147,940	**387,011**	312,691

Payout Ratio

Payout ratio is calculated as dividends declared to shareholders divided by distributable cash flow. This ratio is used to assess the sustainability of the company's dividend payment program.

Payout Ratio *(Thousands of Canadian dollars, except %)*	For the three months ended June 30, 2022	2021	For the six months ended June 30, 2022	2021
Distributable cash flow[1]	**208,553**	147,940	**387,011**	312,691
Dividends declared to shareholders	**106,091**	106,091	**212,182**	212,182
Payout ratio	**51%**	72%	**55%**	68%

1 Non-GAAP measure as defined above.

EBITDA and Adjusted EBITDA

EBITDA is a measure showing earnings before finance costs, taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before costs associated with non-cash items, including unrealized gains/losses on commodity-related contracts, net foreign currency gains/losses on U.S. debt and other, impairment expenses and any other non-cash items such as gains/losses on the disposal of property, plant and equipment. Management believes that these supplemental measures facilitate the understanding of Keyera's results from operations. In particular, these measures are used as an indication of earnings generated from operations after consideration of administrative and overhead costs.

The following is a reconciliation of EBITDA and adjusted EBITDA to the most directly comparable GAAP measure, net earnings:

EBITDA *(Thousands of Canadian dollars)*	For the three months ended June 30, 2022	2021	For the six months ended June 30, 2022	2021
Net earnings	**173,006**	78,595	**286,800**	164,420
Add:				
Finance costs	**42,008**	42,009	**83,375**	82,117
Depreciation, depletion and amortization expenses	**54,341**	66,118	**103,989**	132,454
Income tax expense	**52,952**	22,975	**88,645**	48,789
EBITDA	**322,307**	209,697	**562,809**	427,780
Unrealized (gain) loss on commodity-related contracts	**(10,362)**	26,554	**580**	35,029
Net foreign currency loss (gain) on U.S. debt and other	**3,986**	(2,886)	**9,268**	(2,975)
Impairment expense	**—**	9,494	**—**	9,494
(Gain) loss on disposal of property, plant and equipment	**—**	(19,158)	**477**	(20,797)
Adjusted EBITDA	**315,931**	223,701	**573,134**	448,531

Realized Margin

Realized margin is defined as operating margin excluding unrealized gains and losses on commodity-related risk management contracts. Management believes that this supplemental measure facilitates the understanding of the financial results for the operating segments in the period without the effect of mark-to-market changes from risk management contracts related to future periods.

The following is a reconciliation of realized margin to the most directly comparable GAAP measure, operating margin:

Operating and Realized Margin (Loss)

For the three months ended June 30, 2022

(Thousands of Canadian dollars)	Gathering & Processing	Liquids Infrastructure	Marketing	Corporate and Other	Total
Operating margin (loss)	**88,686**	**99,472**	**170,196**	**(92)**	**358,262**
Unrealized gain on risk management contracts	(504)	(1,647)	(8,211)	—	(10,362)
Realized margin (loss)	**88,182**	**97,825**	**161,985**	**(92)**	**347,900**

Operating and Realized Margin (Loss)

For the three months ended June 30, 2021

(Thousands of Canadian dollars)	Gathering & Processing	Liquids Infrastructure	Marketing	Corporate and Other	Total
Operating margin (loss)	**85,837**	**96,012**	**52,427**	**(318)**	**233,958**
Unrealized loss (gain) on risk management contracts	94	(147)	26,607	—	26,554
Realized margin (loss)	**85,931**	**95,865**	**79,034**	**(318)**	**260,512**

Operating and Realized Margin (Loss)

For the six months ended June 30, 2022

(Thousands of Canadian dollars)	Gathering & Processing	Liquids Infrastructure	Marketing	Corporate and Other	Total
Operating margin (loss)	**165,255**	**204,344**	**262,445**	**(856)**	**631,188**
Unrealized (gain) loss on risk management contracts	(386)	(1,599)	2,565	—	580
Realized margin (loss)	**164,869**	**202,745**	**265,010**	**(856)**	**631,768**

Operating and Realized Margin (Loss)

For the six months ended June 30, 2021

(Thousands of Canadian dollars)	Gathering & Processing	Liquids Infrastructure	Marketing	Corporate and Other	Total
Operating margin (loss)	**164,820**	**200,397**	**105,657**	**(941)**	**469,933**
Unrealized loss on risk management contracts	338	279	34,412	—	35,029
Realized margin (loss)	**165,158**	**200,676**	**140,069**	**(941)**	**504,962**

Forward-Looking Statements

In order to provide readers with information regarding Keyera, including its assessment of future plans and operations, its financial outlook and future prospects overall, this press release contains certain statements that constitute "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"). Forward-looking information is typically identified by words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "plan", "intend", "believe", and similar words or expressions, including the negatives or variations thereof. All statements other than statements of historical fact contained in this document are forward-looking information, including, without limitation, statements regarding:

- target payout and net debt to adjusted EBITDA ratios;
- future capital expenditures and cash taxes, including the anticipated costs of the KAPS pipeline system;
- industry, market and economic conditions, including but not limited to commodity prices, and any anticipated effects on Keyera;
- Keyera's future financial position and operational performance and future financial contributions and margins from its business segments including, but not limited to, Keyera's

expectation that between the years 2023 and 2025, its Marketing business will contribute on average, a "base realized margin" of between $250 million and $280 million annually and a 2022 contribution of between $380 million and $410 million;
- estimated maintenance and turnaround costs and estimated decommissioning expenses;
- expected costs, in-service dates and schedules for KAPS and other capital projects (including projects under construction/development and proposed projects) and sources of funding for such projects;
- Keyera's financial priorities and ESG initiatives.

All forward-looking information reflects Keyera's beliefs and assumptions based on information available at the time the applicable forward-looking information is made and in light of Keyera's current expectations. Forward-looking information does not guarantee future performance. Management believes that its assumptions and expectations reflected in the forward-looking information contained herein are reasonable based on the information available on the date such information is provided and the process used to prepare the information. However, it cannot assure readers that these expectations will prove to be correct. All forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results, events, levels of activity and achievements to differ materially from those anticipated in the forward-looking information.

Readers are cautioned that they should not unduly rely on the forward-looking information included in this press release. Further, readers are cautioned that the forward-looking information contained herein is made as of the date of this press release. Unless required by law, Keyera does not intend and does not assume any obligation to update any forward-looking information. All forward-looking information contained in this press release is expressly qualified by this cautionary statement.

Further information about the assumptions, risks, uncertainties and other factors affecting the forward-looking information contained in this press release is available in filings made by Keyera with Canadian provincial securities commissions, including under "*Forward-Looking Statements*" in Keyera's management's discussion and analysis for the year ended December 31, 2021 and for the period ended June 30, 2022 and in Keyera's Annual Information Form for the year ended December 31, 2021, each of which is available on the company's SEDAR profile at www.sedar.com.