

HEARTLAND PETROCHEMICAL COMPLEX

Heartland
Petrochemical
Complex

inter pipeline

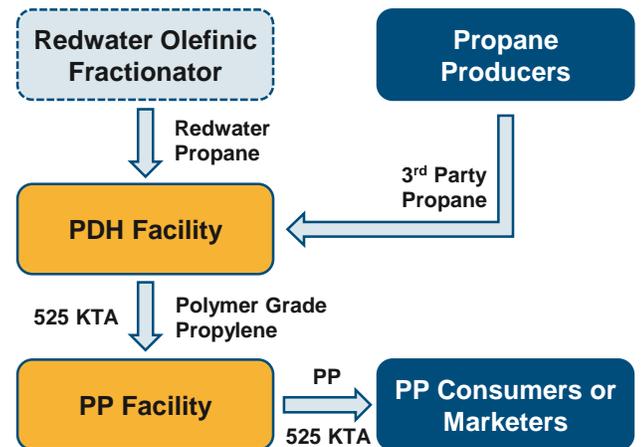
INVESTMENT OVERVIEW

Inter Pipeline is developing Canada's first integrated propane dehydrogenation (PDH) and polypropylene (PP) complex. This \$3.5 billion project is designed to consume approximately 22,000 b/d of locally-sourced, low-cost propane to produce 525 kilotonnes per annum (KTA) of polypropylene. PP is a high-value, easy to transport plastic used in the manufacturing of a wide range of finished products, including consumer packaging, textiles, automobile components, medical equipment and currency. The Heartland Complex will materially diversify and strengthen Inter Pipeline's existing large-scale NGL processing business, while creating an attractive new market for Alberta propane. Construction at the Strathcona County site, near Inter Pipeline's existing Redwater Olefinic Fractionator (ROF), is currently underway with operations expected to begin late-2021.

STRATEGIC RATIONALE

- ✓ Low utility costs and an oversupplied propane market in Western Canada drives a long-term, low-cost feedstock advantage
- ✓ Well-defined project that will utilize globally proven technologies and experienced engineering, procurement, and construction firms
- ✓ Integration with existing offgas business creates a competitive advantage; PDH can consume up to 12,000 b/d of high-purity propane produced at ROF
- ✓ Strong support from the Government of Alberta; awarded \$200 million in royalty credits under Alberta's Petrochemical Diversification Program
- ✓ Over 13,000 direct and indirect jobs are expected to be created for Canadians over the four-year construction period

FACILITIES



AREA OF OPERATIONS

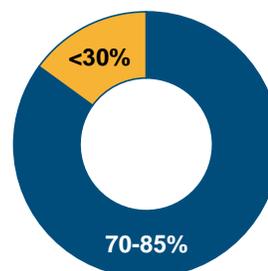


CONTRACTUAL FRAMEWORK AND EBITDA GENERATION

Inter Pipeline is conducting a two phase contracting process to anchor the investment:

- Phase 1, which has been completed, resulted in Inter Pipeline securing certain take-or-pay contracts with an average term of 9 years.
- Phase 2 contracting has commenced, with the objective of securing between 70 and 85 percent of total petrochemical processing capacity under take-or-pay contracts over the construction period.
- Contracts are structured to provide a fixed return-on-capital payment, plus a recovery of operating and transportation costs, eliminating Inter Pipeline's exposure to propane or polypropylene commodity price fluctuations. Inter Pipeline intends to utilize the remaining uncontracted plant processing capacity for its own commercial purposes.

Target EBITDA



- Cost-of-Service:** No volume or commodity price exposure
- Fee-Based:** Volume exposure but no commodity price risk
- Commodity-Based:** Volume and commodity price exposure
- Product Margin:** Midstream marketing activities

Contract Summary

Long-Term Average EBITDA	Approximately \$450 to \$500 million per year
Duration (Phase 1 and 2)	Targeting up to 10 years

PROJECT TIMING

Propane Dehydrogenation Facility Schedule of Major Activities

Year	2018				2019				2020				2021			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Engineering	█															
Procurement	█				█											
Construction					█				█				█			

Polypropylene Facility Schedule of Major Activities

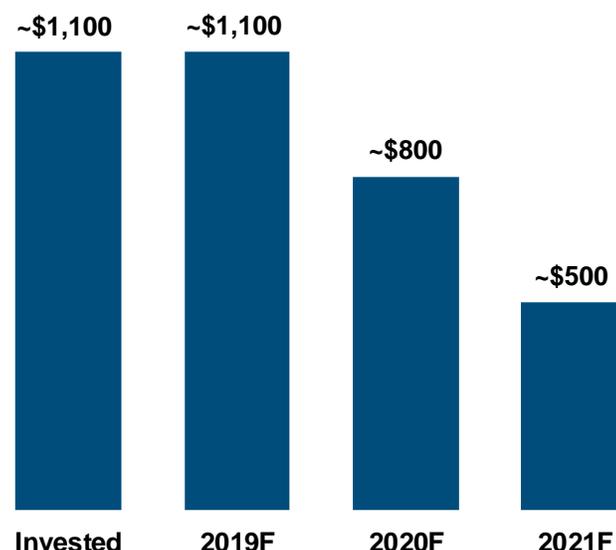
Year	2018				2019				2020				2021			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Engineering	█				█											
Procurement	█				█				█							
Construction					█				█				█			

To learn more about Inter Pipeline and the Heartland Petrochemical Complex, please visit interpipeline.com

CAPITAL PROFILE

\$ Million

Total project cost of ~\$3.5 billion



Certain information contained herein may constitute forward-looking statements within the meaning of applicable securities laws, including, but not limited to, statements regarding Inter Pipeline's development of and contracting for the PDH and PP, and all the anticipated benefits therefrom. Readers are cautioned not to place undue reliance on forward-looking statements as they are subject to a number of assumptions and known and unknown risks and uncertainties that may cause the actual results, performance or achievements of Inter Pipeline to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Please refer to Inter Pipeline's Investor Presentation – Heartland Petrochemical Complex available at www.interpipeline.com for a discussion of the material assumptions and risks associated with the forward-looking statements. The forward-looking statements contained herein 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.

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