



Attention Shareholders:

Inter Pipeline & Pembina:
The Creation of a More Valuable, Highly
Integrated Business Across the Energy
Infrastructure Value Chain



The Revised Brookfield Offer is not in your best interest as a Shareholder of Inter Pipeline. REJECT the Revised Brookfield Offer. DO NOT TENDER your shares.

NOTICE OF CHANGE TO DIRECTORS' CIRCULAR – JUNE 9, 2021

#nothanksbrookfield

This document is important and requires your immediate attention. Inquiries concerning the information in this document should be directed to Kingsdale Advisors, the Information Agent and strategic shareholder advisor retained by Inter Pipeline, by North American toll free phone call at 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by e-mail at contactus@kingsdaleadvisors.com.



NOTICE OF CHANGE TO DIRECTORS' CIRCULAR

RECOMMENDING

REJECTION

of Brookfield's revised unsolicited offer made through

BISON ACQUISITION CORP.

and

BROOKFIELD INFRASTRUCTURE CORPORATION EXCHANGE LIMITED PARTNERSHIP

to purchase all of the Common Shares of

INTER PIPELINE LTD.

The Inter Pipeline Board, based on the unanimous recommendation of the Special Committee comprised of independent directors, has unanimously concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders and recommends that you

REJECT the Revised Brookfield Offer and **DO NOT TENDER** your Common Shares

NO ACTION IS REQUIRED to **REJECT** the Revised Brookfield Offer

As announced by Inter Pipeline on June 1, 2021, Inter Pipeline and Pembina Pipeline Corporation ("Pembina") have entered into the Arrangement Agreement providing for the Pembina Arrangement, under which Shareholders will receive, for each Common Share, 0.50 of a common share of Pembina (each whole share, a "Pembina Common Share").

The Inter Pipeline Board unanimously recommends that IPL Shareholders **APPROVE** the Pembina Arrangement at an annual and special meeting of IPL Shareholders to be held on July 29, 2021.

Shareholders are encouraged to visit our website for up to date information relating to the Revised Brookfield Offer and the Pembina Arrangement at www.interpipeline.com. Or contact Kingsdale Advisors, by phone at 1-877-659-1820 (toll-free in North America) or 416-867-2272 (for collect calls outside North America) or by e-mail at contactus@kingsdaleadvisors.com.

This Notice of Change relates to and amends and supplements certain of the information contained in the Directors' Circular dated March 8, 2021 issued by the Inter Pipeline Board with respect to the unsolicited offer made by Brookfield through Bison Acquisition Corp. dated February 22, 2021, as varied, changed and extended on June 4, 2021. This Notice of Change should be read in conjunction with the Directors' Circular dated March 8, 2021. Reference

is made to the Glossary attached as Appendix "C" to this Notice of Change for the definitions of certain terms used herein.

NO ACTION IS REQUIRED to REJECT the Revised Brookfield Offer

If you have already tendered your Common Shares to the Revised Brookfield Offer, you should **WITHDRAW** your Common Shares by contacting your broker or Kingsdale Advisors, **by phone** at 1-877-659-1820 (**toll-free in North America**) or 416-867-2272 (for collect calls outside North America) or by **email** at contactus@kingsdaleadvisors.com.

June 9, 2021

This document is important and requires your immediate attention. Inquiries concerning the information in this document should be directed to Kingsdale Advisors, the Information Agent and strategic shareholder advisor retained by Inter Pipeline, by North American toll free phone call at 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by e-mail at contactus@kingsdaleadvisors.com.

June 9, 2021

Dear Fellow Shareholder

The board of directors (the “Board”) of Inter Pipeline Ltd. (“Inter Pipeline” or the “Company”) unanimously recommends that you approve an all share combination with Calgary-based Pembina Pipeline Corporation (“Pembina”). Under the terms of the Arrangement Agreement with Pembina (the “Arrangement Agreement”), for each Inter Pipeline Common Share (the “Common Shares”) that you own, you would receive 0.5 of a Pembina Common Share (the “Exchange Ratio”) by way of a statutory plan of arrangement pursuant to the *Business Corporations Act* (Alberta) (the “Pembina Arrangement”).

The Special Committee and the Board believe the Pembina Arrangement is superior to the alternative proposed by an affiliate of Brookfield Infrastructure Partners L.P. (“Brookfield”) – a revised hostile takeover offer (the “Revised Brookfield Offer”) under which Brookfield proposes to buy your shares for cash, shares of Brookfield Infrastructure Corporation (“BIPC”), or for eligible electing Shareholders, units of Brookfield Infrastructure Corporation Exchange Limited Partnership (“Exchange LP”), or a mix of cash, BIPC shares and/or Exchange LP units, as applicable. The attached Notice of Change to Directors’ Circular (“Notice of Change”) includes a summary of the Revised Brookfield Offer under the heading “Notice of Change to Directors’ Circular”.

The Board is of the view that retained ownership in the combined entity resulting from the Pembina Arrangement will provide you with greater value, underpinned by both the combined business’ synergies, growth prospects, dividends and future investment opportunities. Moreover, the Pembina Arrangement offers you the opportunity to continue to benefit from the future value of Inter Pipeline’s existing business, with Shareholders holding approximately 28% ownership of the combined entity.

We urge you to carefully read the attached Notice of Change, which provides the complete list of reasons to **APPROVE** the Pembina Arrangement and **REJECT** the Revised Brookfield Offer. Meanwhile, here in summary form are some of the factors the Board considered in reaching these recommendations.

1. The consideration under the Pembina Arrangement has an implied value which is greater than the value of the Revised Brookfield Offer

Due to the strategic nature of the Pembina Arrangement (including significant expected synergies and strong combined growth prospects), and Shareholders’ expected approximate 28% ownership of the combined entity, the intrinsic value of the Pembina Arrangement is expected to be in excess of the \$19.45 per Common Share ‘headline’ value of the Exchange Ratio (the “Headline Value”), and higher than the value of the Revised Brookfield Offer.

The Board is confident that the value of the consideration will grow over the long term, more than offsetting any minor variations in the value of the consideration due to temporary and expected market fluctuations that are likely to arise prior to the expiry of the Revised Brookfield Offer.

As noted in the table below, the value of the Pembina Arrangement consists of the Headline Value (being the closing price of the Pembina Common Shares on May 31, 2021 multiplied by the Exchange Ratio of 0.5) plus the value of the expected synergies. Together, this combination makes the value of the Pembina Arrangement greater than the value of the Revised Brookfield Offer.

<u>Transaction</u>	<u>Value per Common Share Based on May 31st Closing Price</u>
Board-Supported Pembina Arrangement	Headline \$19.45 per Share

	Headline Value <u>PLUS</u> \$0.65-0.75⁽¹⁾ per Share per \$100 Million per Year of Synergies
Revised Brookfield Offer	\$19.42⁽²⁾ <i>(\$19.21⁽³⁾, Assuming the Shareholder Receives 100% Share Consideration)</i>

- (1) Per every \$100 million increment of potential synergies; assuming a 10 to 12x valuation multiple. The incremental value per share estimate is calculated by multiplying \$100 million by 10 to 12x and dividing the product by approximately 765 million Pembina Common Shares that are expected to be outstanding following completion of the Pembina Arrangement, and multiplying the quotient by the Exchange Ratio of 0.5.
- (2) Estimate calculated reflecting the pro rata value of the Revised Brookfield Offer of \$5.56 billion of cash, 23.0 million BIPC Shares valued at BIPC's closing price of \$85.35 on May 31, 2021, divided by 387.4 million Inter Pipeline Common Shares not owned by Brookfield.
- (3) Estimate based on an exchange ratio of 0.225 multiplied by BIPC's closing price of \$85.35 per share on May 31, 2021.

Pembina has publicly disclosed the potential for meaningful near and longer-term synergies from the Pembina Arrangement. As holders of Pembina Common Shares following the completion of the Pembina Arrangement, Shareholders who retain Pembina Common Shares will participate in the value of such synergies to the extent realized.

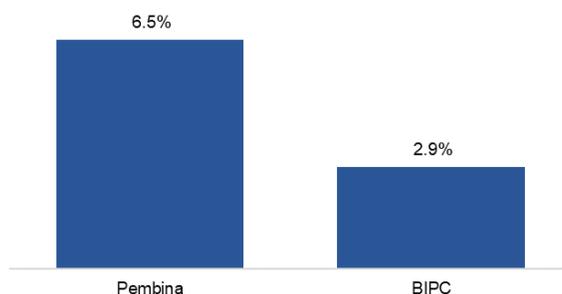
Also, Inter Pipeline Shareholders under the Pembina Arrangement will retain, as holders of Pembina Common Shares, an implicit 28% interest in the Heartland Petrochemical Complex ("HPC"), which is expected to provide material upside with \$400 to \$450 million of EBITDA in 2023 (the first full year of operations) and \$450 to \$500 million of long-term EBITDA annually. Under the Revised Brookfield Offer, the upside to you from HPC (and from Inter Pipeline's other assets) may not be available or would be so diluted as to be unnoticeable.

The combined business resulting from the Pembina Arrangement is also expected to accelerate and de-risk accretive investment opportunities across various value chains, allowing for the opportunity to deploy capital into projects at attractive rates of return. In addition, the combination is expected to be accretive to long term cash flow, providing Inter Pipeline Shareholders with meaningful share price upside potential.

2. The Pembina Arrangement supports an immediate increase in dividends payable to Shareholders post-closing, as well as long-term dividend growth potential in the combined company

Pembina's dividend yield is significantly higher than Brookfield's. Shareholders who receive BIPC Shares or Exchangeable LP Units under the Revised Brookfield Offer would receive lower dividends than they would from the combined company following completion of the Pembina Arrangement. Moreover, Brookfield's dividend is only payable quarterly, whereas Pembina and Inter Pipeline dividends are payable monthly. Canadian residents will also be subject to currency exposure on each dividend payment as dividends on BIPC Shares are declared in U.S. dollars.

Pembina Has a Higher Dividend Yield than Brookfield



Note: Dividend yield as of May 31, 2021. Based on Pembina's guidance of a \$0.23 per month dividend following the successful commission and start-up of HPC, Pembina's dividend yield would be 7.1%.

If you retain Pembina Common Shares pursuant to the Pembina Arrangement, you will have the opportunity to participate in future dividend growth on Pembina Common Shares. Upon closing of the Pembina Arrangement, you would benefit from an immediate 175% increase to your current monthly dividend of \$0.04 per Common Share, assuming an increase in the Pembina dividend to \$0.22 per Pembina Common Share, as well as a further increase of \$0.01 to the monthly dividend which Pembina has confirmed its intention to implement following the successful commissioning and in-service date of HPC. Furthermore, Pembina has a strong track record of consistent dividend increases.

3. Pembina Common Shares have highly attractive characteristics

Holder of Inter Pipeline Common Shares will become shareholders in one of the largest Canadian midstream companies with a ~\$29 billion equity market capitalization and ~\$52 billion enterprise value. Pembina Common Shares historically have been, and post-transaction are expected to continue to be, highly liquid securities. As a result, the consideration provided in the Pembina Arrangement provides immediate liquidity to Shareholders should they wish to monetize the Pembina Common Shares received. The Pembina Common Shares historically have had more trading liquidity than the BIPC Shares and more than the Common Shares.

The exchange of Common Shares for Pembina Common Shares can be completed on a fully tax-deferred basis for Canadian resident Shareholders. However, while the Revised Brookfield Offer does provide a tax-deferred option for certain Canadian Shareholders wishing to accept its exchangeable unit alternative, most Shareholders will not benefit from a tax-deferred exchange to the extent they elect to receive cash or are otherwise limited by proration to the amount of exchangeable units received. Depending on a Shareholder's tax basis in Common Shares held and form of consideration received, the Revised Brookfield Offer could result in lower after-tax value received at closing than the tax-deferred Pembina Arrangement. U.S. resident Shareholders also may be eligible for a tax deferred rollover in connection with the Pembina Arrangement.

4. The Pembina Arrangement was the result of a full and fair strategic review process and is supported by all of Inter Pipeline's directors

The Pembina Arrangement was determined to be the preferred strategic alternative available to Inter Pipeline and its Shareholders following the conclusion of Inter Pipeline's thorough Strategic Review, which was conducted by a special committee of independent directors (the "Special Committee") and included advice from financial advisors, TD Securities and J.P. Morgan, and legal counsel, BDP and Dentons.

Following receipt of confidential information, Brookfield and all other interested parties were provided multiple opportunities to put forward an offer that would be compelling for Shareholders and that would receive Inter Pipeline Board support.

Brookfield was notified on May 31, 2021, that Inter Pipeline was prepared to accept a competing en bloc proposal with market standard deal protection provisions, including a "break fee". Brookfield's response to this notification

was to deliver a further revised proposal that, in the view of the Special Committee, was still inferior to the Pembina Arrangement.

"Break fees" are a customary deal protection feature in transactions similar to the Pembina Arrangement and the quantum of the break fee in the Pembina Arrangement is within the range of market precedents for transactions of this nature. Furthermore, break fees tend to be higher for transactions announced following a thorough auction process (similar to Inter Pipeline's Strategic Review).

5. Provisions in the Pembina Arrangement Agreement materially reduce the risk to closing Due to regulatory matters

The Arrangement Agreement with Pembina contains favourable provisions which require Pembina to assume the risk of any regulatory delay or remedy under the Competition Act and close the Pembina Arrangement in a timely manner. These "hell or high water" provisions protect the interests of Shareholders by limiting the ability of Pembina to delay closing of the Pembina Arrangement due to ongoing regulatory review.

We believe that meaningful challenges are unlikely due to the complementary nature of Inter Pipeline and Pembina's operations, and are advised by our legal counsel that these provisions in the Arrangement Agreement reduce the risk to closing of a transaction with Pembina.

6. TD Securities and J.P. Morgan have provided fairness opinions in respect of the Pembina Arrangement.

APPROVE the Pembina Arrangement and REJECT the Revised Brookfield Offer

For the reasons fully described in the attached Notice of Change, the Inter Pipeline Board **UNANIMOUSLY** recommends that Shareholders **APPROVE** the Pembina Arrangement and **REJECT** the Revised Brookfield Offer.

Inter Pipeline Shareholder Meeting

Further information regarding the Pembina Arrangement will be contained in a joint information circular that Inter Pipeline and Pembina will prepare, file and mail in due course to their respective shareholders in connection with the meetings for the Inter Pipeline Shareholders and the holders of Pembina Common Shares scheduled to be held on July 29, 2021. The Pembina Arrangement is currently expected to close late in the third quarter or early in the fourth quarter of 2021. The joint information circular will contain the details concerning the Pembina Arrangement, the Arrangement Agreement and the support of the Special Committee and the Board for the Pembina Arrangement.

To reject the Revised Brookfield Offer, simply take **NO ACTION**. If you have tendered your Common Shares in error and wish to withdraw, simply ask your broker or contact Kingsdale Advisors for assistance. You can reach Kingsdale Advisors at 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by e-mail at contactus@kingsdaleadvisors.com. For more information, please go to www.interpipeline.com.

On behalf of the Board and the Special Committee, I would like to thank you for your consideration and your support.

Margaret McKenzie

"Margaret McKenzie"

Chair of the Board and the Special Committee of Inter Pipeline

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NOTICE OF CHANGE TO DIRECTORS' CIRCULAR

This Notice of Change relates to and amends and supplements certain of the information contained in the Directors' Circular issued by the Inter Pipeline Board in response to the Original Brookfield Offer. This Notice of Change should be read in conjunction with the Directors' Circular. Reference is made to the Glossary attached as Appendix "C" to this Notice of Change for the definitions of certain terms used herein. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Directors' Circular. See also "*General Information*" in this Notice of Change.

By the Brookfield Notice of Variation, Brookfield varied, changed and extended the Original Brookfield Offer (as so revised, the "**Revised Brookfield Offer**") and the Original Brookfield Circular (as so revised, the "**Revised Brookfield Circular**"). Under the Revised Brookfield Offer, Brookfield is now offering to purchase all of the issued and outstanding Common Shares, together with the associated SRP Rights and SSRP Rights issued and outstanding under the Shareholder Rights Plans, and including any Common Shares that may become issuable after the date of the Original Brookfield Offer but prior to the Expiry Time for consideration per Common Share, at the choice of each Shareholder, of: (i) \$19.50 in cash (the "**Revised Cash Consideration**"); (ii) 0.225 of a Brookfield Infrastructure Corporation ("**BIPC**") class A exchangeable subordinate voting share (the "**Revised Share Consideration**"); or (iii) for eligible Electing Shareholders, 0.225 of a Brookfield Infrastructure Corporation Exchange Limited Partnership class B exchangeable limited partnership unit (an "**Exchangeable LP Unit**") (the "**Unit Consideration**"), subject, in each case to pro-rata and upon the terms and subject to the conditions set forth in the Revised Brookfield Circular and in the related Letters of Transmittal. The maximum aggregate Revised Cash Consideration available under the Revised Brookfield Offer is limited to \$5.56 billion (the "**Maximum Revised Cash Consideration**"), the maximum aggregate Revised Share Consideration available is limited to 23.0 million BIPC Shares (the "**Maximum Revised Share Consideration**") and the maximum aggregate Unit Consideration available is limited to 23.0 million Exchangeable LP Units (other than in respect of any Supplementary Election) (the "**Maximum Unit Consideration**"). The maximum number of BIPC Shares and Exchangeable LP Units (other than with respect to any Supplementary Election) issuable pursuant to the Revised Brookfield Offer on a combined basis shall not exceed the Maximum Revised Share Consideration. The Maximum Revised Share Consideration will be reduced, on a one-for-one basis for each Exchangeable LP Unit that Electing Shareholders elect to receive pursuant to the Revised Brookfield Offer (other than with respect to any Supplementary Election), up to the Maximum Unit Consideration. The maximum number of Exchangeable LP Units issuable in connection with any Supplementary Election shall not exceed 8.0 million (the "**Maximum Supplementary Unit Consideration**"). The Revised Cash Consideration, the Revised Share Consideration and the Unit Consideration payable under the Revised Brookfield Offer will be pro-rated on each Take-Up Date as is necessary to ensure that the total aggregate consideration payable under the Revised Brookfield Offer and any Compulsory Acquisition or Subsequent Acquisition Transaction does not exceed the Maximum Revised Cash Consideration, the Maximum Revised Share Consideration, the Maximum Unit Consideration and the Maximum Supplementary Unit Consideration.

The Revised Brookfield Offer also varied other terms and conditions of the Original Brookfield Offer, including by waiving the Minimum Tender Condition and certain other conditions to the Offeror's obligation to take-up and pay for Common Shares under the Revised Brookfield Offer. Under the Original Brookfield Offer, the "Minimum Tender Condition" required that there shall be validly deposited pursuant to the Offer and not withdrawn that number of Common Shares that, together with the Common Shares held by the Offerors, represent at least 66 2/3% of the outstanding Common Shares (on a Fully-Diluted Basis). However, the Offeror's obligation to take-up and pay for Common Shares under the Revised Brookfield Offer remains subject to a number of conditions, including the condition that there shall be validly deposited under the Offer and not withdrawn that number of Common Shares that represent more than 50% of the outstanding Common Shares, excluding any Common Shares beneficially owned, or over which control or direction is exercised, by the Offerors or any Non-Independent Shareholder as defined in the Original Brookfield Offer.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this Notice of Change including the discussion of the reasons for the recommendations of the Special Committee and the Inter Pipeline Board that Shareholders reject the Revised Brookfield Offer, contain forward-looking statements and forward looking information (collectively, "forward-looking information") within the

**REJECT THE REVISED BROOKFIELD OFFER
TAKE NO ACTION – DO NOT TENDER YOUR COMMON SHARES**

If you have already tendered your Common Shares to the Revised Brookfield Offer, you can withdraw your Common Shares by contacting your broker or Kingsdale Advisors, by North American Toll Free phone call to 1-877-659-1820 or by email at contactus@kingsdaleadvisors.com

meaning of applicable Canadian securities laws. All statements other than statements of historical fact may be forward-looking information. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "target", "scheduled", "potential", or other similar words, or statements that certain events or conditions "may", "should", "might" or "could" occur. Without limitation of the foregoing, this Notice of Change contains forward-looking information pertaining to, without limitation, the following: the Pembina Arrangement, including the anticipated benefits thereof to Pembina's and Inter Pipeline's respective communities, customers, securityholders and stakeholders, both generally and, in relation to Inter Pipeline's securityholders, relative to the Revised Brookfield Offer; the Inter Pipeline Board's belief that the long term value of the consideration will grow and that the Pembina Arrangement will provide Shareholders with share price upside potential; anticipated timing of closing of the Pembina Arrangement; the potential tax impact associated with the Revised Brookfield Offer; the expected percentage ownership of Shareholders in the combined entity post-closing of the Pembina Arrangement; the expected size, efficiency, valuation, project certainty and capacity of the combined company; the effect of the Pembina Arrangement on competition in the industries in which Pembina and Inter Pipeline do business; the combined company's capacity and opportunities to expand and pursue and develop new projects and investments, as well as the anticipated size, timing and impacts of such projects and investments; expectations regarding the strengthening commodity price environment; future dividends, including increases in the amounts thereof, which may be declared on the Pembina's Common Shares; the anticipated synergies associated with the Pembina Arrangement (including strategic integration and diversification opportunities and the accretion to cash flow of Pembina) and the expected size, sources, timing and effects thereof; the ongoing utilization and expansions of, and additions to, the combined company's business and asset base, growth and growth potential; financial results related to growth and expansion opportunities associated with the assets of the combined company; the announcement of proprietary growth opportunities by Pembina; HPC, including its anticipated impact on the combined company's financial position and potential future petrochemical projects; expectations regarding future liquidity of the Pembina Common Shares and the BIPC Shares; the expected Canadian and U.S. tax treatment of the Pembina Arrangement; and the magnitude and allocation of any closing and regulatory risks associated with the Pembina Arrangement.

Forward looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information, including risks associated with the ability of Inter Pipeline and Pembina to receive, in a timely manner, the necessary regulatory, court, securityholder, stock exchange and other third-party approvals, including but not limited to the receipt of applicable competition approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the closing of the Pembina Arrangement; the failure to realize the anticipated benefits or synergies of the Pembina Arrangement following closing due to integration issues or otherwise and expectations and assumptions concerning, among other things, customer demand for the combined company's services; the impact of general economic conditions, industry conditions, governmental regulation, volatility of commodity prices, currency fluctuations, uncertainties related to commodity price, interest rate and foreign exchange rate swap contracts and/or derivative financial instruments that Inter Pipeline may enter into from time to time to manage its risk related to such prices and rates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and Inter Pipeline's ability to access sufficient capital from internal and external sources, the risks discussed in the section entitled "*Risk Factors*" in Inter Pipeline's management's discussion and analysis dated February 18, 2021 for the year ended December 31, 2020 (the "**Inter Pipeline MD&A**"), filed with the securities commission or similar regulatory authority in each of the provinces and territories of Canada and Inter Pipeline's other public disclosure documents, and other factors, many of which are beyond Inter Pipeline's control. Inter Pipeline believes the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Notice of Change should not be unduly relied upon.

The forward-looking information contained in this Notice of Change is based on reasonable expectations and beliefs as at the date of this Notice of Change and involve numerous assumptions, known and unknown risks and uncertainties, both general and specific to Inter Pipeline and Pembina and the industry in which they operate. Such assumptions, risks and uncertainties include, but are not limited to: the ability of the parties to satisfy the conditions to closing of the Pembina Arrangement in a timely manner and on acceptable terms; that favourable circumstances continue to exist in respect of current operations and current and future growth projects; the availability of capital to fund future capital requirements

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relating to existing assets and projects; that the combined company's future results of operations will be consistent with past performance and management expectations in relation thereto; that HPC will be placed in-service on time and on budget in accordance with current expectations; oil and gas industry exploration and development activity levels and the geographic region of such activity; prevailing regulatory, tax and environmental laws and regulations; the ability of the combined company to maintain favourable credit ratings; future cash flows; prevailing commodity prices, interest rates, carbon prices, tax rates and exchange rates; future operating costs; geotechnical and integrity costs; that any required commercial agreements can be reached; that any third-party projects relating to the combined company's growth projects will be sanctioned and completed as expected; that all required regulatory and environmental approvals can be obtained on the necessary terms in a timely manner; that counterparties will comply with contracts in a timely manner; that there are no unforeseen events preventing the performance of contracts or the completion of the relevant facilities; that there are no unforeseen material costs relating to the relevant facilities which are not recoverable from customers; maintenance of operating margins; the amount of future liabilities relating to lawsuits and environmental incidents; the inability to obtain regulatory approval for any operational activities; the risks of the oil and gas and petrochemical market demand and unpredictable shortages of equipment and/or labour; potential delays or changes in plans with respect to growth projects or capital expenditures; fluctuations in oil and gas prices, foreign currency exchange rates and interest rates; reliance on industry partners; and other factors, many of which are beyond the control of Inter Pipeline or Pembina. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements of Inter Pipeline or the combined company upon completion of the Pembina Arrangement, or industry results, may vary materially from those described in this Notice of Change. You can find additional discussions of those assumptions, risks and uncertainties in Inter Pipeline's and Pembina's Canadian securities filings on SEDAR at www.sedar.com.

Although Inter Pipeline has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in the forward-looking information contained in this Notice of Change, there may be other factors that cause actions, events, results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements and information are made or given as at the date of this Notice of Change and Inter Pipeline disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required under applicable securities law. The reader is cautioned not to place undue reliance on forward-looking statements or information.

The foregoing list of risks, uncertainties and factors is not intended to be exhaustive. The effect of any one risk, uncertainty or factor on particular forward-looking information is uncertain because these factors are independent, and Inter Pipeline's future course of action would depend on an assessment of all available information at that time. However, based on information available to Inter Pipeline on the date of this Notice of Change, management believes that the expectations in the forward-looking information are reasonable, Inter Pipeline gives no assurances as to future results, levels of activity or achievements.

Although the forward-looking information is based on assumptions which Inter Pipeline believes to be reasonable, neither Inter Pipeline nor the Inter Pipeline Board makes any assurance that actual results will be consistent with such forward looking information. Such forward looking information is made as of the date of this Notice of Change unless otherwise stated, and neither Inter Pipeline nor the Inter Pipeline Board assumes any obligation to update or revise such information to reflect new events or circumstances, except as required by applicable Canadian securities laws. Due to the risks, uncertainties and assumptions inherent in forward looking information, readers should not place undue reliance on this forward-looking information.

Certain statements in this Notice of Change are forward-looking information with respect to Pembina and Pembina's expectations with respect to the Pembina Arrangement and Inter Pipeline. The information was derived from publicly available documents and is subject to the cautionary statements provided by Pembina in such documents. See "*General Information - Information Regarding Pembina*".

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Certain statements in this Notice of Change are forward-looking information with respect to Brookfield and Brookfield's expectations with respect to the Revised Brookfield Offer and Inter Pipeline. The information was derived from the Revised Brookfield Circular and other publicly available documents and is subject to the cautionary statements provided by Brookfield in such documents. See "*General Information - Information Regarding Brookfield*".

This cautionary statement qualifies all forward-looking information contained in this Notice of Change.

FINANCIAL OUTLOOKS

This Notice of Change contains financial outlooks about Inter Pipeline's prospective results of operations (including as part of the combined company that will result from the Pembina Arrangement) including, without limitation, "EBITDA", "adjusted EBITDA", "adjusted funds from operations per share" or "AFFOPS", "funds from operations per share", and "payout ratio" and various components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth under "*Cautionary Statement on Forward-Looking Statements*" above. Readers are cautioned that the assumptions used in the preparation of such financial outlooks, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on financial outlooks. Actual results, performance or achievement of Inter Pipeline and the combined company that will result from the Pembina Arrangement could differ materially from those expressed in, or implied by, these financial outlooks. Inter Pipeline has included the financial outlooks in order to provide readers with a more complete perspective on the future operations of Inter Pipeline and such combined company and such information may not be appropriate for other purposes. Inter Pipeline and the Inter Pipeline Board disclaim any intention or obligation to update or revise any financial outlooks, whether as a result of new information, future events or otherwise, except as required by law.

NOTICE TO NON-CANADIAN SHAREHOLDERS

The Revised Brookfield Offer to which this Notice of Change relates is made for the securities of a Canadian issuer. This Notice of Change has been prepared by Inter Pipeline in accordance with disclosure requirements under applicable Canadian law. Shareholders in the United States and otherwise outside of Canada should be aware that these requirements may be different from those of the United States and other jurisdictions. Inter Pipeline prepares its financial statements in accordance with GAAP. These financial statements may not be comparable to financial statements of United States companies and other non-Canadian companies. It may be difficult for Shareholders in the United States and otherwise outside of Canada to enforce their rights and any claim they may have arising under United States federal securities laws or the securities laws of other non-Canadian jurisdictions since Inter Pipeline is amalgamated under the laws of the Province of Alberta, the majority of the officers and directors of Inter Pipeline reside in Canada, some of the experts named herein reside in Canada and a substantial portion of the assets of Inter Pipeline and the other above mentioned persons are located in Canada. Shareholders in the United States and otherwise outside of Canada may not be able to sue Inter Pipeline or its officers or directors in a foreign court for violation of United States federal securities laws or the securities laws of other non-Canadian jurisdictions. It may be difficult to compel such parties to subject themselves to the jurisdiction of a foreign court or to enforce a judgment obtained from a court of the United States or other non-Canadian court's judgment. This Notice of Change has not been approved or disapproved by any United States or other securities regulatory authority, nor has any such authority passed upon the accuracy or adequacy of this Notice of Change.

**REJECT THE REVISED BROOKFIELD OFFER
TAKE NO ACTION – DO NOT TENDER YOUR COMMON SHARES**

If you have already tendered your Common Shares to the Revised Brookfield Offer, you can withdraw your Common Shares by contacting your broker or Kingsdale Advisors, by North American Toll Free phone call to 1-877-659-1820 or by email at contactus@kingsdaleadvisors.com

UNANIMOUS REJECTION RECOMMENDATION OF THE SPECIAL COMMITTEE

After careful consideration, including a thorough review of the Revised Brookfield Offer and the Brookfield Notice of Variation, advice from each of J.P. Morgan and TD Securities as well as a thorough review of other matters, including matters discussed below, and consultation with its legal advisors, the Special Committee comprised of independent directors has unanimously concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline and its Shareholders and that the Inter Pipeline Board should recommend that Shareholders reject the Revised Brookfield Offer and not tender their Common Shares to the Revised Brookfield Offer.

UNANIMOUS REJECTION RECOMMENDATION OF THE INTER PIPELINE BOARD

After careful consideration by the Inter Pipeline Board, in consultation with its external financial and legal advisors, of the terms and conditions of the Revised Brookfield Offer and the Brookfield Notice of Variation, the Inter Pipeline Board, based on the unanimous recommendation of the Special Committee comprised of independent directors, has unanimously concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders.

DIRECTORS' RECOMMENDATION

The Inter Pipeline Board unanimously concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders and recommends that you

REJECT the Revised Brookfield Offer and DO NOT TENDER your Common Shares

Any Shareholder who has tendered his or her Common Shares to the Revised Brookfield Offer should WITHDRAW those Common Shares IMMEDIATELY.

If you have tendered your Common Shares, you can withdraw them. For assistance in withdrawing your Common Shares, you should contact your broker or Inter Pipeline's Information Agent and strategic shareholder advisor, Kingsdale Advisors. See "*How to Withdraw Your Deposited Common Shares*".



KINGSDALE Advisors

North American Toll Free Phone Call: 1-877-659-1820

E-mail: contactus@kingsdaleadvisors.com

Outside North America, Banks and Brokers Call Collect: 1-416-867-2272

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REASONS FOR REJECTING THE REVISED BROOKFIELD OFFER

On June 1, 2021 at 6:30 a.m. (Mountain time), Inter Pipeline and Pembina announced that they entered into the Arrangement Agreement providing for the Pembina Arrangement. Under the terms of the Pembina Arrangement, holders of Common Shares will receive 0.5 of a Pembina Common Share for each Common Share held (the "**Consideration**" or the "**Exchange Ratio**"). A copy of the Arrangement Agreement and Inter Pipeline's material change report in respect of the Arrangement Agreement, which contains additional information regarding the Arrangement Agreement and the Pembina Arrangement, are available on SEDAR at www.sedar.com and Shareholders should review the Arrangement Agreement and the material change report for particulars of the Pembina Arrangement.

The Inter Pipeline Board is of the view that, compared with the Revised Brookfield Offer, the Pembina Arrangement provides greater value to Shareholders underpinned by both the combined business' synergies, growth prospects, dividends and future investment opportunities. Moreover, the Pembina Arrangement offers Shareholders the opportunity to continue to benefit from the future value of Inter Pipeline's existing business, with Shareholders holding approximately 28% ownership of the combined entity.

After thorough consideration of all aspects of the Revised Brookfield Offer, advice from each of TD Securities and J.P. Morgan, as well as the factors included in this Notice of Change and after consulting with their legal advisors, BDP and Dentons, the Inter Pipeline Board and Special Committee have **UNANIMOUSLY** concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders, and recommends that Shareholders **REJECT** the Revised Brookfield Offer and **NOT TENDER** their Common Shares to the Revised Brookfield Offer.

In order to **REJECT** the Revised Brookfield Offer, **Shareholders should simply take no action and ignore any materials sent by Brookfield in connection with the Revised Brookfield Offer.**

Shareholders who have already tendered their Common Shares and require assistance withdrawing them should contact Inter Pipeline's Information Agent and strategic shareholder advisor, Kingsdale Advisors, by North American toll free phone call at 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by e-mail at contactus@kingsdaleadvisors.com.

The Special Committee and the Inter Pipeline Board have determined that the number of benefits of the Pembina Arrangement to Inter Pipeline and its Shareholders outweigh, and are superior to, the Revised Brookfield Offer, which benefits, include, without limitation, the following:

1. The Consideration under the Pembina Arrangement has an Implied Value which is Greater Than the Value of the Revised Brookfield Offer

- Premium to the Revised Brookfield Offer:** Due to the strategic nature of the Pembina Arrangement (including significant expected synergies and strong combined growth prospects), and Shareholders' expected approximate 28% ownership of the combined entity, the intrinsic value of the Pembina Arrangement is expected to be in excess of the \$19.45 per Common Share 'headline' value of the Exchange Ratio (the "**Headline Value**"), and higher than the value of the Revised Brookfield Offer.

The Inter Pipeline Board is confident that the value of the consideration will grow over the long term, more than offsetting any minor variations in the value of the consideration due to temporary and expected market fluctuations that are likely to arise prior to the expiry of the Revised Brookfield Offer.

As noted in the table below, the value of the Pembina Arrangement consists of the Headline Value (being the closing price of the Pembina Common Shares on May 31, 2021 multiplied by the Exchange Ratio of 0.5) plus the value of the expected synergies. Together, this combination makes the value of the Pembina Arrangement greater than the value of the Revised Brookfield Offer, which had a value of \$19.42 per Common Share on May

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31, 2021, being the day that the Inter Pipeline Board agreed to enter into the Arrangement Agreement. Brookfield attributes a value of \$19.75 per share to the Revised Brookfield Offer, but that headline figure is based on a single day of trading on June 1, 2021 after announcement of the Pembina Arrangement and is not a comparable value. The \$19.75 per share headline figure that Brookfield attributes to the Revised Brookfield Offer is based on the closing price of the BIPC Shares on June 1, 2021 and represents the highest closing price of the BIPC Shares since April 29, 2021. Since June 1, the value of the Revised Brookfield Offer based on the closing price of the BIPC Shares has not exceeded \$19.60/share on any day.

<u>Transaction</u>	<u>Value per Common Share Based on May 31st Closing Price</u>
Board-Supported Pembina Arrangement	Headline \$19.45 per Share Headline Value PLUS \$0.65-0.75⁽¹⁾ per Share per \$100 Million per Year of Synergies
Revised Brookfield Offer	\$19.42⁽²⁾ <i>(\$19.21⁽³⁾, Assuming the Shareholder Receives 100% Share Consideration)</i>

- (1) Per every \$100 million increment of potential synergies; assuming a 10 to 12x valuation multiple. The incremental value per share estimate is calculated by multiplying \$100 million by 10 to 12x and dividing the product by approximately 765 million Pembina Common Shares that are expected to be outstanding following completion of the Pembina Arrangement, and multiplying the quotient by the Exchange Ratio of 0.5.
- (2) Estimate calculated reflecting the pro rata value of the Revised Brookfield Offer of \$5.56 billion of cash, 23.0 million BIPC Shares valued at BIPC's closing price of \$85.35 on May 31, 2021, divided by 387.4 million Inter Pipeline Common Shares not owned by Brookfield.
- (3) Estimate based on an exchange ratio of 0.225 multiplied by BIPC's closing price of \$85.35 per share on May 31, 2021

- **Opportunity to Participate in a Larger and Stronger Combined Business with Secured Growth Opportunities Including a Step-Change in 2022/2023 EBITDA from the Start-Up of HPC:** On completion of the Pembina Arrangement, Shareholders will own approximately 28% of the then outstanding Pembina Common Shares. The Pembina Arrangement provides Shareholders with the opportunity to participate in the upside potential of Pembina's business following its acquisition of Inter Pipeline pursuant to the Pembina Arrangement.

The combined business resulting from the Pembina Arrangement is expected to accelerate and de-risk accretive investment opportunities across various value chains, allowing for the opportunity to deploy capital into projects at attractive rates of return. In addition to the projects currently under construction, the combined company has a number of potential future investment prospects.

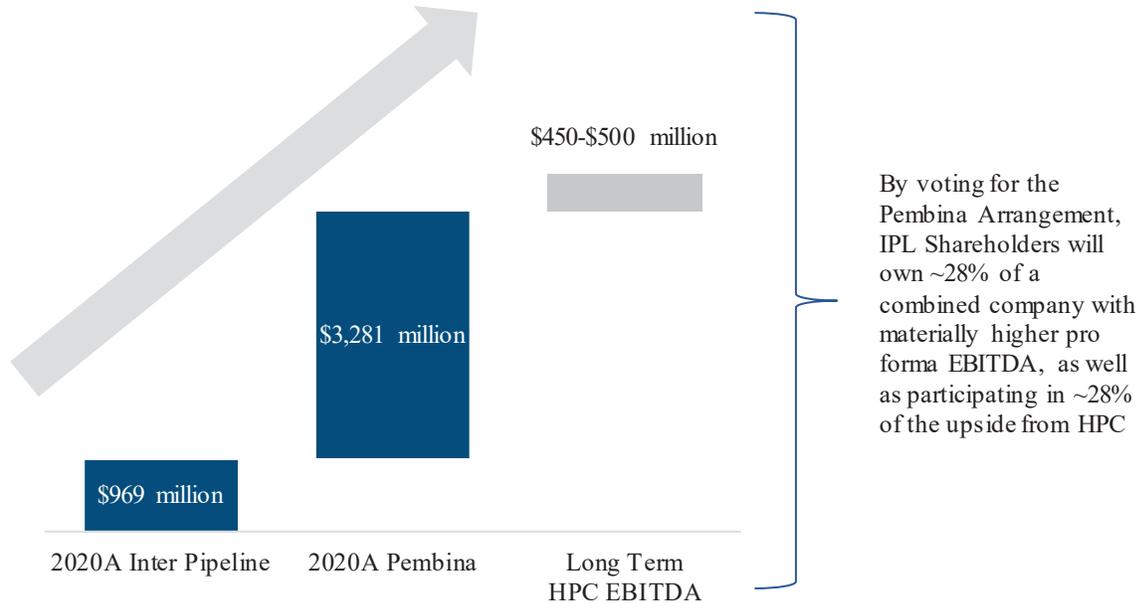
In particular, Shareholders will retain, as holders of Pembina Common Shares, an implicit 28% interest in HPC, which is expected to provide material upside with \$400 million to \$450 million of EBITDA in 2023 (the first full year of operations) and \$450 million to \$500 million of long-term EBITDA annually.

Under the Revised Brookfield Offer, the upside to Shareholders from HPC (and from Inter Pipeline's other assets) may not be available or would be so diluted as to be unnoticeable.

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Adjusted EBITDA of Inter Pipeline, Pembina and HPC



Note: The graphic above reflects an approximate representation of pro forma EBITDA following closing of the Pembina Arrangement by showing Inter Pipeline's Adjusted EBITDA (per April 8, 2021, Business Reorganization Presentation) of \$969 million and Pembina's Adjusted EBITDA (per its 2020 Annual Report) of \$3,281 million. For the purposes of this graphic, no pro forma adjustments are made (and, in particular, no adjustments are made to show the potential effect of synergies) and we note that Pembina's Adjusted pro forma 2020 EBITDA following closing of the Pembina Arrangement may not necessarily be directly additive.

- **Opportunity to Participate in Potential Synergies:** Pembina has publicly disclosed the potential for meaningful near and longer-term synergies from the Pembina Arrangement. As holders of Pembina Common Shares following the completion of the Pembina Arrangement, Shareholders who retain Pembina Common Shares will participate in the value of such synergies to the extent realized.

For example, some of the opportunities for synergy upside include:

- Combining HPC with Pembina's propane infrastructure creates more supply optionality for HPC, and, according to Pembina, improves the possibility of a second such facility which leverages Pembina's invested capital and Inter Pipeline's experience.
- Potential to realize near-term cost synergies and benefits from enhanced customer service from the operational integration and economies of scale of the combined asset base.
- Complementary condensate pipelines providing the ability to offer additional services to customers.
- Visibility to new energy infrastructure projects which uniquely leverage the different, but complementary nature of the two companies. According to Pembina, these projects have the potential to generate significant incremental EBITDA and provide Shareholders with meaningful upside.

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- Greater capacity and a broader portfolio of opportunities to pursue ESG-related investments, potentially reducing the combined company's emissions intensity and supporting the transition to a lower carbon economy.

- **Meaningful Accretion is Expected from the Pembina Arrangement:** The Inter Pipeline Board expects that the combination will be accretive to the combined company's long term cash flow.

We note that independent equity analysts have commented on the attractive levels of expected accretion:

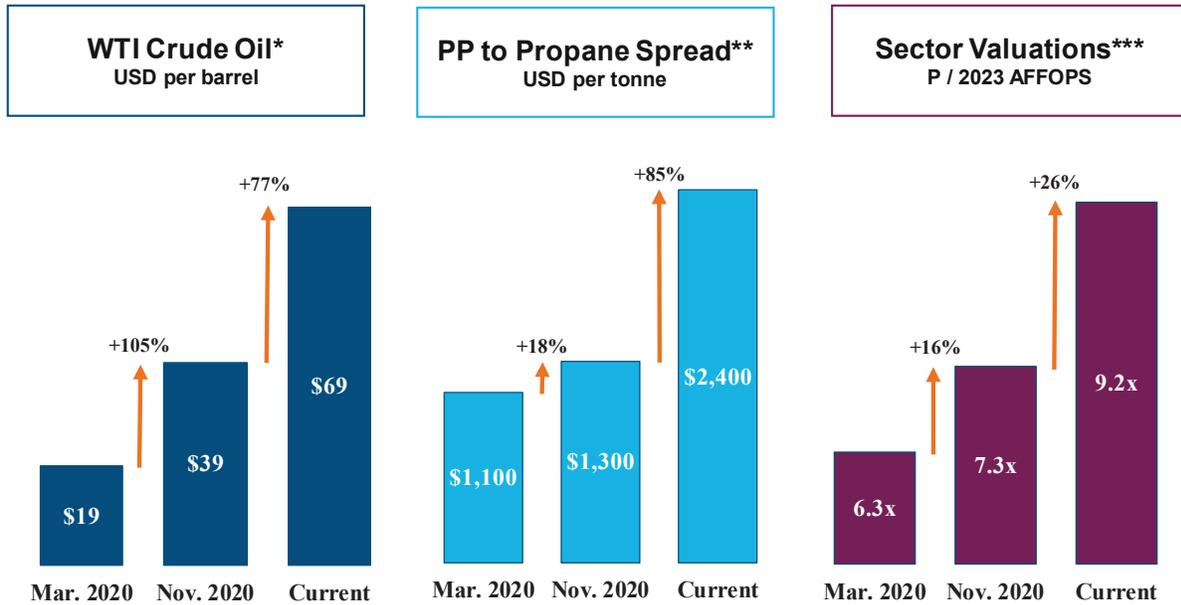
- **Tudor, Pickering, Holt (02-June-2021):** "Annualized synergies and cash flow from new projects expected in the future driving long-term cash flow accretion of 6-10% per year."
- **National Bank (02-June-2021):** "Including synergies, and Heartland ramping up to full speed, we calculate ... ~10% longer-term AFFO/sh accretion."
- **Canaccord (01-June-2021):** "[Our] preliminary estimates should support ACFO/sh accretion of ~8% to 10% next year. From a PPL perspective our first impression of this proposed transaction is largely positive as we believe it provides the company with meaningful operating synergy and per-share cash flow accretion, while allowing PPL to remain within its financial guardrails."

The Inter Pipeline Board believes this accretion potential will provide Shareholders with meaningful share price upside potential, supporting the Inter Pipeline Board's view that the Pembina Arrangement is worth more than the Headline Value.

- **Strong Commodity Price Environment Expected to Support the Combined Company:** The Inter Pipeline Board believes that strengthening commodity prices provide a strong environment for the combined company, which provides Shareholders with meaningful share price upside potential, especially as the Canadian energy industry rebounds following resolution of the COVID-19 global health pandemic.

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*Source: Bloomberg; current as at MTD June 4, 2021

**PP to propane spread based on the North American index PP price and Edmonton propane price (adjusted for propane to polypropylene yield of 1.2x); current as at May 2021

***Source: FactSet; current as at June 4, 2021; sector represented by Enbridge, Gibson, Keyera, Pembina and TC Energy

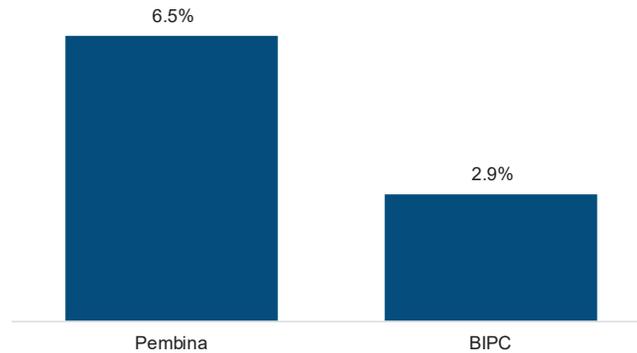
2. The Pembina Arrangement supports an immediate increase in dividends payable to Shareholders post-closing, as well as long-term dividend growth potential in the combined company

- Pembina's Dividend Yield is Significantly Higher than Brookfield's:** Shareholders who receive BIPC Shares or Exchangeable LP Units under the Revised Brookfield Offer would receive lower dividends than they would from the combined company following completion of the Pembina Arrangement. Moreover, Brookfield's dividend is only payable quarterly, whereas Pembina and Inter Pipeline dividends are payable monthly. Canadian residents will also be subject to currency exposure on each dividend payment as dividends on BIPC Shares are declared in U.S. dollars.
- Upon closing of the Pembina Arrangement, Shareholders who retain Pembina Common Shares will benefit from an immediate 175% increase to their current monthly dividend of \$0.04 per Common Share, assuming an increase in the Pembina dividend to \$0.22 per Pembina Common Share, as well as a further increase of \$0.01 to the monthly dividend which Pembina has confirmed its intention to implement following the successful commissioning and in-service date of HPC. Furthermore, Pembina has a strong track record of consistent dividend increases. Shareholders who retain Pembina Common Shares pursuant to the Pembina Arrangement will have the opportunity to participate in future dividend growth on Pembina Common Shares.

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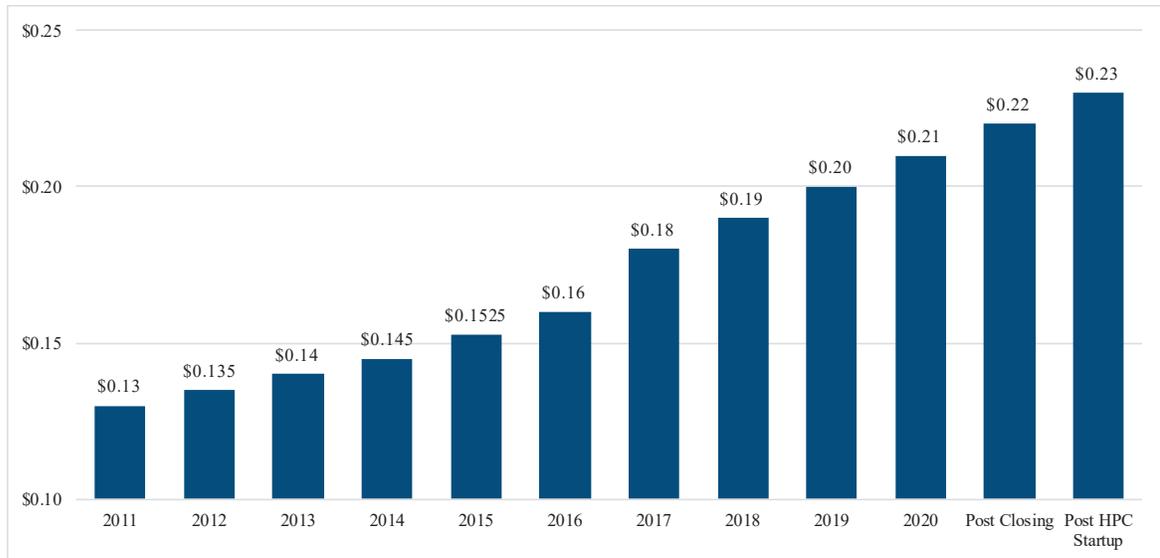
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Pembina Has a Higher Dividend Yield than Brookfield



Note: Dividend yield as of May 31, 2021; Based on Pembina's guidance of a \$0.23 per month dividend following the successful commission and start-up of HPC, Pembina's dividend yield would be 7.1%.

Pembina's Dividend Has Grown Consistently Over the Past Decade and Pembina has Confirmed its Intention to Increase the Dividend Upon Closing of the Pembina Arrangement and Upon HPC Start-Up



Note: Historical figures above illustrate Pembina's monthly dividend as of December for each year; the illustrative figures "Post Closing" and "Post HPC Startup" are consistent with Pembina's disclosure on June 1st.

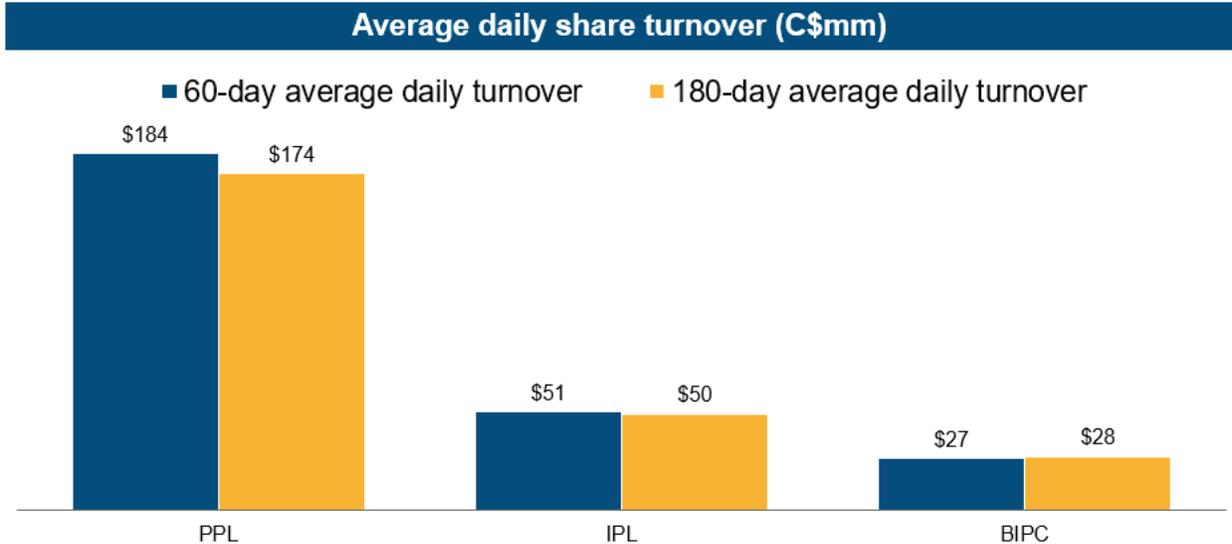
3. Pembina Common Shares have highly attractive characteristics

- Pembina Common Shares are highly liquid:** Holders of Inter Pipeline Common Shares will become shareholders in one of the largest Canadian midstream companies with a ~\$29 billion equity market capitalization and ~\$52 billion enterprise value. Pembina Common Shares historically have been, and post-

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transaction are expected to continue to be, highly liquid securities. As a result, the consideration provided in the Pembina Arrangement provides immediate liquidity to Shareholders should they wish to monetize the Pembina Common Shares received. The Pembina Common Shares historically have had more trading liquidity than the BIPC Shares and more than the Common Shares, as illustrated in the table below:



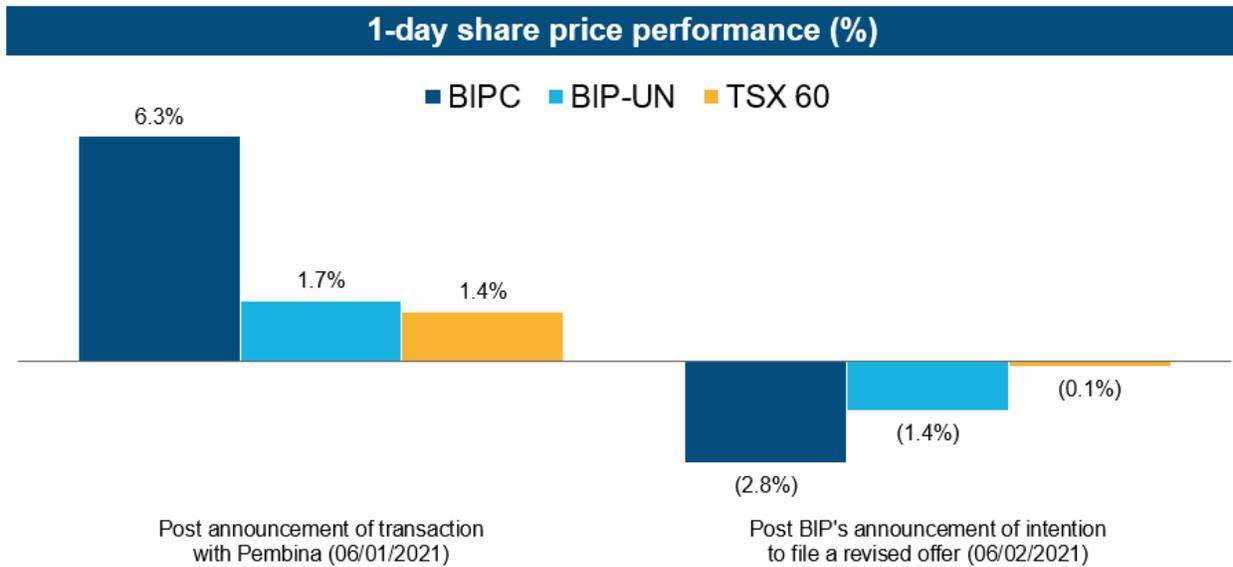
Source: Bloomberg as of June 4th, 2021

Note: Represents 60 trading days and 180 trading days respectively and excludes both U.S. and Canadian holidays

- Brookfield has stated in its press release dated June 4th that it does not "desire to own shares in Pembina" and this may contribute to "a substantial and protracted overhang on Pembina's shares" post-closing of the Pembina Arrangement: Brookfield's beneficial ownership of Common Shares would translate into approximately 21 million Pembina Common Shares post-closing, being approximately 2.7% of the total outstanding and approximately 5 days of 60-day average trading volume. Should Brookfield seek to sell all Pembina Common Shares it receives in the Pembina Arrangement, our financial advisors have advised us that this amount of trading, while causing some pressure on the price of Pembina Common Shares in the short-term, should not have a material long-term impact on the trading price of the Pembina Common Shares following closing.
- **Potential overhang risk of BIPC:** A transaction with Brookfield would increase BIPC's public market ownership by 64% and result in ~77x BIPC's 60-day average daily trading volume ("ADTV") being issued. This substantial increase in BIPC Shares could cause downward trading pressure on BIPC's share price, implying a lower offer price for Inter Pipeline. The potential "overhang effect" on BIPC Shares could have a prolonged effect as evidenced by:
 - The BIPC Share's outperformance relative to BIP Units and the broader market when the Pembina Arrangement was announced; and
 - The underperformance in the BIPC Shares relative to the BIP Units and the broader market following Brookfield's announcement of its intention to make the Revised Brookfield Offer on June 2nd.

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Source: Factset

- BIPC is a relatively new security that was designed for institutional shareholders:** The BIPC Shares started trading on March 31, 2020 and do not have an established long-term performance track record. Further, Inter Pipeline understands that the BIPC Shares were created principally as an instrument to attract institutional investor demand, as many institutional investors prefer not to, or cannot hold BIP Units.
- BIPC's governance framework is uncommon for publicly-traded corporate equities and favourable to Brookfield Asset Management:** Unlike shareholders in Inter Pipeline and Pembina, public shareholders in BIPC have limited voting rights and do not elect its board of directors. This governance framework restricts BIPC shareholder oversight on a number of matters, including executive compensation and business operations. Moreover, unlike traditional publicly-traded corporate equities, BIPC pays fees to Brookfield Asset Management in the form of management fees and incentive distribution rights that benefit Brookfield Asset Management. In Brookfield Asset Management's own words, the arrangements in place with BIPC "do not impose on Brookfield any fiduciary duties to act in the best interests of holders of exchangeable shares or units" and "may contain terms that are less favorable than those which otherwise might have been obtained from unrelated parties".
- Limited transparency on ESG reporting anticipated from BIPC:** Brookfield states an intention to "further enhance the companies [*sic*] environmental, social and governance targets and performance". As a privately held entity within the Brookfield portfolio, there may be limited transparency on whether Brookfield delivers on this specific promise. This lack of accountability is evidenced by the fact that BIPC and BIP do not prepare their own ESG Report. If transparent disclosure surrounding environmental, social and governance issues matters to Shareholders, then they would be better served by holding Pembina Common Shares.
- Tax-Deferred Exchange:** The exchange of Common Shares for Pembina Common Shares can be completed on a fully tax-deferred basis for Canadian resident Shareholders. However, while the Revised Brookfield Offer does provide a tax-deferred option for certain Canadian Shareholders wishing to accept its exchangeable unit alternative, most Shareholders will not benefit from a tax-deferred exchange to the extent they elect to receive cash or are otherwise limited by proration to the amount of Exchangeable LP Units received. Depending on a Shareholder's tax basis in Common Shares held and form of consideration received, the Revised Brookfield Offer could result in lower after-tax value received at closing than the tax-deferred Pembina Arrangement. U.S.

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resident Shareholders also may be eligible for a tax deferred rollover in connection with the Pembina Arrangement.

4. The Pembina Arrangement was the Result of a Full and Fair Strategic Review Process and is Supported by All of Inter Pipeline's Directors.

- **Preferred Outcome of Strategic Review:** The Pembina Arrangement was determined to be the preferred strategic alternative available to Inter Pipeline and its Shareholders following the conclusion of Inter Pipeline's thorough Strategic Review, which included advice from financial advisors, TD Securities and J.P. Morgan, and legal counsel, BDP and Dentons.
- **Brookfield was Invited into the Strategic Review Despite an Unwillingness to Execute a Market Standard Confidentiality Agreement:** Noting Brookfield's unwillingness to pursue the common market practice to sign a confidentiality agreement inclusive of a standstill as part of a corporate sale auction of a publicly-traded company, the Special Committee and its advisors nevertheless engaged with Brookfield, ultimately allowing Brookfield to gain access to confidential information. The Special Committee wanted to ensure there were no barriers to having Shareholders receive the best offer available in the market.
- **Brookfield was Given Multiple Opportunities to Make a "Best and Final" Offer:** Following receipt of confidential information, Brookfield and all other interested parties were provided multiple opportunities to put forward an offer that would be compelling for Shareholders and that would receive Inter Pipeline Board support.

As noted in Brookfield's June 2, 2021 press release, Brookfield had previously submitted several proposals following receipt of Inter Pipeline's confidential information. Within each of the provided proposals, Brookfield had classified their offer as either a "**Final Proposal**" or the "**Best and Final Offer**".

Brookfield was notified on May 31, 2021, that Inter Pipeline was prepared to accept a competing en bloc proposal with market standard deal protection provisions, including a "break fee". Brookfield's response to this notification was to deliver a further revised proposal that, in the view of the Special Committee, was still inferior to the Pembina Arrangement.

"Break fees" are a customary deal protection feature in transactions similar to the Pembina Arrangement and the quantum of the break fee in the Pembina Arrangement is within the range of market precedents for transactions of this nature. Furthermore, break fees tend to be higher for transactions announced following a thorough auction process (similar to Inter Pipeline's Strategic Review).

Based on the closing price of BIPC Shares on the date on which Inter Pipeline entered into exclusivity with Pembina, the "**Best and Final Offer**" as provided by Brookfield was worth \$19.42 per share, an amount less than the Headline Value and intrinsic value of the Pembina Arrangement. Brookfield's characterization of such offer being "Best and Final", in combination with the Revised Brookfield Offer being valued less than the Pembina Arrangement, was a factor in the decision of the Special Committee.

- **All of the directors of Inter Pipeline have entered into support agreements with Pembina pursuant to which such directors have agreed, subject to the terms and conditions contained therein, to vote in favour of the Pembina Arrangement:** Such agreements (the "**Support Agreements**") may only be terminated under limited circumstances, including in the event of termination of the Arrangement Agreement. A copy of the form of Support Agreement is available on SEDAR at www.sedar.com.

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5. Provisions in the Pembina Arrangement Agreement Materially Reduce the Risk to Closing Due to Regulatory Matters

- **Favourable regulatory provisions in the Pembina Arrangement Agreement:** The Arrangement Agreement with Pembina contains favourable provisions which require Pembina to assume the risk of any regulatory delay or remedy under the Competition Act and close the Pembina Arrangement in a timely manner. These "hell or high water" provisions protect the interests of Shareholders by limiting the ability of Pembina to delay closing of the Pembina Arrangement due to ongoing regulatory review. We believe that meaningful challenges are unlikely due to the complementary nature of Inter Pipeline and Pembina's operations, and are advised by our legal counsel that these provisions in the Arrangement Agreement reduce the risk to closing of a transaction with Pembina. The Pembina Arrangement is currently expected to close late in the third quarter or early in the fourth quarter of 2021.

6. TD Securities and J.P. Morgan have provided fairness opinions in respect of the Pembina Arrangement.

- The Inter Pipeline Board has received opinions from each of TD Securities and J.P. Morgan to the effect that, as of the dates thereof, and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, that in the case of TD Securities, the Consideration to be received by the Shareholders pursuant to the Pembina Arrangement, and in the case of J.P. Morgan, the Exchange Ratio in the proposed Pembina Arrangement, is fair, from a financial point of view, to the holders of Common Shares.
- A copy of the written opinions of TD Securities and J.P. Morgan, which describe, among other things, the various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken in connection with such opinions, are attached to this Notice of Change as Appendix "A" and Appendix "B", respectively.

The Inter Pipeline Board is of the view that, in light of the superior nature of the Pembina Arrangement, the Revised Brookfield Offer is **NOT** in the best interests of Inter Pipeline and its Shareholders.

The Inter Pipeline Board **UNANIMOUSLY** recommends that IPL Shareholders approve the Pembina Arrangement.

Further information regarding the Pembina Arrangement will be contained in a joint information circular (the "**Circular**") that Inter Pipeline and Pembina will prepare, file and mail in due course to their respective shareholders in connection with the meetings for the IPL Shareholders and the holders of Pembina Common Shares scheduled to be held on July 29, 2021. The Circular will contain the details concerning the Pembina Arrangement, the Arrangement Agreement and the support of the Inter Pipeline Board for the Pembina Arrangement.

CONCLUSION AND RECOMMENDATION

For the principal reasons outlined above, the Inter Pipeline Board, based on the unanimous recommendation of the Special Committee comprised of independent directors, has unanimously concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders.

Accordingly, the Inter Pipeline Board **UNANIMOUSLY** recommends that Shareholders

REJECT the Revised Brookfield Offer and **NOT TENDER** their Common Shares. For Shareholders who have not tendered their Common Shares, no action is required to **REJECT** the Revised Brookfield Offer.

Any Shareholder who has tendered his or her Common Shares under the Revised Brookfield Offer should **WITHDRAW** those Common Shares. Shareholders who require assistance should contact Inter Pipeline's Information Agent and strategic shareholder advisor, Kingsdale Advisors, by North American toll free phone call at 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by e-mail at contactus@kingsdaleadvisors.com

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The foregoing summary of the information and factors considered by the Special Committee and the Inter Pipeline Board in reaching their conclusions and recommendations is not intended to be exhaustive. The members of the Special Committee and the Inter Pipeline Board evaluated the various factors summarized above in light of their own knowledge of the business, financial condition and prospects of Inter Pipeline, and based upon the advice of the Special Committee's and the Inter Pipeline Board's financial and legal advisors. In view of the numerous factors considered in connection with the evaluation of the Revised Brookfield Offer and the Pembina Arrangement, the Special Committee and Inter Pipeline Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching its conclusion and recommendation. In addition, individual members of the Special Committee and Inter Pipeline Board may have given different weight to different factors. The conclusion and unanimous recommendation of the Special Committee and Inter Pipeline Board was made after considering all of the information and factors involved.

BACKGROUND TO THE REVISED BROOKFIELD OFFER

On February 18, 2021, Inter Pipeline announced it was pursuing a strategic review in order to evaluate a broad range of alternatives focused on maximizing value for Shareholders (the "**Strategic Review**"). The Special Committee and the financial advisors solicited third parties to assess their interest in Inter Pipeline and its assets. A number of these parties expressed an interest and were provided with access, pursuant to non-disclosure and standstill agreements, to an electronic data room containing certain non-public financial and operating information of Inter Pipeline, received management presentations from Inter Pipeline and engaged in discussions with Inter Pipeline and its financial advisors with respect to a range of potential value-maximizing transactions.

Throughout the period from February 18, 2021 to June 1, 2021, the Special Committee met regularly and at least weekly to be updated by management, the financial advisors and legal counsel regarding, among other things, the status of discussions and negotiations with third parties and to review and consider potential alternative transactions. Additionally, over the course of this period the Chair of the Special Committee attended numerous additional meetings with members of management, legal counsel, financial and strategic shareholder services and communications advisors present to consider and discuss various matters with respect to the Strategic Review.

On April 10, 2021, Mr. Bayle and Ms. McKenzie, the Chair of the Special Committee, had a call with Messrs. Dilger and Findlay, the Chief Executive Officer and Chair of the Board of Directors of Pembina, respectively, during which Mr. Dilger conveyed an initial proposal regarding a possible transaction, which did not involve an en bloc acquisition of Inter Pipeline. The same proposal was subsequently delivered by email on April 15, 2021. After considering the proposal with its financial and legal advisors, the Special Committee was of the view that the Pembina proposal was not in the best interests of Inter Pipeline. On April 21, 2021, Mr. Bayle advised Mr. Dilger that Inter Pipeline was not interested in pursuing its proposal.

On April 13, 2021, the Special Committee received a letter from Brookfield stating that while the Original Brookfield Offer of \$16.50 per Common Share represented "full and fair value for the Company", it was willing to attempt to increase the Original Brookfield Offer should it be provided the ability to perform customary due diligence.

The Special Committee responded by letter on April 20, 2021, stating that it was open to Brookfield participating in the Strategic Review process and submitting an improved proposal to the Special Committee. In order to receive non-public information on Inter Pipeline's business, the response letter also stated that Brookfield would need to sign a non-disclosure agreement, including standstill protections, which was a requirement applicable to all other parties who received non-public information in the Strategic Review. The Special Committee reaffirmed to Brookfield its strong view that Brookfield's previous offers, including the proposals delivered prior to the commencement of the Original Brookfield Offer, did not represent fair value for Shareholders and that Shareholders expect significantly higher value given that the Common Shares have consistently traded at prices well above the Original Brookfield Offer since it was announced.

On April 21, 2021, Brookfield's financial advisors contacted TD Securities and J.P. Morgan to inquire about the terms on which Brookfield would be able to participate in the Strategic Review. In a subsequent conversation on April 26, 2021,

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TD Securities and J.P. Morgan communicated to Brookfield's financial advisors the principal terms on which the Special Committee would be prepared to grant Brookfield access to Inter Pipeline's non-public information. These included the execution of a non-disclosure and standstill agreement containing a number of exceptions to the standstill provisions for Brookfield's benefit, including rights to: (i) continue the Original Brookfield Offer, (ii) make non-public proposals to the Inter Pipeline Board at any time, (iii) amend the Original Brookfield Offer or make a new take-over bid if another transaction supported by the Inter Pipeline Board was announced, and (iv) increase the value of the Original Brookfield Offer or make any other amendments to the Brookfield Offer with Inter Pipeline Board support. Brookfield's financial advisors requested that TD Securities and J.P. Morgan not send the proposed non-disclosure and standstill agreement and, subsequently, on April 28, 2021, Brookfield issued a news release stating, among other things, that it had not yet been granted data room access.

On April 29, 2021, Inter Pipeline issued a press release reiterating that the Strategic Review process was focused on maximizing value for all Shareholders and that the Special Committee had attempted to engage with Brookfield in good faith to negotiate customary terms that would allow Brookfield access to Inter Pipeline's data room.

On May 3, 2021, the Special Committee received a further letter from Brookfield seeking to perform due diligence and enclosing a draft form of a non-disclosure agreement.

On May 5, 2021, the Special Committee responded to Brookfield reaffirming its interest in Brookfield participating in the Strategic Review and submitting an improved proposal to the Special Committee. The response letter also conveyed the Special Committee's willingness to negotiate the terms of the draft non-disclosure agreement provided by Brookfield to facilitate such participation. In order to ensure the confidentiality of those negotiations, the Special Committee requested that the parties enter into a limited duration preliminary non-disclosure agreement, a draft copy of which was provided to Brookfield.

Over the period from May 5, 2021 to May 12, 2021, Inter Pipeline and Brookfield negotiated and ultimately entered into first a preliminary non-disclosure agreement and subsequently a non-disclosure agreement providing Brookfield with access to Inter Pipeline's non-public information. Under the terms of the non-disclosure agreement, Brookfield agreed that until the first anniversary of the agreement, it would not change the consideration offered per Common Share under the Original Brookfield Offer except to increase the aggregate consideration to not less than C\$17.95 per Common Share. Brookfield was provided with access to Inter Pipeline's data room on May 14, 2021. The data room contained thousands of documents related to the business of Inter Pipeline and included a process letter with a bid date of May 25, 2021, and form of arrangement agreement that was to be reviewed and any comments submitted on the bid date.

Among other things, as part of its due diligence access, Brookfield received a detailed management presentation from Inter Pipeline, four additional sessions with management devoted to specific commercial and technical matters, access to a detailed financial model for Inter Pipeline's business and a site visit to HPC. Inter Pipeline and its advisors responded to hundreds of questions from Brookfield and its advisors with respect to Inter Pipeline and its business and the information contained in the data room, which also involved providing additional documentation and information in response to supplemental information requests from Brookfield and its representatives over the course of approximately 12 days.

On May 18, 2021, Pembina communicated its interest in a potential acquisition of Inter Pipeline by way of an all share transaction and was provided with access to Inter Pipeline's data room on May 19, 2021 after entering into a non-disclosure and standstill agreement with Inter Pipeline. The data room included a process letter with a bid date of May 25, 2021, and form of arrangement agreement that was to be reviewed and submitted on the bid date. Pembina was also provided with thousands of documents pertaining to Inter Pipeline's business, a detailed management presentation from Inter Pipeline, a number of additional sessions with management devoted to specific matters, and Inter Pipeline and its advisors responded to hundreds of questions and information requests from Pembina over the course of approximately eight days.

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At a meeting on May 19, 2021, Ms. McKenzie and Mr. Bayle were advised by Messrs. Dilger and Findlay that Pembina's board of directors had authorized Pembina to pursue an en bloc proposal for Inter Pipeline. Among other things, Messrs. Dilger and Findlay outlined Pembina's views of synergies available to a combined company, both in terms of operating efficiencies and opportunities to accelerate and de-risk growth projects. They indicated that an all share exchange that valued the Common Shares at \$18.00 was what had been considered by the Pembina board of directors, and on that basis Pembina would be prepared to put full effort into confirmatory due diligence and would be in a position to make a firm proposal on Inter Pipeline's required timeline. They further indicated that Pembina saw the strategic value in the combination and believed that both Pembina and Inter Pipeline Shareholders would benefit from the combination of the two companies.

On May 25, 2021, in response to the process letter, the Special Committee received a non-binding proposal (the "**May 25 Brookfield Proposal**") from Brookfield, indicated to be Brookfield's "Final Proposal", with respect to two potential alternative transactions. The first alternative proposed consideration per Common Share of \$18.00 (payable in cash and/or 0.214 BIPC Shares according to individual shareholder election, subject to proration with maximum cash consideration and maximum BIPC Shares issued of approximately \$5.2 billion and 21.5 million, respectively). The second alternative proposed consideration of (i) \$16.50 per Common Share payable in cash and/or 0.196 BIPC Shares according to individual shareholder election, subject to proration with cash and issued BIPC shares of approximately \$4.8 billion and 19 million, respectively), and a 25% participating equity interest (potentially up to 50%, subject to a commensurate reduction in the cash and BIPC Share portion of the aggregate consideration) in HPC via a newly-established, publicly-traded entity. Brookfield did not submit a mark-up of Inter Pipeline's draft form of arrangement agreement with the May 25 Brookfield Proposal as had been requested in the process letter. The May 25 Brookfield Proposal did not include a tax-deferred rollover option for Shareholders receiving BIPC Shares.

In the May 25 Brookfield Proposal, Brookfield stated that its confirmatory due diligence procedures were largely complete, but outlined outstanding materials that it required to complete its evaluation together with a summary of certain information it had reviewed it stated differed adversely from its initial expectations.

On May 25, 2021, Pembina's legal counsel provided draft forms of an arrangement agreement, voting and support agreement and related documents to Inter Pipeline's legal counsel.

On the morning of May 26, 2021, Pembina provided a management presentation on Pembina and its business to Inter Pipeline and its financial advisors which was attended by both Ms. McKenzie and Mr. Findlay. Among other things, as part of its due diligence review of Pembina and its evaluation of a potential business combination with Pembina, Inter Pipeline was also provided with a detailed financial model for Pembina's business.

Later on May 26, 2021, the Special Committee met to consider the May 25 Brookfield Proposal, the verbal expression of interest at a value of \$18.00 per Common Share that had been communicated by Pembina on May 19th and related matters and receive advice from its financial and legal advisors. The Special Committee received advice from the financial advisors concerning, among other things, the May 25 Brookfield Proposal, including the second alternative which proposed a "spin-out" of HPC into a separate publicly-traded entity, an updated value analysis of Inter Pipeline and with respect to a potential all share business combination with Pembina. As part of the Strategic Review, the Special Committee, with the advice of the financial advisors, had previously considered the potential spin-out of HPC and determined that it was not a credible value-maximizing alternative. After consideration, the Special Committee was unanimously of the view that neither the May 25 Brookfield Proposal nor the May 19 Pembina verbal expression of interest was in the best interests of Inter Pipeline or its Shareholders and authorized the Chair to communicate its response to Brookfield and Pembina, respectively.

The Special Committee's position was communicated to Pembina and its advisors later that evening and to Brookfield in a meeting held the morning of May 27, 2021. At that meeting Inter Pipeline also communicated its preference for an all cash offer from Brookfield to eliminate the Special Committee's concerns about the BIPC Shares including the sustainability of their trading premium relative to the BIP Units, which concerns had initially been raised in the Directors'

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Circular. The Special Committee's concerns were heightened by the fact that Brookfield was not offering a tax-deferred rollover to Shareholders electing to receive BIPC Shares. Inter Pipeline also communicated that the Special Committee did not view the potential HPC "spin-out" alternative favourably citing, among other reasons, its complexity and conditionality, in addition to its view that the May 25 Brookfield Proposal was insufficient in value.

Later on May 27, 2021, representatives of J.P. Morgan and TD Securities spoke with a representative of Brookfield, during which conversation Brookfield indicated that equity consideration was fundamental to its proposal and that it was willing to engage in further diligence on HPC and the BIPC Shares. Also on May 27th, Ms. McKenzie and Mr. Bayle met with Mr. Baker to discuss the outstanding diligence items that Brookfield had identified in the May 25 Brookfield Proposal, during which meeting they also conveyed the Special Committee's willingness to explore the BIPC Share consideration further.

Subsequently, due diligence sessions were held on May 28th between representatives of Brookfield and Inter Pipeline to address certain outstanding questions related to HPC. On May 28th and May 29th additional sessions were also held with respect to Inter Pipeline's concerns regarding the structure and trading performance of the BIPC Shares, during which Brookfield indicated it believed it could structure a transaction on a tax-deferred basis with respect to the BIPC Shares, and with respect to the proposed HPC "spin-out" alternative, respectively.

On May 29, 2021, the Special Committee received a presentation from Mr. Dilger and Pembina's Chief Financial Officer, accompanied by Mr. Findlay, with respect to a potential acquisition of Inter Pipeline by Pembina in an all share transaction. At the conclusion of the presentation Pembina presented its proposal to acquire Inter Pipeline pursuant to a plan of arrangement on the basis of 0.4815 of a Pembina Common Share for each Common Share, reflecting a value of approximately \$18.80 per Common Share based on the closing price of the Pembina Common Shares on May 28, 2021.

On May 30, 2021, the Special Committee met to consider the proposal received from Pembina and related matters and receive advice from its financial and legal advisors. The Special Committee received advice from the financial advisors concerning, among other things, the value of the proposal received from Pembina on May 29, 2021, including in comparison to the May 25 Brookfield Proposal. The Special Committee was unanimously of the view that the Pembina proposal was insufficient and authorized the Chair to communicate its response to Pembina. The Chair was also authorized to communicate to Brookfield that the Special Committee had received a competing en bloc proposal and to communicate to each of Pembina and Brookfield that it should submit its "best and final" offer to acquire Inter Pipeline by the evening of May 30, 2021, which the Chair did following the meeting.

Subsequently on May 30, 2021, both Pembina and Brookfield submitted revised proposals to the Special Committee.

Pembina revised its proposal to increase the share exchange ratio from 0.4815 to 0.49325 of a Pembina Common Share for each Common Share, reflecting a value of approximately \$19.26 per Common Share based on the closing trading price of the Pembina Common Shares on May 28, 2021. As part of its revised proposal, Pembina also confirmed its intention to increase the monthly dividend on the Pembina Common Shares to \$0.22 per share, with an additional monthly dividend increase of \$0.01 per share following the successful commissioning and in-service date of HPC.

Brookfield submitted a non-binding proposal to the Special Committee, stated to be its "Best and Final Offer", proposing consideration per Common Share of \$19.00 payable in cash and/or 0.219 BIPC Shares (based on the BIPC Share closing price of \$86.63 on May 28, 2021) according to individual shareholder election, subject to proration with maximum cash consideration and maximum BIPC Shares issued of approximately C\$5.4 billion (representing 73% of the total consideration) and 23.0 million aggregate shares (representing 27% of the total consideration), respectively. The proposal included provision for a tax-deferred rollover option for certain Shareholders on the portion that such Shareholders may elect to receive in the form of BIPC Shares. The proposal was subject to the following "Key Conditions": customary Brookfield Infrastructure deal protections; all reasonable steps to be taken to schedule the shareholder meeting to approve the plan of arrangement at the soonest permissible date; and Inter Pipeline's June dividend declaration (i.e., for the July dividend payment) to be the last declaration permitted. The proposal was accompanied by a proposed form of exclusivity

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agreement and Brookfield indicated it would share a redline to Inter Pipeline's draft plan of arrangement within 24 hours of exclusivity.

The Special Committee met in the evening of May 30, 2021 to consider the proposals received from Pembina and Brookfield earlier in the day and related matters and receive advice from its financial and legal advisors. The Special Committee received advice from the financial advisors concerning, among other things, the value of the respective proposals. After review and consideration, the Special Committee was of the view that the Pembina proposal was superior to the Brookfield proposal and authorized the Chair to continue discussions with Pembina in an effort to obtain an improved proposal. The Chair communicated the Special Committee's response to Pembina later that evening.

The Special Committee met again on the morning of May 31, 2021. During the course of this meeting, the Chair received a revised proposal from Pembina offering to increase its previous proposal by including an incremental contingent value right with a value of \$0.25 per Common Share contingent on the construction costs of HPC remaining on budget. The Special Committee received further advice from the financial advisors and legal counsel concerning the enhanced Pembina proposal, including the proposed contingent value right. After review and consideration, the Special Committee was of the view that the enhanced Pembina proposal continued to be superior to the Brookfield proposal and authorized the Chair to continue discussions with Pembina with respect to the proposed contingent value right and in an effort to further improve the Pembina proposal.

Later that morning following the Special Committee meeting, the Chair of the Special Committee, along with representatives of TD Securities and J.P. Morgan, informed Brookfield that the Inter Pipeline Board was prepared to accept a competing en bloc proposal, which would include standard deal protection provisions.

Shortly after that communication, Brookfield communicated that it would be delivering another proposal, and subsequently submitted a revised proposal to the Special Committee, stated again to be its "Best and Final Offer" (the "**May 31 Brookfield Proposal**"), proposing consideration per Common Share of \$19.50 payable in cash and/or 0.225 BIPC Shares (based on the BIPC Share closing price of \$86.63 on May 28, 2021) according to individual shareholder election, subject to proration with maximum cash consideration and maximum BIPC Shares issued of approximately C\$5.6 billion (representing 74% of the total consideration) and 23.0 million aggregate shares (representing 26% of the total consideration), respectively. The proposal included provision for a tax-deferred rollover option for certain Shareholders on the portion that such Shareholders may elect to receive in the form of BIPC Shares. The proposal was subject to the following "Key Conditions": customary Brookfield Infrastructure deal protections; all reasonable steps to be taken to schedule the shareholder meeting to approve the plan of arrangement at the soonest permissible date; and Inter Pipeline's June dividend declaration (i.e., for the July dividend payment) will be the last dividend declaration permitted. The May 31 Brookfield Proposal equated to a value of \$19.42 per Common Share assuming a Shareholder received the maximum cash consideration based on the pro-rationing between cash and share consideration under the proposal and based on the closing price of the BIPC Shares on May 31, 2021.

Subsequently on May 31, 2021, following further negotiations between Pembina and its advisors and the Special Committee and its advisors, Pembina revised its proposal to remove the proposed contingent value right and to increase the share exchange ratio from 0.49325 to 0.50 of a Pembina Common Share for each Common Share, reflecting a value of approximately \$19.45 per Common Share based on the closing trading price of the Pembina Common Shares on May 31, 2021. Pembina's revised proposal included its intention to increase the monthly dividends on the Pembina Common Shares to \$0.22 per share, with an additional monthly dividend increase of \$0.01 per share following the successful commissioning and in-service date of HPC. Pembina also requested that Inter Pipeline enter into an exclusivity agreement with Pembina and tabled a form of exclusivity agreement.

The Special Committee met later in the afternoon of May 31, 2021, to consider the proposals received from Pembina and Brookfield and related matters and receive advice from its financial and legal advisors. The Special Committee received advice from the financial advisors concerning, among other things, the value of the respective proposals received from Pembina and Brookfield. It was noted that based on the respective closing prices of the Pembina Common Shares and the

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BIPC Shares on May 31, 2021, the 'headline' values (before considering the other advantages of the Pembina Arrangement) of the Pembina and Brookfield proposals were \$19.45 and \$19.42, respectively. Each of the financial advisors confirmed that it would be able to deliver a favourable opinion to the Inter Pipeline Board as to the fairness, from a financial point of view, of the consideration to be received by the Shareholders pursuant to the Pembina Arrangement or the exchange ratio in the Pembina Arrangement. The Special Committee discussed, among other things, the alternative courses of action that had been considered including the final proposals received from each of Pembina and Brookfield and the impact of the Pembina Arrangement or the May 31 Brookfield Proposal on the various stakeholders of Inter Pipeline. Based on the advice it received and its deliberations, the Special Committee was unanimously of the view that the proposed Pembina Arrangement was superior to the May 31 Brookfield Proposal. In reaching its conclusion, the Special Committee considered numerous factors in addition to the 'headline' values of the respective proposals, including the matters enumerated under "*Reasons for Rejecting the Revised Brookfield Offer*".

Later on May 31st, Inter Pipeline's financial advisors informed Brookfield that the Special Committee had considered the May 31 Brookfield Proposal and determined to enter into exclusive negotiations with another party.

Over the period from May 26, 2021 through May 31, 2021, the Special Committee met formally on 8 occasions to, among other things, consider and evaluate the various proposals received from Brookfield and Pembina and to provide guidance to the Chair of the Special Committee in conducting discussions and negotiations with the each of Brookfield and Pembina relative to their respective proposals. In addition, the Special Committee received reports on due diligence completed by Inter Pipeline and its advisors on Pembina, which consisted of a review of virtual data room materials, a management presentation provided by senior representatives of Pembina to Inter Pipeline's management team and the Chair of the Special Committee, and various other diligence materials. At each of the Special Committee meetings, TD Securities, J.P. Morgan, BDP and Dentons attended and provided advice, including financial advice with respect to the various proposals received and legal advice with respect to the Inter Pipeline Board's duties and responsibilities in the context of Strategic Review and the consideration of such proposals, as well as legal considerations relevant to such proposals. Each meeting of the Special Committee included an in camera session with J.P. Morgan and Dentons. Additionally, over the course of this period the Chair of the Special Committee attended numerous meetings with members of management, legal counsel and the financial advisors to consider and discuss various matters with respect to the Strategic Review as well as attending a number of meetings with Brookfield and Pembina and their representatives.

The Special Committee met late in the evening of May 31, 2021, to review and consider the specific transaction terms that had been negotiated with Pembina, the anticipated benefits to Inter Pipeline and its Shareholders of pursuing the Pembina Arrangement and the proposed Arrangement Agreement that resulted from the negotiations with Pembina. BDP and Dentons reviewed the material terms of the proposed Arrangement Agreement with the Special Committee. Also at this meeting, each of TD Securities and J.P. Morgan reviewed its financial analysis of the exchange ratio with the Special Committee and rendered an oral opinion to the Special Committee to the effect that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken, that in the case of TD Securities, the Consideration to be received by the Shareholders pursuant to the Pembina Arrangement, and in the case of J.P. Morgan, the Exchange Ratio in the proposed Pembina Arrangement, is fair, from a financial point of view, to the holders of Common Shares. The Special Committee discussed, among other things, the proposed final terms of the Arrangement Agreement, the alternative courses of action that had been considered including the final proposal received from Brookfield and the impact of the Pembina Arrangement on the various stakeholders of the Company. After discussion, the Special Committee unanimously determined that the Pembina Arrangement and entry into the Arrangement Agreement was in the best interests of Inter Pipeline, the Pembina Arrangement was fair to the Shareholders and that it would recommend that the Inter Pipeline Board approve the Pembina Arrangement and the entering into of the Arrangement Agreement.

Shortly following the meeting of the Special Committee, the Inter Pipeline Board held a meeting at which the Special Committee recommended that the Inter Pipeline Board approve the Pembina Arrangement and the entering into of the Arrangement Agreement. The Inter Pipeline Board then determined that the Pembina Arrangement is fair to the holders of Common Shares and that the Pembina Arrangement and entry into the Arrangement Agreement by Inter Pipeline are

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in the best interests of Inter Pipeline and unanimously recommended that the holders of Common Shares vote in favour of the Pembina Arrangement.

The Arrangement Agreement was executed and delivered by Inter Pipeline and Pembina early in the morning of June 1st and shortly thereafter the joint news release of Inter Pipeline and Pembina announcing the proposed Pembina Arrangement was disseminated.

On June 2, 2021, Brookfield issued a news release announcing its intention to make the Revised Brookfield Offer, which as described in such news release would offer substantially the same consideration to Shareholders as the May 31 Brookfield Proposal.

On June 3, 2021, Inter Pipeline announced that it acknowledged Brookfield's intention to make the Revised Brookfield Offer and continued to recommend the Pembina Arrangement.

On June 4, 2021, Brookfield formally made the Revised Brookfield Offer, which offers substantially the same consideration to Shareholders as the May 31 Brookfield Proposal.

SPECIAL COMMITTEE AND BOARD DELIBERATIONS

The Special Committee met on June 2, 2021, following the issuance of Brookfield's news release announcing its intention to make the Revised Brookfield Offer. Among other things, the Special Committee received advice from the financial and legal advisors with respect to the proposed Revised Brookfield Offer, including with respect to its terms and conditions and legal advice with respect to the duties and responsibilities of the Special Committee and the Inter Pipeline Board in the context of the proposed Revised Brookfield Offer. The Special Committee determined that the proposed Revised Brookfield Offer as described in Brookfield's June 2 news release appeared to be on substantially the same economic terms as the May 31 Brookfield Proposal, which, together with the proposed Pembina Arrangement, had been reviewed by the Special Committee and the Inter Pipeline Board on May 31, 2021, with the benefit of advice from their financial and legal advisors. After consideration, the Special Committee and the Inter Pipeline Board remained unanimously of the view that the proposed Pembina Transaction is financially superior to the May 31 Brookfield Proposal and the proposed Revised Brookfield Offer and in the best interests of Inter Pipeline and its Shareholders. The Special Committee authorized the issuance of a news release confirming that the Inter Pipeline Board continues to unanimously recommend the Pembina Arrangement to Shareholders, which news release was issued on June 3, 2021.

The Special Committee met three times between June 4, 2021 and June 9, 2021 to, among other things, consider and evaluate the Revised Brookfield Offer and various matters relating to the Revised Brookfield Offer. At each of these meetings TD Securities, J.P. Morgan, BDP and Dentons attended and provided advice, including legal advice with respect to the Inter Pipeline Board's duties and responsibilities in the context of the Revised Brookfield Offer, each of which was followed by an in camera session with J.P. Morgan and Dentons.

On June 9, 2021, the Special Committee, having determined that the Revised Brookfield Offer was on substantially the same economic terms as the Final Brookfield Private Proposal, unanimously (i) reaffirmed its determination that the Pembina Arrangement and entry into the Arrangement Agreement was in the best interests of Inter Pipeline and its Shareholders, (ii) concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders, and (iii) recommended to the Inter Pipeline Board that it (A) recommend that Shareholders reject the Revised Brookfield Offer and not tender their Common Shares to the Revised Brookfield Offer, and (B) reaffirm its determination that the Pembina Arrangement and entry into the Arrangement Agreement was in the best interests of Inter Pipeline and its Shareholders and its recommendation that Shareholders vote in favour of the Pembina Arrangement. These conclusions were based on numerous factors, including the matters enumerated under "*Reasons for Rejecting the Revised Brookfield Offer*" and the Special Committee's careful review and evaluation of the Revised Brookfield Offer and the Revised Brookfield Circular after having received advice from legal counsel and its financial advisors as to such matters, including the respective fairness opinions of TD Securities and J.P. Morgan with respect to the consideration to

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If you have already tendered your Common Shares to the Revised Brookfield Offer, you can withdraw your Common Shares by contacting your broker or Kingsdale Advisors, by North American Toll Free phone call to 1-877-659-1820 or by email at contactus@kingsdaleadvisors.com

be received by Shareholders pursuant to, and the exchange in, the Pembina Arrangement. In making its determination, the Special Committee took into consideration the differences between the Revised Brookfield Offer and the May 31 Brookfield Proposal including (i) the specific mechanics pursuant to which a tax-deferred rollover will be available for certain eligible Canadian resident Shareholders under the Revised Brookfield Offer through their ability to elect to receive the Unit Consideration and to make the Supplementary Election (each as defined in the Revised Brookfield Offer, and subject to pro-rata as set out in the Revised Brookfield Offer and to the limits on the availability of such Supplementary Election), (ii) the terms of such Supplementary Election, and (iii) the reduced conditionality of the Revised Brookfield Offer through the satisfaction, waiver or modification of a number of the conditions contained in the Original Brookfield Offer.

On June 9, 2021, based on the unanimous recommendation of the Special Committee, the Inter Pipeline Board unanimously (i) reaffirmed its determination that the Pembina Arrangement and entry into the Arrangement Agreement was in the best interests of Inter Pipeline and its Shareholders, (ii) concluded that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders and (iii) reaffirmed its determination that the Pembina Arrangement and entry into the Arrangement Agreement was in the best interests of Inter Pipeline and its Shareholders and its recommendation that Shareholders vote in favour of the Pembina Arrangement. For the foregoing reasons, the Inter Pipeline Board unanimously recommended that Shareholders reject the Revised Brookfield Offer and not tender their Common Shares to the Revised Brookfield Offer, and approved the contents and delivery of this Notice of Change.

REJECTION OF THE REVISED BROOKFIELD OFFER

To REJECT the Revised Brookfield Offer, you do not need to do anything. If you have tendered your Common Shares to the Revised Brookfield Offer, you can withdraw them until they are taken up under the Revised Brookfield Offer. The Inter Pipeline Board recommends that you withdraw any tendered Common Shares immediately. See "*How to Withdraw Your Deposited Common Shares*".

Shareholders should consider the terms of the Revised Brookfield Offer and the recommendations of the Special Committee and the Inter Pipeline Board contained in this Notice of Change carefully and come to your own decision whether to accept or reject the Revised Brookfield Offer. Shareholders who are in doubt as to how to respond to the Revised Brookfield Offer should consult with their professional advisors, or Kingsdale Advisors. Acceptance of the Revised Brookfield Offer may have tax consequences specific to the circumstances of individual Shareholders and you should consult your own professional tax advisors. Inquiries concerning information in this Notice of Change should be directed to Inter Pipeline's Information Agent and strategic shareholder advisor, Kingsdale Advisors, by North American toll free phone call to 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by email at contactus@kingsdaleadvisors.com. Kingsdale Advisors' contact information is also listed on the back page of this Notice of Change.

OPINIONS OF THE FINANCIAL ADVISORS

Opinion of TD Securities

Under the terms of the engagement agreement between TD Securities and Inter Pipeline, TD Securities has agreed to provide Inter Pipeline and the Inter Pipeline Board with various advisory services, including in connection with the Pembina Arrangement and, if requested, provide an opinion to the Inter Pipeline Board as to the fairness, from a financial point of view, of the consideration to be received by the Shareholders pursuant to the Pembina Arrangement.

On May 31, 2021, TD Securities delivered an oral opinion, confirmed by delivery of a written opinion dated May 31, 2021, to the Inter Pipeline Board, to the effect that, as of that date, and based upon and subject to the assumptions, limitations and qualifications contained therein and such other matters as TD Securities considered relevant, the

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Consideration to be received by Shareholders pursuant to the Pembina Arrangement is fair, from a financial point of view, to such Shareholders.

A copy of the written opinion of TD Securities, which describes, among other things, the various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken in connection with the opinion, is attached to this Notice of Change as Appendix "A".

All summaries and references to the opinion delivered by TD Securities in this Notice of Change are qualified in their entirety by reference to the full text of the opinion. The Inter Pipeline Board strongly recommends that Shareholders read the written opinion delivered by TD Securities carefully and in its entirety for a description of the procedures followed, matters considered and limitations and qualifications on the review undertaken. The opinion of TD Securities addresses only the fairness, from a financial point of view, of the Consideration to be received by the Shareholders pursuant to the Pembina Arrangement. The opinion was provided for the information and assistance of the Inter Pipeline Board for its exclusive use only in connection with its evaluation of the Pembina Arrangement. The opinion does not constitute a recommendation to any Shareholder as to whether to vote in favour of the Pembina Arrangement or any other matter, nor should it be construed as advice as to the price at which the securities of the Company or Pembina may trade at any time. The opinion was only one of a number of factors taken into consideration by the Inter Pipeline Board in making its unanimous determination that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders and its recommendation that Shareholders reject the Revised Brookfield Offer and not tender their Common Shares.

Pursuant to the terms of the engagement agreement between TD Securities and Inter Pipeline, TD Securities will receive a fee for rendering the opinion. TD Securities will also receive a fee for its advisory services, a substantial portion of which is contingent upon a change of control of the Company or certain other events, including the completion of the Pembina Arrangement. Inter Pipeline has also agreed to reimburse TD Securities for its reasonable expenses and to indemnify TD Securities against certain liabilities that might arise out of its engagement.

TD Securities and certain of its affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of Inter Pipeline, Pembina and their respective affiliates and, from time to time, may have executed or may execute transactions on behalf of Inter Pipeline, Pembina and their respective affiliates for which TD Securities or such affiliates received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to Inter Pipeline, Pembina and their respective affiliates, the Pembina Arrangement. In addition, the Canadian chartered bank, of which TD Securities is a wholly-owned subsidiary, or one or more affiliates thereof, may provide banking or other financial services to Inter Pipeline, Pembina and their respective affiliates in the normal course of business.

Opinion of J.P. Morgan

Under the terms of the engagement agreement between J.P. Morgan and Inter Pipeline, J.P. Morgan has agreed to provide the Special Committee with certain financial advisory services, including in connection with the Pembina Arrangement and, if requested, provide an opinion to the Inter Pipeline Board as to the fairness, from a financial point of view, of the Exchange Ratio in the Pembina Arrangement to the holders of the Common Shares.

On May 31, 2021, J.P. Morgan delivered an oral opinion, confirmed by delivery of a written opinion dated May 31, 2021, to the Inter Pipeline Board, to the effect that, as of that date, and based upon and subject to the assumptions, limitations and qualifications contained therein and such other matters as J.P. Morgan considered relevant, the Exchange Ratio in the proposed Pembina Arrangement is fair, from a financial point of view to the holders of the Common Shares.

A copy of the written opinion of J.P. Morgan, which describes, among other things, the various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken in connection with the opinion, is attached to this Notice of Change as Appendix "B".

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All summaries and references to the opinion delivered by J.P. Morgan in this Notice of Change are qualified in their entirety by reference to the full text of the opinion. Shareholders are strongly encouraged to read the written opinion delivered by J.P. Morgan carefully and in its entirety for a description of the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken. The opinion of J.P. Morgan addresses only the fairness, from a financial point of view, of the Exchange Ratio in the proposed Pembina Arrangement to the Shareholders. The opinion was provided for the information and assistance of the Inter Pipeline Board for its exclusive use only in connection with its evaluation of the Pembina Arrangement. The opinion does not constitute a recommendation to any Shareholder as to whether to vote in favour of the Pembina Arrangement or any other matter, nor should it be construed as advice as to the price at which the securities of the Company or Pembina may trade at any time. The opinion was only one of a number of factors taken into consideration by the Inter Pipeline Board in making its unanimous determination that the Revised Brookfield Offer is not in the best interests of Inter Pipeline or its Shareholders and its recommendation that Shareholders reject the Revised Brookfield Offer and not tender their Common Shares.

Pursuant to the terms of the engagement agreement between J.P. Morgan and Inter Pipeline, J.P. Morgan will receive a fee for rendering the opinion. J.P. Morgan will also receive certain fees for advisory services, a substantial portion of which are contingent upon the completion of the Pembina Arrangement or any alternative transaction. Inter Pipeline has also agreed to reimburse J.P. Morgan for reasonable costs and expenses and to indemnify J.P. Morgan against certain liabilities arising out of its engagement.

In the ordinary course of J.P. Morgan's businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities or financial instruments (including derivatives, bank loans or other obligations) of the Company or Pembina for their own account or for the accounts of customers and, accordingly, they may at any time hold long or short positions in such securities or other financial instruments. Specifically, J.P. Morgan and certain of its affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company or Pembina and, from time to time, may have executed or may execute transactions on behalf of one or more of the foregoing for which it or such affiliates received or may receive compensation. Further, J.P. Morgan and certain of its affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to the Company or Pembina and may provide banking or other financial services to one or more of the foregoing in the ordinary course of business.

HOW TO WITHDRAW YOUR DEPOSITED COMMON SHARES

To reject the Revised Brookfield Offer, you do not need to take any action. Shareholders who have already tendered their Common Shares to the Revised Brookfield Offer can withdraw them at any time before their Common Shares have been taken up and paid for by the Offerors pursuant to the Revised Brookfield Offer.

Shareholders who hold Common Shares through a brokerage firm should contact their broker to withdraw their Common Shares on their behalf. If the Common Shares have been deposited pursuant to the procedures for book-entry transfer, as set out in Section 3 of the Revised Brookfield Offer, "*Manner of Acceptance – Acceptance by Book-Entry Transfer*", any notice of withdrawal must specify the name and number of the account at CDS Clearing and Depository Services Inc. ("CDS") or the Depository Trust Company ("DTC"), as applicable, to be credited with the withdrawn Common Shares and otherwise comply with the procedures of CDS or DTC, as applicable.

For assistance in withdrawing your Common Shares, you should contact your broker or Kingsdale Advisors, the Information Agent and strategic shareholder advisor retained by Inter Pipeline, by North American toll free phone call to 1-877-659-1820 (416-867-2272 for collect calls outside North America) or by email at contactus@kingsdaleadvisors.com.

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OWNERSHIP OF SECURITIES OF INTER PIPELINE

Since the date of the Directors' Circular, the number of outstanding Common Shares, RSUs and PSUs beneficially owned, directly or indirectly, by each of the directors and officers of Inter Pipeline or over which control or direction may be exercised by any such person, as at the date hereof, and, after reasonable inquiry, by their respective associates and affiliates, has remained the same, other than increases resulting from the acquisition pursuant to an automatic dividend reinvestment plan of the following number of additional Common Shares: (i) Anita Dusevic Oliva - 93 Common Shares; (ii) Spil Kousiniotis - 95 Common Shares; (iii) Bernard Perron - 6 Common Shares; and (iv) Jeremy Roberge - 12 Common Shares.

INTENTION OF DIRECTORS, OFFICERS AND OTHER SHAREHOLDERS WITH RESPECT TO THE REVISED BROOKFIELD OFFER

To the knowledge of the directors and officers of Inter Pipeline, after reasonable enquiry, as at June 9, 2021, none of the directors and officers of Inter Pipeline, the associates or affiliates of any insider of Inter Pipeline, the associates or affiliates of Inter Pipeline, other insiders of Inter Pipeline or any other person or company acting jointly or in concert with Inter Pipeline have accepted or indicated their intention to accept the Revised Brookfield Offer. See also, "*Reasons for Rejecting the Revised Brookfield Offer – 4. The Pembina Arrangement was the Result of a Full and Fair Strategic Review Process and is Supported by All of Inter Pipeline's Directors.*"

ARRANGEMENTS BETWEEN THE OFFERORS AND THE DIRECTORS, OFFICERS AND SECURITYHOLDERS OF INTER PIPELINE

There are no agreements, commitments or understandings made or, to the knowledge of the directors and officers of Inter Pipeline, proposed to be made between either Offeror (or BAM, BIF IV, BIP or BIPC) and any of the directors or officers of Inter Pipeline, including any agreement, commitment or understanding including pursuant to which a payment or other benefit is proposed to be made or given by way of compensation for loss of office or as to any such person remaining in or retiring from office if the Revised Brookfield Offer is successful. No director or officer of Inter Pipeline is a director or officer of the Offerors (or BAM, BIF IV, BIP or BIPC) or of any subsidiary of either Offerors (or of BAM, BIF IV, BIP or BIPC or any of their subsidiaries).

To the knowledge of the directors and officers of Inter Pipeline, there are no agreements, commitments or understandings made or proposed to be made either of the Offerors (or BAM, BIF IV, BIP or BIPC) and any securityholder of Inter Pipeline relating to the Revised Brookfield Offer.

ARRANGEMENTS BETWEEN INTER PIPELINE AND ITS DIRECTORS AND OFFICERS

Other than as described in the Directors' Circular under the heading "*Arrangements Between Inter Pipeline and its Directors and Officers*", no agreement, commitment or understanding has been made, or is proposed to be made, between Inter Pipeline and any of its directors or officers, including pursuant to which a payment or other benefit is to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Revised Brookfield Offer is successful.

The subsections that follow generally describe any changes to the disclosure set forth in the Directors' Circular under the heading "*Arrangements Between Inter Pipeline and its Directors and Officers*" as they relate to payments and other benefits that would become due to the directors and officers of Inter Pipeline in the event the Revised Brookfield Offer is successful.

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Executive Employment Agreements

Inter Pipeline has entered into Executive Employment Agreements with each of its senior executive officers, being Chris Bayle, Nipa Chakravarti, David Chappell, Anita Dusevic Oliva, Brent Heagy, Spil Kousinioris, Jim Madro, Jeff Marchant, Cory Neufeld, Bernard Perron and Jeremy Roberge (collectively, the "**Senior Officers**").

The Executive Employment Agreements do not provide the Senior Officers with additional rights upon a change of control of Inter Pipeline including in the event that the conditions in the Revised Brookfield Offer are satisfied and the Offerors take up and pay for the Common Shares pursuant to the Revised Brookfield Offer. As described below, in such event the Senior Officers are entitled only to payment of their RSUs and PSUs granted in 2019 unless a Senior Officer's employment is terminated by Inter Pipeline other than for Cause or by the Senior Officer for Good Reason (as such terms are defined in the Executive Employment Agreements). The aggregate payment in respect of such RSUs and PSUs to which the Senior Officers as a group would be entitled if the conditions in the Revised Brookfield Offer were satisfied and the Offerors took up and paid for the Common Shares pursuant to the Revised Brookfield Offer on June 7, 2021 and assuming a Fair Market Value (as defined in Incentive Plans) of the RSUs and PSUs equal to the \$19.50 per share Revised Cash Consideration under the Revised Brookfield Offer and a 1.0x Performance Multiplier (as defined in the PSU Plan) for the PSUs would be approximately \$6.2 million.

The Executive Employment Agreements provide that each Senior Officer is entitled to a Termination Payment and vesting of Long Term Incentives (as such terms are defined in the Executive Employment Agreements), which include the RSUs and PSUs, if his or her employment is terminated by Inter Pipeline other than for Cause or if the Senior Officer terminates his or her employment for Good Reason. The Termination Payment is calculated as two times current salary, two times average annual bonus over the past three years, a pro rated portion of current year target bonus, and 18% of two times current salary and average annual bonus over the past three years. Absent a termination of the Senior Officer by Inter Pipeline on a without Cause basis or a termination by the Senior Officer for Good Reason, a Termination Payment would not be payable if the Offerors take up and pay for the Common Shares pursuant to the Revised Brookfield Offer. Notwithstanding the foregoing, assuming the Revised Brookfield Offer was successful and all of the Senior Officers were terminated by Brookfield, the aggregate Termination Payments inclusive of payments in respect of RSUs and PSUs which the Senior Officers as a group would be entitled to, assuming such termination occurred on June 7, 2021 and using the same assumptions for Fair Market Value and Performance Multiplier as above would be approximately \$43.2 million.

Incentive Plans

As of June 7, 2021, there are 833,545 outstanding RSUs and 768,118 outstanding PSUs held by the officers and 183,760 outstanding RSUs held by the directors. Of these, 283,863 RSUs and PSUs held by the officers and 22,682 RSUs held by directors that were granted in 2019 will vest and be paid out if the conditions in the Revised Brookfield Offer are satisfied and the Offerors take up and pay for the Common Shares pursuant to the Revised Brookfield Offer.

The Inter Pipeline Board, in its sole discretion, subject to such limitations provided in the Incentive Plans, may accelerate or provide for the acceleration of vesting of any RSUs or PSUs and in the case of PSUs may waive any term or condition attaching to a grant, or determine that it has been satisfied, and may determine the Fair Market Value and the Performance Multiplier applicable to the payment and settlement of PSUs and may amend or revise the terms of the Incentive Plans.

The Arrangement Agreement provides for the acceleration of the vesting and cash settlement of all unvested RSUs and PSUs immediately prior to the effective time of the Pembina Arrangement based on the five day weighted average trading price of the Common Shares ending on the second trading day prior to the effective date of the Pembina Arrangement and in the case of PSUs using a Performance Multiplier agreed to by Pembina and Inter Pipeline pursuant to the Arrangement Agreement.

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OWNERSHIP OF SECURITIES OF THE OFFERORS

Except as disclosed in the following sentence, none of Inter Pipeline or the directors or officers of Inter Pipeline or, to their knowledge after reasonable enquiry, any associate or affiliate of an insider of Inter Pipeline, any affiliate or associate of Inter Pipeline, any insider of Inter Pipeline who is not a director or officer of Inter Pipeline or any person acting jointly or in concert with Inter Pipeline, beneficially owns, or exercises control or direction over, any securities of the Offerors (or of BAM, BIF IV, BIP or BIPC). The directors and officers of Inter Pipeline and, to their knowledge after reasonable enquiry, their respective associate and affiliates beneficially own, or exercise control or direction over, in the aggregate: 10,668 Class A Limited Voting Shares of BAM; 4,629 BIP Units; and 513 BIPC Shares.

INTERESTS OF DIRECTORS AND OFFICERS IN MATERIAL TRANSACTIONS WITH THE OFFERORS

None of the directors or officers of Inter Pipeline and their associates and, to the knowledge of the directors and officers of Inter Pipeline, after reasonable enquiry, no person who owns more than 10% of any class of equity securities of Inter Pipeline for the time being outstanding has any interest in any material transaction to which any of the Offerors (or BAM, BIF IV, BIP or BIPC) is a party.

MATERIAL CHANGES IN THE AFFAIRS OF INTER PIPELINE

Except as otherwise described or referred to in this Notice of Change, or which is otherwise publicly disclosed, the directors and officers of Inter Pipeline are not aware of any information that indicates any material change in the affairs of Inter Pipeline since the date of its last published financial statements, being its unaudited condensed interim financial statements for the three months ended March 31, 2021.

SHAREHOLDER RIGHTS PLANS

On March 31, 2021, the Inter Pipeline Board, on the recommendation of the Special Committee, in consultation with their respective financial and legal advisors, adopted a limited-purpose supplemental shareholder protection rights plan (the "**Supplemental Shareholder Rights Plan**"), the terms and conditions of which are set out in a shareholder protection rights plan agreement between the Corporation and Computershare Trust Company of Canada ("**Computershare**") dated as of March 31, 2021. The Supplemental Shareholder Rights Plan is in addition to, and does not replace, the Corporation's Shareholder Rights Plan which remains in effect.

The Supplemental Shareholder Rights Plan is designed to ensure, to the extent possible, that: (a) all Shareholders are treated fairly in connection with any take-over bid for the Corporation including the Revised Brookfield Offer; and (b) the Inter Pipeline Board has sufficient opportunity to identify, develop and negotiate value-enhancing alternatives, if considered appropriate, to any unsolicited offer to acquire the outstanding Common Shares including the Revised Brookfield Offer and including pursuant to the Strategic Review.

The Supplemental Shareholder Rights Plan is not intended to prevent the Offerors from acquiring Common Shares pursuant to the Revised Brookfield Offer. Rather, the intent of the Supplemental Shareholder Rights Plan is to prevent the Offerors and its related parties from increasing their economic interest in Inter Pipeline to 20% or greater through additional Common Share purchases or derivative transactions outside of the Revised Brookfield Offer.

The Supplemental Shareholder Rights Plan protects the integrity of the Strategic Review and supports the fair treatment of all Shareholders by making a technical revision to the definition of "Beneficial Ownership" in the Shareholder Rights Plan to expand such definition to include "Derivative Transactions". This has the effect of treating certain derivative transactions, including the Total Return Swap being utilized by Brookfield, as equivalent to beneficial share ownership for purposes of the 20% triggering threshold in the Supplemental Shareholder Rights Plan.

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The Supplemental Shareholder Rights Plan requires approval by Shareholders within six months of the Supplemental Shareholder Rights Plan's effective date, failing which it will terminate.

Pursuant to the Supplemental Shareholder Rights Plan, effective March 31, 2021, one right ("**SSRP Right**") to purchase a Common Share was issued and is attached to each outstanding Common. One SSRP Right will also be issued and attach to each Common Share issued after the effective date of the Supplemental Shareholder Rights Plan, subject to the limitations set forth in the Supplemental Shareholder Rights Plan.

OTHER MATERIAL INFORMATION

Except as otherwise described or referred to in this Notice of Change, or which is otherwise publicly disclosed, no other information is known to the directors or officers of Inter Pipeline that would reasonably be expected to affect the decision of the Shareholders to accept or reject the Revised Brookfield Offer.

MATERIAL ERRORS OR MISLEADING STATEMENTS IN THE REVISED BROOKFIELD CIRCULAR AND PUBLIC POLICY CONCERNS

In the Directors' Circular, Inter Pipeline noted the following deficiencies in the Original Brookfield Circular, which Brookfield has failed to remedy or address in the Revised Brookfield Circular: (a) the Original Brookfield Circular and the Revised Brookfield Circular fail to provide sufficient disclosure regarding Brookfield's Total Return Swap, which Total Return Swap also raises significant public policy concerns under applicable securities laws; and (b) the Original Brookfield Circular and the Revised Brookfield Circular do not correctly identify all persons who comprise the "Offeror(s)" or provide the required certifications by all persons who constitute the "Offeror(s)".

GENERAL INFORMATION

Any reference in this Notice of Change to "**Inter Pipeline**", the "**Corporation**", the "**Company**", "**we**", "**us**" or "**our**" includes Inter Pipeline Ltd. and its material subsidiaries through which its various business operations are conducted, as the context requires.

Certain terms used in this Notice of Change have the meanings set forth in Appendix "C" – *Glossary* hereto, unless such terms are defined elsewhere in this Notice of Change.

Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement, as it may be amended, supplemented or restated from time to time.

Unless otherwise indicated, information in this Notice of Change is given as at June 7, 2021.

Calculations of percentage amounts or amounts per Common Share set forth in this Notice of Change are based on 429,219,175 Common Shares outstanding as of the close of business on June 7, 2021.

Figures, columns and rows presented in tables provided in this Notice of Change may not add due to rounding.

In this Notice of Change all amounts are shown in Canadian dollars and where applicable, and unless otherwise indicated, amounts are converted from Canadian dollars to United States dollars and vice versa by applying the average daily rate of exchange for conversion of one Canadian dollar to United States dollars as reported by the Bank of Canada on June 7, 2021. On June 7, 2021, the Bank of Canada daily exchange rate for one (\$1.00) Canadian dollar was US\$0.8283.

In this Notice of Change, the following abbreviations have the indicated meanings.

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bbl and bbls	barrel and barrels, each barrel representing 34.973 Imperial gallons or 42 U.S. gallons
b/d	barrels per day
bcf/d	billion cubic feet per day

Descriptions of rating agencies' credit ratings concerning Inter Pipeline and certain of its subsidiaries that are referred to in this Notice of Change are set out in Inter Pipeline's Annual Information Form for the year ended December 31, 2020. Credit ratings are intended to provide investors with an independent measure of an issuer's creditworthiness or overall capacity to pay its long or short-term financial obligations. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

All references in this Notice of Change to management and directors are to the persons who are identified in this Notice of Change as the Senior Officers and directors of Inter Pipeline. All statements in this Notice of Change made by or on behalf of Senior Officers and directors are made in such persons' capacities as executive officers and/or directors as the case may be of Inter Pipeline and not in their personal capacities.

Inter Pipeline has quoted from publicly available analyst reports in this Notice of Change. These analysts have not consented to the inclusion of all or any portion of their reports in this document. None of the firms employing such analysts were advisors to Inter Pipeline as at the dates of such analysts' reports.

This Notice of Change contains information relating to Inter Pipeline's business as well as historical and projected future performance, Inter Pipeline and equity and research analysts' expectations, forecasts and guidance and other market data. When considering this data, Shareholders should bear in mind that historical results and market data may not be indicative of the future results that Shareholders should expect from Inter Pipeline.

The information found on, or accessible through, Inter Pipeline's website does not form part of this Notice of Change.

Availability of Disclosure Documents

Inter Pipeline is a reporting issuer in each of the provinces of Canada and files its continuous disclosure documents and other documents with the Canadian securities regulatory authorities in each such province. Continuous disclosure documents are available on Inter Pipeline's SEDAR profile at www.sedar.com. Certain information in this Notice of Change has been taken from or is based on documents that are expressly referred to in this Notice of Change. All summaries of, and references to, documents that are specified in this Notice of Change as having been filed, or that are contained in documents specified as having been filed on SEDAR, are qualified in their entirety by reference to the complete text of those documents as filed, or as contained in documents filed, under Inter Pipeline's issuer profile on SEDAR at www.sedar.com. Shareholders are urged to read carefully the full text of those documents provided that, for greater certainty, any such documents are expressly not incorporated by reference into this Notice of Change.

Information Regarding Brookfield

This Notice of Change also includes information relating to Brookfield. This information was derived from and the Inter Pipeline Board and Inter Pipeline have relied on, without independent verification, the Original Brookfield Circular, the Revised Brookfield Circular and other publicly available documents, as well as certain other third-party sources.

A Registration Statement under the U.S. Securities Act, which covers the BIPC Shares to be offered to Shareholders pursuant to the Revised Brookfield Offer that are residents of the United States and the BIP Units that such BIPC Shares are exchangeable for, has been filed with the SEC on Form F-4. The Registration Statement, including exhibits, is available to the public free of charge at the SEC's website under BIPC's and BIP's filings at www.sec.gov.

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Neither the Inter Pipeline Board nor Inter Pipeline has independently verified or assumes any responsibility for the accuracy or completeness of the information contained in any such documents or provided by any such third-party sources or for any failure by Brookfield to disclose events that may have occurred or that may affect the significance or accuracy of any such information.

Information Regarding Pembina

This Notice of Change also includes information relating to Pembina. This information was derived from and the Inter Pipeline Board and Inter Pipeline have relied on, without independent verification, publicly available documents, as well as certain other third-party sources. Neither the Inter Pipeline Board nor Inter Pipeline has independently verified or assumes any responsibility for the accuracy or completeness of the information contained in any such documents or provided by any such third-party sources or for any failure by Pembina to disclose events that may have occurred or that may affect the significance or accuracy of any such information.

Market Data

This Notice of Change contains statistical data, market research and industry forecasts that were obtained from government, stock exchange or other industry publications and reports or based on estimates derived from such publications and reports and management's knowledge of, and experience in, the markets in which Inter Pipeline operates. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. Often, such information is provided subject to specific terms and conditions limiting the liability of the provider, disclaiming any responsibility for such information, and/or limiting a third party's ability to rely on such information. None of the authors of such publications and reports has provided any form of consultation, advice or counsel regarding any aspect of, or is in any way whatsoever associated with, Inter Pipeline. Further, certain of these organizations are advisors to participants in the energy infrastructure industry, and they may present information in a manner that is more favourable to that industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. While Inter Pipeline believes this data to be reliable, market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any market or other survey. Accordingly, the accuracy, currency and completeness of this information cannot be guaranteed. Inter Pipeline has not independently verified any of the data from third party sources referred to in this Notice of Change or ascertained the underlying assumptions relied upon by such sources.

Non-GAAP Financial Measures

Certain financial measures within this Notice of Change including "EBITDA", "adjusted funds from operations per share" or "AFFOPS", "enterprise value", "funds from operations per share", 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 non-GAAP financial measures should not be construed as alternatives to other measures of financial performance calculated in accordance with GAAP. The foregoing non-GAAP financial measures are provided to assist investors with their evaluation of Inter Pipeline, including their assessment of its ability to generate cash and fund monthly dividends. Management considers these non-GAAP financial measures to be important indicators in assessing its performance. Since certain non-GAAP financial measures may not have a standardized meaning, securities regulations require that non-GAAP financial measures are clearly defined, qualified and reconciled with their nearest GAAP measure. See the "*Non-GAAP Financial Measures*" section in the Inter Pipeline MD&A for further information on the definition, calculation and reconciliation of non-GAAP financial measures.

**REJECT THE REVISED BROOKFIELD OFFER
TAKE NO ACTION – DO NOT TENDER YOUR COMMON SHARES**

If you have already tendered your Common Shares to the Revised Brookfield Offer, you can withdraw your Common Shares by contacting your broker or Kingsdale Advisors, by North American Toll Free phone call to 1-877-659-1820 or by email at contactus@kingsdaleadvisors.com

STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides securityholders of Inter Pipeline with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to those securityholders. However, such rights must be exercised within prescribed time limits. Securityholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

APPROVAL OF NOTICE OF CHANGE

The content of this Notice of Change has been approved and the delivery thereof has been authorized by the Inter Pipeline Board.

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CONSENT OF TD SECURITIES INC.

TO: The Board of Directors of Inter Pipeline Ltd. ("**Inter Pipeline**")

We hereby consent to the references to our firm name and to our opinion dated May 31, 2021 contained in, and the inclusion of the text of such opinion as Schedule "A" to, the Notice of Change of Inter Pipeline dated June 9, 2021.

Our opinion was given as at May 31, 2021 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Board of Directors of Inter Pipeline shall be entitled to rely upon our opinion.

(Signed) "TD Securities Inc."

Dated: June 9, 2021

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CONSENT OF J.P. MORGAN SECURITIES CANADA INC.

TO: The Board of Directors of Inter Pipeline Ltd. ("**Inter Pipeline**")

We hereby consent to the references to our firm name and to our opinion dated May 31, 2021 contained in, and the inclusion of the text of such opinion as Schedule "B" to, the notice of change of Inter Pipeline dated June 9, 2021.

Our opinion was given as at May 31, 2021 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Board of Directors of Inter Pipeline shall be entitled to rely upon our opinion.

(Signed) "J.P. Morgan Securities Canada Inc."

Dated: June 9, 2021

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CERTIFICATE

Dated: June 9, 2021

The foregoing, together with the Directors' Circular of Inter Pipeline dated March 8, 2021, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

On behalf of the Board of Directors of Inter Pipeline Ltd.

(Signed) "*Margaret A. McKenzie*"
Margaret A. McKenzie
Chair of the Inter Pipeline Board and Special Committee

(Signed) "*Alison Taylor Love*"
Alison Taylor Love
Director

***REJECT THE REVISED BROOKFIELD OFFER
TAKE NO ACTION – DO NOT TENDER YOUR COMMON SHARES***

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APPENDIX "A"

OPINION OF TD SECURITIES INC.

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TD Securities
TD Securities Inc.
66 Wellington Street West
TD Bank Tower, 9th Floor
Toronto, Ontario M5K 1A2

May 31, 2021

The Board of Directors of Inter Pipeline Ltd.
215 – 2nd Street S.W.
Suite 3200
Calgary, AB T2P 1M4

To the Board of Directors of Inter Pipeline Ltd.:

TD Securities Inc. (“TD Securities”) understands that Pembina Pipeline Corporation (“Pembina”) and Inter Pipeline Ltd. (“IPL” or the “Company”) propose to enter into an arrangement agreement (the “Arrangement Agreement”), pursuant to which Pembina will acquire all of the issued and outstanding common shares (the “Shares”) of IPL (the “Transaction”) by way of an arrangement under the *Business Corporations Act* (Alberta). Pursuant to the terms of the Arrangement Agreement, the holders of the Shares (the “Shareholders”) will receive 0.50 Pembina shares for each Share (the “Consideration”). The above description is summary in nature. The specific terms and conditions of the Transaction are set out in the Arrangement Agreement and will be more fully described in the notice of special meeting of shareholders and management information circular (the “Transaction Circular”), which is to be mailed to the Shareholders in connection with the Transaction.

ENGAGEMENT OF TD SECURITIES

TD Securities was engaged by the Company pursuant to an engagement agreement dated December 15, 2020 (the “Engagement Agreement”) to act as financial advisor in connection with, among other things, the Transaction. Pursuant to the Engagement Agreement, the Company has requested TD Securities prepare and deliver to the Board of Directors its opinion (the “Opinion”) as to the fairness to the IPL Shareholders, from a financial point of view, of the Consideration to be received by such IPL Shareholders pursuant to the Transaction. TD Securities has not prepared a formal valuation of IPL or any of its securities or assets and the Opinion should not be construed as such.

The terms of the Engagement Agreement provide that TD Securities will receive a fee for its services, a portion of which is payable on delivery of this Opinion and a substantial portion of which is contingent on a change of control of the Company or certain other events, including the completion of the Transaction, and will be reimbursed for its reasonable expenses. Furthermore, IPL has agreed to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, suits, proceedings, investigations, damages and liabilities which may arise directly or indirectly from services performed by TD Securities in connection with the Engagement Agreement.

On May 31, 2021, TD Securities orally delivered the Opinion to the Board of Directors of IPL based upon and subject to the scope of review, assumptions and limitations and other matters described herein and contemplated by the Engagement Agreement. Subject to the terms of the Engagement Agreement, TD Securities consents to the inclusion of the Opinion, in its entirety, in the Transaction Circular, along with a summary thereof, in a form acceptable to TD Securities, and to the filing thereof by IPL with the applicable Canadian securities regulatory authorities.

CREDENTIALS OF TD SECURITIES

TD Securities is one of Canada's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. TD Securities also has significant international operations. TD Securities has been a financial advisor in a large number of transactions involving public and private companies in various industry sectors and has extensive experience in preparing valuations and fairness opinions.

The Opinion represents the opinion of TD Securities and its form and content have been approved by a committee of senior investment banking professionals of TD Securities, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters.

RELATIONSHIP WITH INTERESTED PARTIES

Neither TD Securities nor any of its affiliated entities is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) (the "Securities Act")) of IPL or Pembina (collectively, the "Interested Parties"). Neither TD Securities nor any of its affiliates is an advisor to any of the Interested Parties with respect to the Transaction other than to IPL pursuant to the Engagement Agreement.

During the 24 months preceding the date on which TD Securities was first contacted with respect to the engagement of TD Securities by IPL, TD Securities and its affiliates have provided ordinary course advisory or investment banking services to IPL and Pembina, including acting as: (i) joint bookrunner to IPL on its issuance of \$700 million of 6.625% fixed-to-floating rate subordinated notes due November 19, 2079 and \$750 million of 6.875% fixed-to-floating rate subordinated notes due March 26, 2079 on November 19, 2019 and March 26, 2019, respectively; and (ii) bookrunner to IPL on its issuance of \$700 million of 4.232% fixed rate senior unsecured medium term notes due June 1, 2027 on June 1, 2020. During the 24-month period, TD Securities acted in the following capacities for Pembina: (i) joint bookrunner to Pembina's issuances of \$250 million principal amount issued through a re-opening of Pembina's 4.02% medium-term notes due March 27, 2028, \$500 million principal amount issued through a re-opening of Pembina's 4.75% medium-term notes due March 26, 2048 and \$250 million principal amount issued through re-opening Pembina's 3.62% medium-term notes due April 3, 2029 for aggregate gross proceeds of \$1.07 billion; (ii) joint bookrunner for Pembina's issuance of \$600 million of 4.80% fixed-to-fixed rate subordinate notes due January 25, 2081; and (iii) joint bookrunner on two tranches consisting of \$400 million in senior unsecured medium-term notes with a fixed coupon of 4.67% due May 28, 2050 and \$100 million principal amount issued through a re-opening of the Pembina's 3.71% medium-term notes due August 11, 2026; and (iv) financial advisor to Pembina on its acquisition of Kinder Morgan Canada and the Cochin Pipeline for approximately \$4.35 billion in August 2019. The Toronto-Dominion Bank ("TD Bank"), the parent company of TD Securities, directly or through one or more affiliates, provides banking services and other financing services to entities related to IPL and Pembina in the normal course of business.

TD Securities and its affiliates act as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of any Interested Party or other clients for which it may have received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to the Transaction, IPL, Pembina or any other Interested Party.

The fees paid to TD Securities in connection with the foregoing activities, together with the fees payable to TD Securities pursuant to the Engagement Agreement, are not financially material to TD Securities. No understandings or agreements exist between TD Securities and any Interested Party with respect to future financial advisory or investment banking business, other than those that may arise as a result of the Engagement Agreement. TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for IPL, Pembina or any other Interested Party. TD Bank may provide or continue to provide in the future, in the ordinary course of business, banking services including loans to IPL, Pembina or any other Interested Party.

SCOPE OF REVIEW

In connection with the Opinion, TD Securities reviewed and relied upon (without attempting to verify independently the completeness or accuracy of) or carried out, among other things, the following:

1. the take-over bid circular of Bison Acquisition Corp. (“Brookfield”), a corporation established by a private fund managed by Brookfield Asset Management, dated February 22, 2021 relating to the offer by Brookfield to acquire all of the issued and outstanding Shares by way of take-over bid (the “Brookfield Offer”);
2. the director’s circular of IPL dated March 8, 2021 relating to Brookfield Offer;
3. audited annual financial statements of IPL and management’s discussion and analysis related thereto for the years ended December 31, 2018, 2019, and 2020;
4. interim financial reports and operational information of IPL for the three months ended March 31, June 30, September 30, 2020 and March 31, 2021;
5. due diligence materials and presentations provided by IPL to TD Securities covering technical aspects of IPL’s assets;
6. budgets, forecasts, projections, and estimates provided to TD Securities by management of IPL;
7. discussions with management of IPL relating to IPL’s current business, plans, financial condition and prospects;
8. written responses provided by IPL management in response to due diligence question lists submitted by TD Securities;
9. various public information and research publications prepared by equity research analysts regarding IPL;
10. various research publications prepared by equity research analysts regarding selected public companies considered relevant;
11. public information relating to the business, operations, financial performance, and stock trading history of other selected public companies considered relevant;
12. public information with respect to certain other transactions of a comparable nature considered relevant;

13. audited annual financial statements of Pembina and management's discussion and analysis related thereto for the years ended December 31, 2018, 2019, and 2020;
14. interim financial reports and operational information of Pembina for the three months ended March 31, June 30, September 30, 2020 and March 31, 2021;
15. budgets, forecasts, projections, and estimates provided to TD Securities by management of Pembina;
16. discussions with senior management of IPL and Pembina with respect to the information referred to above and other issues considered relevant;
17. discussion with members of the special committee and Board of Directors of IPL;
18. representations contained in a certificate dated May 31, 2021 from senior officers of IPL (the "IPL Certificate");
19. representations contained in a certificate dated May 31, 2021 from senior officers of Pembina (the "Pembina Certificate" and, together with the IPL Certificate, the "Certificates");
20. a draft of the Arrangement Agreement dated May 31, 2021;
21. drafts of the voting support agreements dated May 25, 2021 to be entered into by senior officers of IPL and Pembina;
22. discussions with Burnet, Duckworth & Palmer LLP and Dentons Canada LLP, legal counsels to the Company and to the special committee, with respect to various legal matters relating to the Company, the Transaction and other matters considered relevant; and
23. such other corporate, industry, and financial market information, investigations and analyses as TD Securities considered necessary or appropriate in the circumstances.

TD Securities has not, to the best of its knowledge, been denied access by IPL to any information requested by TD Securities. TD Securities did not meet with the auditors of IPL or Pembina and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the financial statements of IPL and Pembina and any reports of the auditors thereon.

PRIOR VALUATIONS

Senior officers of IPL, on behalf of IPL and not in their personal capacities, have represented to TD Securities that, among other things, there have been no independent valuations or appraisals or material non-independent valuations or appraisals relating to IPL, any of its subsidiaries or any of their respective material assets or liabilities that have been prepared within the two years preceding the date hereof that have not been provided to TD Securities.

ASSUMPTIONS AND LIMITATIONS

With IPL's acknowledgement and agreement as provided for in the Engagement Agreement, TD Securities has relied upon the accuracy, completeness and fair presentation in all material respects of all financial and other data and information, provided to it by or on behalf of IPL, Pembina or their respective

representatives, in respect of IPL or Pembina, as the case may be, and/or their respective affiliates, or otherwise obtained by TD Securities, including the Certificates identified above (as applicable, the “IPL Information” or the “Pembina Information”, and collectively, the “Information”). The Opinion is conditional upon such accuracy, completeness and fair presentation in all material respects of the Information. Subject to the exercise of professional judgment, and except as expressly described herein, TD Securities has not attempted to verify independently the accuracy, completeness or fair presentation of any of the Information.

With respect to the budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses, TD Securities notes that projecting future results is inherently subject to uncertainty. TD Securities has assumed, however, that such budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses were prepared using the assumptions identified therein which TD Securities has been advised by IPL and Pembina, as the case may be, are (or were at the time of preparation and continue to be) reasonable in the circumstances. TD Securities expresses no independent view as to the reasonableness of such budgets, forecasts, projections and estimates or the assumptions on which they are based.

Senior officers of IPL have certified and represented to TD Securities in the IPL Certificate, among other things, to the effect that: (a) with the exception of forecasts, projections or estimates, the IPL Information was, at the date of preparation, true, complete and accurate and did not contain any untrue statement of a material fact and did not omit to state a material fact necessary to make the IPL Information not misleading in the light of circumstances in which it was presented; (b) with respect to the IPL Information identified in (a), there have been no changes in any material facts or new material facts since the respective dates thereof which have not been disclosed to TD Securities or updated by more current information publicly filed by the Company on SEDAR, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company that has not been disclosed by the Company to TD Securities or publicly disclosed by the Company on SEDAR, and there has been no change in the IPL Information or any part thereof that would have, or that could reasonably be expected to have, a material effect on the Opinion; and (c) any portions of the IPL Information provided to TD Securities (or filed by the Company on SEDAR) which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of the Company, are (or were at the time of preparation) reasonable in the circumstances and, subject to any updates thereto provided to TD Securities or filed by the Company on SEDAR, reflect the best currently available estimates and good faith judgments by management of the Company of the future competitive, operating and regulatory environments and related financial performance of the Company.

Senior officers of Pembina have certified and represented to TD Securities in the Pembina Certificate, among other things, to the effect that to their best knowledge, information and belief after due inquiry: (a) with the exception of forecasts, projections or estimates, the Pembina Information was, at the date of preparation, true, complete and accurate and did not contain any untrue statement of a material fact and did not omit to state a material fact necessary to make the Pembina Information not misleading in the light of circumstances in which it was presented; (b) with respect to the Pembina Information identified in (a), there have been no changes in any material facts or new material facts since the respective dates thereof which have not been disclosed to TD Securities or updated by more current information publicly filed by Pembina on SEDAR, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Pembina and there has been no change in the Pembina Information or any part thereof that would have, or that would reasonably be expected to have, a material effect on the Opinion; and (c) any portions of the Pembina Information provided to TD Securities (or filed by Pembina on SEDAR) which constitute forecasts, projections or

estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of Pembina, are (or were at the time of preparation and continue to be) reasonable in the circumstances.

In preparing the Opinion, TD Securities has made a number of assumptions, including that all final or executed versions of agreements and documents will conform in all material respects to the drafts provided to TD Securities, that all conditions precedent to the consummation of the Transaction can and will be satisfied, that all approvals, authorizations, consents, permissions, exemptions or orders of relevant regulatory authorities, courts of law, or third parties required in respect of or in connection with the Transaction will be obtained in a timely manner, in each case without adverse condition, qualification, modification or waiver, that all steps or procedures being followed to implement the Transaction are valid and effective and comply in all material respects with all applicable laws and regulatory requirements, that all required documents have been or will be distributed to Shareholders in accordance with applicable laws and regulatory requirements, and that the disclosure in such documents is or will be complete and accurate in all material respects and such disclosure complies or will comply in all material respects with the requirements of all applicable laws and regulatory requirements. In its analysis in connection with the preparation of the Opinion, TD Securities made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of TD Securities, IPL, Pembina and their respective subsidiaries and affiliates or any other party involved in the Transaction. Among other things, TD Securities has assumed the accuracy, completeness and fair presentation of and has relied upon the financial statements forming part of the Information. The Opinion is conditional on all such assumptions being correct.

The Opinion has been provided for the exclusive use of the Board of Directors of IPL in connection with the Transaction. The Opinion may not be used or relied upon by any other person or for any other purpose without the express prior written consent of TD Securities. The Opinion does not address the relative merits of the Transaction as compared to other transactions or business strategies that might be available to IPL, nor does it address the underlying business decision to implement the Transaction or any other term or aspect of the Transaction or any other agreements entered into or amended in connection with the Transaction. In considering fairness, from a financial point of view, TD Securities considered the Transaction from the perspective of IPL generally and did not consider the specific circumstances of IPL Shareholders or any particular IPL Shareholder, including with regard to income tax considerations.

This Opinion does not constitute a recommendation as to how any Shareholder should vote or act in any matter relating to the Transaction or a recommendation to the Board of Directors of IPL to enter into the Arrangement Agreement, nor should it be construed as advice to the price at which the securities of the Company and Pembina may trade at any time.

The Opinion is rendered as of May 31, 2021 on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of IPL, Pembina and their respective its affiliates as they were reflected in the Information provided to TD Securities. Any changes therein may affect the Opinion and, although TD Securities reserves the right to change, withdraw or supplement the Opinion in such event, it disclaims any undertaking or obligation to advise any person of any such change that may come to its attention, or to change, withdraw or supplement the Opinion after such date. TD Securities is not an expert on, and did not provide advice to the Board of Directors of IPL regarding, legal, accounting, regulatory or tax matters. The Opinion may not be summarized, published, reproduced, disseminated, quoted from or referred to without the express written consent of TD Securities.

The preparation of a fairness opinion, such as the Opinion, is a complex process and is not necessarily amenable to partial analysis or summary description. TD Securities believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete or misleading view of the process underlying the Opinion. Accordingly, the Opinion should be read in its entirety.

CONCLUSION

Based upon and subject to the foregoing and such other matters that TD Securities considered relevant, TD Securities is of the opinion that, as of May 31, 2021, the Consideration to be received by IPL Shareholders pursuant to the Transaction is fair, from a financial point of view, to such IPL Shareholders.

Yours very truly,

TD Securities Inc.

TD SECURITIES INC.

APPENDIX "B"

OPINION OF J.P. MORGAN SECURITIES CANADA INC.

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TAKE NO ACTION – DO NOT TENDER YOUR COMMON SHARES***

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J.P.Morgan

May 31, 2021

The Board of Directors
Inter Pipeline Ltd.
215 – 2nd Street S.W., Suite 3200
Calgary AB T2P 1M4

Members of the Board of Directors:

You have requested our opinion as to the fairness, from a financial point of view, to the holders of common shares (the “Company Common Shares”) in the capital of Inter Pipeline Ltd. (the “Company”) of the Exchange Ratio (as defined below) in the proposed acquisition of the Company (the “Transaction”) by Pembina Pipeline Corporation (the “Acquiror”). Pursuant to an arrangement agreement (the “Agreement”) to be entered into between the Company and the Acquiror, the Acquiror will acquire directly, or indirectly through a wholly-owned subsidiary, all of the issued and outstanding Company Common Shares, and each holder of Company Common Shares (other than those Company Common Shares in respect of which the holder thereof has validly exercised dissent rights) will receive, for each Company Common Share, 0.500 of a common share (the “Exchange Ratio”) in the capital of the Acquiror (the “Acquiror Common Shares”), all pursuant to a plan of arrangement under the *Business Corporations Act* (Alberta).

We were engaged by the Company effective as of February 18, 2021 to act as the financial advisor to a transaction committee (the “Committee”) composed of independent members of the board of directors of the Company (the “Board”) with respect to the Transaction. The Committee has requested that we deliver our opinion to the Board.

We and our affiliates comprise a full service securities firm and a commercial bank engaged in securities trading and brokerage activities, as well as providing investment banking, asset management, financing, and financial advisory services and other commercial and investment banking products and services to a wide range of corporations and individuals.

In connection with preparing our opinion, we have: (i) reviewed a draft dated May 31, 2021 of the Agreement, including the plan of arrangement; (ii) reviewed certain publicly available business and financial information concerning the Company and the Acquiror and the industries in which they operate; (iii) compared the proposed financial terms of the Transaction with the publicly available financial terms of certain transactions involving companies we deemed relevant and the consideration paid for such companies; (iv) compared the financial and operating performance of the Company and the Acquiror with publicly available information concerning certain other companies we deemed relevant and reviewed the current and historical market prices of the Company Common Shares and the Acquiror Common

Shares and certain publicly traded securities of such other companies; (v) reviewed certain internal financial analyses and forecasts prepared by or at the direction of the managements of the Company and the Acquiror relating to their respective businesses, as well as the estimated amount and timing of the cost savings and related expenses and synergies expected to result from the Transaction (the "Synergies"); and (vi) performed such other financial studies and analyses and considered such other information as we deemed appropriate for the purposes of this opinion.

In addition, we have held discussions with certain members of the management of the Company and the Acquiror with respect to certain aspects of the Transaction, and the past and current business operations of the Company and the Acquiror, the financial condition and future prospects and operations of the Company and the Acquiror, the effects of the Transaction on the financial condition and future prospects of the Company and the Acquiror, and certain other matters we believed necessary or appropriate to our inquiry. We also considered the Company's discussions with certain third parties regarding a potential strategic investment in, or acquisition of all or a part of, the Company.

In giving our opinion, we have relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with us by the Company and the Acquiror or otherwise reviewed by or for us. We have not independently verified any such information or its accuracy or completeness and, pursuant to our engagement letter with the Company, we did not assume any obligation to undertake any such independent verification. We have not conducted or been provided with any valuation or appraisal of any assets or liabilities, nor have we evaluated the solvency of the Company or the Acquiror under any federal, provincial or state laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to us or derived therefrom, including the Synergies, we have assumed that they have been reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of the Company and the Acquiror to which such analyses or forecasts relate. We express no view as to such analyses or forecasts (including the Synergies) or the assumptions on which they were based. We have also assumed that the Transaction and the other transactions contemplated by the Agreement have the tax consequences described in discussions with, and materials furnished to us by, representatives of the Company, and will be consummated as described in the Agreement, and that the definitive Agreement will not differ in any material respects from the draft thereof furnished to us. We have also assumed that the representations and warranties made by the Company and the Acquiror in the Agreement and the related agreements are and will be true and correct in all respects material to our analysis. We are not legal, regulatory or tax experts and have relied on the assessments made by advisors to the Company and the Committee with respect to such issues. We have further assumed that all material governmental, regulatory or other consents, orders and approvals necessary for the consummation of the Transaction will be obtained without any adverse effect on the Company or the Acquiror or on the contemplated benefits of the Transaction.

Our opinion is necessarily based on economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion and that we do not have any obligation to

update, revise, or reaffirm this opinion. Our opinion is limited to the fairness, from a financial point of view, to the holders of the Company Common Shares of the Exchange Ratio in the Transaction and we express no opinion as to the fairness of any consideration to be paid in connection with the Transaction to the holders of any other class of securities, creditors or other stakeholders of the Company or as to the underlying decision by the Company or the Board to engage in the Transaction. Furthermore, we express no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the Transaction, or any class of such persons relative to the Exchange Ratio applicable to the holders of the Company Common Shares in the Transaction or with respect to the fairness of any such compensation. We are expressing no opinion herein as to the price at which the Company Common Shares or the Acquiror Common Shares will trade at any future time, or as to the relative merits of the Transaction as compared to other transactions or business strategies that might be available to the Company.

In our role as financial advisor with respect to the proposed Transaction, we will receive a fee from the Company for rendering this opinion. We will also receive certain fees for our advisory services, a substantial portion of which are contingent upon the completion of the Transaction or any alternative transaction. In addition, the Company has agreed to reimburse us for our reasonable costs and expenses and to indemnify us for certain liabilities arising out of our engagement.

During the two years preceding the date of this letter, we and our affiliates have had commercial or investment banking relationships with the Company for which we and such of our affiliates have received customary compensation. Such services during such period have included acting as financial advisor to the Company in March 2021. During the two years preceding the date of this letter, neither we nor our affiliates have had any material financial advisory or other material commercial or investment banking relationships with the Acquiror. In addition, we and our affiliates hold, on a proprietary basis, less than 1% of the outstanding common shares of each of the Company and the Acquiror.

In the ordinary course of our businesses, we and our affiliates may actively trade the debt and equity securities or financial instruments (including derivatives, bank loans or other obligations) of the Company and the Acquiror for our own account or for the accounts of customers and, accordingly, we may at any time hold long or short positions in such securities or other financial instruments. Specifically, we and certain of our affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company and the Acquiror and, from time to time, may have executed or may execute transactions on behalf of one or more of the foregoing for which we or such affiliates received or may receive compensation. Further, we and certain of our affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to the Company and the Acquiror and may provide banking or other financial services to one or more of the foregoing in the ordinary course of business.

On the basis of and subject to the foregoing, it is our opinion as of the date hereof that the Exchange Ratio in the proposed Transaction is fair, from a financial point of view, to the holders of the Company Common Shares.

The issuance of this opinion has been approved by a fairness opinion committee of J.P. Morgan Securities Canada Inc. This letter is provided solely to the Board (in its capacity as such) in connection with and for the purposes of its evaluation of the Transaction and may not be used or relied upon by any other person. This opinion does not constitute a recommendation to any shareholder of the Company as to how such shareholder should vote with respect to the Transaction or any other matter. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party for any purpose whatsoever except with our prior written approval. This opinion may be reproduced in full in any proxy or information circular mailed to shareholders of the Company but may not otherwise be disclosed publicly in any manner without our prior written approval.

Very truly yours,

J.P. MORGAN SECURITIES CANADA INC.

A handwritten signature in black ink that reads "J.P. Morgan Securities Canada Inc." in a cursive script.

V607855

APPENDIX "C"

GLOSSARY

In the Notice of Change, the following terms have the meanings set forth below, unless the subject matter or context is inconsistent therewith or such terms are otherwise defined in the Notice of Change.

"**ABCA**" means the *Business Corporations Act* (Alberta), and the regulations thereunder, as amended from time to time;

"**affiliate**" has the meaning ascribed to that term in NI 62-104;

"**Arrangement Agreement**" means the arrangement agreement dated May 31, 2021 between Inter Pipeline and Pembina with respect to the Pembina Arrangement, as supplemented, modified or amended;

"**associate**" has the meaning ascribed to that term in NI 62-104;

"**BAM**" means Brookfield Asset Management Inc.;

"**BDP**" means Burnet, Duckworth & Palmer LLP, legal counsel to Inter Pipeline;

"**BICELP**" means Brookfield Infrastructure Corporation Exchange Limited Partnership;

"**BIF IV**" mean collectively, Brookfield Infrastructure Fund IV A, L.P., Brookfield Infrastructure Fund IV B, L.P., Brookfield Infrastructure Fund IV C, L.P. and Brookfield Infrastructure Fund IV (ER) SCSP, together with the investment vehicles, companies, partnerships or persons owned by such entities or in which such entities have an interest and which are managed, sponsored or advised, directly or indirectly, by BAM;

"**BIP**" means Brookfield Infrastructure Partners L.P.;

"**BIP Units**" means non-voting limited partnership units of BIP;

"**BIPC**" means Brookfield Infrastructure Corporation;

"**BIPC Shares**" means the class A exchangeable subordinated voting share in the capital of BIPC;

"**bitumen**" means a tar-like form of crude oil, often found in deposits containing significant amounts of sand, that must be heated or diluted before it will flow;

"**bitumen blend**" means bitumen that has been blended with diluent in order for it to be transported by pipeline;

"**Brookfield**" means the Offerors together with BAM, BIF IV, BIP and BIPC except under "Background to the Revised Brookfield Offer" where it means one or both of BAM and BIP;

"**Brookfield Notice of Variation**" means the notice of variation, change and extension of the Offerors dated June 4, 2021;

"**CDS**" has the meaning provided under the heading "*How to Withdraw Your Deposited Common Shares*";

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"**Central Utility Block**" means the central utility block to be constructed by Inter Pipeline to supply electricity, steam and other utilities to the Heartland Petrochemical Complex;

"**Common Shares**" or "**IPL Shares**" means the common shares in the capital of Inter Pipeline;

"**Competition Act**" means the Competition Act (Canada), as amended;

"**Compulsory Acquisition**" means the acquisition of the remainder of the Common Shares by way of compulsory acquisition pursuant to Part 16 of the ABCA;

"**Condensate**" means a mixture of hydrocarbons consisting primarily of pentanes and heavier liquids extracted from natural gas;

"**Consideration**" has the meaning provided under the heading "*Reasons for Rejecting the Revised Brookfield Offer*";

"**crude oil**" means a mixture of hydrocarbons that exists in a liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities;

"**Dentons**" means Dentons Canada LLP, legal counsel to the Inter Pipeline Board and the Special Committee;

"**diluent**" means a lower density fluid used to blend with heavy oil or bitumen in order to reduce viscosity and density. Condensate is the most commonly used diluent for pipeline transportation of heavy oil or bitumen;

"**Directors' Circular**" means the directors' circular of Inter Pipeline dated March 8, 2021;

"**DTC**" has the meaning provided under the heading "*How to Withdraw Your Deposited Common Shares*";

"**EBITDA**" means net income before total interest less capitalized interest, income taxes, depreciation and amortization;

"**Electing Shareholders**" has the meaning given to it in the Revised Brookfield Circular;

"**ESG**" means environmental sustainability, social and governance;

"**Exchange Ratio**" has the meaning provided under the heading "*Reasons for Rejecting the Revised Brookfield Offer*";

"**Exchangeable LP Unit**" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*";

"**Executive Employment Agreements**" means the executive employment agreements between certain officers of Inter Pipeline and Inter Pipeline, as more fully described under the heading "*Arrangements between Inter Pipeline and its Directors and Officers*";

"**Expiry Time**" means 5:00 p.m. (Mountain Standard Time) on June 22, 2021, or such earlier or later time or times and date or dates as may be fixed by the Offerors from time to time pursuant to Section 2 of the Revised Brookfield Offer, "*Time for Acceptance – Extension of the Offer*";

"**GAAP**" means Canadian generally accepted accounting principles;

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"GGA" means Global Governance Advisors;

"Heartland Petrochemical Complex" or "HPC" means the integrated petrochemical complex comprised of the PDH Plant and PP Plant, to be constructed by Inter Pipeline in Strathcona County, Alberta;

"Incentive Plans" means, collectively, the PSU Plan and the RSU Plan;

"Information Agent" or "Kingsdale Advisors" means Kingsdale Advisors, the information agent retained by Inter Pipeline in connection with the Revised Brookfield Offer;

"Inter Pipeline", "IPL", the "Company", the "Corporation", "we", "our" or "us" means Inter Pipeline Ltd. a corporation incorporated under the ABCA;

"Inter Pipeline Board" or "Board" means the board of directors of Inter Pipeline as constituted from time to time;

"J.P. Morgan" means J.P. Morgan Securities Canada Inc., financial advisor to the Special Committee;

"Letter of Transmittal" means the letters of transmittal in the form accompanying the Original Brookfield Offer and the Revised Brookfield Offer;

"Maximum Revised Cash Consideration" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*";

"Maximum Revised Share Consideration" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*";

"Maximum Unit Consideration" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*";

"NI 62-104" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*, as amended;

"NGL" means paraffinic natural gas liquids, consisting of any one of ethane, propane, butane and Condensate, and olefinic natural gas liquids, consisting of any one of ethylene, propylene, alky feed and olefinic condensate, as well as any combination thereof;

"Non-Independent Shareholder" means: (a) any Associate or Affiliate (each as defined in the Shareholder Rights Plan) of the Offerors; (b) any Person (as defined in the Shareholder Rights Plan) acting jointly or in concert with the Offerors; and (c) any employee benefit plan, deferred profit sharing plan, stock participation plan or trust for the benefit of employees of Inter Pipeline or any subsidiary of Inter Pipeline but excluding in any event a plan or trust in respect of which the employee directs the manner in which the Voting Shares are to be voted and directs whether the Voting Shares be tendered in a Take-over Bid (as defined in the Shareholder Rights Plan);

"Offerors" means Bison Acquisition Corp. and Brookfield Infrastructure Corporation Exchange Limited Partnership;

"Offeror Group" means the Offerors and their affiliates;

"Original Brookfield Circular" means the Brookfield Offer and the accompanying take-over bid circular of the Bison Acquisition Corp. dated February 22, 2021;

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"**Original Cash Consideration**" means \$16.50 in cash per Common Share;

"**Original Brookfield Offer**" means the formal take-over bid by Bison Acquisition Corp. dated February 22, 2021, as set forth in and forming part of the Original Brookfield Circular, for consideration per Common Share, at the choice of the holder of (i) Original Cash Consideration; or (ii) Original Share Consideration, subject, in each case, to proration as set out therein;

"**Original Share Consideration**" means 0.206 of a BIPC Share per Common Share;

"**Pembina**" means Pembina Pipeline Corporation;

"**Pembina Arrangement**" means the plan of arrangement involving Pembina, Inter Pipeline and the Shareholders pursuant to which Shareholders (other than dissenting Shareholders) will exchange each Share for 0.5 of a Pembina Common Share;

"**Pembina Common Shares**" means the common shares in the capital of Pembina;

"**PDH Plant**" means the propane dehydrogenation plant to be constructed by Inter Pipeline as part of its Heartland Petrochemical Complex;

"**petroleum**" means the liquid hydrocarbon product of oil wells, gas wells, oil or gas processing plants, oil sands, natural gas Condensates or a mixture of such products;

"**PP Plant**" means the polypropylene plant to be constructed by Inter Pipeline as part of its Heartland Petrochemical Complex;

"**PSU Plan**" means Inter Pipeline's amended and restated cash-settled PSU plan;

"**PSUs**" means the cash-settled performance share units awarded pursuant to the PSU Plan, including any related dividend equivalent units;

"**Registration Statement**" means a registration statement filed by BIP and BIPC on a Form F-4 with the SEC, and subsequently amended, with respect to the BIPC Shares;

"**Revised Brookfield Circular**" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*";

"**Revised Cash Consideration**" means \$19.50 in cash per Common Share;

"**Revised Brookfield Offer**" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*";

"**Revised Share Consideration**" means 0.225 of a BIPC Share per Common Share;

"**RSU Plan**" means Inter Pipeline's amended and restated cash-settled RSU plan;

"**RSUs**" means the cash-settled restricted share units awarded pursuant to the RSU Plan, including any related dividend equivalent units;

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"SEC" means the United States Securities and Exchange Commission;

"SEDAR" means the System for Electronic Document Analysis and Retrieval;

"Shareholder" means a holder of Common Shares;

"Shareholder Rights Plan" means the amended and restated shareholder protection rights plan agreement dated as of May 8, 2017, amending and restating the amended and restated shareholder protection rights plan agreement dated as of March 24, 2014, between Inter Pipeline and the SRP Rights Agent, and any shareholder rights plan adopted by Inter Pipeline after that date;

"Shareholder Rights Plans" means together the Shareholder Rights Plan and the Supplemental Shareholder Rights Plan;

"Special Committee" means the special committee of independent directors established by the Inter Pipeline Board to oversee the Strategic Review including assisting and making recommendations in respect of, among other things, the Revised Brookfield Offer, and consisting of Margaret McKenzie (Chair), Shelley Brown, Peter Cella, Julie Dill, Duane Keinick, Arthur Korpach, Alison Taylor Love, Brant Sangster and Wayne Smith;

"SRP Rights" means the rights issued pursuant to the Shareholder Rights Plan, and "SRP Right" means any one of them;

"SRP Rights Agent" means Computershare Trust Company of Canada, the rights agent under the Shareholder Rights Plan;

"SSRP Right" has the meaning given to it under the heading "*Shareholder Rights Plans*";

"Strategic Review" has the meaning given to it under the heading "*Background to the Revised Brookfield Offer*";

"subsidiary" has the meaning given to it under the *Securities Act* (Alberta);

"Supplemental Shareholder Rights Plan" has the meaning given to it under the heading "*Shareholder Rights Plans*";

"Supplementary Elections" has the meaning given to it in the Revised Brookfield Circular;

"Support Agreements" has the meaning provided under the heading "*Reasons for Rejecting the Revised Brookfield Offer*";

"Take-over Bid Circular Form" means Form 62-104F1 – *Take-over Bid Circular*;

"Take-Up Date" means a date upon which the Offerors take up or acquire Common Shares pursuant to the Revised Brookfield Offer;

"Tax Act" means the *Income Tax Act* (Canada), as amended from time to time;

"TD Securities" means TD Securities Inc., financial advisor to Inter Pipeline and the Inter Pipeline Board;

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"**Total Return Swap**" has the meaning given to it under the heading "*Principal Holders of Common Shares of Inter Pipeline*" in the Directors' Circular;

"**TSX**" means the Toronto Stock Exchange; and

"**Unit Consideration**" has the meaning ascribed to that term under the heading "*Notice of Change to Directors' Circular*".

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QUESTIONS? REQUIRE ASSISTANCE?

CONTACT US

North American Toll Free Phone:

 **1.877.659.1820**

E-mail: contactus@kingsdaleadvisors.com

Fax: 416.867.2271

Toll-Free Fax: 1.866.545.5580

Outside North America, Banks and Brokers

Call Collect: 416.867.2272

