Pembina Pipeline Corporation TSX: PPL; NYSE: PBA

Veresen Inc. TSX: VSN

Combination Presentation | May 1, 2017

PEMBINA VERESEN

Forward-looking statements and information

This presentation is for information purposes only and is not intended to, and should not be construed to constitute, an offer to sell or the solicitation of an offer to buy, securities of Pembina Pipeline Corporation ("Pembina"). This presentation and its contents should not be construed, under any circumstances, as investment, tax or legal advice. Any person accepting delivery of this presentation acknowledges the need to conduct their own thorough investigation into Pembina and its activities before considering any investment in its securities.

This presentation contains certain forward-looking statements and information that are based on Pembina's expectations, estimates, projections and assumptions in light of its experience and its perception of historical trends as well as current market conditions and perceived business opportunities. In some cases, forward-looking information can be identified by terminology such as "expects", "will", "would", "anticipates", "plans", "estimates", "develop", "intends", "potential", "continue", "could", "create", "keep", and similar expressions suggesting future events or future performance.

In particular, this presentation contains forward-looking statements, including certain financial outlooks, pertaining to, without limitation: the proposed acquisition of Veresen Inc (the "Transaction"), including the expected closing date and the anticipated benefits of the Transaction to Pembina's and Veresen's securityholders, the expected size and processing capabilities of the combined company, as well as anticipated synergies (including strategic integration and diversification opportunities, tax benefits and the accretion to cash flow of Pembina), financial results and financial ratios related to and growth opportunities associated with the assets acquired pursuant to the Transaction and the combined entity including: EBITDA expectations, future capital program, enterprise value, counterparty exposure, fee for service cash flows, future dividends which may be declared on Pembina's common shares and any future dividend payment date; the ongoing utilization and expansions of and additions to Pembina's business and asset base; the timing and anticipated receipt of required regulatory, court and securityholder approvals for the Transaction; expectations regarding the combined company's anticipated credit rating; the composition of Pembina's board of directors following closing of the Transaction; and expectations regarding future commodity market supply, demand and pricing and supply and demand for hydrocarbon and derivatives services.

Undue reliance should not be placed on these forward-looking statements and information as they are based on assumptions made by Pembina as of the date hereof regarding, among other things, the ability of the parties to satisfy the conditions to closing of the Transaction in a timely manner, that favourable growth parameters continue to exist in respect of current and future growth projects (including the ability to finance such projects on favorable terms), future levels of oil and natural gas development, potential revenue and cash flow enhancement; future cash flows, with respect to Pembina's dividends: prevailing commodity prices, margins and exchange rates, that Pembina's businesses will continue to achieve sustainable financial results and that the combined company's future results of operations will be consistent with past performance of Pembina and Veresen and management expectations in relation thereto, the availability and sources of capital, operating costs, ongoing utilization and future expansion for the combined company, the ability to reach required commercial agreements, and the ability to obtain required regulatory approvals.

While Pembina believes the expectations and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that they will prove to be correct. Forward-looking statements are subject to known and unknown risks and uncertainties which may cause actual performance and financial results to differ materially from the results expressed or implied, including but not limited to: the ability of the parties to receive, in a timely manner, the necessary regulatory, court, securityholder, stock exchange and any 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 Transaction; the failure to realize the anticipated benefits or synergies of the Transaction following closing due to integration issues or otherwise and expectations and assumptions concerning, among other things: customer demand for the combined company's services, commodity prices and interest and foreign exchange rates, planned synergies, capital efficiencies and cost-savings, applicable tax laws, future production rates, the sufficiency of budgeted capital expenditures in carrying out planned activities, the impact of competitive entities and pricing; reliance on key industry partners, alliances and agreements; the strength and operations of the oil and natural gas industry and related commodity prices; the regulatory environment and the ability to obtain regulatory approvals; fluctuations in operating results; the availability and cost of labour and other materials; the ability to finance projects on advantageous terms; and tax laws and tax treatment. In addition, the closing of the Transaction may not be completed, or may be delayed if the parties' respective conditions to the closing of the Transaction, including the timely receipt of all necessary regulatory approvals, are not satisfied on the anticipated timelines or at all. Accordingly, there is a risk that the Transaction will not be completed within the anticipated time, on the terms currently proposed or at all.

Additional information on these factors as well as other risks that could impact Pembina's operational and financial results are contained in Pembina's Annual Information Form and Management's Discussion and Analysis for the year ended December 31, 2016, and described in our public filings available in Canada at www.sedar.com and in the United States at www.sec.gov. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking statements contained in this document speak only as of the date of this document. Except as expressly required by applicable securities laws, Pembina and its subsidiaries assume no obligation to update forward-looking statements and information should circumstances or management's expectations, estimates, projections or assumptions change. The forward-looking statements contained in this document are expressly qualified by this cautionary statement. Readers are cautioned that management of Pembina approved the financial outlooks contained herein as of the date of this presentation. The purpose of the financial outlooks contained herein is to give the reader an indication of the value of Pembina's current and anticipated growth projects, including with respect to the acquisition of assets pursuant to the Transaction. Readers should be cautioned that the information contained in the financial outlooks contained herein may not be appropriate for other purposes.

In this presentation, we refer to certain financial measures such as adjusted EBITDA, adjusted cash flow from operating activities, total enterprise value and operating margin, among others that are not determined in accordance with International Financial Reporting Standards ("Canadian GAAP"). Management believes these non-GAAP and additional GAAP measures provide an indication of Pembina's ability to generate liquidity through cash flow from operating activities and the expected effect of growth projects on Pembina's current business, as well as the anticipated effect of integration of Pembina's and Veresen's businesses as a result of the Transaction. These measures may also be used by investors and analysts for assessing financial performance and for the purpose of valuing an issuer, including calculating financial and leverage ratios. The information contained herein with respect to non-GAAP and additional GAAP measures may not be appropriate for other purposes. For more information about these non-GAAP and additional GAAP measures, see the Appendix to this presentation. All financial information is expressed in Canadian dollars unless otherwise specified.

Transaction overview

Transaction Overview	• Offer to acquire all outstanding shares of Veresen in exchange for 0.4287 common shares of Pembina or $18.65 in cash for each Veresen share, subject to pro ration[(1)] • 21.8% premium to Veresen's 20-day weighted average share price of $15.31
Financial Highlights	• Increases Pembina's long-term, fee-for-service revenue → 85%+ fee-for-service over the long term • Combined company is expected to maintain strong BBB investment grade credit rating • Increases Pembina's enterprise value by 45% ~$33 BB • Combined 2018 adjusted EBITDA of $2.55 - $2.75 BB • Expected annual synergies of $75 - $100 MM and accretive to Pembina's ACFPS in 2018 • Upon close of the transaction Pembina will increase its divided by 5.9% ($2.16 per share annualized) • Combined near term growth projects of ~$6 BB and unsecured growth projects of ~$20 BB
Regulatory / Timing	• Expected closing in Q3 – Q4 2017[(2)], subject to customary regulatory approvals required in Canada and U.S. • Pembina's senior executive will lead combined company, with Mick Dilger as President and CEO • Three of Veresen directors will be appointed to Pembina's Board at closing

Transaction creates a premier, integrated North American energy infrastructure company

[(1)] Subject to proration, a maximum of approximately 99.5 million Pembina common shares to be issued and maximum cash consideration of approximately $1.523 billion.
[(2)] Subject to Veresen's shareholder approval.
See "Forward-looking statements and information."

Transaction highlights

One of Canada's largest energy infrastructure Companies

$33 BB

Total enterprise value[1]

Near-term secured growth increases from

~$4 BB

To

~$6 BB

Combined unsecured growth opportunities of

~$20 BB

5.9%

dividend increase upon transaction close

Low risk business platform

85%+

fee-for-service cash flows

(pro forma average through 2022)

Commitment to prudent financial management

4.0x

pro forma debt / Adjusted EBITDA

~3 MMboed

Of combined hydrocarbon pipeline capacity (net)[2]

5.8 Bcf/d

of combined gas processing by mid-2018 (net)

Larger, more integrated and more diversified leading North American infrastructure company

[1] Pro forma enterprise value as of April 28, 2017, enterprise value includes convertible debentures, preferred shares and senior debt.
[2] Alliance Pipeline and Ruby Pipeline capacities are presented net to Pembina and converted to Mboed (thousands of barrels of oil equivalent per day) from million cubic feet per day (MMcf/d) at 6:1 ratio.
See "Forward-looking statements and information" and "Non-GAAP measures."

Strong alignment in strategy

Pembina's strategy	Veresen's alignment
Preserve value by providing safe, cost-effective, reliable services	Both companies have a proven record of supporting safe, reliable and cost effective midstream services for their customers
Diversify our asset base along the hydrocarbon value chain to provide integrated service offerings which enhance profitability and customer service	Extends and further integrates our value chain through basin, currency, customer and product diversification
Implement growth by pursuing projects or assets that are expected to generate cash flow per share accretion and capture long-life, economic hydrocarbon reserves	Increases our secured growth opportunity by ~$1.5 BB to ~$6 BB and unsecured growth opportunities to ~$20 BB
Maintain a strong balance sheet with prudent financial management in all business decisions	The combined company will continue to maintain one of the strongest balance sheets in the sector → ~4x debt / adjusted EBITDA (2018)

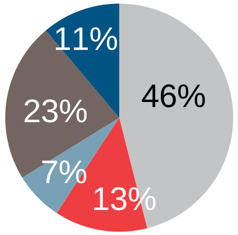
Veresen's asset base supports the continued execution of Pembina's long-term strategy

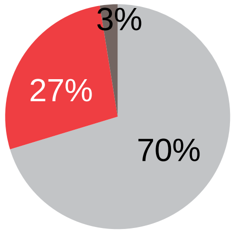
See "Forward-looking statements and information" and "Non-GAAP measures."

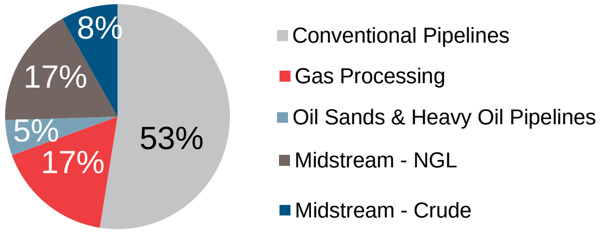
Key strategic rationale → diversification

	Pembina	Veresen	Pro Forma

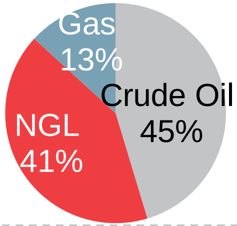
Operating Margin (EBITDA) (2018)[(1)]

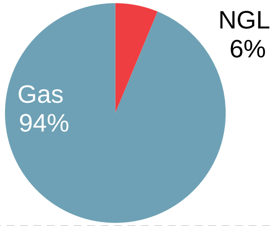


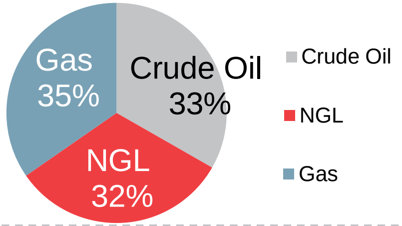




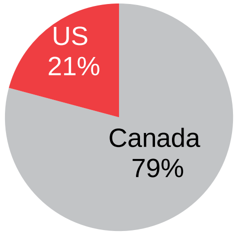
Hydrocarbon Mix (EBITDA) (2018)[(1)]



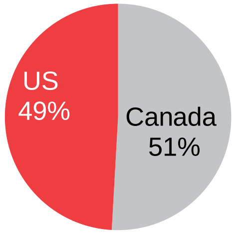




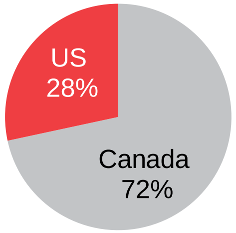
Geography (EBITDA) (2017)[(1)]



- ✓ WCSB
- ✓ Bakken

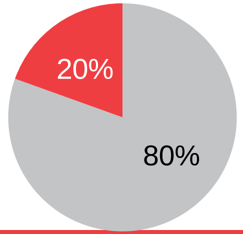


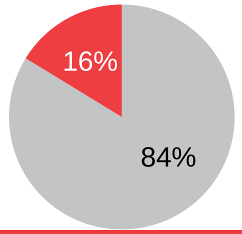
- ✓ WCSB
- ✓ Bakken
- ✓ US Rockies

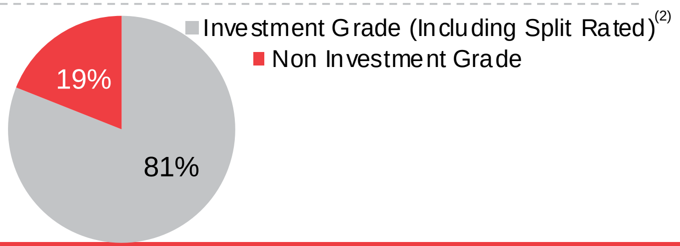


- ✓ WCSB
- ✓ Bakken
- ✓ US Rockies

Counterparty Exposure[(3)]

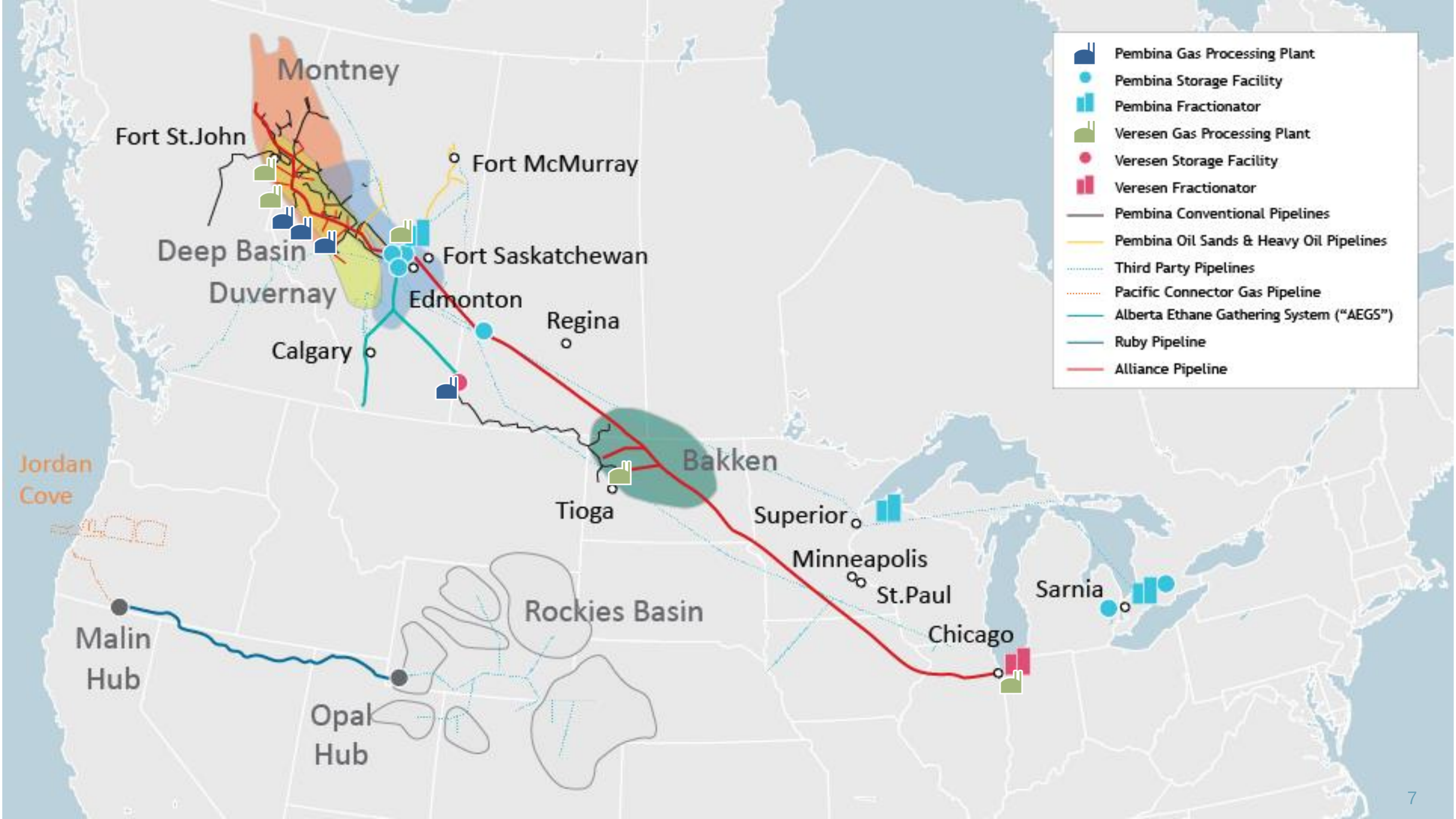






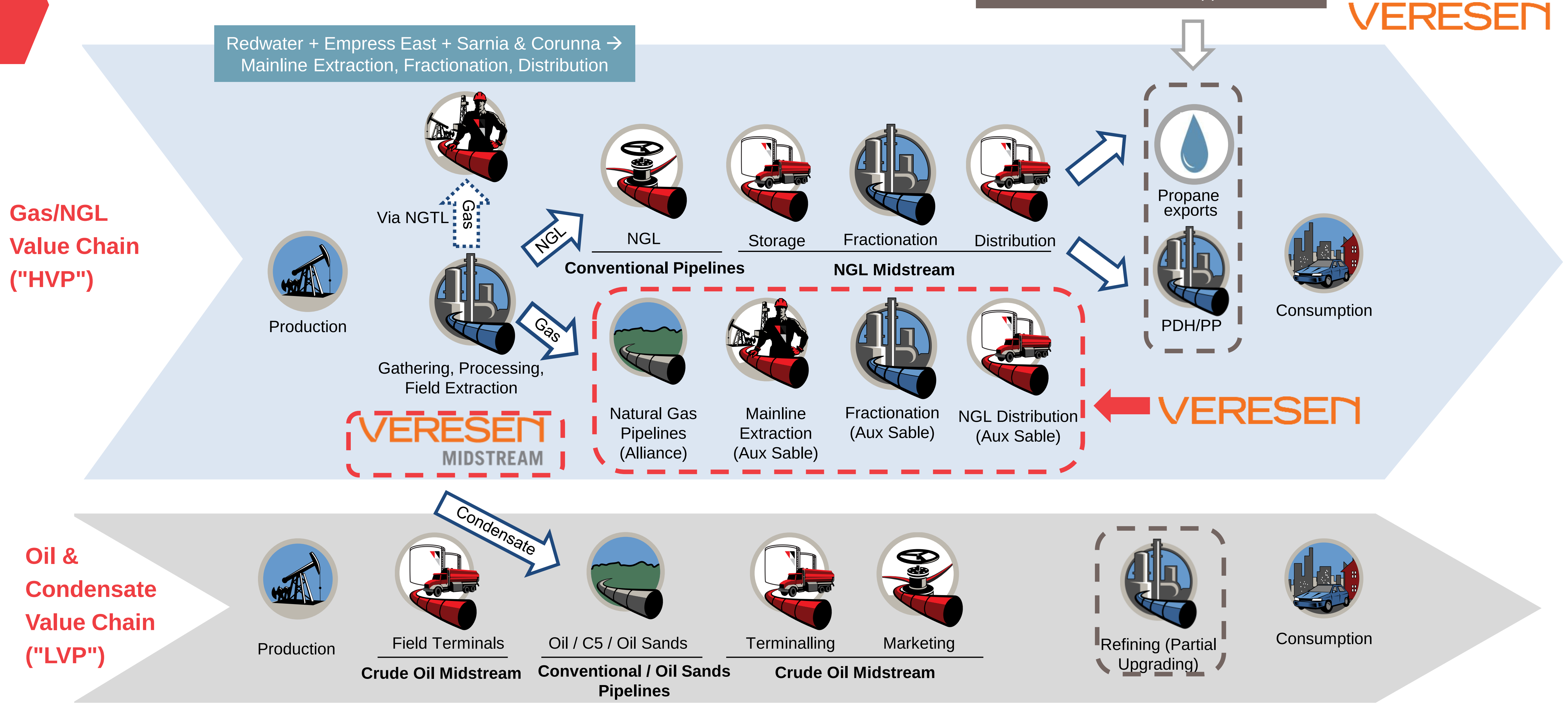
Transaction provides for meaningful diversification across key measures

(1) Figures based on estimated contribution by segment, hydrocarbon or geography to EBITDA in the respective time periods.
(2) Split rated denotes a counterparty has an investment grade rating by one rating agency and a non-investment grade rating by the other rating agency.
(3) Based on gross 60-day exposure. Counterparty ratings are representative of the counterparties current rating as of March 31, 2017. Non-investment grade exposure that is secured with letters of credit from investment grade banks are considered investment grade.
See "Forward-looking statements and information" and "Non-GAAP measures."


Montney
Fort St.John
Fort McMurray
Deep Basin
Fort Saskatchewan
Duvernay
Edmonton
Regina
Calgary
Bakken
Tioga
Superior
Minneapolis
St.Paul
Sarnia
Chicago
Jordan Cove
Malin Hub
Rockies Basin
Opal Hub
Pembina Gas Processing Plant
Pembina Storage Facility
Pembina Fractionator
Veresen Gas Processing Plant
Veresen Storage Facility
Veresen Fractionator
Pembina Conventional Pipelines
Pembina Oil Sands & Heavy Oil Pipelines
Third Party Pipelines
Pacific Connector Gas Pipeline
Alberta Ethane Gathering System ("AEGS")
Ruby Pipeline
Alliance Pipeline

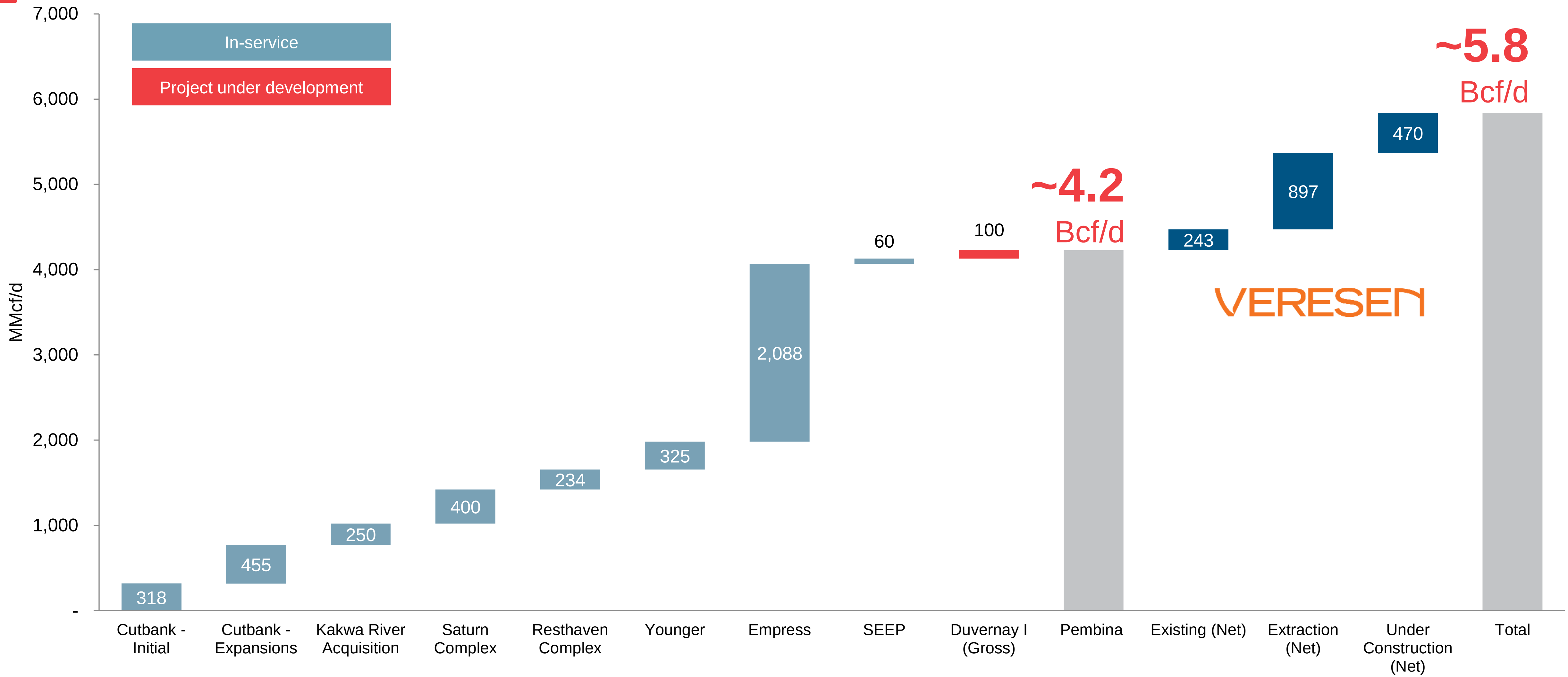
Integrated, customer-focused value chain

PEMBINA
VERESEN



Combination of Veresen and Pembina adds fully integrated, parallel natural gas value chain

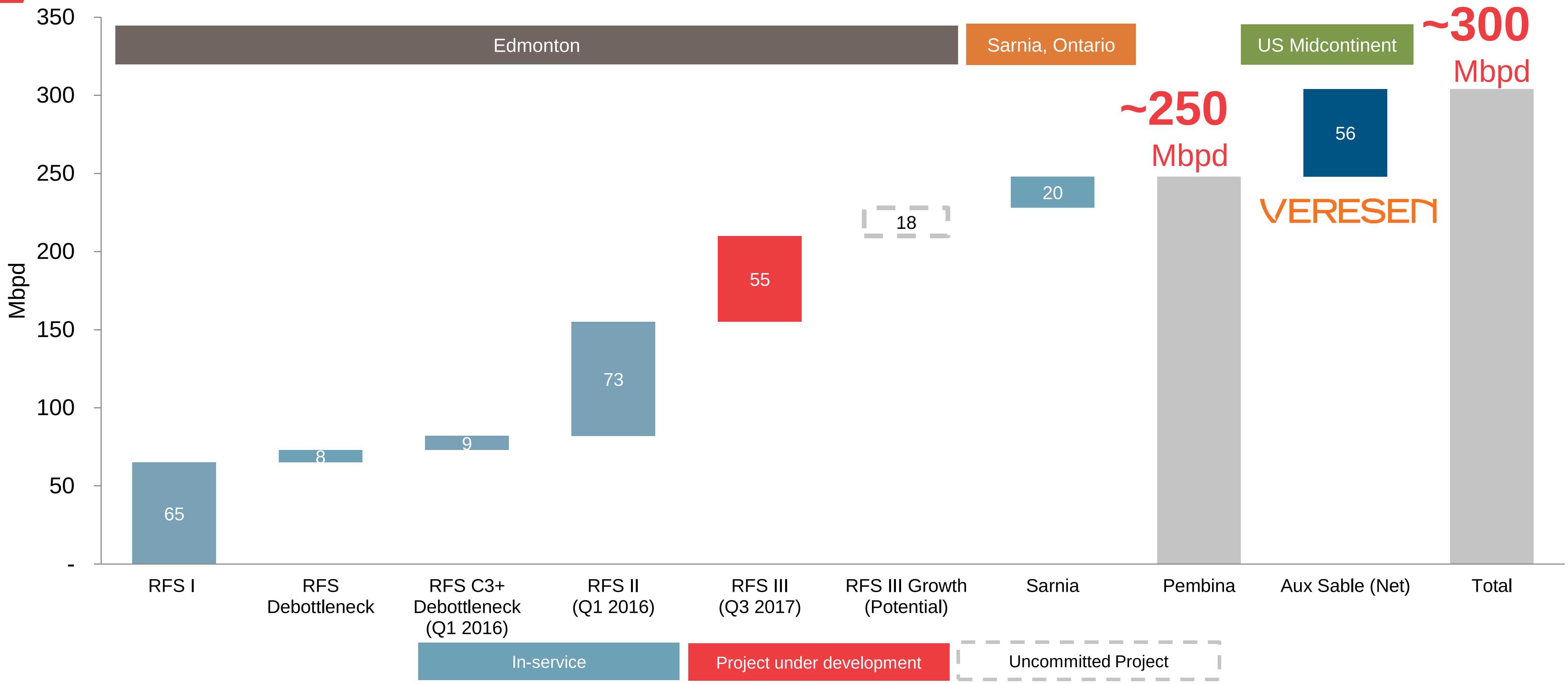
Creating the WCSB's largest third-party gas processor



Large-scale field processing asset base complemented by strategically located mainline extraction plants

See "Forward-looking statements and information."

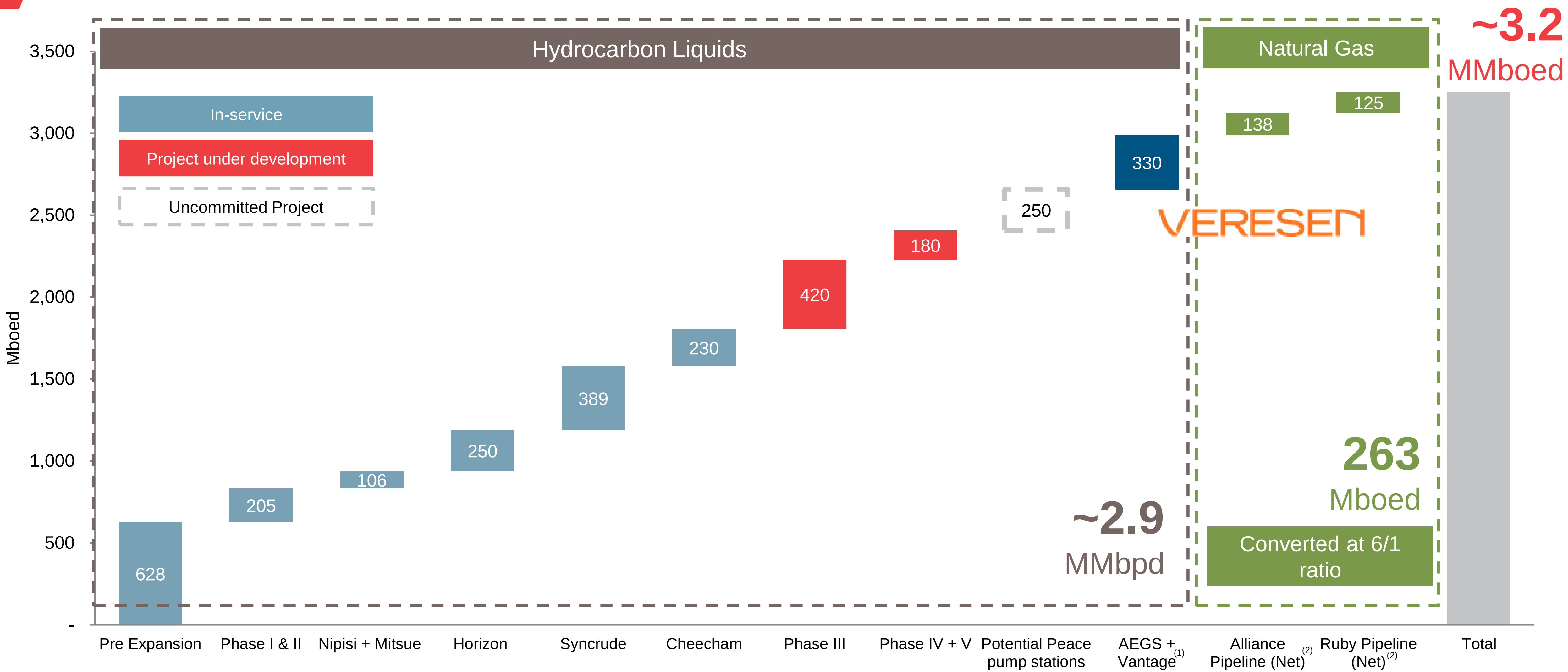
Fractionation capacity across three NGL market hubs



~300 mbpd of NGL fractionation capacity in three of North America's premier liquids markets

See "Forward-looking statements and information."

Hydrocarbon pipeline transportation capacity



Total hydrocarbon transportation capacity could reach ~3.2 MMboed

(1) Pembina's 68 mbpd Vantage ethane pipeline is a key supply source for AEGS, and feeds into the total system capacity.
(2) Alliance Pipeline and Ruby Pipeline capacities are presented net to Pembina and converted to Mboed (thousands of barrels of oil equivalent per day) from million cubic feet per day (MMcf/d) at 6:1 ratio.
See "Forward-looking statements and information."

Financial 'Guard Rail' considerations

		Pembina	Combined	
1	Maintain target of 80% fee-for-service contribution to EBITDA	~84% (2018 – 2022)	~87% (2018 – 2022)	↑
2	Maintain 'strong' BBB credit rating	>20% FFO / Debt	>20% FFO / Debt	–
3	Target 75% credit exposure from investment grade and secured counterparties[(1)]	80%	81%	↑
4	Target <100% payout of fee-for-service distributable cash flow by 2018[(2)]	85%	80%	↑
5	Target 8 -10% cash flow per share growth without putting guard rails at risk	Low End	High End	↑

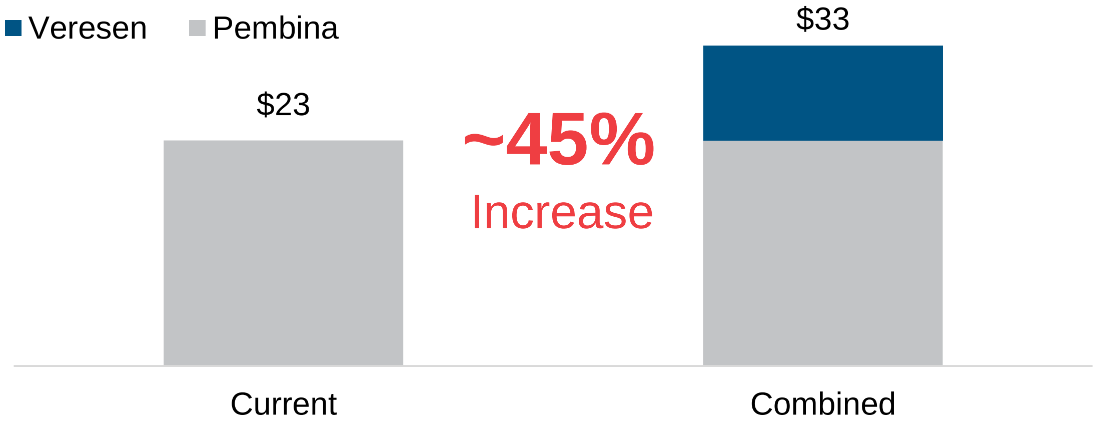
Veresen transaction fits well with Pembina's financial 'Guard Rails'

[(1)] Based on gross 60-day exposure. Counterparty ratings are representative of the counterparties current rating as of March 31, 2017. Non-investment grade exposure that is secured with letters of credit from investment grade banks are considered investment grade.
[(2)] Illustrative calculation based on total common share dividends, preferred share dividends, interest, general and administrative expenses and illustrative cash taxes as compared to consolidated fee-for-service net operating income. Payout ratio calculation is inclusive of increase dividend upon transaction close.
See "Forward-looking statements and information" and "Non-GAAP measures."

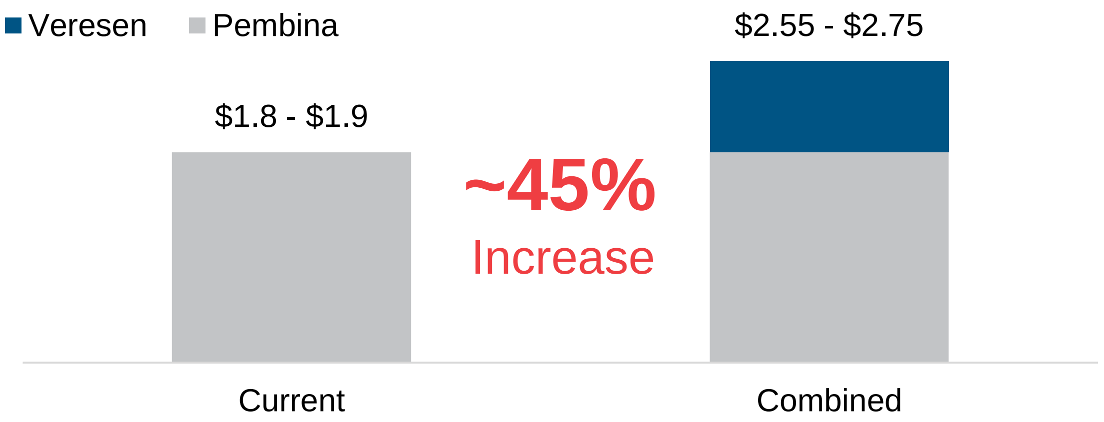
Larger and stronger together

PEMBINA
VERESEN

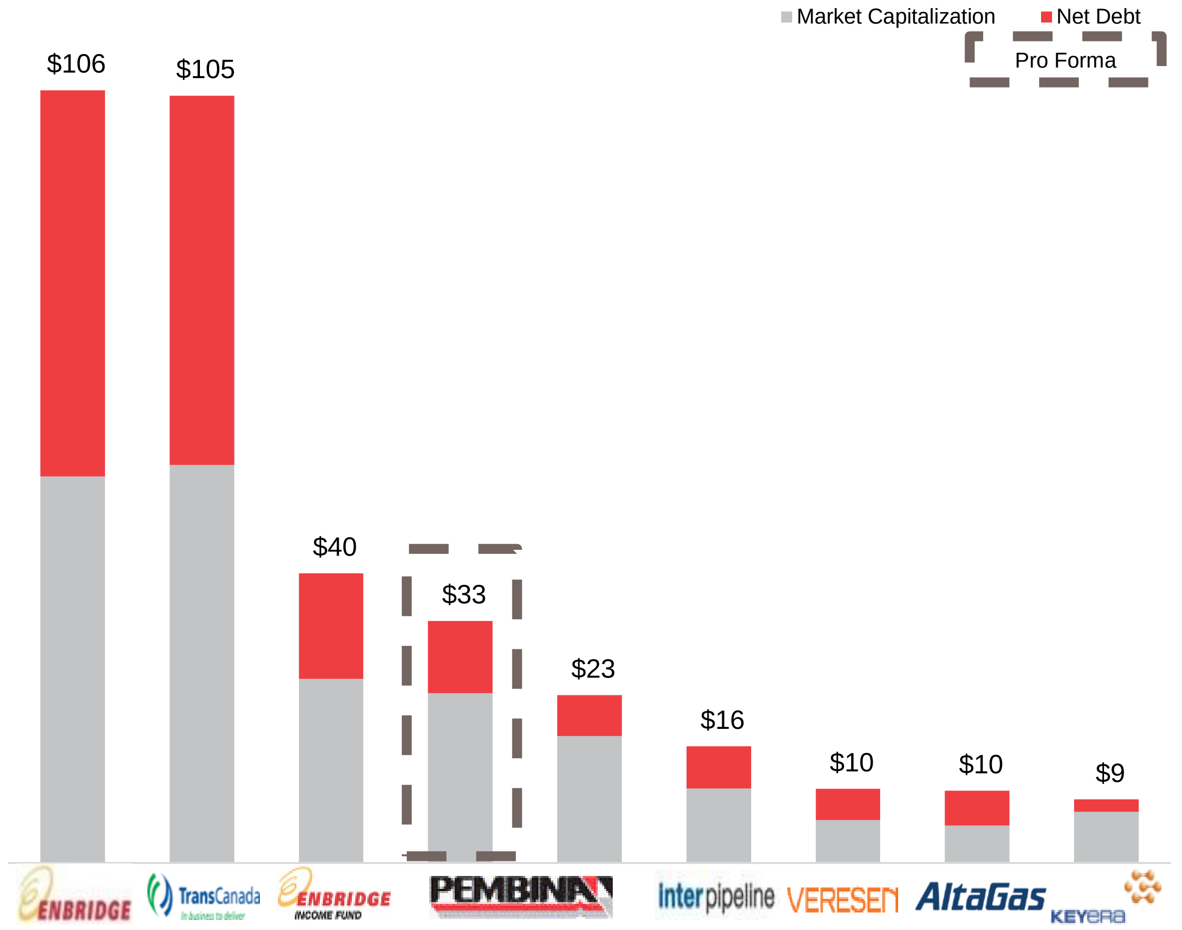
Total enterprise value ($BB)[1]



2018 Adjusted EBITDA ($BB)



Relative peer positioning (EV $BB)[2]

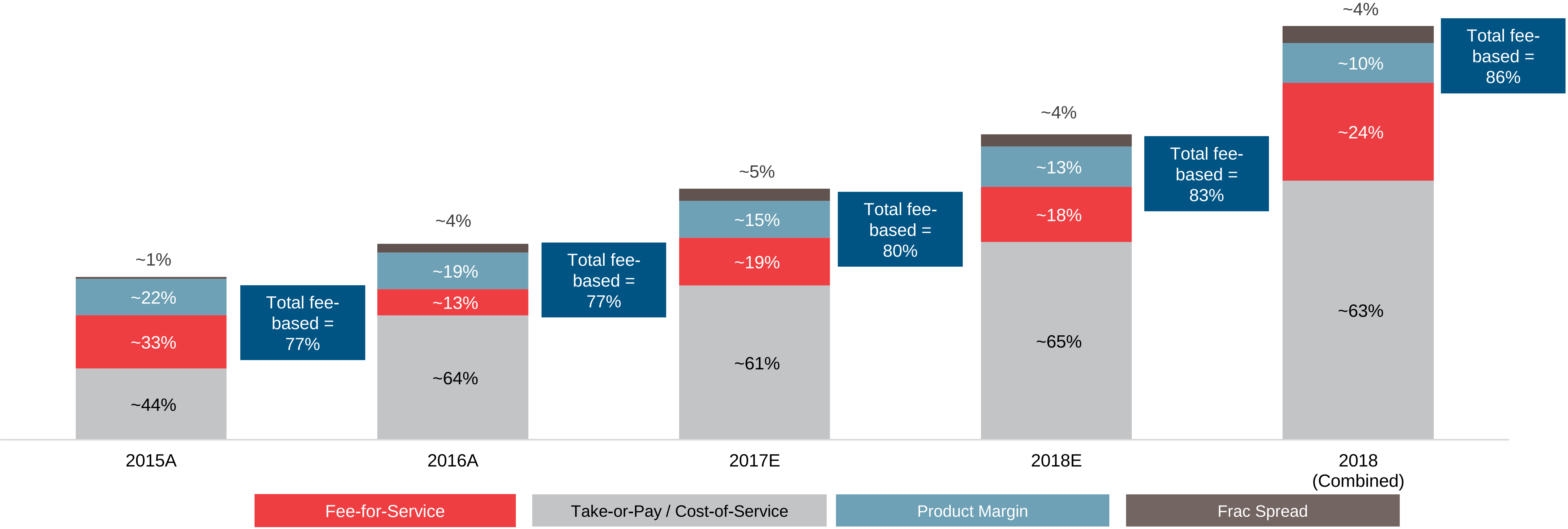


Substantially increased size and scale + expectations of significant shareholder value creation

[1] Pro forma enterprise value as of April 28, 2017, enterprise value includes convertible debentures, preferred shares and senior debt. Peer enterprise value per RBC Capital Markets (April 28, 2017), for illustrative purposes preferred shares are included as part of net debt.
See "Forward-looking statements and information" and "Non-GAAP measures."

We are committed to a low-risk business platform

Summary of operating margin by type ($MM)[1]

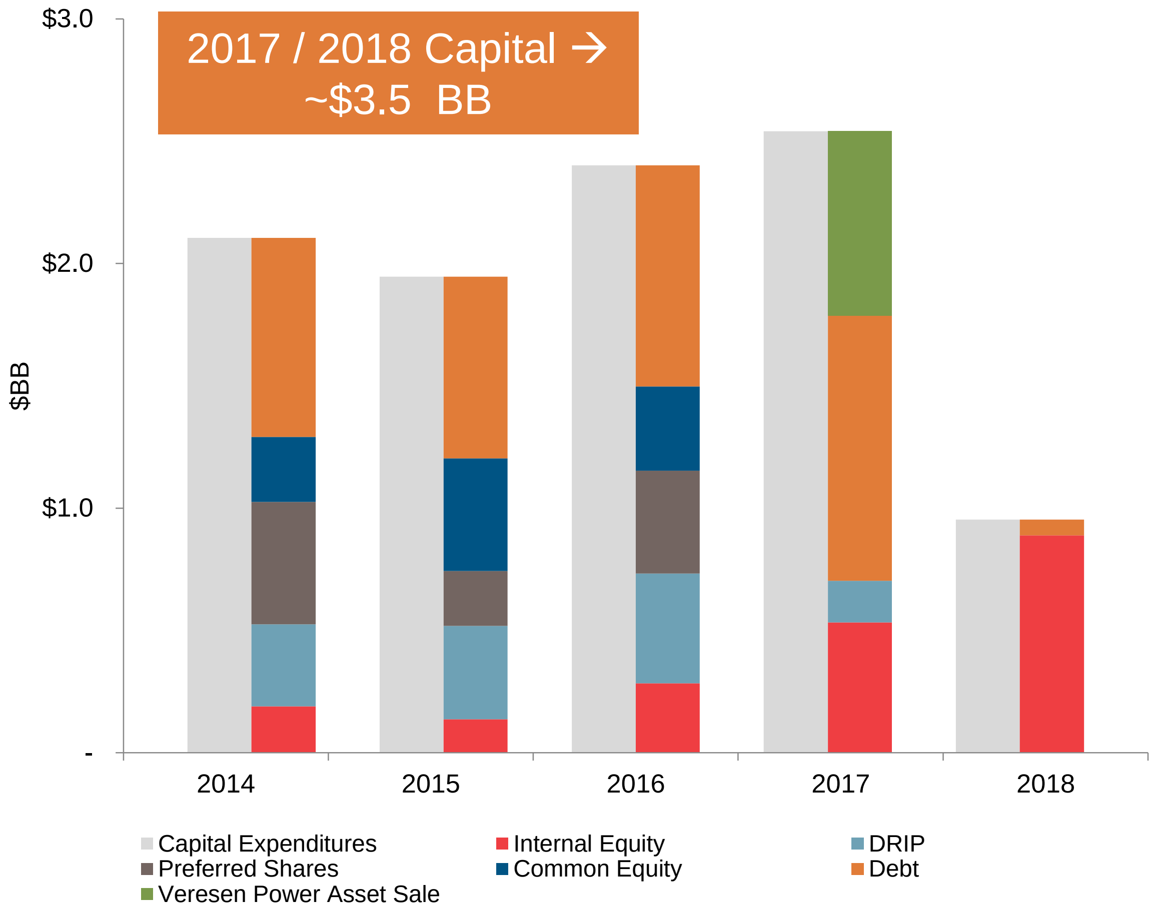


85%+ of operating margin is expected to be generated from fee-for-service contracts in 2018

[1] 2015 - 2016 figures based on actual results (including internal allocations), while forward years are based on Pembina's current long-term forecast and actual results may vary depending on asset utilization, project in-service dates, commodity pricing and other factors. See "Forward-looking statements and information" and "Non-GAAP measures."

Pembina's financial outlook and considerations

Capital expenditure funding



Financing considerations

- Commitment to Pembina's financial objectives:
  - Financing growth 50% debt / 50% equity over the investment cycle
  - Conservative credit metrics to maintain 'strong' BBB rating
  - Ensuring ample liquidity
- The ~$1.5 BB cash portion of the transaction will be initially funded through Pembina's revolving credit facility, with subsequent preferred share and medium term note offerings
  - **No common equity requirements foreseen, (DRIP or public issuance)**

Pembina has developed a well thought out financing plan that ensures strong financial position

See "Non-GAAP measures." & "Forward-looking statements and information."

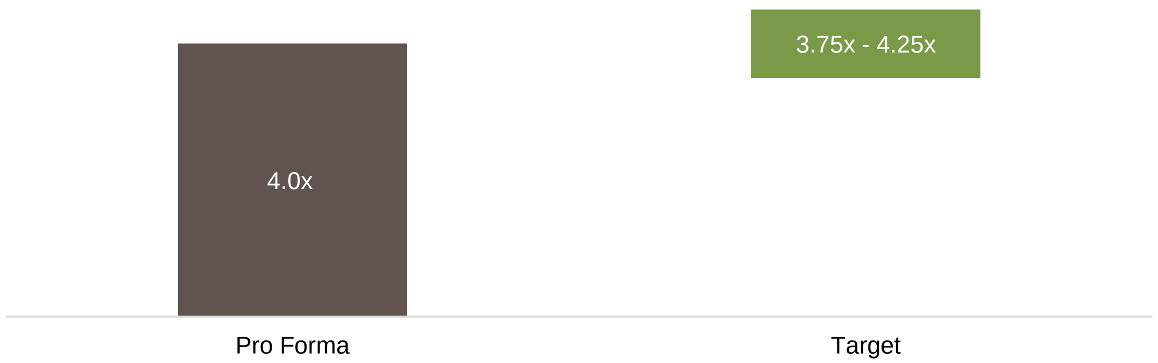
Commitment to a strong 'BBB' credit rating

(Managing toward target credit metrics)

Credit Highlights

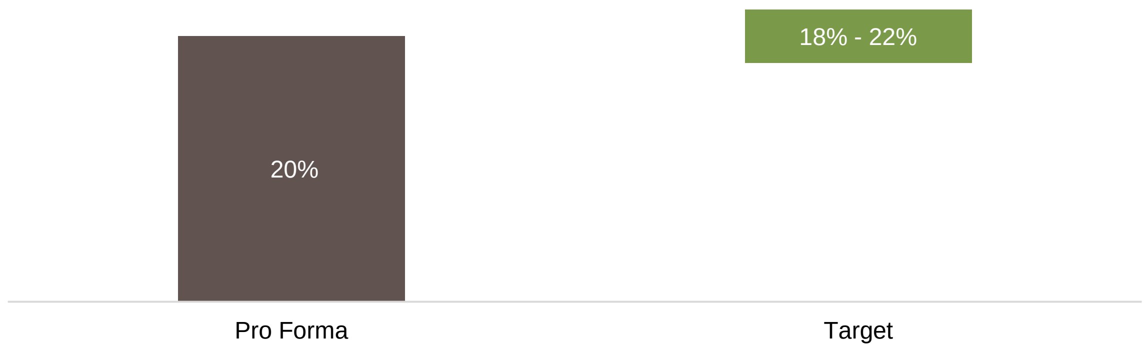
- Increased size, scale and asset diversity serve to create enhanced credit profile
- Combined balance sheet remains strong → only a modest increase in near term leverage
- The combined company will maintain a strong BBB investment grade credit rating

Debt / Adjusted EBITDA (x) (2018 Forecast)[1]



Debt to Total Capitalization (%) (2018 Forecast)[2]

Fund from Operations / Debt (%) (2018 Forecast)[3]

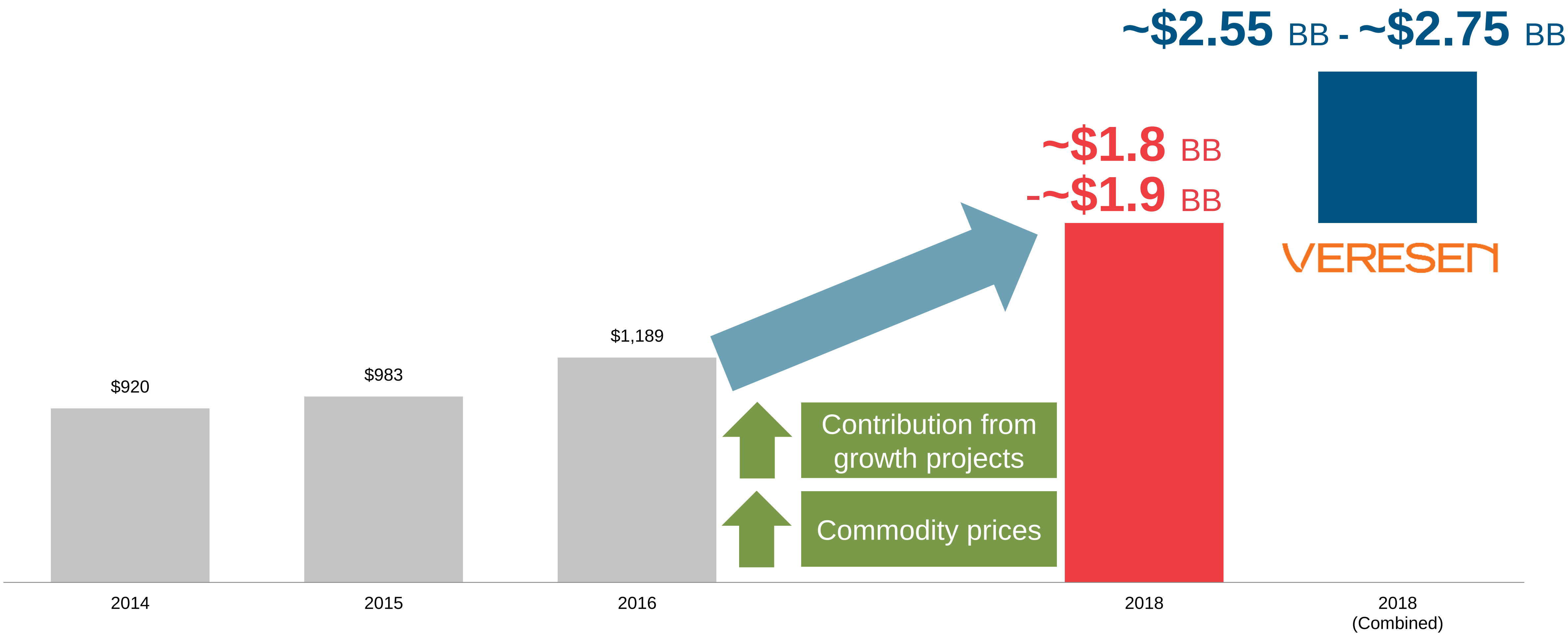


Through the transaction Pembina will ensure prudent financial management and a strong balance sheet

[1] Debt to adjusted EBITDA calculated as total debt divided by adjusted EBITDA, on a proportionate consolidation basis.
[2] Debt to total capitalization calculation assumes exclusion of debt related to Veresen's subsidiaries.
[3] Debt to funds from operations calculated as per Standard and Poor's methodology.
See "Forward-looking statements and information" and "Non-GAAP measures."

Pembina is on very strong growth trajectory

Historical Adjusted EBITDA and 2018 Outlook



Pembina is delivering on its promise and creating a foundation for long-term growth

The projected adjusted EBITDA range for Pembina standalone is consistent with Pembina's prior commitment of delivering $600 million to $950 million of incremental fee-for-service EBITDA from approximately $5.3 billion of secured capital projects which enter service in 2016 and 2017, in addition to the Kakwa River acquisition in 2016 and higher volumes/pricing across the base business.
See "Forward-looking statements and information" and "Non-GAAP measures."

Conclusions

Proven history of safe and reliable operations while developing enduring relationships with local communities

Our long term strategy remains unchanged and continues to create significant shareholder value

Committed to delivering 2018 Adjusted EBITDA of $2.55 BB to $2.75 BB (pro forma)

The transaction significantly increases Pembina's size, diversification, and enhances customer service offering

Substantial portfolio of opportunities support Pembina's 8 – 10% adjusted cash flow per share growth target

This transaction is expected to drive meaningful value for shareholders and customers

See "Forward-looking statements and information" and "Non-GAAP measures."

Non-GAAP measures

This presentation uses certain terms that are not defined by GAAP but are used by management of Pembina to evaluate the Veresen transaction. Non-GAAP financial measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies.

Pembina uses the non-GAAP terms: Total Enterprise Value (market value of Pembina's common shares plus preferred shares and convertible debentures plus senior debt less cash and cash equivalents), Adjusted EBITDA (earnings for the year plus share of profit (loss) from equity accounted investees (before tax, depreciation and amortization) plus net finance costs plus income taxes plus depreciation and amortization (included in operations and general and administrative expense) and unrealized gains or losses on commodity-related derivative financial instruments. Adjusted EBITDA also includes adjustments for loss (gain) on disposal of assets, transaction costs incurred in respect of acquisitions, impairment charges or reversals and write-downs in respect of goodwill, intangible assets and property plant and equipment, non-cash provisions and), Adjusted Cash Flow from Operating Activities (cash flow from operating activities plus the change in non-cash operating working capital, adjusting for current tax and share-based payment expenses, and deducting preferred share dividends declared), and the additional GAAP term Operating Margin (gross profit before depreciation and amortization included in operations and unrealized gain/loss on commodity-related derivative financial instruments). Adjusted EBITDA is used interchangeably with EBITDA in this presentation.

Management believes these non-GAAP measures provide an indication of the results generated by Pembina's business activities and the value those businesses generate. Investors should be cautioned that these non-GAAP measures should not be construed as an alternative to net earnings, cash flow from operating activities or other measures of financial performance determined in accordance with GAAP as an indicator of Pembina's performance. For additional information with respect to financial measures which have not been identified by GAAP, including reconciliations to the closest comparable GAAP measure, see Pembina's Management's Discussion and Analysis for the fiscal year ended December 31, 2016, available on SEDAR at www.sedar.com or in Pembina's annual report on Form 40-F for the fiscal year ended December 31, 2016 available on EDGAR at www.sec.gov.