

Veresen Midstream Sanctions \$195 Million of Capital Projects

Calgary, Alberta – December 28, 2016 - Veresen Midstream today announced the sanction of \$195 million in new capital projects.

Two new projects have been sanctioned by the Cutbank Ridge Partnership ("CRP") to facilitate ongoing development plans while also minimizing total infrastructure costs and surface footprint. The South Central Liquids Hub project has been sanctioned to allow the existing gathering system in the area to handle development anticipated over the next several years and is expected to be in service by the end of the second quarter of 2017. The South Central Liquids Hub can be expanded in the future to meet CRP's long-term liquids handling needs as well as provide services to third party producers in the area.

The Tower Liquids Hub has also been sanctioned to provide a lower overall cost and more commercially flexible solution for the handling and storage of NGLs produced at the Sunrise, Tower and Saturn Phase II processing facilities. The project includes infrastructure to deliver the NGLs into a third party system. The Tower Liquids Hub is expected to be in service in the third quarter of 2017. Part of the Tower Liquids Hub will include capacity to handle third party NGLs that could be either trucked in or connected directly by a future pipeline.

Both the South Central Liquids Hub and the Tower Liquids Hub are governed by the Dawson Midstream Service Agreement, which is in place for the next 28 years.

About Veresen Midstream

Veresen Midstream is a leading natural gas midstream business located in western Canada. We are focused on providing flexible and innovative natural gas and natural gas liquids, processing, transportation and NGL service solutions to the producer community. We take a long-term, relationship based approach to our business to develop solutions which balance the sharing of risk and reward with our partners.

Veresen Midstream was formed in late 2014 through a transaction by Veresen Inc. and Kohlberg Kravis Roberts & Co. L.P.