

KEYERA

Corporate Presentation

JUNE 2012





Forward Looking Information

In the interests of providing Keyera Corp. (“Keyera” or the “Company”) shareholders and potential investors with information regarding Keyera, including Management’s assessment of future plans and operations relating to the Company, this document contains certain statements and information that are forward-looking statements or information within the meaning of applicable securities legislation, and which are collectively referred to herein as “forward-looking statements”. Forward-looking statements in this document include, but are not limited to statements and tables (collectively “statements”) with respect to: capital projects and expenditures; strategic initiatives; anticipated producer activity and industry trends; and anticipated performance. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, as well as known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and which may cause Keyera’s actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by the forward-looking statements. These assumptions, risks and uncertainties include, among other things: Keyera’s ability to successfully implement strategic initiatives and whether such initiatives yield the expected benefits; future operating results; fluctuations in the supply and demand for natural gas, NGLs, crude oil and iso-octane; assumptions regarding commodity prices; activities of producers, competitors and others; the weather; assumptions around construction schedules and costs, including the availability and cost of materials and service providers; fluctuations in currency and interest rates; credit risks; marketing margins; potential disruption or unexpected technical difficulties in developing new facilities or projects; unexpected cost increases or technical difficulties in constructing or modifying processing facilities; Keyera’s ability to generate sufficient cash flow from operations to meet its current and future obligations; its ability to access external sources of debt and equity capital; changes in laws or regulations or the interpretations of such laws or regulations; political and economic conditions; and other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by Keyera. Readers are cautioned that the foregoing list of important factors is not exhaustive. The forward-looking statements contained in this document are made as of the date of this document or the dates specifically referenced herein. For additional information please refer to Keyera’s public filings available on SEDAR at www.sedar.com. All forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Strong History of Income and Growth



9 dividend increases¹

7.4% CAGR² in dividends per share

21% compound annual total return² to shareholders

¹ Since going public in 2003.

² From 2003 to March 31, 2011.

Company Snapshot



Trading Symbols (TSX):	KEY; KEY.DB.A
Common Shares Outstanding ¹ :	76,859,285
Share Price ² :	\$40.62
Market Capitalization ² :	\$3.1B
Enterprise Value ² :	\$3.6B
Trading Volume ³ :	302,545
Monthly Dividend:	\$0.17
Current Yield ² :	5.0%

¹ Basic shares outstanding at May 31, 2012.
² Based on closing share price at June 15, 2012.
³ First quarter 2012 daily average.

One of Canada's Largest Midstream Operators

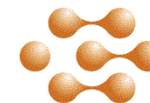


- » Natural gas gathering and processing
 - Remove impurities from the gas stream
 - Separate into economic products
- » NGL logistics services
 - Fractionate
 - Storage
 - Terminalling
- » NGL marketing



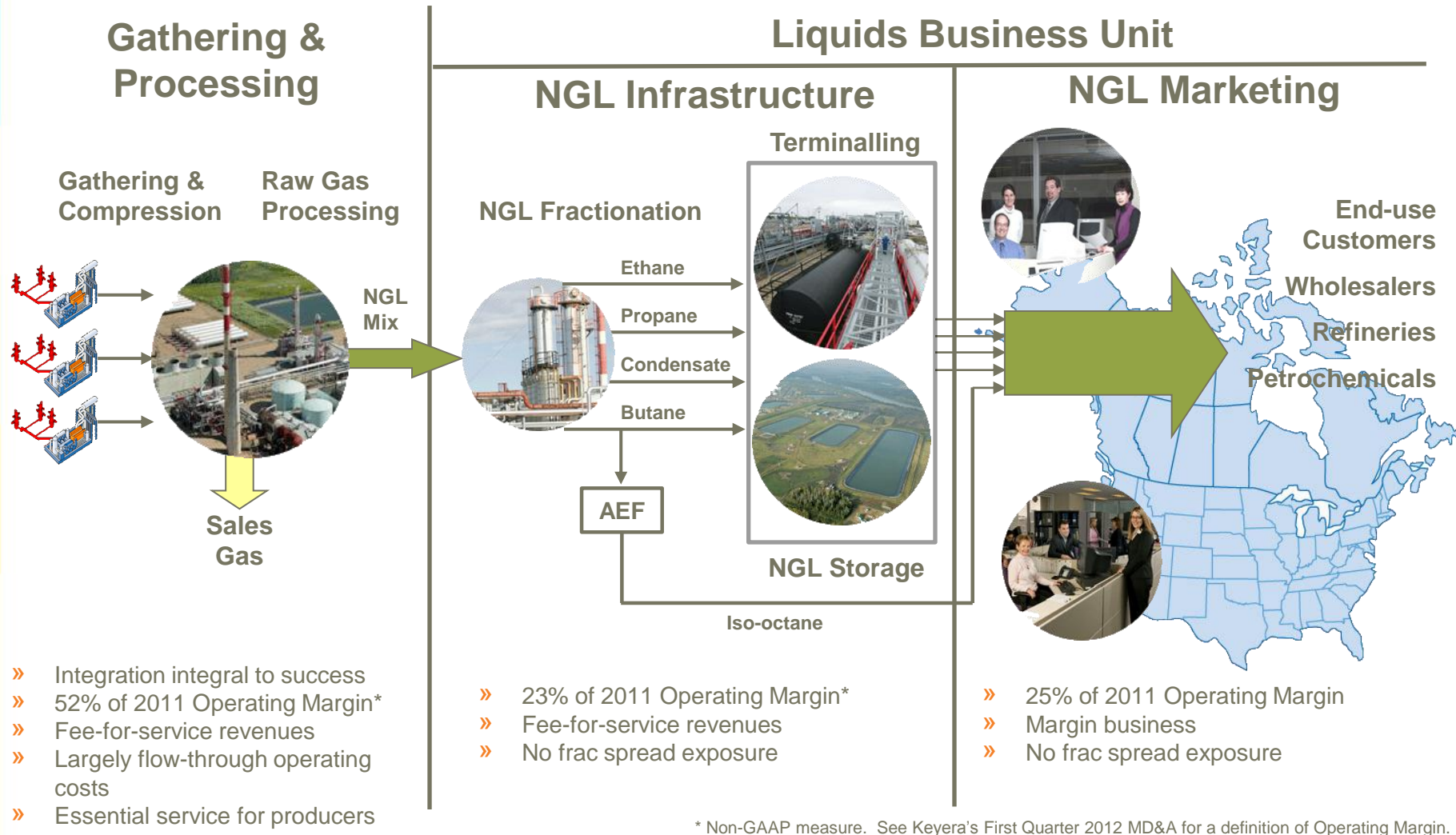
Providing Essential Services to Producers

A Rich History



1998	2000	2003	2004	2005	2011	2012
<ul style="list-style-type: none"> Gulf Canada Resources enters into 50:50 partnership with KeySpan Corp. Partnership is named Gulf Midstream Services Includes several of Alberta's large gas plants and related natural gas and NGL infrastructure 	<ul style="list-style-type: none"> KeySpan Corp. buys Gulf's remaining 50% interest in Gulf Midstream Services Name changes to KeySpan Energy Canada 	<ul style="list-style-type: none"> Begins trading on the TSX under the name KeySpan Facilities Income Fund (TSX:KEY.UN) as a publicly listed income trust \$170M initial public offering representing 39% of entity 	<ul style="list-style-type: none"> Acquires EnerPro Midstream Company from Chevron Canada; includes all of Chevron's Western Canadian gas gathering and processing facilities and NGL infrastructure assets KeySpan Facilities Income Fund becomes 100% publicly owned 	<ul style="list-style-type: none"> Name changes to Keyera Facilities Income Fund: "Key facilities for a new Era" 	<ul style="list-style-type: none"> Keyera Facilities Income Fund converts to a corporate structure and is renamed Keyera Corp. 	<ul style="list-style-type: none"> Keyera acquires Alberta EnviroFuels

Two Integrated Business Lines



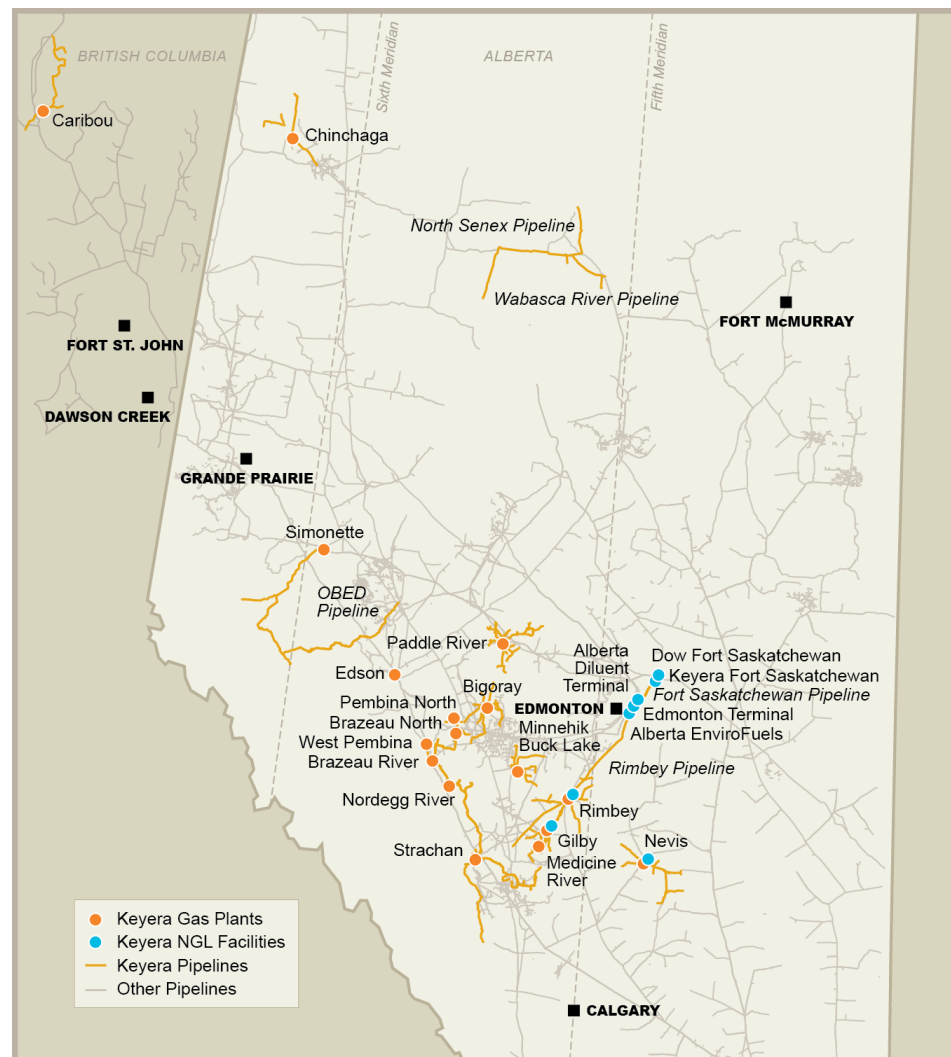
* Non-GAAP measure. See Keyera's First Quarter 2012 MD&A for a definition of Operating Margin.

Creating Value Along the Entire NGL Value Chain

Gathering and Processing – Franchise Facilities West of 5th Meridian

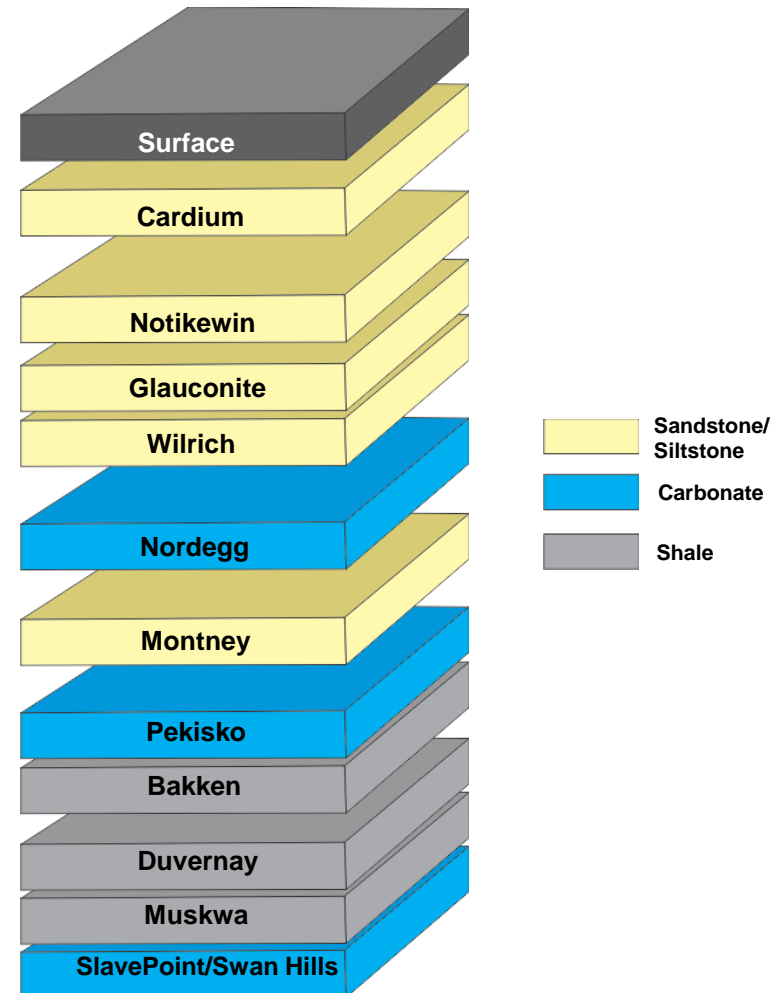


- » Large flexible processing plants
 - Operate 15 of 17 gas plants
 - Licensed capacity of 2.6 bcf/d
 - 99% of capacity able to extract NGLs
 - Sweet and sour gas processing capability
- » Extensive gathering systems
 - Large capture areas create franchise regions
- » Long life assets
- » Fee-for-service revenues with no commodity exposure



Western Canada Sedimentary Basin – A Prolific Natural Gas Basin

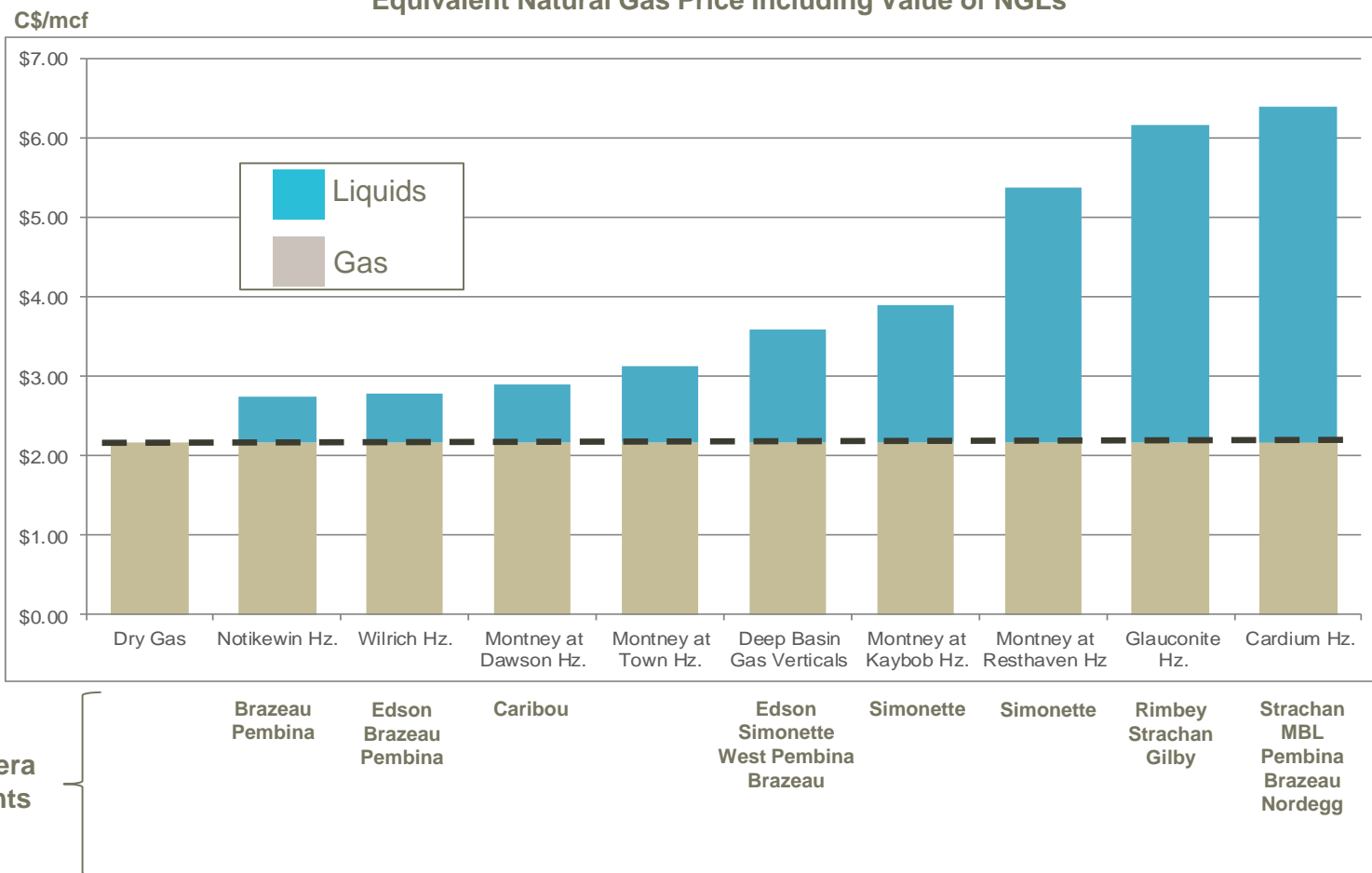
- » Canada is home to some of the most economic natural gas plays in North America
- » Larger, liquids-rich gas reserves being developed rapidly
- » Multi-zone gas potential on the deeper (west) side of WCSB
- » “Game changing” horizontal drilling & multi-stage completions unlocking tight reservoirs and shale gas
- » NEB permits issued to export LNG off west coast to Asian markets



Liquids (NGL) Content in Gas Stream Supports Drilling Activity



Equivalent Natural Gas Price Including Value of NGLs



* Source: Peters&Co. Reflects revenue (before royalties) per Mcf of natural gas produced. Based on full-year 2012 AECO-C: C\$2.16/Mcf and C\$95.39/barrel Edmonton par.

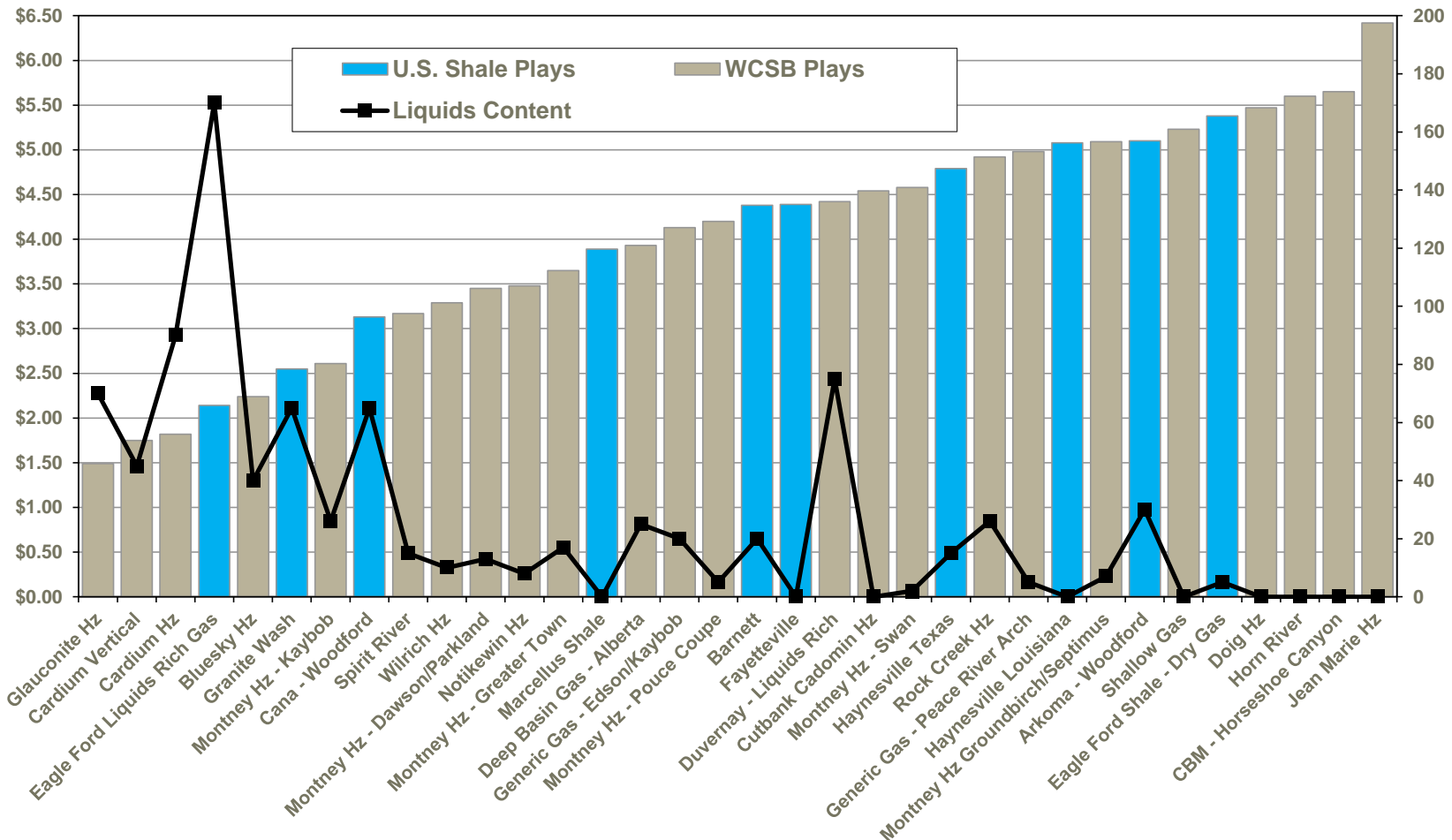
Increasing NGLs Benefits Both Business Units

North American Natural Gas Plays Breakeven Price and Liquids Content



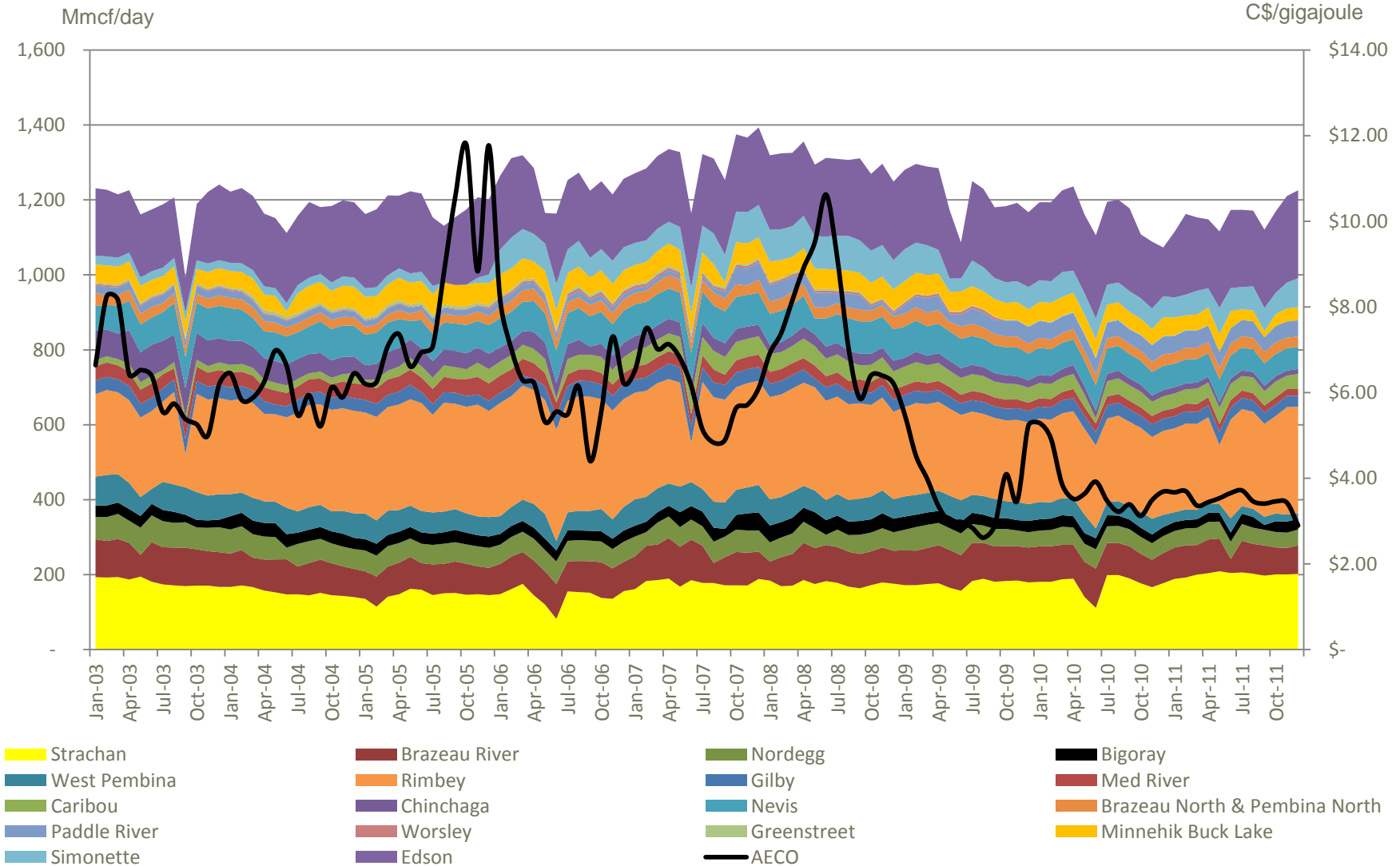
Breakeven Gas Price (US\$/Mcf)

Natural Gas Liquids (Bbl/Mmcf)



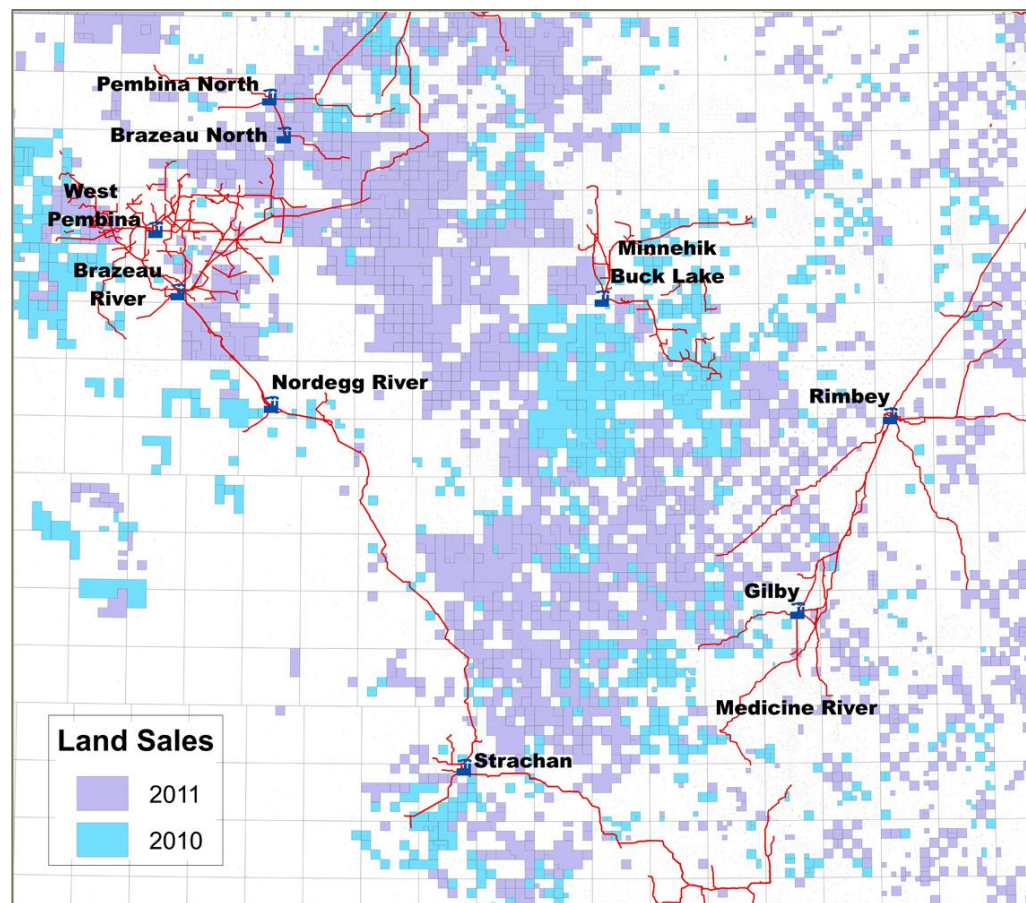
* Source: Peters & Co. Limited. Half-cycle break-even price, based on a 10% discount rate and full-year 2012 AECO-C: C\$2.16/Mcf and C\$95.39/barrel Edmonton par.

Stable Throughput Despite Changing Gas Prices



Strong Producer Activity in West Central Alberta

- » \$3.5 billion spent on land sales in Alberta in 2011 to secure oil and gas mineral rights¹, a 48% increase from 2010
- » Significant land sale activity in west central Alberta adjacent to Keyera gas plants
- » Producer focus in this area on liquids-rich gas plays including Glauconite, Duvernay shale and Cardium solution gas

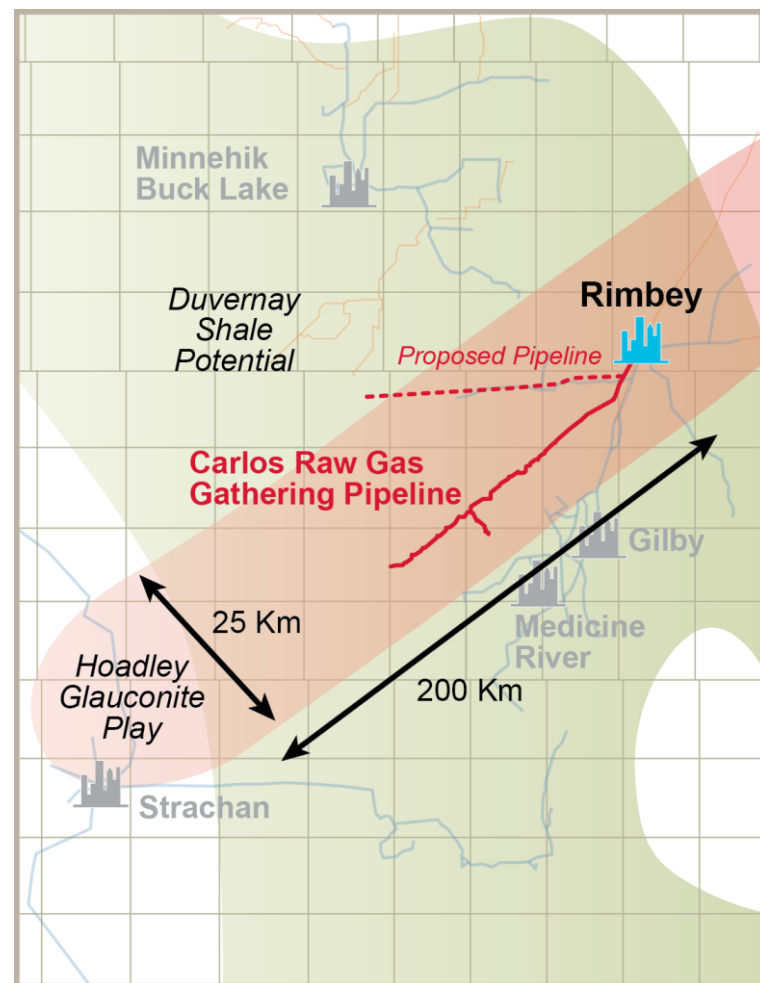


¹ Excluding oil sands land sales

Hoadley Development Driving Rimbey Gas Plant Throughput



- » Glauconite zone is one of the most economic gas developments in North America (~60-70 bbls of NGLs per mmcf)
- » 34% increase in throughput (to 300 Mmcf/d¹) at Rimbey since January 2011
- » Seeking producer support for expansion of Carlos pipeline and construction of new pipeline for Duvernay production
- » Significant Duvernay potential in areas west of the Rimbey plant



¹ As of March 31, 2012

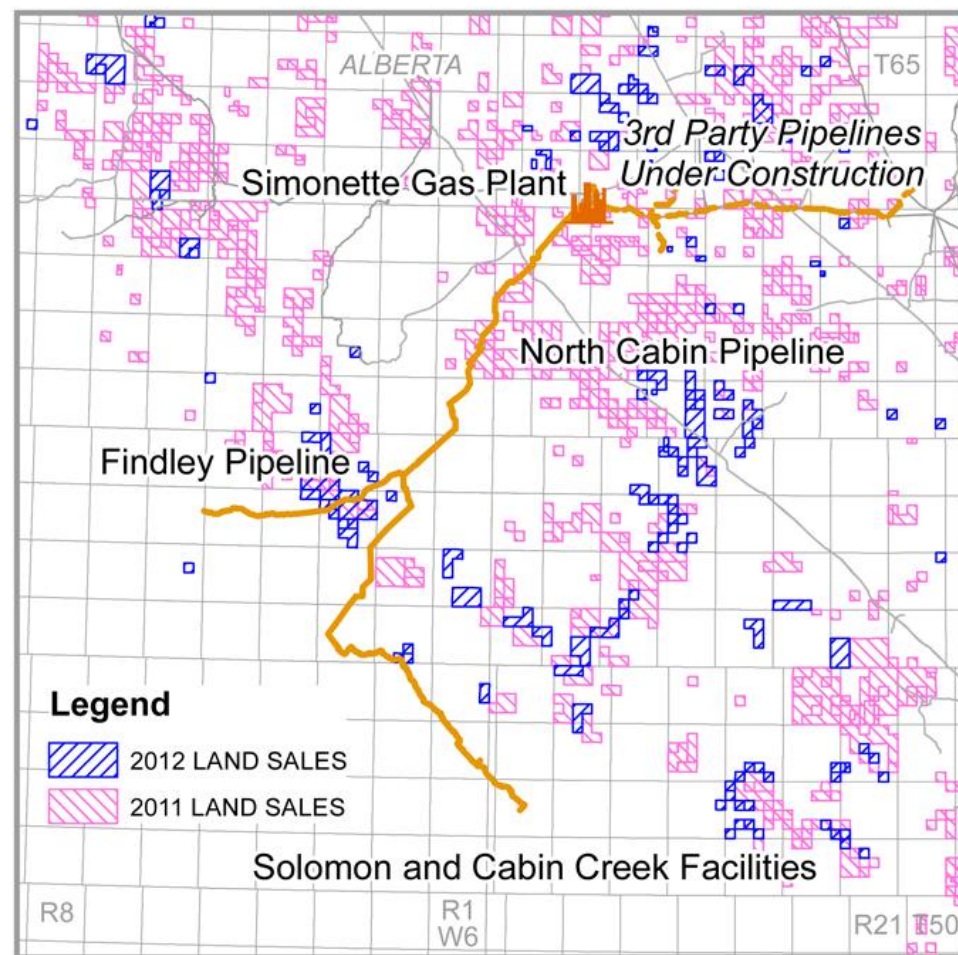
Significant Producer Activity in the Region

Simonette Gas Plant – In the Heart of the Deep Basin



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- » Producers in the area targeting liquids-rich gas plays (Duvernay, Montney and Wilrich)
- » Strong land sale activity during past twelve months
- » 83% increase in throughput (to 90 Mmcf/d¹) at Simonette since January 2011
- » Incremental gas volumes expected in 2012 from new producer-built pipeline
- » Expansion opportunities:
 - Capacity expansion
 - Enhanced Deep-cut liquids extraction
 - Improved condensate handling
 - Enhanced sour gas handling



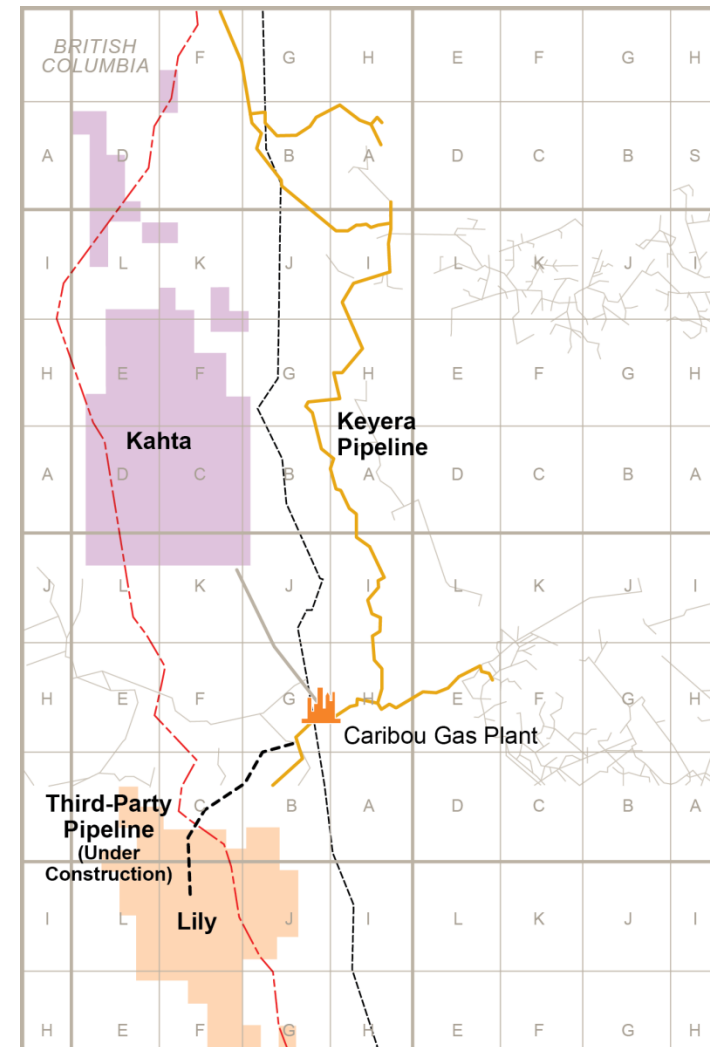
¹ As of March 31, 2012

Producer Activity Driving Expansion Opportunities

Caribou Gas Plant - Montney Development Occurring in Area

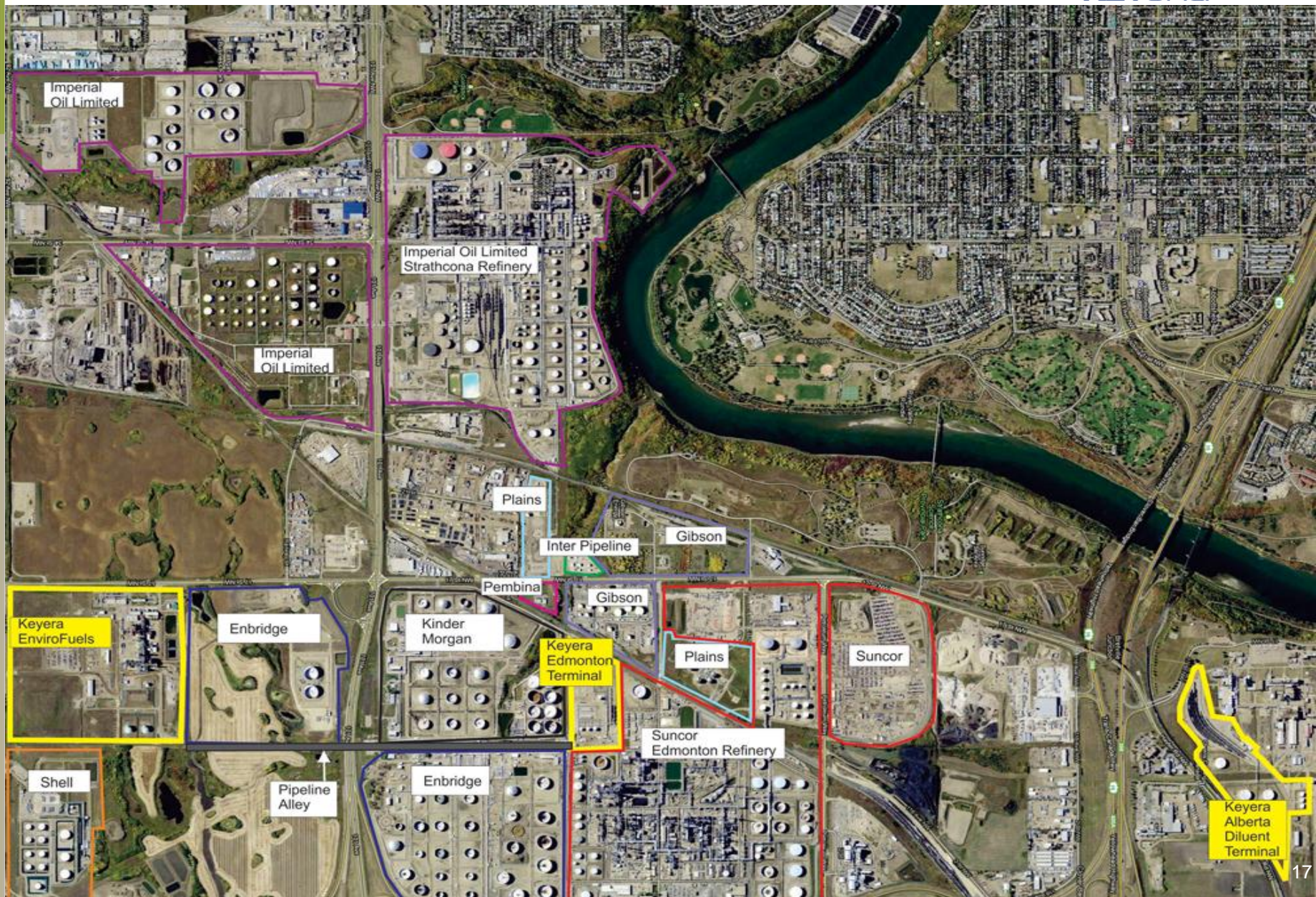


- » Progress/Petronas Joint Venture lands (Lily and Kahta) adjacent to Caribou gas plant
- » Keyera's 105 Mmcf/d Caribou gas plant has available processing capacity
- » Gas expected to be developed in 50 Mmcf/d pods
- » Pipeline from Lily block to Caribou plant under construction



Keyera Positioned to Benefit from Montney Development

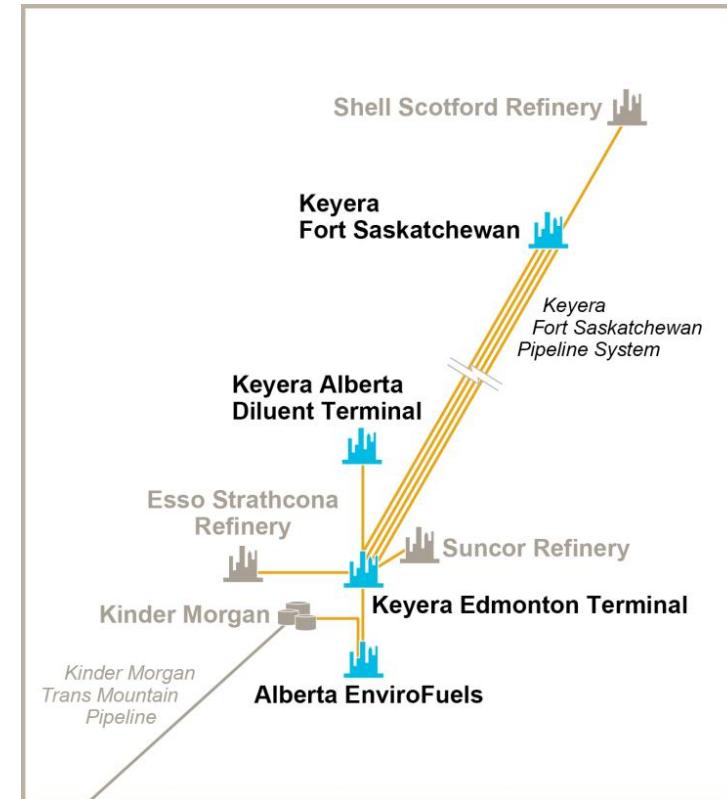
Liquids Business Unit – NGL Infrastructure and Marketing



NGL Infrastructure Available for NGL Production Growth



- » NGL Infrastructure: providing services to NGL & producers at Canada's energy hub
 - Fractionating NGL mix into ethane, propane, butane and condensate
 - Storing NGLs, including diluent
 - Transporting NGL products to and from the Edmonton/Fort Saskatchewan energy hub
 - Rail and truck terminalling to load and offload NGLs and other liquids



Fractionation
(80,000 bbls/d)



Storage
(10.9 MM barrels)



Rail & Truck Racks
(19)



Pipelines
(7)



Rail Cars
(~800)



Sales Terminals

Diluent Logistics Services – A Business Driven by Oil Sands Growth



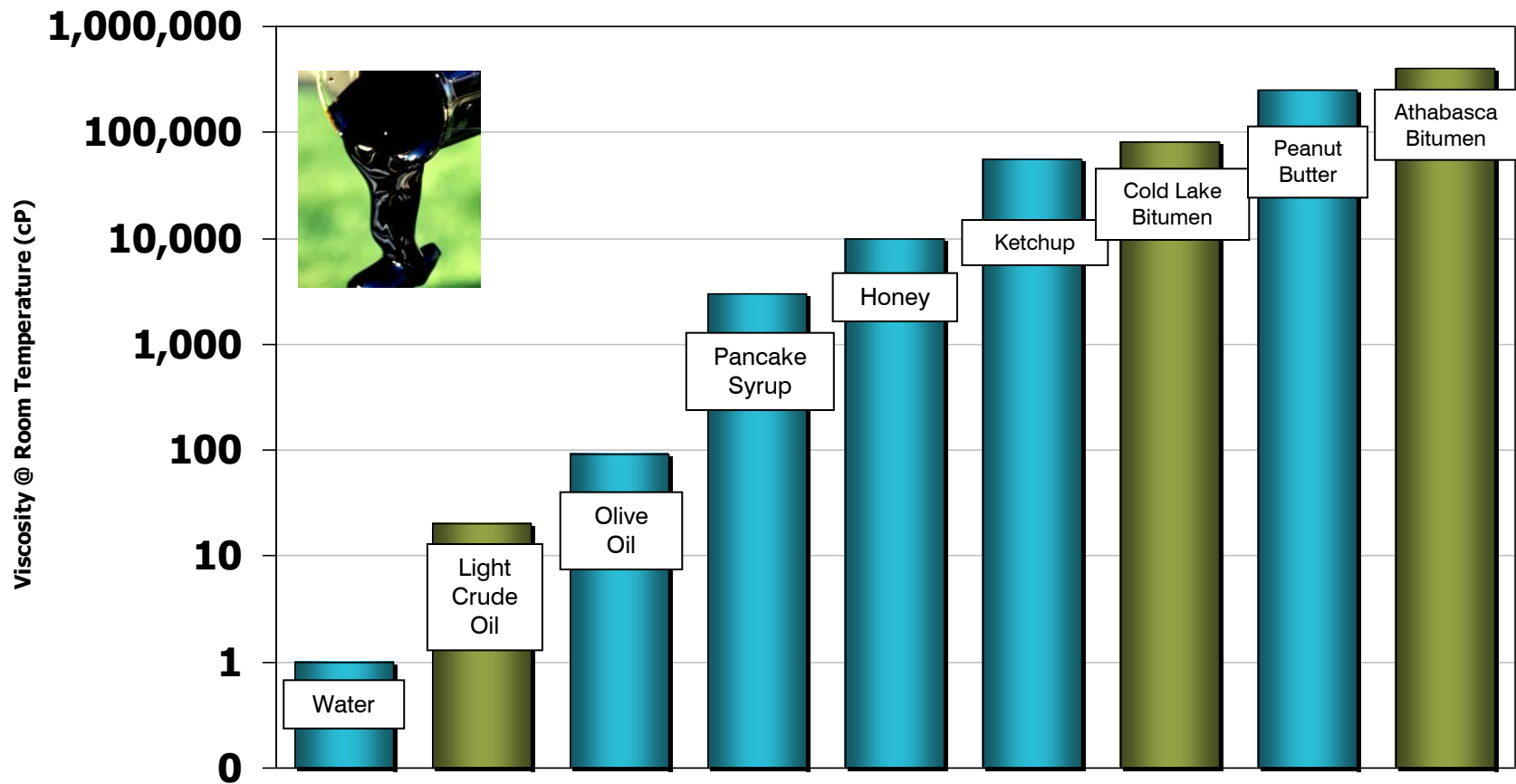
- » Majority of future bitumen will be upgraded at locations outside of production areas
- » Bitumen must be thinned with a lighter hydrocarbon, called diluent, for movement in pipeline
- » Alberta expected to experience significant shortage of diluent
- » Imports of diluent expected to create opportunities for storage and logistics services



Infrastructure in Edmonton/Fort Saskatchewan Area Ideally Suited to Provide Diluent Handling Services



Bitumen Viscosity

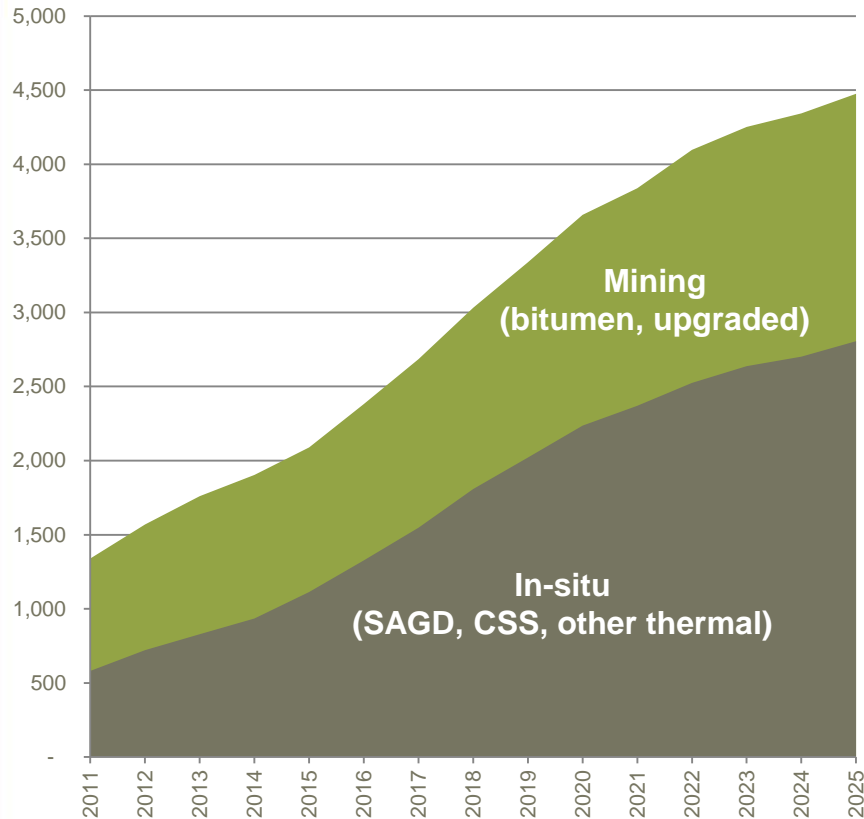


Diluent Required for Pipeline Movement

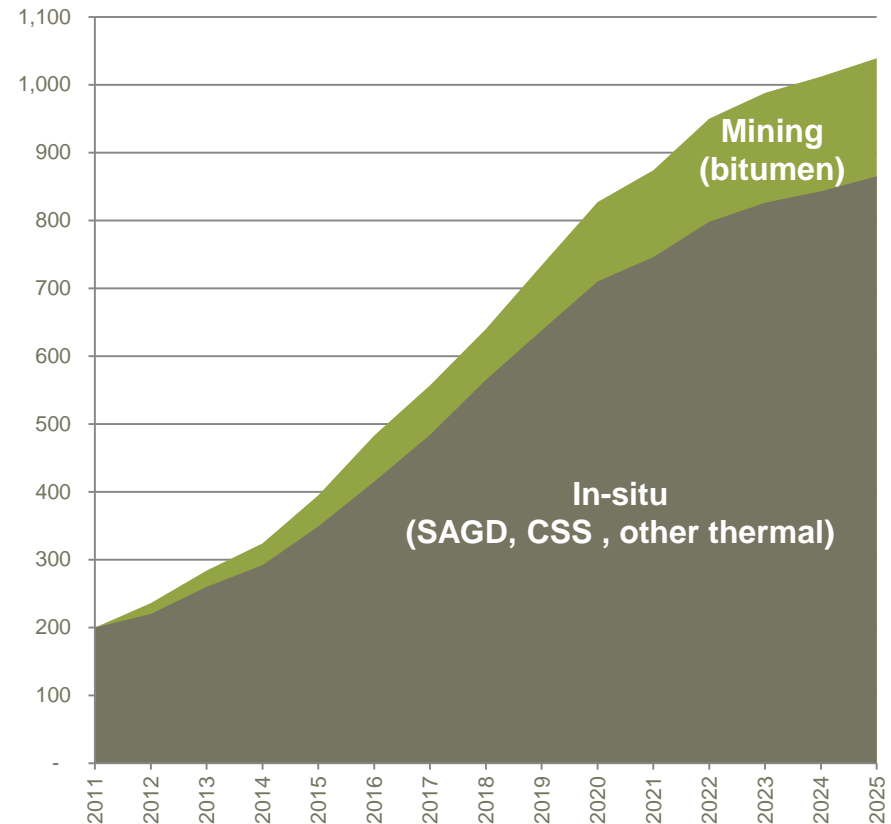
Bitumen Production Growth Drives Increasing Diluent Demand



Bitumen
Production Forecast – Risked (MBbl/d)



Condensate
Demand Forecast – Risked (MBbl/d)



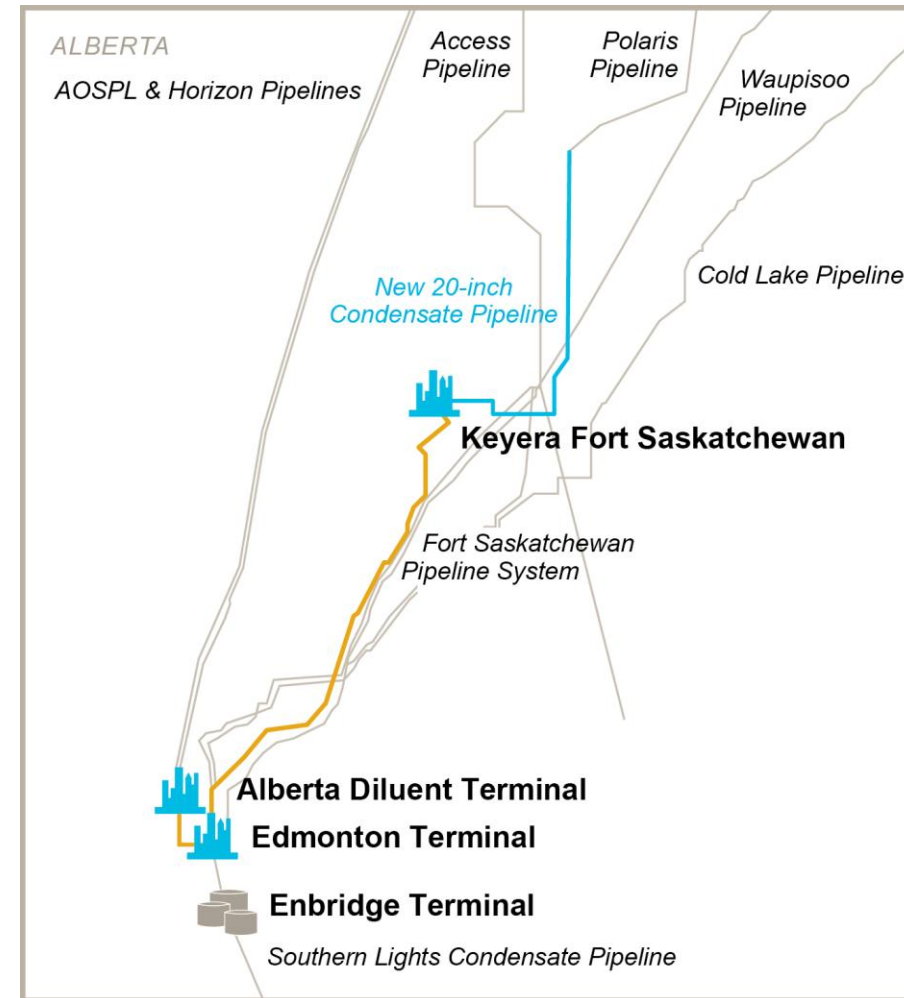
Source: Peters&Co.

Diluent Demand Growth Driving Condensate Imports

Providing Services to Kearl and Sunrise Oil Sands Projects



- » Long-term fee-for-service arrangements with Imperial Oil and Husky for Kearl and Sunrise oil sands projects
 - Kearl solvent services began December 2011
 - Kearl diluent services expected to begin July 2012
 - Sunrise services expected in 2014
- » Keyera to provide diluent transportation, storage and terminalling services
- » Large portion of revenue stream not dependent on throughput volumes
- » Capacity to serve other oil sands players

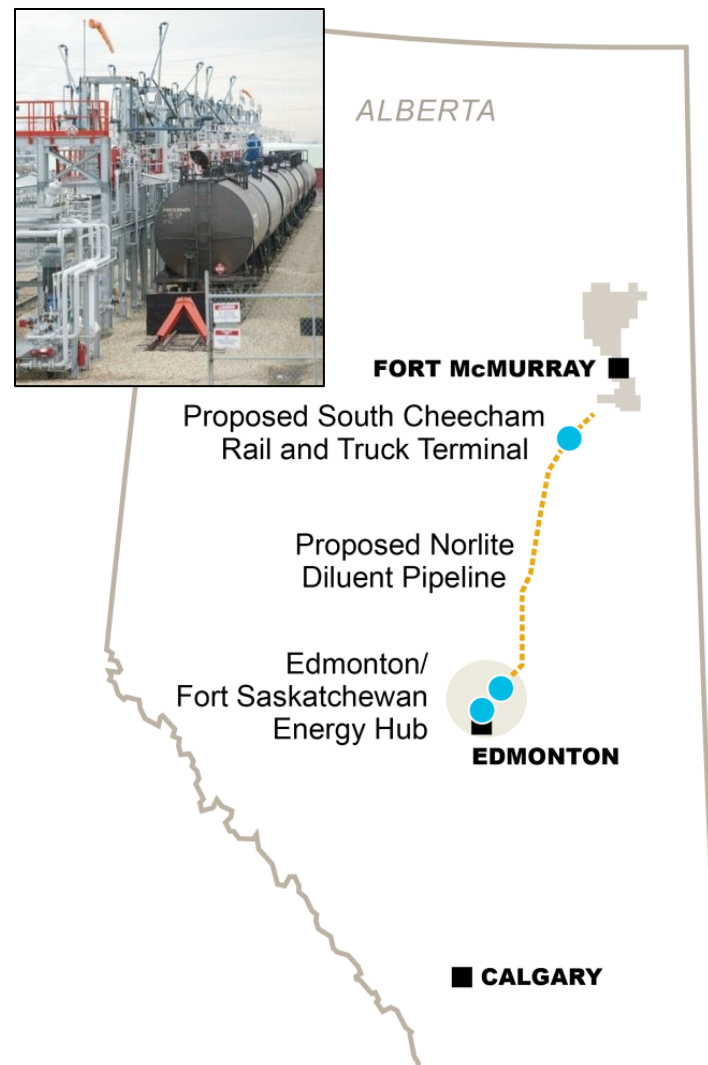


Pursuing Additional Diluent Opportunities



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- » Keyera and Enbridge have announced two joint ventures to pursue diluent transportation initiatives
- » Soliciting interest from oil sands producers to support construction of:
 - South Cheecham Rail and Truck Terminal, enable receipt of diluent or solvents via railcar for delivery to oil sands sites (Keyera 50%/Enbridge 50%)
 - Norlite pipeline – diluent pipeline from Fort Saskatchewan to Athabasca oil sands region (Enbridge 70%/Keyera 30%)



Established Supplier of Diluent Logistics Services



Alberta EnviroFuels (“AEF”)

- » Acquired Alberta EnviroFuels in January 2012 for US\$194MM plus working capital
- » AEF manufactures iso-octane, a low emission, high octane gasoline blending additive
- » AEF operating margin was \$6.9 million in Q1/12¹
 - \$3.8 million fee-for-service
 - \$3.1 million margin based



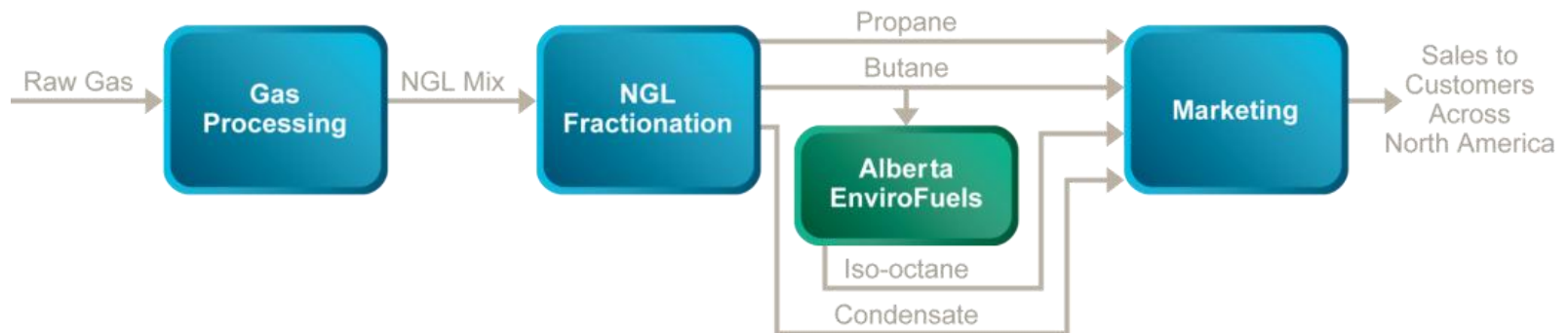
¹ From acquisition close date to end of first quarter, January 19 through March 31, 2012.

AEF is a World Class Asset



AEF Extends Keyera's Value Chain

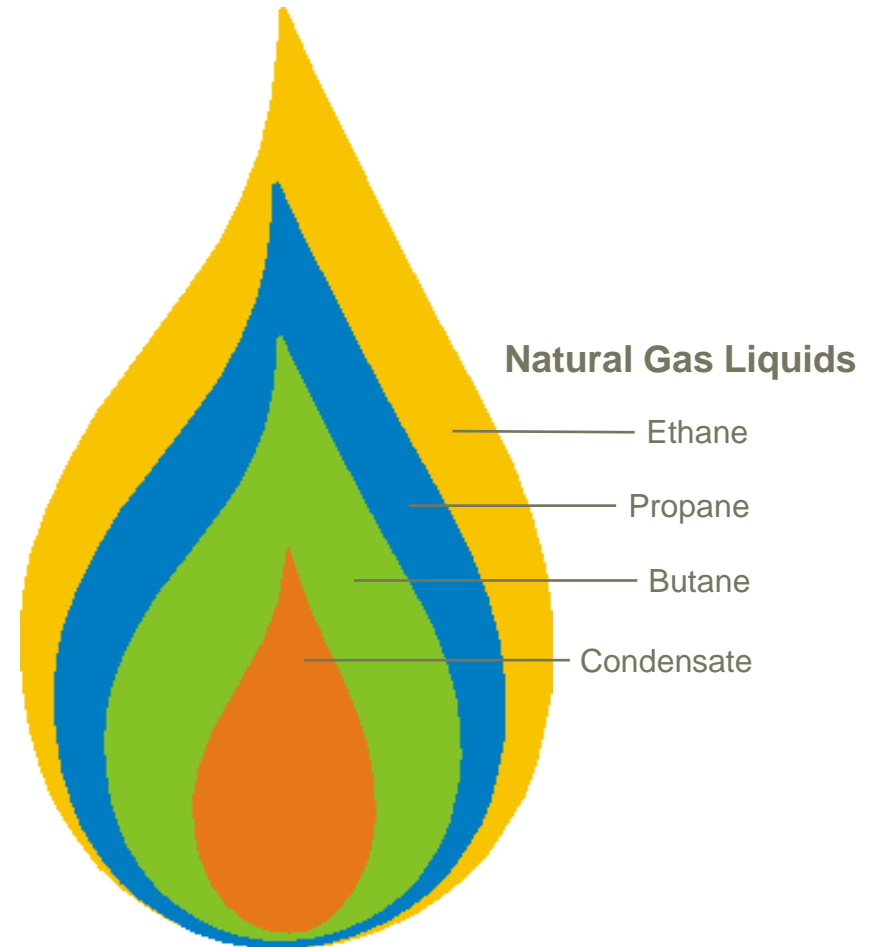
- » Butane is primary feedstock (AEF is an existing butane customer of Keyera)
- » Existing Keyera NGL pipelines, storage and rail beneficial to AEF feedstock supply
- » 80 acres undeveloped land for future development



Provides Vertical Integration Along Butane Value Chain

NGL Market Factors

- » Each NGL commodity has unique pricing dynamics driven by market forces
- » Supply/demand dynamics in North America drives pricing in Western Canada
- » Seasonality can affect pricing, especially for propane
- » Transportation bottlenecks influence pricing



NGL Marketing – Product Sales & Markets



- » Keyera's infrastructure and expertise provide access to high-value markets
 - **Propane** - sold throughout western Canada and western U.S. (rail, truck & pipeline)
 - **Butane** - sold into Alberta markets (multiple delivery options available from Edmonton/Fort Saskatchewan infrastructure)
 - **Condensate** - sold into Alberta diluent markets (utilizing Keyera storage, rail terminals and pipeline connections)
 - **Iso-octane** – sold into Alberta markets, shipped to British Columbia by pipeline, transported by ship to California
- » Ownership of NGL assets essential
- » Expanding infrastructure enhances value and flexibility



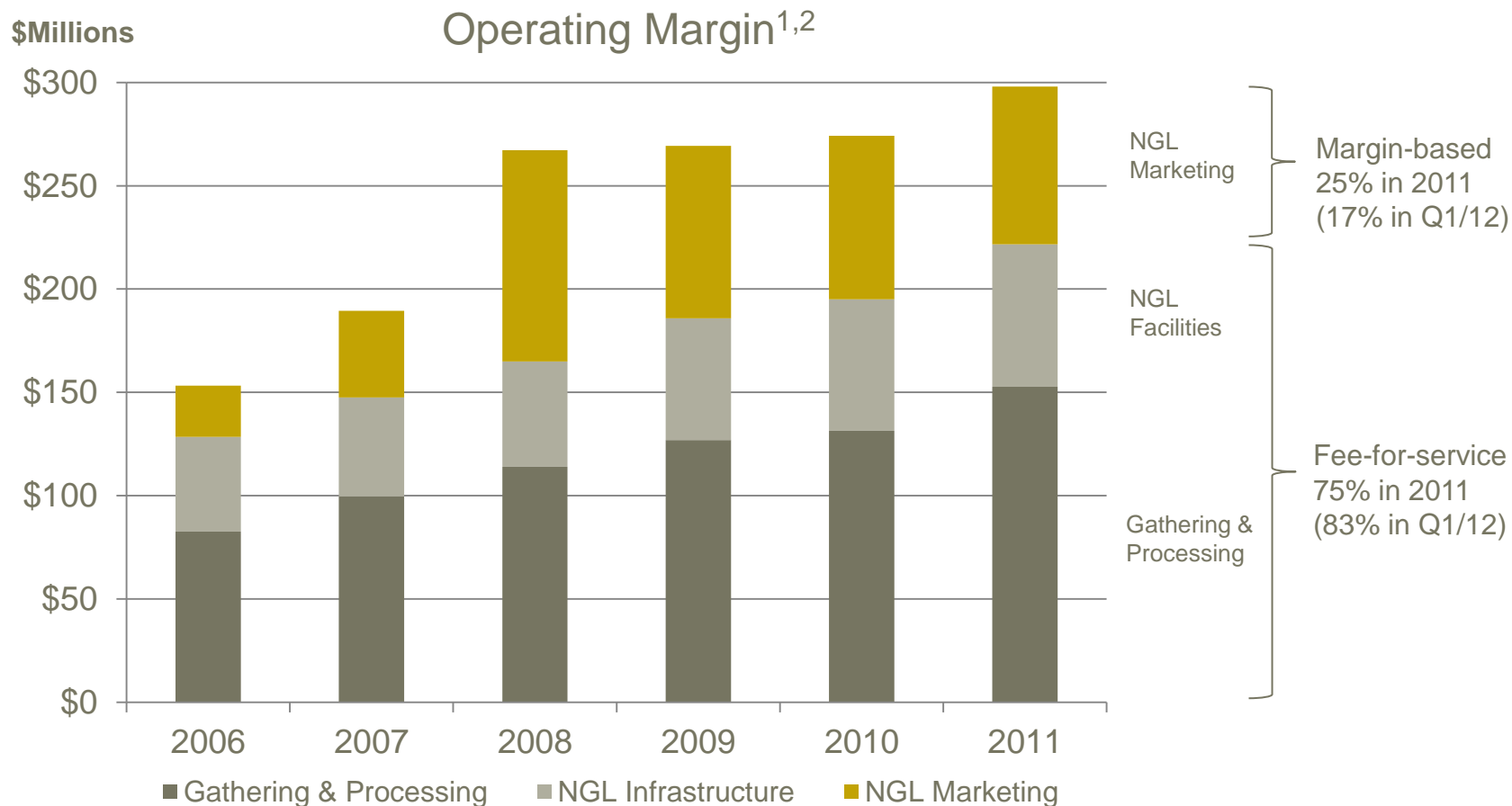
Q1/12 Results

- » Gross throughput volumes in Gathering & Processing increased quarter-over-quarter, and year-over-year
- » Strong contribution from fee-for-service business
 - Record quarter in NGL Infrastructure for operating margin
 - Second best quarter in Gathering & Processing for operating margin
- » Solid contribution from all marketed products, except propane
- » EBITDA was \$74.6 million, within 5% of strong results from first quarter last year
 - Reflects strength of fee-for-service business



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Stable, Diversified Cash Flow



¹Operating margin excludes other income from production.

²Non-GAAP measure. See Keyera's First Quarter 2012 MD&A for a definition of Operating Margin.

Majority of Operating Margin Fee-For-Service



Conservative Capital Structure

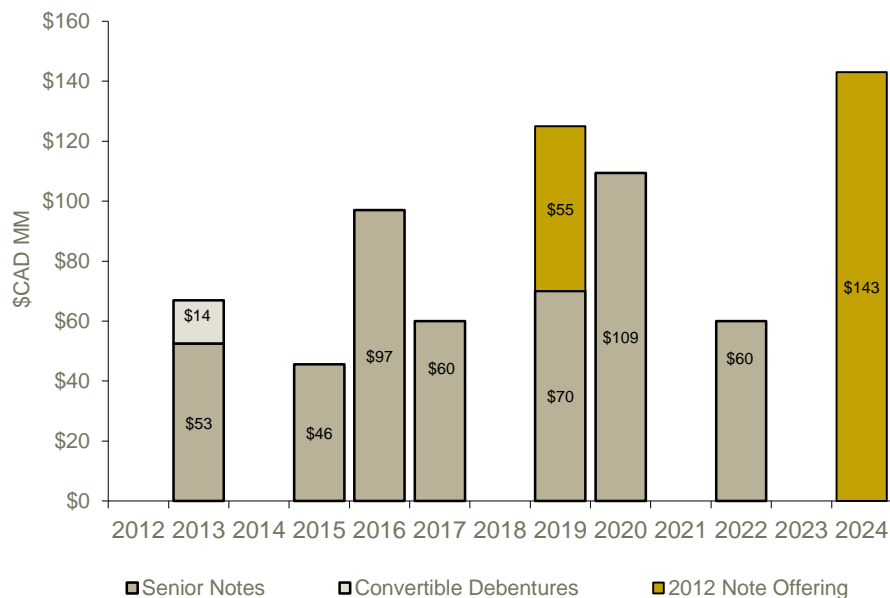
- » Recent equity and debt¹ issuances support liquidity and financial flexibility
- » Strong balance sheet allows use of debt to fund organic growth and growth through acquisitions
- » Laddering of maturities reduces refinancing risk

Pro-forma post-equity and debt offering¹, as at May 9, 2012

Long-term debt	675
Working capital ²	(178)
Credit facilities	<u>35</u>
Net debt	532
Convertible debentures	<u>14</u>
Net debt & conv. deb.	546
LTM EBITDA ³	251
Enterprise value ⁴	3,603

Net debt / EBITDA 2.1X
 Net debt & conv. deb./ EBITDA 2.2X

Net debt / EV (%) 15%
 Net debt & conv. deb./ EV (%) 15%



¹ Announced April 25 and expected to close June 19, 2012.
² Working capital is defined as current assets less current liabilities.
³ LTM EBITDA adjusted for IFRS and non GAAP measure. See Keyera Q1/12 MD&A for comparable GAAP measures.
⁴ Closing price of \$40.62 (KEY) and \$212.67 (KEY.DB.A) on June 15, 2012.



Keyera's Growth Strategy

- » Near term organic growth opportunities
 - Gas plant expansion and pipeline construction projects driven by liquids-rich gas development
 - Fractionation and storage expansions to handle increasing liquids production
 - Storage, terminalling and pipeline opportunities from oil sands growth
- » Pursue projects and acquisitions that leverage existing facilities and expertise
- » Typical organic project characteristics
 - Scalable to meet changing industry environment
 - Flexible
 - Driven by industry needs



A Focused Approach to Growing Our Business



Summary

- » Track record of steady value creation
- » Stable cash flows with high proportion of fee-for-service revenues
- » Strategically positioned to benefit from liquids-rich gas production
- » Positioned to capitalize on growth in oil sands activities
- » Focused strategy, disciplined approach





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