

## 2008 Tax Information for Non-Canadian Residents

The following information is intended to assist Unitholders of Keyera Facilities Income Fund (the “Fund”) who are non-residents of Canada for income tax purposes (“Non-Residents”). The information is provided for general informational purposes only and should not be construed to be legal or tax advice to any Unitholder. Unitholders are encouraged to seek advice from a qualified tax advisor in their country or residence to obtain guidance with respect to the appropriate tax treatment for distributions received from the Fund.

### **Canadian Income Tax (Withholding Tax)**

Distributions payable by the Fund to Non-Resident Unitholders are subject to Canadian withholding tax. The Fund’s distributions have been a combination of distributions paid out of income and returns of capital. These two components of the Fund’s distributions are subject to different withholding rules.

Distributions paid or credited out of the income of the Fund to Non-Resident Unitholders will generally be subject to withholding at a rate of 25% unless the rate has been reduced pursuant to a tax treaty between Canada and the Non-Resident Unitholder’s jurisdiction of residence. For example, a Unitholder resident in the U.S. who is entitled to claim the benefit of the Canada – United States Income Tax Convention, will be entitled to have the rate of withholding applicable to any portion of a distribution paid out of income reduced to 15%.

Distributions payable to Non-Residents that are a return of capital will generally be subject to a 15% withholding tax.

Therefore, a Unitholder who is a resident of the U.S. would be subject to an overall 15% withholding on distributions from the Fund. However, a Unitholder residing in foreign jurisdiction other than the U.S. may be subject to a higher rate of withholding on that portion of the Fund’s distribution paid out of income (25% in the absence of a tax treaty), but will still only be taxed at the 15% withholding rate for that portion of the distribution that is a return of capital.

If a Unitholder feels that he or she may be eligible to recover all or a portion of the tax withheld in Canada attributable to the distributions from the Fund, he or she should consult with his or her own personal tax advisor to obtain more information.

### **United States Income Tax**

The Fund has made an election to be taxed as a corporation for U.S. tax purposes. As a result, any dividend distribution made by the Fund should be treated as foreign-source dividend income under U.S. federal income tax principles. The Fund believes that a Unitholder who is resident in the U.S. for tax purposes, should report the Fund’s distributions as fully subject to United States federal income tax. However, provided that applicable Unitholder-level requirements are met, including satisfaction of the prescribed hold periods, the Fund believes that its distributions should be treated as “qualified dividends” and therefore should be eligible for taxation at reduced rates under U.S. federal income tax legislation.

The Fund is not required to issue a Form 1099 to its U.S. Unitholders. However, a U.S. Unitholder may receive information from his or her stockbroker identifying the Fund’s 2008 distributions and the amount of any U.S. or foreign taxes withheld. U.S. Unitholders may also refer to the information provided below which summarizes the Fund’s 2008 distributions.

<b>Record Date</b>	<b>Payment Date</b>	<b>Total Distribution Paid<sup>1</sup> (Cdn\$)</b>	<b>Cdn\$/US\$ Exchange Rate<sup>2</sup></b>	<b>Total Distribution Paid<sup>3</sup> (US\$)</b>	<b>Taxable Ordinary Dividend (US\$)</b>	<b>Tax Deferred Return of Capital (US\$)</b>
December 31, 2007	January 15, 2008	\$0.125	1.0169	\$0.1229	\$0.1229	\$0.00
January 31, 2008	February 15, 2008	\$0.125	1.0016	\$0.1248	\$0.1248	\$0.00
February 29, 2008	March 17, 2008	\$0.135	0.9978	\$0.1353	\$0.1353	\$0.00
March 31, 2008	April 15, 2008	\$0.135	1.0181	\$0.1326	\$0.1326	\$0.00
April 30, 2008	May 15, 2008	\$0.135	0.9998	\$0.1350	\$0.1350	\$0.00
May 30, 2008	June 16, 2008	\$0.135	1.0211	\$0.1322	\$0.1322	\$0.00
June 30, 2008	July 15, 2008	\$0.135	1.0020	\$0.1347	\$0.1347	\$0.00
July 31, 2008	August 15, 2008	\$0.135	1.0609	\$0.1273	\$0.1273	\$0.00
August 29, 2008	September 15, 2008	\$0.150	1.0677	\$0.1405	\$0.1405	\$0.00
September 30, 2008	October 15, 2008	\$0.150	1.1802	\$0.1271	\$0.1271	\$0.00
October 31, 2008	November 17, 2008	\$0.150	1.2211	\$0.1228	\$0.1228	\$0.00
November 28, 2008	December 15, 2008	\$0.150	1.2352	\$0.1214	\$0.1214	\$0.00
	<b>Total per unit</b>	<b>\$1.660</b>		<b>\$1.5566</b>	<b>\$1.5566</b>	<b>\$0.00</b>

<sup>1</sup> Before any Canadian withholding taxes

<sup>2</sup> As of payment date (Bank of Canada noon rate)

<sup>3</sup> Dividend represents actual dividend amount before dividend gross up