TIDEWATER MIDSTREAM AND INFRASTRUCTURE LTD. ANNOUNCES FIRST QUARTER 2016 RESULTS

CALGARY, May 26, 2016 - Tidewater Midstream and Infrastructure Ltd. ("**Tidewater**" or the "**Corporation**") (TSXV: TWM) is pleased to announce that it has filed its unaudited condensed consolidated interim financial statements and Management's Discussion and Analysis **("MD&A")** for the period ended March 31, 2016.

First Quarter 2016 Highlights

- Tidewater delivered strong financial results in the first quarter of 2016, generating adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA")[1] of $7.3 million, as compared to a loss of $76,000 in the same quarter last year, when the Corporation had not yet commenced operations.

- Net earnings were $5.9 million ($0.03 per share) for the first quarter of 2016 which includes a non-recurring gain on settlement of the holdback provision of $3.9 million after tax and unrealized gains on commodity contracts and investments of $1.3 million after tax, compared to a loss of $76,000 (($0.01) per share) in the same period in 2015.

- Increased overall gross gas processing capacity to approximately 1 Bcf/d (600 MMcf/d net) after the AltaGas Asset Acquisition in the first quarter of 2016 and maintained significant opportunities for consolidation and increased throughput.

- In March 2016, successfully closed a second public offering of 57.5 million common shares, which were issued at $1.40 per share for proceeds net of underwriting fees of approximately $76.5 million.

- Secured a $120 million syndicated Credit Facility and maintains a strong balance sheet with positive working capital of approximately $31 million excluding investments at March 31, 2016.

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1 Refer to "Non-GAAP and additional GAAP Measures"

Selected financial and operating information is outlined below and should be read with Tidewater's unaudited condensed interim financial statements and related MD&A which are available at www.sedar.com and on our website at www.tidewatermidstream.com.

Financial Overview

(In thousands of Canadian dollars, except per share data)		**Three month period ended March 31, 2016**		**Period from date of incorporation on February 4, 2015 to March 31, 2015**
Total revenues	$	18,338	$	-
Income (loss) for the period	$	5,907	$	(76)
Earnings (loss) per common share – basic and diluted	$	0.03	$	(0.01)
EBITDA[1]	$	9,552	$	(76)
Adjusted EBITDA[2]	$	7,290	$	(53)
Adjusted EBITDA per common share - basic and diluted[2]	$	0.04	$	(0.01)
Total cash and cash equivalents	$	21,826	$	4,366
Total assets	$	455,409	$	4,472
Total acquisitions	$	135,238	$	-
Total capital expenditures	$	2,860	$	-
Bank debt	$	-	$	-
Total non-current financial liabilities	$	76,572	$	11
Working capital surplus	$	36,100	$	4,309
Cash flow from operating activities[3]	$	6,708	$	(53)
Cash flow from operating activities per common share – basic and diluted[3]	$	0.04	$	(0.01)
Distributable cash flow[4]	$	6,700	$	(53)
Distributable cash flow per common share[4]	$	0.04	$	(0.01)
Dividends declared	$	2,771	$	-
Dividends declared per common share	$	0.01	$	-
Total common shares outstanding (000s)		276,677		8,780
Total RSUs outstanding (000s)		4,244		700
Total Options outstanding (000s)		3,373		-

Notes:

1 EBITDA is calculated as income or loss before finance costs, taxes, depreciation and amortization. EBITDA is not a standard measure under GAAP. See "Non-GAAP Financial Measures" beginning on page 9 of the MD&A for a reconciliation of EBITDA to its most closely related GAAP measure.

2 Adjusted EBITDA is calculated as EBITDA adjusted for incentive compensation, unrealized gains/losses, non-cash items and items that are considered non-recurring in nature. Adjusted EBITDA per common share is calculated as Adjusted EBITDA divided by the weighted average number of common shares outstanding for the period ended March 31, 2016. Adjusted EBITDA and Adjusted EBITDA per common share are not standard measures under GAAP. See "Non-GAAP Financial Measures" beginning on page 9 of the MD&A for a reconciliation of Adjusted EBITDA and Adjusted EBITDA per common share to their most closely related GAAP measures.

3 Cash flow from operating activities is calculated as net cash used in operating activities before changes in non-cash working capital less any long term incentive plan expenses. Cash flow from operating activities per common share is calculated as cash flow from operating activities divided by the weighted average number of common shares outstanding for the period ended March 31, 2016. Cash flow from operating activities and cash flow from operating activities per common share are not standard measures under GAAP. See "Non-GAAP Financial Measures" beginning on page 9 of the MD&A for a reconciliation of cash flow from operating activities and cash flow from operating activities per common share to their most closely related GAAP measures.

4 Distributable cash flow is calculated as net cash used in operating activities before changes in non-cash working capital and after any expenditures that use cash from operations. Distributable cash flow per common share is calculated as distributable cash flow over the weighted average number of common shares outstanding for the period ended March 31, 2016. Distributable cash flow and distributable cash flow per common share are not standard measures under GAAP. See "Non-GAAP Financial Measures" beginning on page 9 of the MD&A for a reconciliation of distributable cash flow and distributable cash flow per common share to their most closely related GAAP measures.

Outlook

Through the first two quarters of 2016, the difficult economic environment continued in the energy sector with AECO natural gas prices seeing record lows resulting in some producer shut-ins, a continued reduction in drilling activity and natural production declines. Estimated throughput at some Tidewater facilities may continue to be affected by producer shut-ins, decreased drilling activity and TransCanada compressor maintenance which may impact second quarter EBITDA. To partially offset the decrease in volumes, Tidewater's Alder Flats facility has received increased volumes bringing throughput at the plant to maximum capacity. Tidewater continues to work with its customers to provide improved pricing and value-added service where Tidewater's Edmonton area extraction plant is currently generating record EBITDA and Tidewater plans to reactivate the Fort Saskatchewan extraction plant by the end of the year. Tidewater continues to realize its goal of helping producers realize a better price for their NGLs and has significantly increased the NGL volumes it is handling and marketing through its infrastructure.

Capital Program

Over the next 12-18 months, Tidewater expects to launch its organic growth and capital program aimed at optimizing existing assets while adding key strategic infrastructure to Tidewater's network. Evaluation of the capital projects is ongoing and is subject to Board approval. Tidewater forecasts an $85-$125 million capital spend over the next 12-18 months to generate incremental EBITDA of $20-$30 million once the projects are fully commissioned. Projects may be supplemented or replaced with opportunistic acquisitions and consolidation opportunities. The capital program is expected to be financed through cash on hand, cashflow from operations and Tidewater's existing credit facility. Projects currently being evaluated include a fractionation and rail facility, fractionation at select existing Tidewater facilities, pipeline infrastructure, NGL terminals, dually connected AECO and Alliance infrastructure in the Peace River Arch and reactivation/expansion of extraction facilities. Tidewater expects to report the full scope of its capital program with second quarter financial results.

About Tidewater

Tidewater was incorporated under the Alberta Business Corporations Act on February 4, 2015 to pursue the purchase, sale and transportation of natural gas liquids ("NGLs") throughout North America and export to overseas markets. Tidewater is engaged in the acquisition of oil and gas infrastructure, including gas plants, pipelines, NGLs by rail, export terminals and storage facilities. Tidewater continues to investigate opportunities with North American producers and mid-streamers for the acquisition and operation of such infrastructure assets.

Additional information relating to Tidewater is available on SEDAR at www.sedar.com and at www.tidewatermidstream.com.

Advisory Regarding Forward-Looking Statements

In the interest of providing Tidewater's shareholders and potential investors with information regarding Tidewater, including management's assessment of Tidewater's future plans and operations, certain statements in this press release are “forward-looking statements” within the meaning of the United States *Private Securities Litigation Reform Act* of 1995 and “forward-looking information” within the meaning of applicable Canadian securities legislation (collectively, “forward-looking statements”). In some cases, forward-looking statements can be identified by terminology such as “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “intend”, “may”, “objective”, “ongoing”, “outlook”, “potential”, “project”, “plan”, “should”, “target”, “would”, “will” or similar words suggesting future outcomes, events or performance. The forward-looking statements contained in this press release speak only as of the date thereof and are expressly qualified by this cautionary statement.

Specifically, this press release contains forward-looking statements relating to but not limited to: our business strategies, plans and objectives. These forward-looking statements are based on certain key assumptions regarding, our ability to execute on our business plan, our operating activities and current industry conditions, laws and regulations continuing in effect (or, where changes are proposed, such changes being adopted as anticipated). Readers are cautioned that such assumptions, although considered reasonable by Tidewater at the time of preparation, may prove to be incorrect.

Actual results achieved will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

The above summary of assumptions and risks related to forward-looking statements in this press release has been provided in order to provide shareholders and potential investors with a more complete perspective on Tidewater's current and future operations and such information may not be appropriate for other purposes. There is no representation by Tidewater that actual results achieved will be the same in whole or in part as those referenced in the forward-looking statements and Tidewater does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.

TSX Venture Exchange

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