

## Tidewater Midstream and Infrastructure Ltd. Announces Closing of \$210 Million Subscription Receipt Financing



# TIDEWATER

Midstream and Infrastructure Ltd.

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CALGARY, June 16, 2015 /CNW/ - Tidewater Midstream and Infrastructure Ltd. ("Tidewater" or the "Corporation") (TSX-V: TWM) is pleased to announce that it has completed its previously announced private placement offering of 155,557,000 Subscription Receipts at a price of \$1.35 per Subscription Receipt for gross proceeds of \$210,001,950 (the "Offering"). The Offering was Co-Lead by CIBC World Markets Inc. and Macquarie Capital Markets Canada Ltd. and included National Bank Financial Inc., FirstEnergy Capital Corp., GMP Securities L.P., Canaccord Genuity Corp., Acumen Capital Financial Partners Limited, Beacon Securities Limited, Desjardins Securities Inc. and EdgeCrest Capital Corp. (collectively, the "Underwriters"). The Offering included the full exercise of an Underwriters' option to purchase an additional \$50,001,300 of Subscription Receipts.

Each Subscription Receipt entitles the holder thereof to receive, without payment of additional consideration, one Tidewater common share (a "Common Share") upon completion of the Acquisition (as defined below). The gross proceeds from the sale of the Subscription Receipts will be held by in escrow by a subscription receipt agent and invested in short term obligations issued or guaranteed by the Government of Canada (or other approved investments) pending satisfactory completion of all conditions to the Acquisition (other than the funding of the purchase price). Upon completion of such conditions, the escrowed funds will be releasable to fund the purchase price. If the closing of the Acquisition does not occur, the Acquisition is terminated or the Corporation has advised the Underwriters or announced to the public that it does not intend to proceed with the Acquisition, in any such case, on or before 10:00 a.m. (Calgary time) on August 31, 2015, the subscription receipt agent will return to the holders of Subscription Receipts an amount equal to the offering price as well as their pro rata entitlements to interest earned on such amount.

Closing of the Offering is subject to the final approval of the TSX-V. The securities issued in connection with the Offering (and the underlying Common Shares) are subject to a hold period until October 17, 2015.

The Acquisition is fully disclosed in the news release of the Corporation dated June 2, 2015. The Corporation has entered into an agreement with private company vendors to acquire their 63% operated working interest in a gas processing facility in West Pembina and related pipelines located in the West Pembina region in central Alberta (the "Acquisition") for \$180 million. The \$180 million is comprised of \$170 million in cash and \$10 million in Common Shares (each share valued at the Offering price of \$1.35).

The Acquisition is expected to be completed on or prior to July 3, 2015 and is subject to standard closing conditions customary for a transaction of this type, including the approval of the TSX Venture Exchange ("TSX-V").

### **Tidewater Overview**

Tidewater is a public company listed on the TSX-V that was formed to pursue the purchase, sale, and transportation of NGLs and related infrastructure throughout North America and export to overseas markets.

This press release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended, or any state securities laws and may not be offered or sold within the United States unless an exemption from such registration is available.

### **Cautionary Notes**

#### *The Corporation's Business*

In connection with the execution of the Corporation's intended business plan, the Corporation has entered into: (i) a letter agreement to acquire five railcars in connection with its initial public offering; (ii) an agreement with a senior integrated oil and gas producer to utilize such railcars; (iii) an agreement to lease an additional ten new pressure railcars, which it anticipates taking delivery of in late June 2015; and (iv) the definitive agreements pursuant to the Acquisition. Although Management has no reason to believe that the foregoing transactions will not close, the Corporation is dependent on such transactions for the generation of revenue and, without the completion thereof, the Corporation will have no assets other than cash.

#### *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, the Acquisition and the release of the funds pursuant to the Offering (and the anticipated use of proceeds thereof). These forward-looking statements are based on certain key assumptions regarding, among other things: the closing of the Acquisition, the release of the funds pursuant to the Offering, our ability to execute on our business plan for the Acquisition assets; the receipt, in a timely manner, of final regulatory and other required approvals for the Offering, the Acquisition and our operating activities; the availability and cost of labour and other industry services; the continuance of existing and, in certain circumstances, proposed tax and royalty

regimes; 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*

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE Tidewater Midstream and Infrastructure Ltd.

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