

Tidewater Midstream and Infrastructure Ltd. Announces Strategic Acquisition within New Core Area of Peace River Arch

CALGARY, ALBERTA--(Marketwired - October 15, 2015)

THIS RELEASE IS INTENDED FOR DISTRIBUTION OUTSIDE THE UNITED STATES ONLY AND IS NOT AUTHORIZED FOR DISTRIBUTION WITHIN THE UNITED STATES

Tidewater Midstream and Infrastructure Ltd. ("Tidewater" or the "Corporation") (TSX VENTURE:TWM) is pleased to announce that it has entered into an acquisition agreement with a vendor (the "Vendor") to acquire a 19.12% working interest in one operated 45 Mmcf/day gas processing facility, and interests in two non-operated gas processing facilities with total processing capability of 330 Mmcf/day including 250 kilometers in related pipelines, six compression facilities and associated infrastructure (the "Assets"), for approximately \$12 million (the "Acquisition"). The Acquisition will be funded from cash on hand.

Acquisition Overview

The Assets are located in a new core area for Tidewater, within the heart of the Deep Basin play in the Peace River Arch area of Alberta. Significant consolidation opportunities exist to increase Tidewater's interests in the related infrastructure. In addition, the transaction includes long term, firm transportation agreements on both Alliance and TCPL which will be of significant benefit to Tidewater's customers in the area.

The Acquisition includes approximately 1,000 boe/d of production including 300 boe/d which is currently shut in. Tidewater will assign 10 year take or pay arrangements at market rates for the upstream assets flowing through acquired infrastructure. Following close of the transaction, Tidewater intends to market the upstream assets through a public sales process. The Acquisition is scheduled to close in November. Upon closing of the Acquisition and sale of the upstream assets, the Corporation will maintain a strong financial position, having approximately \$2 million of cash on hand and an undrawn credit facility which is currently in process. Tidewater continues to evaluate numerous other acquisition opportunities.

Transaction Highlights

Key transaction highlights include:

Attractive Acquisition Metrics: Tidewater has reached an agreement to acquire the Assets at an implied valuation of approximately 6.0x EBITDA, net of anticipated proceeds from the sale of the upstream assets. The net purchase price of \$10.5 million will be supported by 10 year take or pay arrangements and forward 12 month EBITDA of approximately \$1.75MM post sale of upstream assets and related upstream liabilities. Tidewater plans to utilize its marketing, rail and downstream market expertise to enhance the near-term EBITDA generation from the Assets.

Situated in a Top-tier Resource Play: the Assets are located in a low-risk, multi-zone, liquids-rich area in the Peace River Arch which has favourable economics in the current pricing environment and continues to be one of the most active areas in Western Canada. Activity in the region remains strong with oil and gas wells being drilled in the Valhalla, Pouce Coupe, Glacier and Elmworth areas.

Committed Volumes: approximately 80% of the EBITDA generated by the Assets will be underpinned by ten year take or pay arrangements.

Significant Growth and Optimization Opportunities: near-term small-scale optimization investment opportunities are available to increase EBITDA with modest capital expenditures. Additional larger scale investment opportunities are available to consolidate Tidewater's working interest, create an NGL marketing hub and increase takeaway options for natural gas and NGLs from the Peace River Arch.

The Acquisition is expected to be completed on or prior to November 2, 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").

Commencement of NGL Marketing Operations

Tidewater is also pleased to announce the majority of capital equipment, meters and related storage will be in place at the Brazeau River Complex by mid November 2015 to enable NGL volumes to be trucked into the Brazeau River Complex. Tidewater is confident it can offer producers better pricing for their NGLs at the Brazeau River Complex through pipeline connected markets, new rail markets and through various export market opportunities.

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.

Cautionary Notes

The Corporation's Business

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 also plans to engage 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 projects.

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 the completion of the credit facility and the commencement of NGL marketing arrangements at the Brazeau River Complex. These forward-looking statements are based on certain key assumptions regarding, among other things: the closing of the Acquisition, , the completion of the credit facility and the commencement of NGL marketing arrangements at the Brazeau River Complex our ability to execute on our business plan for the Assets; the receipt, in a timely manner, of approvals for the credit facility, 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.

U.S. Securities Laws

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.

Not for distribution to U.S. Newswire Services or for dissemination in the United States. Any failure to comply with this restriction may constitute a violation of U.S. securities laws.

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.

Tidewater Midstream and Infrastructure Ltd.
Joel A. MacLeod
Chairman, President and Chief Executive Officer
587-475-0210