

Base Shelf Prospectus

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the Provinces of Canada, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

This short form prospectus is a base shelf prospectus. This short form prospectus has been filed under legislation in each of the Provinces of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirements is available.

This short form prospectus constitutes a public offering of the securities only in those jurisdictions where such securities may be lawfully offered for sale and, in such jurisdictions, only by persons permitted to sell such securities. The securities to be offered hereunder have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any of the securities laws of any state of the United States and may not be offered or sold or otherwise disposed of in the United States or to or for the account of U.S. Persons absent registration or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Unless otherwise specified in the applicable prospectus supplement, this short form prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities offered hereby within the United States. See "Plan of Distribution".

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Tidewater Renewables Ltd. at the head office located at Suite 900, 222 – 3rd Avenue S.W., Calgary, Alberta, T2P 0B4, Telephone: (587) 475-0210, and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

New Issue and/or Secondary Sale

December 13, 2022



TIDEWATER

Renewables Ltd.

\$350,000,000
Common Shares
Preferred Shares
Debt Securities
Subscription Receipts
Warrants
Share Purchase Contracts
Units

Tidewater Renewables Ltd. (the "**Corporation**", "**Tidewater**", "**we**", "**us**" or "**our**") may from time to time, during the 25-month period that this short form base shelf prospectus (including any amendments hereto, the "**Prospectus**") remains valid, offer and sell or otherwise distribute: (i) common shares in the capital of the Corporation (the "**Common Shares**"); (ii) preferred shares in series in the capital of the Corporation (the "**Preferred Shares**"); (iii) bonds, debentures, notes or other evidences of indebtedness of any kind, nature or description of the Corporation (the "**Debt Securities**"); (iv) subscription receipts of the Corporation (the "**Subscription Receipts**"); (v) warrants of the Corporation ("**Warrants**"); (vi) share purchase contracts

of the Corporation (the "**Share Purchase Contracts**") and/or (vii) units comprised of one or more of the other securities described in this Prospectus in any combination ("**Units**" and, together with the Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Warrants and Share Purchase Contracts, the "**Securities**") in an aggregate offering amount of up to \$350,000,000 (or the equivalent in other currencies based on the applicable exchange rate at the time of the offering). The aggregate initial offering price shall be calculated, in the case of interest bearing Debt Securities, on the basis of the principal amount of Debt Securities issued, and, in the case of non-interest bearing Debt Securities, on the basis of the gross proceeds received by the Corporation from the particular offering.

This Prospectus may qualify an "at-the-market distribution" as defined in National Instrument 44-102 Shelf Distributions ("**NI 44-102**").

Securities may be distributed in one or more transactions, separately or together, in amounts, at a fixed price or prices or at non-fixed prices and on such terms and conditions as may be determined from time to time depending on, among other things, the Corporation's financing requirements, market conditions at the time of sale and other factors, including sales in transactions that are deemed to be "at-the-market distributions" as defined in NI 44-102, including sales made directly on the Toronto Stock Exchange (the "**TSX**") or other existing trading markets for the Securities. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified security in a specified market or at prices to be negotiated with purchasers, which prices may vary as between purchasers and during the period of distribution. If Securities are offered on a non-fixed price basis, the underwriters', dealers' or agents', as applicable, compensation will be increased or decreased by the amount by which the aggregate price paid for Securities by the purchasers exceeds or is less than the gross proceeds paid by the underwriters, dealers or agents to us. See "Plan of Distribution".

The Corporation will provide the specific terms of the Securities with respect to a particular offering and all shelf information permitted under applicable laws to be omitted from this Prospectus in one or more prospectus supplements (each, a "**Prospectus Supplement**") that will be delivered to prospective purchasers together with this Prospectus to the extent required by applicable laws. Each Prospectus Supplement will be deemed to be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the offering of Securities to which the Prospectus Supplement pertains. A Prospectus Supplement may include specific terms pertaining to the Securities that are not within the alternatives and parameters described in this Prospectus. One or more securityholders of the Corporation may also offer and sell Securities under this Prospectus. See "Selling Securityholders".

Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to such Securities will be included in the Prospectus Supplement describing such Securities. The Corporation may also include in a Prospectus Supplement specific terms pertaining to the Securities which are not within the options and parameters set forth in this Prospectus.

We will file an undertaking with the applicable securities regulatory authorities that we will not distribute Share Purchase Contracts and/or Debt Securities, as the case may be, that, at the time of distribution, are considered to be novel specified derivatives or asset-backed securities without pre-clearing with the applicable regulator the disclosure to be contained in the Prospectus Supplement pertaining to the distribution of the novel specified derivatives or asset-backed securities.

Prospective purchasers should be aware that the purchase of Securities may have tax consequences, which may not be fully described in this Prospectus or in any Prospectus Supplement. Prospective purchasers should read the tax discussion, if any, in the applicable Prospectus Supplement and consult with an independent tax advisor.

This Prospectus constitutes a public offering of the Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such Securities. The Securities may

be sold through underwriters or dealers, by the Corporation or any selling securityholders directly pursuant to applicable statutory exemptions or through agents designated by the Corporation or any selling securityholders from time to time. Each Prospectus Supplement will identify each underwriter, dealer, agent or selling securityholder involved in the offering and sale of those Securities, and will also set forth the terms of the offering of such Securities including the net proceeds to the Corporation and, to the extent applicable, any fees payable to the underwriters, dealers or agents.

In connection with any offering of Securities, other than an "at-the-market distribution" (as defined under applicable Canadian securities legislation), unless otherwise specified in a Prospectus Supplement, any underwriters, dealers or agents, when purchasing as principal, may over-allot or effect transactions intended to fix or stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. See "Plan of Distribution". No underwriter, dealer or agent involved in an "at-the-market distribution" under this Prospectus, no affiliate of such an underwriter, dealer or agent and no person or company acting jointly or in concert with such underwriter, dealer or agent will over-allot Securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities.

No underwriter, dealer or agent has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.

Any offering of Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units will be a new issue of securities. The issued and outstanding Common Shares are listed on the TSX under the symbol "LCFS". On December 12, 2022, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSX was \$12.86. **Unless otherwise specifically stated in the applicable Prospectus Supplement, there is no market through which the Securities, other than the Common Shares, may be sold and purchasers may not be able to resell such securities purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units in the secondary market (if any), the transparency and availability of trading prices (if any), the liquidity of the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units (if any), and the extent of issuer regulation. See "Risk Factors".**

Unless otherwise specified in the applicable Prospectus Supplement, the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units will not be listed on any securities exchange.

The distribution of Securities hereunder is subject to approval of certain legal matters on behalf of the Corporation by DLA Piper (Canada) LLP.

The Corporation's head office is located at Suite 900, 222 – 3rd Avenue S.W., Calgary, Alberta, T2P 0B4 and its registered office is located at Suite 1000, 250 – 2nd Street S.W., Calgary, Alberta, T2P 0C1.

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NOTICE TO PURCHASERS

Prospective purchasers should rely only on the information contained in: (a) this Prospectus and any applicable Prospectus Supplement; and (b) any documents incorporated by reference in this Prospectus or in any applicable Prospectus Supplement. The Corporation has not authorized anyone to provide prospective purchasers with different or additional information. If anyone provides prospective purchasers with any different or inconsistent information, prospective purchasers should not rely on it. Prospective purchasers should bear in mind that the information contained in, or incorporated by reference in, this Prospectus is made as of the date hereof or the date of such documents incorporated by reference, respectively, and such information may be amended, supplemented or updated, as may be required by applicable securities laws, by the subsequent filing of additional documents deemed by applicable securities laws to be, or otherwise incorporated by reference into this Prospectus, any Prospectus Supplement and by any subsequently filed prospectus amendments, if any. This Prospectus constitutes a public offering of Securities only in those jurisdictions where they may be lawfully distributed and therein only by persons permitted to distribute such Securities. Neither we nor any of our securityholders are making any offer of Securities in any jurisdiction where the offer is not permitted by law.

In this Prospectus, unless otherwise indicated, all references to \$ are to Canadian dollars and all references to US\$ are to United States dollars. Unless otherwise indicated, all financial information included or incorporated by reference in this Prospectus and any applicable Prospectus Supplement has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, which are also generally accepted accounting principles ("**GAAP**") for publicly accountable enterprises in Canada.

The Corporation may, from time to time, sell any combination of the Securities described in this Prospectus in one or more offerings up to an aggregate offering amount of \$350,000,000 (or the equivalent in other currencies based on the applicable exchange rate at the time of the offering). This Prospectus provides prospective purchasers with a general description of the Securities that the Corporation may offer. Each time the Corporation distributes Securities under this Prospectus, the Corporation will provide a prospective purchaser with a Prospectus Supplement that will contain specific information about the terms of that offering of Securities. The Prospectus Supplement may also add, update or change information contained in this Prospectus. Before a purchaser makes a decision to purchase Securities, the prospective purchaser should read this Prospectus, any applicable Prospectus Supplement, together with the documents incorporated by reference in this Prospectus and any applicable Prospectus Supplement.

Information on or connected to the Corporation's website, even if referred to in a document incorporated by reference herein, does not constitute part of this Prospectus.

GLOSSARY AND ABBREVIATIONS

In this Prospectus, unless otherwise indicated or the context otherwise requires, the following terms and abbreviations shall have the indicated meanings. This is not an exhaustive list of defined terms used in this Prospectus and additional terms are defined throughout:

"Annual Information Form" means the annual information form of the Corporation for the year ended December 31, 2021;

"Annual Financial Statements" means the audited consolidated financial statements of the Corporation as at December 31, 2021, and for the period from date of incorporation, May 11, 2021, to December 31, 2021, together with the notes thereto and the auditor's report thereon;

"Annual MD&A" means the management's discussion and analysis of the Corporation for the period from date of incorporation, May 11, 2021, to December 31, 2021;

"BC" means the province of British Columbia, Canada;

"**BC LCFS**" means, collectively, BC's *Greenhouse Gas Reduction (Renewable & Low Carbon Fuel Requirements) Act* and the *Renewable & Low Carbon Fuel Requirements Regulation*, introduced to reduce the CI of fuels used in BC;

"**BC LCFS Credits**" means the credits awarded to a BC Part 3 Fuel Supplier for either (i) supplying a fuel with a CI below the prescribed CI limit or (ii) taking actions that would have a reasonable possibility of reducing greenhouse gas emissions through the use of Part 3 fuels sooner than would occur without the agreed-upon action, which credits may be transferred upon validation;

"**BC Part 3 Agreement**" means an agreement between the director under the BC LCFS and a BC Part 3 Fuel Supplier;

"**BC Part 3 Fuel Supplier**" means a "part 3 fuel supplier" under the BC LCFS;

"**Board**" means the board of directors of the Corporation;

"**CFR**" means the *Clean Fuel Regulations*, established under the *Canadian Environmental Protection Act, 1999* on June 20, 2022, certain components of which are currently in force (including registration requirements, applications for approval of CI for fuels and applications for the recognition of emission reduction projects and compliance credit creation) and certain components of which will come into force in the future (most significantly, the obligation to achieve prescribed CI reduction requirements does not come into force until July 1, 2023);

"**CFR Credits**" means credits generated under the CFR;

"**CI**" means carbon intensity as specified and calculated under each specific government methodology, where certain calculation differences may exist from one jurisdiction to another;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" or "**Tidewater**" means Tidewater Renewables Ltd.;

"**ESG**" means environmental, social and governance;

"**GAAP**" means generally accepted accounting principles in Canada, which for Canadian reporting issuers is IFRS, as in effect from time to time;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, as adopted by the Canadian Accounting Standards Board;

"**Information Circular**" means the management information circular of the Corporation dated May 10, 2022 relating to the annual and special meeting of shareholders of the Corporation held on June 22, 2022;

"**Mbbl/d**" means thousand barrels per day;

"**NGL**" or "**NGLs**" means those hydrocarbon components that can be recovered from natural gas as liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of non-hydrocarbons;

"**PGR**" means the Prince George refinery — a 12.0 Mbbl/d light oil refinery located at Prince George, BC, owned by Tidewater Midstream;

"**Q3 2022 Interim Financial Statements**" means the unaudited interim condensed consolidated financial statements of the Corporation as at and for the three and nine months ended September 30, 2022, together with the notes thereto;

"**Q3 MD&A**" means the management's discussion and analysis of the Corporation for the three and nine-month periods ended September 30, 2022;

"**Renewable Diesel**" means a biomass-based diesel fuel that is chemically the same as petroleum diesel fuel;

"**Renewable Diesel & Renewable Hydrogen Complex**" means the Corporation's 3,000 bbl/d renewable diesel and renewable hydrogen facility located on-site at the PGR; and

"**Tidewater Midstream**" means Tidewater Midstream and Infrastructure Ltd.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Prospectus and the documents incorporated by reference herein contain forward-looking statements. These statements relate to future events or the Corporation's future performance. Such statements are predictions only and actual events or results may differ materially. The use of any of the words "anticipate", "plan", "contemplate", "continue", "aim", "target", "must", "commit", "estimate", "extend", "expect", "future", "intend", "propose", "might", "may", "can", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "ongoing", "maintain", "pursue", "potential", "prioritize", "progress", "remain", "long-term", "possibility" and "capable" and similar expressions, including the negatives thereof, is intended to identify forward-looking statements. All statements other than statements of historical fact contained in this Prospectus and the documents incorporated by reference herein are forward-looking statements, including, without limitation, statements regarding: the expected financial performance of the Corporation's proposed capital projects and assets following the commencement of operations, including underlying assumptions; estimates of EBITDA (See "Non-GAAP Financial Measures"); the timing of completion of certain projects, the conditions thereto and the timing and results thereof; the Corporation's belief that, through a combination of BC LCFS Credits, the Credit Facility and other sources as appropriate, the Corporation will be able to meet its obligations and financial commitments and sufficiently fund its anticipated capital expenditures, including the Renewable Diesel & Renewable Hydrogen Complex (estimated total cost of \$215–235 million); the Corporation's business and growth strategy and anticipated sources of future income, and the possibility that the Board may vary that strategy in the future; the Corporation's operational and financial performance, including expectations regarding generating revenue, revenues and operating expenses; ability of proven technologies to be applied to generate clean fuels; ability to leverage existing infrastructure and engineering expertise of Tidewater Midstream regarding development of the Corporation's projects and product offerings; ability to supply low carbon fuels to investment grade offtakers, existing customers, government entities, First Nations groups and others; changes in governmental programs, policymaking and requirements or encouraged use of biofuels, including renewable fuel policies in Canada and the United States and Europe, and state level programs, such as British Columbia's BC LCFS and Canada's CFR; the future pricing of BC LCFS Credits and CFR Credits; expectations around the Corporation's receipt of BC LCFS Credits and CFR Credits; the availability, future price and volatility of feedstocks and other inputs; the future price and volatility of petroleum; the Corporation's objective of generating free cash flow growth at a relatively low-risk and low cost to the Corporation, and the proposed manner of achieving this objective; the estimated amount of cash flow of the Corporation (including the components thereof and potential future increases in the amount of cash flow) and the related anticipated payout ratio of the Corporation; the expectation that the Corporation will be able to grow its revenue, actively maintain and manage its assets and achieve external growth by selectively pursuing strategic business development opportunities; the amount and timing of anticipated payments of revenue to be received from Tidewater Midstream and other counterparties in respect of Tidewater's assets and that revenues from Tidewater's assets will provide a significant portion of the Corporation's revenue; the performance and creditworthiness of the Corporation's counterparties; the anticipated operating costs, capital costs, environmental liabilities and reclamation obligations associated with owning and operating renewable energy production and infrastructure assets to be incurred by the Corporation; utilization rates and throughputs of Tidewater's assets; operational matters, including potential hazards inherent in the Corporation's operations and the effectiveness of third-party health, safety, environmental and integrity programs; decommissioning, abandonment and reclamation costs; the Corporation's ability to grow through capital projects; the long-term impact of COVID-

19 on the Corporation's business, financial position, results of operations and/or cash flows; supply and demand for commodities and services; budgets, including future capital, operating or other expenditures and projected costs; the Corporation's continuing evaluation of opportunities to develop future low-carbon fuel and renewable energy projects and expansion and optimization opportunities at the PGR; timing, impact and capital requirements of the projects at PGR; the Corporation's focus on generating cash flow; the Corporation's ESG strategy, including the ability of renewable products to deliver CI reduction alternatives; the tax horizon and taxability of the Corporation; and treatment under governmental regulatory regimes, environmental legislation and tax laws;

The forward-looking statements reflect Tidewater's beliefs and assumptions regarding, among other things: the general stability of the economic and political environment (nationally and internationally), the regulatory framework regarding taxes and environmental matters in the jurisdictions in which the Corporation has an interest in renewable energy production and storage infrastructure assets; the ability of the Corporation to execute its business plans and strategies, including, but not limited to, completion of its capital projects on time and on budget; the timely receipt of all third party, governmental and regulatory approvals and consents sought by the Corporation including with respect to the Corporation's projects and applications; the continuation of governmental programs regarding renewable fuels, such as the BC LCFS and the CFR; the future pricing of BC LCFS Credits; the availability, future price and volatility of feedstocks and other inputs; sustained or growing demand for renewable fuels; ability for the Corporation to successfully turn a wide variety of renewable feedstocks into low carbon fuels; the future price of future crude oil, natural gas and NGL prices; Tidewater Midstream's continued level of ownership of Common Shares; the ability of the operators of Tidewater's assets to operate in a safe, efficient and effective manner; the timely receipt of any required regulatory approvals by the operators of Tidewater's assets; the timing, cost and ability of third parties to access, maintain or expand necessary facilities and/or secure adequate product transportation and storage; the level of costs and expenses to be incurred by the Corporation, including with respect to interest, general and administrative expenses and income tax expenses; the ability of the Corporation to obtain and retain qualified staff, equipment and services in a timely and cost efficient manner; the absence of any material litigation or claims against the Corporation; currency, exchange and interest rates; no unforeseen events preventing the performance of contracts; that formal agreements with counterparties will be honored; the Corporation's ability to obtain and retain qualified staff and equipment in a timely and cost-effective manner; the amount of operating costs for the Corporation's projects; that there are no unforeseen material costs relating to the projects which are not recoverable; distributable cash flow and net cash provided by operating activities are consistent with expectations; the ability to obtain additional financing on satisfactory terms; the ability of Tidewater's to successfully market its products; timely receipt of equipment and goods ordered by the Corporation to conduct its operations; impact of planned annual maintenance on the Corporation's facilities; forecasts with respect to future environmental and climate change compliance obligation costs, and success of same; satisfaction of covenants under Tidewater's credit facility; and the Corporation's future debt levels and the ability of the Corporation to repay its debt when due.

All forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events, levels of activity and achievements to differ materially from those anticipated in the forward-looking statements. Such factors include but are not limited to, the risks and uncertainties described under "Risk Factors" in the Annual Information Form, the Annual MD&A, the Q3 MD&A (each as defined below) and in other disclosure documents filed from time to time with the securities commission or similar regulatory authority in each of the provinces of Canada.

Readers are therefore cautioned that they should not unduly rely on the forward-looking statements included in this Prospectus or any documents incorporated by reference. All forward-looking statements contained in this Prospectus are expressly qualified by this cautionary statement. The Corporation cautions that the foregoing list of factors that may affect future results is not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements. The forward-looking information contained in this Prospectus is made as of the date of this Prospectus and forward-looking information contained in each Prospectus Supplement is made as of the date thereof. The Corporation does not undertake any obligation to publicly update or

revise any forward-looking information, reflect new information, subsequent events or otherwise, except as required by applicable securities laws.

NON-GAAP FINANCIAL MEASURES

Certain information presented in, or incorporated by reference into, this Prospectus contains references to a number of non-GAAP financial measures, non-GAAP financial ratios and capital management measures (collectively the "**non-GAAP measures**") used in assessing the Corporation's results and measuring overall performance. The intent of non-GAAP measures is to provide additional useful information to investors and analysts. Certain of these financial measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other entities. As such these measures should not be considered in isolation or used as a substitute for measures of performance prepared in accordance with GAAP.

Non-GAAP financial measures consist of "Adjusted EBITDA", "Run Rate EBITDA", and "distributable cash flow". Non-GAAP financial ratios consist of "distributable cash flow per common share". Capital management measures consist of "net debt", "growth capital", and "maintenance capital". The meanings of, specific rationale for, and incremental information associated with (including a reconciliation to the most directly comparable measure calculated in accordance with GAAP) each of the non-GAAP measures are set out in the Q3 MD&A which is incorporated by reference herein. For more information, see the "Non-GAAP Measures" section of the Corporation's most recent management's discussion and analysis which is available electronically at www.sedar.com.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions and similar regulatory authorities in Canada.

Under applicable securities laws in Canada, the Canadian securities commissions or similar regulatory authorities allow the Corporation to incorporate by reference certain information that it files with the Canadian securities commissions or similar regulatory authorities, which means that the Corporation can disclose important information to prospective purchasers by reference to those documents. Information that is incorporated by reference is an important part of this Prospectus.

The following documents of the Corporation have been, or will be, filed with the various securities commissions or similar regulatory authorities in each of the provinces of Canada and are specifically incorporated by reference into and form an integral part of this Prospectus:

- (a) the Annual Information Form;
- (b) the Annual Financial Statements;
- (c) the Annual MD&A;
- (d) the Q3 2022 Interim Financial Statements;
- (e) the Q3 2022 MD&A;
- (f) the Information Circular;
- (g) the business acquisition report of the Corporation dated October 29, 2021; and
- (h) the material change report of the Corporation dated November 30, 2022.

Any documents of the type required by National Instrument 44-101 *Short Form Prospectus Distributions* to be incorporated by reference herein including, without limitation, any material change reports (excluding confidential material change reports), comparative interim financial statements, comparative annual financial statements and the auditors' report thereon, management's discussion and analysis, information circulars, annual information forms and business acquisition reports filed by the Corporation with the securities commissions or similar regulatory authorities in the provinces of Canada subsequent to the date of this Prospectus, and prior to the termination of any distribution hereunder, are deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document (or part thereof) which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document (or part thereof) that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Upon a new annual information form and related audited annual financial statements and management's discussion and analysis being filed by Tidewater with, and where required, accepted by, the securities commission or similar regulatory authority in each of the provinces of Canada during the term of this Prospectus, the previous annual information form, the previous audited annual financial statements and related management's discussion and analysis, all unaudited interim financial statements and related management's discussion and analysis, material change reports and business acquisition reports filed prior to the commencement of Tidewater's financial year in which the new annual information form and related audited annual financial statements and management's discussion and analysis are filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future distributions of Securities under this Prospectus. Upon new interim financial statements and related management's discussion and analysis being filed by Tidewater with the securities commission or similar regulatory authority in each of the provinces of Canada during the term of this Prospectus, all interim financial statements and related management's discussion and analysis filed prior to the new interim consolidated financial statements and related management's discussion and analysis shall be deemed no longer to be incorporated into Prospectus for purposes of future distributions of Securities under this Prospectus. Upon a new information circular relating to an annual meeting of shareholders of the Corporation being filed by Tidewater with the securities commission or similar regulatory authority in each of the provinces of Canada during the term of this Prospectus, the information circular for the preceding annual meeting of shareholders of the Corporation shall be deemed no longer to be incorporated into this Prospectus for purposes of future distributions of Securities under this Prospectus.

Certain marketing materials (as that term is defined in applicable securities legislation) may be used in connection with a distribution of Securities under this Prospectus and any applicable Prospectus Supplement. Any template version of marketing materials (as those terms are defined in applicable securities legislation) pertaining to a distribution of Securities, and filed by the Corporation after the date of the applicable prospectus supplement for the offering and before termination of the distribution of such Securities, will be deemed to be incorporated by reference in such Prospectus Supplement for the purposes of the distribution of Securities to which the Prospectus Supplement pertains.

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to prospective purchasers together with this Prospectus to the extent required by applicable securities laws. Each Prospectus Supplement will be

deemed to be incorporated by reference into this Prospectus as of the date of the Prospectus Supplement and only for the purposes of the offering of Securities to which the Prospectus Supplement pertains.

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus or any Prospectus Supplement. The Corporation has not authorized anyone to provide prospective purchasers with different or additional information. The Corporation is not making an offer of these Securities in any jurisdiction where the offer is not permitted by law. Prospective purchasers should bear in mind that the information contained in, or incorporated by reference in, this Prospectus is made as of the date hereof or the date of such documents incorporated by reference, respectively, and such information may be amended, supplemented or updated, as may be required by applicable securities laws, by the subsequent filing of additional documents deemed by applicable securities laws to be, or otherwise incorporated by reference into this Prospectus, any Prospectus Supplement and by any subsequently filed prospectus amendments, if any.

TIDEWATER RENEWABLES LTD.

General

Tidewater is a multi-faceted, energy transition company. The Corporation is focused on the production of low carbon fuels, including renewable diesel, renewable hydrogen and renewable natural gas ("**RNG**"), as well as carbon capture through future initiatives.

The Corporation was created in response to the growing demand for renewable fuels in North America and to capitalize on its potential to efficiently turn a wide variety of renewable feedstocks (such as tallow, used cooking oil, distillers corn oil, soybean oil, canola oil and other biomasses) into low carbon fuels.

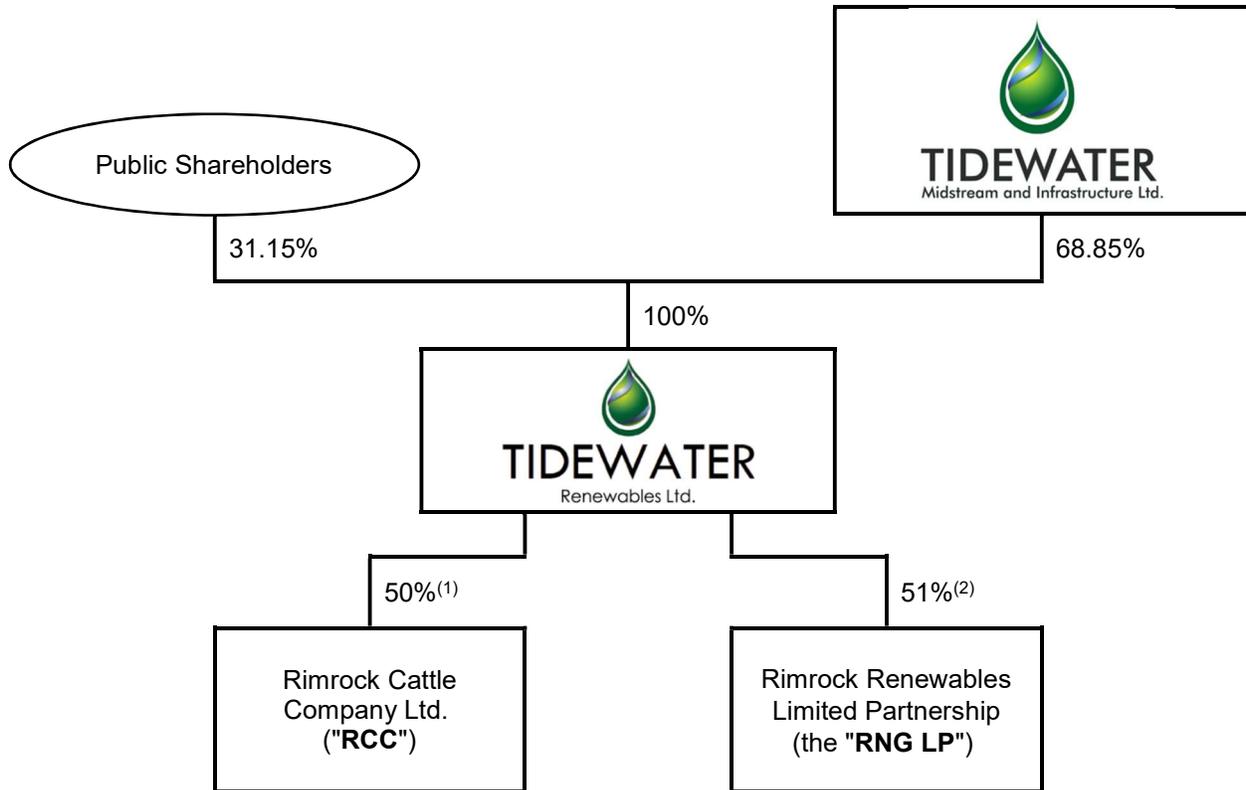
Tidewater's objective is to become one of the leading Canadian renewable fuel producers. The Corporation is pursuing this objective through the ownership, development, and operation of clean fuels projects and related infrastructure utilizing existing proven technologies. Tidewater's supplies low carbon fuels to investment grade offtakers, existing customers, government entities, First Nations groups and others in the transportation, utilities, refining, marketing, power and other industries.

Tidewater's growth strategy is focused on building out its renewable energy business across its two revenue categories: (i) renewable fuels, and (ii) RNG. The Corporation is focused on expanding its renewables asset portfolio and maximizing its logistics reach throughout North America. Organically, Tidewater's seeks to continue leveraging the existing infrastructure and engineering expertise of Tidewater Midstream regarding the development of the Corporation's portfolio of greenfield and brownfield capital projects as well as the expansion of the Corporation's product offerings.

Intercorporate Relationships

The Corporation was incorporated under the *Business Corporations Act* (Alberta) as "Tidewater Renewables Ltd." on May 11, 2021.

The following chart sets forth the Corporation's relationship with its subsidiaries and joint arrangement entities and the percentage of votes attaching to all voting securities of such subsidiaries and joint arrangement entities owned by the Corporation. The jurisdiction of incorporation or organization for each entity is Alberta. The chart does not include certain subsidiaries and joint arrangements of the Corporation. The assets and revenues of excluded subsidiaries and joint arrangements did not, individually exceed 10%, and in the aggregate exceed 20% of the total consolidated assets or total consolidated revenues of the Corporation as at and for the period ended December 31, 2021.



Notes:

- (1) The Corporation's indirectly held ownership interest in RCC provides it with joint control, along with another third-party investor. As such, Tidewater accounts for its interest in RCC as an equity accounted investment. The Corporation agreed to invest \$30 million in RCC in exchange for a 50% ownership of RCC, with such investment being made in four (4) equal quarterly instalments commencing April 2022 and with the final installment due on December 31, 2022. Assumes the completion of such investment. See "Recent Developments".
- (2) The RNG LP is an indirect subsidiary of the Corporation. The RNG LP was entered into among an indirect subsidiary of the Corporation (as a limited partner), a privately controlled third party (as the other limited partner), and Rimrock Renewables Ltd. (as the general partner). The Corporation controls the RNG LP via its 51% ownership interest in the general partner (subject to the terms and conditions of a shareholders agreement and limited partnership agreement). The Corporation and the other limited partner each hold 50% of the limited partnership units of the RNG LP. See "Recent Developments".

The Corporation's head office is located at 222 – 3rd Avenue S.W., Suite 900, Calgary, Alberta, T2P 0B4 and its registered office is located at 250 – 2nd Street S.W., Suite 1000, Calgary, Alberta, T2P 0C1.

The Corporation is a reporting issuer in each of the provinces of Canada. The Common Shares are listed and posted for trading on the TSX under the trading symbol "LCFS".

For a more complete description of the business of the Corporation and its direct and indirect subsidiaries, please refer to the headings "Corporate Structure" and "Business of Tidewater Renewables" (or equivalent sections) in Tidewater's annual information form incorporated, or deemed to be incorporated, by reference in this Prospectus.

RECENT DEVELOPMENTS

In the last number of months, the Corporation has continued to reach important milestones on its Renewable Diesel & Renewable Hydrogen Complex, including the commencement and completion of various construction activities. The Corporation also continues to produce and sell Renewable Diesel and gasoline from its canola and FCC co-processing projects located at the PGR. The Renewable Diesel &

Renewable Hydrogen Complex remains on schedule to commission in the first quarter of 2023 with production increasing through the second quarter of 2023.

On April 4, 2022, the Corporation announced its strategic investments in Rimrock RNG Limited Partnership (the "**RNG LP**") and in Rimrock Cattle Company Ltd. ("**RCC**"). These investments are aimed to advance the Corporation's RNG business and secure long-term feedstock supply for both its RNG and renewable fuels businesses. The RNG LP investment includes the planned construction of the Corporation's first RNG facility located in Foothills County, Alberta (the "**RNG Facility**"), which is backstopped by the 20-year Offtake Agreement (as defined below) and which includes the opportunity for additional RNG facilities in the future. The investment in RCC included the Corporation agreeing to invest \$30 million in exchange for a 50% ownership of RCC, with such investment being made in four (4) equal quarterly instalments commencing April 2022 and with the final installment due on December 31, 2022. The investment in RCC provides a long-term feedstock supply for the RNG projects, including the RNG Facility, as well as access to significant volumes of beef tallow that are expected to meet a material amount of the feedstock requirements of the Renewable Diesel & Renewable Hydrogen Complex. On October 17, 2022, the Corporation advised that, through its investment in RCC, the Corporation expects to secure 100% of the project's feedstock requirements for the entirety of the life of the project by the start of commercial operations of the RNG Facility.

On June 28, 2022, Tidewater announced a multi-year agreement with an investment-grade company to sell compliance credits that Tidewater generates under the CFR through the production and sale of renewable fuels produced at the Renewable Diesel & Renewable Hydrogen Complex. As part of the transaction, Tidewater agreed to sell a total of 45,000 CFR Credits at \$95 per credit. This multi-year agreement extends to June 30, 2025.

On September 21, 2022, Tidewater announced a second agreement to sell compliance credits that Tidewater generates under the CFR through the production and sale of renewable fuels produced at the Renewable Diesel & Renewable Hydrogen Complex. As part of the transaction, Tidewater agreed to sell a total of 25,000 CFR Credits at \$100 per credit. This multi-year agreement extends to July 28, 2024. To date, the Corporation has not received a formal CI under the CFR for the CFR Credits it anticipates receiving. Pursuant to the CFR, the Corporation expects that a transitional CI will be provided to the Corporation when operations start at the Renewable Diesel & Renewable Hydrogen Complex. Three months following the start of operations, the Corporation anticipates applying for a formal CI; although the length of time that it will take for the Corporation to be assigned a formal CI following such application remains uncertain.

On October 17, 2022, Tidewater announced that its majority owned subsidiary Rimrock Renewables Limited Partnership entered into a 20-year offtake agreement (the "**Offtake Agreement**") with FortisBC Energy Inc. Under the Offtake Agreement, FortisBC Energy Inc. expects to purchase up to 525,000 gigajoules of RNG annually from the RNG Facility. The Offtake Agreement remains subject to regulatory approval by the British Columbia Utilities Commission, with a decision expected to be received in the first quarter of 2023. The Corporation expects to start supplying RNG under the Offtake Agreement by the first half of 2024. The RNG Facility is expected to generate approximately \$10 million of Run Rate EBITDA (\$5 million net to Tidewater).

On October 24, 2022, Tidewater announced the closing of a \$150 million five-year senior secured second lien credit facility (the "**AIMCo Facility**") with an affiliate of Alberta Investment Management Corporation ("**AIMCo**"), on behalf of certain of its clients. The AIMCo Facility's term is five years, maturing on October 24, 2027 and at closing was drawn down by way of a single advance with net proceeds reflecting a 5% original issue discount. The AIMCo Facility will bear initial interest of 6.50% per annum (the "**Base Interest Rate**"), payable semi-annually. The Base Interest Rate will increase by 37.5 basis points in year four and five and is subject to certain inflation escalators. In particular, the AIMCo Facility's interest rate fluctuates directly with the rate of inflation as the interest rate payable thereunder is based on the Canadian Consumer Price Index ("**CPI**") rate plus an applicable margin. The Canadian CPI inflation rate adjustment used for the AIMCo Facility has a floor of 0% and a cap of 4% per annum.

As part of the AIMCo Facility, Tidewater Renewables issued 3.375 million warrants to AIMCo (the "**AIMCo Warrants**"). Each AIMCo Warrant entitles AIMCo to purchase one Common Share at a price per share of \$14.84, for a term of five years. The exercise price reflects a 50% premium to the 10-day volume weighted average trading price of the Common Shares prior to closing of the AIMCo Facility. The AIMCo Warrants have a cashless exercise feature, which, if elected, can limit future dilution as in such circumstances only Common Shares for the in-the-money value of the AIMCo Warrants are issued. Proceeds of the AIMCo Facility were used by Tidewater to repay 100% of the outstanding drawn credit under the Corporation's senior credit facility, repay 100% of the outstanding drawn credit on the RNG credit facility established by a wholly-owned subsidiary of the Corporation (the "**RNG Credit Facility**") as well as enable the cancellation of the RNG Credit Facility, for working capital, general corporate purposes, and for growth projects. The AIMCo Warrants also have two unique features: (1) If the consumer price index is greater than 4% per annum prior to a repayment of all or part of the AIMCo Facility, then the exercise price of the AIMCo Warrants will be reduced by \$2.00 per share go forward for that number of AIMCo Warrants proportional to the amount of principal repaid; and (2) AIMCo has the option to elect to be paid in cash (versus Common Shares) in connection with a cashless exercise, with the amount of cash payable per Common Share otherwise issuable to be equal to the weighted average price per Common Share for the 20 consecutive trading days ending before the applicable exercise date. If the Corporation is contractually restricted from making, or otherwise unable to make, some or all of such cash payment, then the Corporation will issue AIMCo the Common Shares to which it is entitled and will assist AIMCo in the sale of such Common Shares issued, with such sales to take place within 10 business days, and the Corporation will be obligated to pay AIMCo certain market slippage costs (i.e. the difference between the trading price at the commencement of such sale process (the "**Market Price**") and the sale price actually received by AIMCo) of up to 15% of the Market Price (with unsold Common Shares being deemed to have such maximum slippage) plus broker fees and related costs in respect of Common Shares sold. If the Corporation is not permitted to make some or all of such cash payments in connection with such sale process, then the Corporation is obligated to issue AIMCo Common Shares on a private placement basis having a value equal to such unpaid amounts and applying the maximum pricing discounts permitted by the TSX.

At the time the AIMCo Facility was entered into, the financial covenants under the AIMCo Facility were the same as the Corporation's senior credit facility, namely: (i) as at the end of each fiscal quarter, the EBITDA to interest coverage ratio will not be less than 2.50:1; (ii) as at the end of each fiscal quarter, the consolidated debt to EBITDA ratio will not be greater than 4.50:1; and (iii) as at the end of each fiscal quarter, the consolidated first lien senior debt to EBITDA ratio will not be greater than 3.50:1.

On November 28, 2022, the Corporation announced that it appointed Robert Colcleugh as interim Chief Executive Officer of the Corporation effective as of such date. Mr. Colcleugh, who currently serves as a Director of Tidewater Midstream, succeeded Joel MacLeod, who stepped down from his management and board roles to pursue other opportunities. Mr. Colcleugh was also appointed Chairman of the Corporation, with Brett Gellner continuing to serve as Lead Independent Director of the Corporation, following Mr. Macleod's departure.

As at the date hereof, pursuant to BC Part 3 Agreements:

- 56,104 BC LCFS Credits were received by Tidewater Midstream directly from the Government of British Columbia for costs incurred by Tidewater Midstream on the Renewable Diesel & Renewable Hydrogen Complex prior to the sale of such facility to the Corporation on August 18, 2021;
- 50,000 BC LCFS Credits were received by the Corporation and monetized for proceeds of \$22,730,000 (average price of \$454.60/ credit);
- 29,329 BC LCFS Credits were received by the Corporation and recorded in inventory, with a value of \$425/credit; and
- 49,108 BC LCFS Credits were accrued by the Corporation and recorded in inventory, with a value of \$425/credit.

SELLING SECURITYHOLDERS

Securities may be sold under this Prospectus by way of secondary offering by or for the account of certain of our securityholders. Any Prospectus Supplement that we file in connection with an offering of Securities by selling securityholders will include the following information:

- the names of the selling securityholders;
- the number or amount of Securities owned, controlled or directed of the class being distributed by each selling securityholder;
- the number or amount of Securities of the class being distributed for the account of each selling securityholder;
- the number or amount of Securities of any class to be owned, controlled or directed by the selling securityholders after the distribution and the percentage that number or amount represents of the total number of our outstanding Securities;
- whether the Securities are owned by the selling securityholders both of record and beneficially, of record only, or beneficially only; and
- all other information that is required to be included in the applicable Prospectus Supplement.

Selling securityholders will also file a non-issuer's submission to jurisdiction form with the applicable Prospectus Supplement, if required.

USE OF PROCEEDS

The net proceeds to be derived from the sale of Securities will be the offering price less any commission paid in connection therewith and the expenses relating to the particular offering of Securities. Unless otherwise is set forth in the applicable Prospectus Supplement, the Corporation will not receive any proceeds from any sale of any Securities by selling securityholders. Unless otherwise indicated in a Prospectus Supplement relating to a particular offering of Securities, the Corporation intends to use the net proceeds from the sale of Securities for general corporate purposes, to complete asset and corporate acquisitions, to, directly or indirectly, finance future growth opportunities and to repay indebtedness. There are no probable acquisitions as at the date of this Prospectus. The amount of net proceeds to be used for any such purposes will be set forth in a Prospectus Supplement. The Corporation may invest funds which it does not immediately use. Such investments may include short-term marketable investment grade securities. The Corporation may, from time to time, issue securities (including debt securities) other than pursuant to this Prospectus.

EARNINGS COVERAGE RATIOS

Earnings coverage ratios will be provided as required in the Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

CONSOLIDATED CAPITALIZATION

Since September 30, 2022, on a consolidated basis there have been no material changes in the share and loan capital of the Corporation other than:

- (a) the establishment and full drawdown of the AIMCo Facility (which full \$150 million remains drawn as at the date of this Prospectus);
- (b) the issuance of 3.375 million AIMCo Warrants;

- (c) the repayment of approximately \$115 million (being 100% of the outstanding drawn credit) under the Corporation's senior credit facility in accordance with the terms thereof; and
- (d) the repayment of approximately \$15 million (being 100% of the outstanding drawn credit) under the RNG Credit Facility and subsequent cancelation of the RNG Facility.

See "Recent Developments".

PLAN OF DISTRIBUTION

The Corporation may offer and sell Securities to or through underwriters or dealers and also may sell Securities directly to one or more purchasers pursuant to applicable statutory exemptions, or through agents. These Securities may be offered and sold in Canada and elsewhere where permitted by law. Securities may be distributed in one or more transactions, separately or together, in amounts, at a fixed price or prices or at non-fixed prices and on such terms and conditions as may be determined from time to time depending on, among other things, the Corporation's financing requirements, market conditions at the time of sale and other factors, including sales in transactions that are deemed to be "at-the-market distributions" as defined in NI 44-102, including sales made directly on the TSX or other existing trading markets for the Securities. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified security in a specified market or at prices to be negotiated with purchasers, which prices may vary as between purchasers and during the period of distribution. If Securities are offered on a non-fixed price basis, the underwriters', dealers' or agents', as applicable, compensation will be increased or decreased by the amount by which the aggregate price paid for Securities by the purchasers exceeds or is less than the gross proceeds paid by the underwriters, dealers or agents to the Corporation.

This Prospectus may also, from time to time, relate to the offering of our Securities by certain selling securityholders. The selling securityholders may sell all or a portion of our Securities beneficially owned by them and offered thereby from time to time (i) through underwriters or dealers, (ii) directly to one or more purchasers pursuant to applicable statutory exemptions or (iii) through agents.

Sales of Securities under an "at-the-market distribution", if any, will be made pursuant to an accompanying Prospectus Supplement. Sales of Securities under any "at-the-market" program will be made in transactions that are "at-the-market distributions" as defined in NI 44-102. The volume and timing of any "at-the-market distributions" will be determined at the Corporation's sole discretion.

The applicable Prospectus Supplement for any of the Securities being offered will set forth the terms of the offering of those Securities, including the name or names of any underwriters, dealers or agents, the name or names of any selling securityholders, the purchase price of the Securities, the proceeds to the Corporation from that sale if determinable, any underwriting fees or discounts and other items constituting underwriters' compensation, any public offering price, and any discounts or concessions allowed or re-allowed or paid to dealers or agents. Only underwriters named in the applicable Prospectus Supplement are deemed to be underwriters in connection with the Securities offered by that Prospectus Supplement.

If underwriters purchase Securities as principal, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase those Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all of the Securities offered by the applicable Prospectus Supplement if any of such Securities are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time. The Securities may also be sold directly by the Corporation or the selling securityholders at such prices and upon such terms as agreed to by the Corporation, the selling securityholders, if applicable, and the purchaser or through agents designated by the Corporation or the selling securityholders from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Corporation and/or selling securityholders to such agent will

be set forth, in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a best efforts basis for the period of its appointment.

The Corporation and/or the selling securityholder(s) may agree to pay the underwriters a commission for various services relating to the issue and sale of any Securities offered hereby. Any such commission will be paid out of the general corporate funds of the Corporation or by the selling securityholder(s). Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Corporation and/or the selling securityholder(s) to indemnification by the Corporation and/or the selling securityholder(s) against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

Any offering of Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units will be a new issue of securities with no established trading market. Unless otherwise specified in a Prospectus Supplement, the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units will not be listed on any securities exchange or on any automated dealer quotation system. This may affect the pricing of the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts and Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts and Units and the extent of issuer regulation.

Certain broker-dealers may make a market in the Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units, but will not be obligated to do so and may discontinue any market making at any time without notice. The Corporation cannot assure purchasers that any broker-dealer will make a market in the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units of any series or as to the liquidity of the trading market, if any, for such Securities.

In connection with any offering of Securities, other than an "at-the-market distribution" (as defined under applicable Canadian securities legislation), unless otherwise specified in a Prospectus Supplement, any underwriters, dealers or agents, when purchasing as principal, may over-allot or effect transactions intended to fix or stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. No underwriter, dealer or agent involved in an "at-the-market distribution" under this Prospectus, no affiliate of such an underwriter, dealer or agent and no person or company acting jointly or in concert with such underwriter, dealer or agent will over-allot Securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities.

Unless otherwise specified in a Prospectus Supplement, the Securities have not and will not be registered under the U.S. Securities Act or any of the securities laws of any state in the United States and, subject to certain exceptions, may not be offered or sold or otherwise transferred or disposed of in the United States or to or for the account of U.S. persons absent registration or pursuant to an applicable exemption from the U.S. Securities Act and applicable U.S. state securities laws. In addition, until 40 days after closing of an offering of Securities, an offer or sale of the Securities within the United States by any dealer (whether or not participating in such offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made other than in accordance with Rule 144A or another exemption under the U.S. Securities Act.

DESCRIPTION OF COMMON SHARES

The Corporation is authorized to issue an unlimited number of Common Shares.

Each Common Share entitles the holder to receive notice of and to attend all meetings of the shareholders of the Corporation other than meetings at which only the holders of another class or series of shares are entitled to vote. Each Common Share entitles the holder to one vote at all meetings of the shareholders of the Corporation. The holders of Common Shares, in the discretion of the board of directors of the Corporation (the "**Board of Directors**"), are entitled to receive out of any monies properly applicable to the

payment of dividends, and after the payment of any dividends payable on the Preferred Shares of any series or any other series ranking prior to the Common Shares as to the payment of dividends, any dividends declared and payable on the Common Shares.

Upon any liquidation, dissolution or winding-up of the Corporation, or other distribution of the Corporation's assets among its shareholders for the purposes of winding-up the affairs of the Corporation, the holders of the Common Shares are entitled to share on a share-for-share basis in the distribution, subject to the prior rights of the holders of the Preferred Shares of any series, or any other class ranking prior to the Common Shares.

There are no pre-emptive or conversion rights and the Common Shares are not subject to redemption. All Common Shares currently outstanding and to be outstanding upon the exercise of any securities convertible into Common Shares, are or will be, fully paid and non-assessable.

Common Shares in respect of which a Prospectus Supplement may be filed may be "flow-through shares" within the meaning of the *Income Tax Act* (Canada). The particular terms and provisions of any such offering of "flow-through shares" offered by any Prospectus Supplement will be described in such Prospectus Supplement.

DESCRIPTION OF PREFERRED SHARES

The Corporation is authorized to issue an unlimited number of Preferred Shares.

The Preferred Shares may be issued in one or more series, each series to consist of such number of shares as determined by resolution of the Board of Directors. The Board of Directors, by resolution duly passed before the issue of the Preferred Shares of each series, shall fix the designation, rights, restrictions, conditions and limitations attaching to the Preferred Shares of each series, including, but without in any way limiting or restricting the generality of the foregoing, any voting rights, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion if any, and any sinking fund or other provisions.

The Preferred Shares of each series will have priority over the Common Shares in payment of dividends and in the distribution of assets or return of capital in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other return of capital or distribution of the assets of the Corporation among its shareholders for the purpose of winding up the affairs of the Corporation.

The particular terms and provisions of the Preferred Shares offered by any Prospectus Supplement, and the extent to which the general terms and provisions described above may apply thereto, will be described in the Prospectus Supplement filed in respect of such Preferred Shares.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to the Preferred Shares which are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Preferred Shares described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Preferred Shares.

DESCRIPTION OF DEBT SECURITIES

The following description of the terms of Debt Securities sets forth certain general terms and provisions of Debt Securities in respect of which a Prospectus Supplement may be filed. The particular terms and provisions of Debt Securities offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Debt Securities.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to the Debt Securities which are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Debt Securities described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Debt Securities.

Debt Securities may be issued separately or in combination with one or more other Securities. The Corporation may, from time to time, issue debt securities and incur additional indebtedness other than through the issue of Debt Securities pursuant to this Prospectus.

The Debt Securities will be issued under one or more indentures or supplements thereto (each, a "**Debt Indenture**"), in each case between the Corporation and a financial institution organized under the laws of Canada or any province thereof and authorized to carry on business as a trustee (each, a "**Trustee**").

The following description sets forth certain general terms and provisions of the Debt Securities and is not intended to be complete. The particular terms and provisions of the Debt Securities and a description of how the general terms and provisions described below may apply to the Debt Securities will be included in the applicable Prospectus Supplement. The following description is subject to the detailed provisions of the applicable Debt Indenture, a copy of which will be filed by the Corporation with the securities commission or similar regulatory authority in each of the provinces of Canada after it has been entered into and will be available electronically at www.sedar.com.

General

The Debt Securities may be issued from time to time in one or more series. The Corporation may specify a maximum aggregate principal amount for the Debt Securities of any series and, unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for issuance of additional Debt Securities of such series.

Any Prospectus Supplement for Debt Securities supplementing this Prospectus will contain the specific terms and other information with respect to the Debt Securities being offered thereby, including:

- (a) the designation, aggregate principal amount and authorized denominations of such Debt Securities;
- (b) any limit upon the aggregate principal amount of such Debt Securities;
- (c) the currency or currency units for which such Debt Securities may be purchased and the currency or currency units in which the principal and any interest is payable (in either case, if other than Canadian dollars);
- (d) the offering price (at par, at a discount or at a premium) of such Debt Securities;
- (e) the date or dates on which such Debt Securities will be issued and delivered;
- (f) the date or dates on which such Debt Securities will mature, including any provision for the extension of a maturity date, or the method of determination of such date(s);
- (g) the rate or rates per annum (either fixed or floating) at which such Debt Securities will bear interest (if any) and, if floating, the method of determination of such rate;
- (h) the date or dates from which any such interest will accrue and on which such interest will be payable and the record date or dates for the payment of such interest, or the method of determination of such date(s);

- (i) if applicable, the provisions for subordination of such Debt Securities to other indebtedness of the Corporation;
- (j) the Trustee under the Debt Indenture pursuant to which such Debt Securities are to be issued;
- (k) the place or places where the principal of and premium, if any, and interest on the Debt Securities will be payable;
- (l) the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities may be redeemed, in whole or in part, at the option of the Corporation;
- (m) the obligation, if any, of the Corporation to redeem, purchase or repay the Debt Securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof; and the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation or option;
- (n) provisions relating to the conversion or exchange of the Debt Securities for Common Shares or other securities of the Corporation or its subsidiaries, and any provisions for the adjustment thereof;
- (o) the application, if any, of any defeasance provisions to the Debt Securities;
- (p) any events of default applicable to such Debt Securities;
- (q) whether such Debt Securities are to be issued in registered form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- (r) if applicable, the ability of the Corporation to satisfy all or a portion of any redemption of such Debt Securities, any payment of any interest on such Debt Securities or any repayment of the principal owing upon the maturity of such Debt Securities through the issuance of securities of the Corporation or of any other entity, and any restriction(s) on the persons to whom such securities may be issued;
- (s) the provisions applicable to the modification of the terms of the Debt Indenture; and
- (t) any other specific terms or covenants applicable to such Debt Securities.

The Debt Securities may be issued as original issue discount Debt Securities (bearing no interest, or interest at a rate that at the time of issuance is below market rates) at prices below their stated principal amount.

Ranking

Unless otherwise provided in the applicable Prospectus Supplement, the Debt Securities of each series will rank equally and *pari passu*, including with respect to security interests (if any), with each other (regardless of their actual dates or terms of issue, but only to the extent such other Debt Securities are secured) and, unless the Debt Securities are secured or subordinated and subject to statutory preferred exceptions, with all other present and future unsecured and unsubordinated indebtedness of the Corporation. Unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for the issuance of additional Debt Securities of such series. The Corporation reserves the right to specify in a Prospectus Supplement whether a particular series of subordinated Debt Securities is subordinated to any other series of subordinated Debt Securities.

Registration of Debt Securities

Debt Securities in Book Entry Form

Debt Securities of any series may be issued in whole or in part in the form of one or more global securities ("**Global Securities**") registered in the name of a designated clearing agency (a "**Depository**") or its nominee and held by or on behalf of the Depository in accordance with the terms of the applicable Debt Indenture. The specific terms of the depository arrangement with respect to any portion of a series of Debt Securities to be represented by a Global Security will, to the extent not described herein, be described in the Prospectus Supplement relating to such series.

A Global Security may not be transferred, except as a whole between the Depository and a nominee of the Depository or as between nominees of the Depository, or to a successor Depository or nominee thereof, until it is wholly exchanged for Debt Securities in certificated non-book-entry form in accordance with the terms of the applicable Debt Indenture. So long as the Depository for a Global Security, or its nominee, is the registered owner of such Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Global Security for all purposes under the applicable Debt Indenture and payments of principal and interest, if any, on the Debt Securities represented by a Global Security will be made by the Corporation to the Depository or its nominee.

Owners of beneficial interests in a Global Security will not be entitled to have the Debt Securities represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of such Debt Securities in certificated non-book-entry form, will not be considered the owners or holders thereof under the applicable Debt Indenture and will be unable to pledge Debt Securities as security.

No Global Security may be exchanged in whole or in part for Debt Securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any person other than the Depository for such Global Security or any nominee of such Depository unless:

- (a) there is a requirement to do so under applicable law;
- (b) the book-entry system ceases to exist;
- (c) the Corporation or the Depository advises the Trustee that the Depository is no longer willing or able to properly discharge its responsibilities as depository with respect to the Debt Securities and the Corporation is unable to locate a qualified successor;
- (d) the Corporation decides, at its option, to terminate the book-entry system through the Depository;
or
- (e) if provided for in the Debt Indenture, after the occurrence of an event of default thereunder (provided the Trustee has not waived the event of default in accordance with the terms of the Debt Indenture), participants acting on behalf of beneficial holders representing, in aggregate, a threshold percentage of the aggregate principal amount of the Debt Securities then outstanding advise the Depository in writing that the continuation of a book-entry system through the Depository is no longer in their best interest,

whereupon such Global Security shall be exchanged for certificated non-book-entry Debt Securities of the same series in an aggregate principal amount equal to the principal amount of such Global Security and registered in such names and denominations as the Depository may direct.

Principal and interest payments, if any, on the Debt Securities represented by a Global Security registered in the name of a Depository or its nominee will be made to such Depository or its nominee, as the case

may be, as the registered owner of such Global Security. Neither the Corporation, the Trustee nor any paying agent for such Debt Securities will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in such Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Corporation, any underwriters, dealers or agents and any Trustee identified in an accompanying Prospectus Supplement, as applicable, will not have any liability or responsibility for (i) records maintained by the Depository relating to beneficial ownership interests in the Debt Securities held by the Depository or the book-entry accounts maintained by the Depository, (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership interests, or (iii) any advice or representation made by or with respect to the Depository and contained in this Prospectus or in any Prospectus Supplement or Debt Indenture with respect to the rules and regulations of the Depository or at the direction of Depository participants.

Unless otherwise stated in the applicable Prospectus Supplement, CDS Clearing and Depository Services Inc. or its successor will act as Depository for any Debt Securities represented by a Global Security.

Debt Securities in Certificated Form

Debt Securities of any series may be issued in whole or in part in registered form as provided in the applicable Debt Indenture.

If the Debt Securities are issued in certificated non-book-entry form, principal and interest, if any, will be payable, the transfer of such Debt Securities will be registerable and such Debt Securities will be exchangeable for Debt Securities in other denominations of a like aggregate principal amount at the office or agency maintained by the Corporation. Payment of principal and interest, if any, on Debt Securities in certificated non-book-entry form may be made by cheque mailed to the address of the holders entitled thereto.

Subject to the foregoing limitations, Debt Securities of any authorized form or denomination issued under the applicable Debt Indenture may be transferred or exchanged for Debt Securities of any other authorized form or denomination or denominations. Any such transfer or exchange must be for an equivalent aggregate principal amount of Debt Securities of the same series and carry the same rate of interest and same redemption and other provisions as the Debt Securities so transferred or exchanged. Exchanges of Debt Securities of any series may be made at the offices of the applicable Trustee and at such other places as the Corporation may from time to time designate with the approval of the applicable Trustee and, if applicable, will be specified in the applicable Prospectus Supplement. Unless otherwise specified in the applicable Prospectus Supplement, the applicable Trustee will be the registrar and transfer agent for the Debt Securities issued under the applicable Debt Indenture.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

A Subscription Receipt will entitle the holder thereof to receive a Common Share and/or other Securities, for no additional consideration, upon the completion of a particular transaction or event, typically an acquisition of the assets or securities of another entity by the Corporation or one or more of its subsidiaries. The subscription proceeds from an offering of Subscription Receipts will be held in escrow by an escrow agent pending the completion of the transaction or the termination time (the time at which the escrow terminates regardless of whether the transaction or event has occurred). Holders of Subscription Receipts will receive Common Shares and/or other Securities upon the completion of the particular transaction or event or, if the transaction or event does not occur by the termination time, a return of the subscription funds for their Subscription Receipts together with any interest or other income earned thereon. Holders of Subscription Receipts are not shareholders of the Corporation.

The particular terms and provisions of Subscription Receipts offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described

in the Prospectus Supplement filed in respect of such Subscription Receipts. This description will include, where applicable:

- (a) the number of Subscription Receipts;
- (b) the price at which the Subscription Receipts will be offered;
- (c) the procedures for the exchange of the Subscription Receipts into Common Shares or other securities;
- (d) the number of Common Shares or other securities that may be obtained upon exercise of each Subscription Receipt;
- (e) the designation and terms of any other securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Common Share or security;
- (f) the terms applicable to the gross proceeds from the sale of the Subscription Receipts plus any interest earned thereon; and
- (g) any other material terms and conditions of the Subscription Receipts.

Subscription Receipts may be offered separately or in combination with one or more other Securities. The Subscription Receipts will be issued under a Subscription Receipt agreement. A copy of the Subscription Receipt agreement will be filed by the Corporation with the securities commission or similar regulatory authority in each of the provinces of Canada after it has been entered into by the Corporation and will be available electronically at www.sedar.com.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to the Subscription Receipts which are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Subscription Receipts described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Subscription Receipts.

DESCRIPTION OF WARRANTS

A Warrant will entitle the holder thereof to receive Common Shares, Preferred Shares or Debt Securities. Warrants may be offered separately or together with other securities and may be attached to or separate from other securities. The Warrants either will be issued under a warrant indenture or agreement that will be entered into by the Corporation or a trustee at the time of issuance of the Warrants or will be represented by warrant certificates issued by the Corporation.

Holders of Warrants are not shareholders of the Corporation. The particular terms and provisions of Warrants offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Warrants. This description will include, where applicable:

- (a) the title or designation of the Warrants;
- (b) the number of Warrants offered;
- (c) the price at which the Warrants will be offered;

- (d) the number of Common Shares and/or other securities of the Corporation purchasable upon exercise of the Warrants and the procedures for exercise;
- (e) the exercise price of the Warrants;
- (f) the dates or periods during which the Warrants are exercisable and when they expire;
- (g) the designation and terms of any other securities with which the Warrants will be offered, if any, and the number of Warrants that will be offered with each such security;
- (h) the material income tax consequences of owning, holding and disposing of the Warrants; and
- (i) any other material terms and conditions of the Warrants including, without limitation, transferability and adjustment terms and whether the Warrants will be listed on a stock exchange.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to the Warrants which are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Warrants described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Warrants.

DESCRIPTION OF SHARE PURCHASE CONTRACTS

The Corporation may issue Share Purchase Contracts, representing contracts obligating holders to purchase from or sell to Tidewater, and obligating Tidewater to purchase from or sell to the holders, a specified number of Common Shares or Preferred Shares, as applicable, at a future date or dates, and including by way of instalment.

The price per Common Share or Preferred Share and the number of Common Shares or Preferred Shares, as applicable, may be fixed at the time the Share Purchase Contracts are issued or may be determined by reference to a specific formula or method set forth in the Share Purchase Contracts. Tidewater may issue Share Purchase Contracts in accordance with applicable laws and in such amounts and in as many distinct series as may be determined by the Corporation.

The Share Purchase Contracts may be issued separately or as part of Units the ("**Share Purchase Units**"). The Share Purchase Contracts may require Tidewater to make periodic payments to the holders of the Share Purchase Units or vice versa, and these payments may be unsecured or refunded and may be paid on a current or on a deferred basis. The Share Purchase Contracts may require holders to secure their obligations under those contracts in a specified manner.

Holders of Share Purchase Contracts are not shareholders of the Corporation. The particular terms and provisions of Share Purchase Contracts offered by any Prospectus Supplement, and the extent to which the general terms and provisions described above may apply thereto, will be described in the Prospectus Supplement filed in respect of such Share Purchase Contracts. This description will include, where applicable:

- (a) whether the Share Purchase Contracts obligate the holder to purchase or sell, or both purchase and sell, Common Shares or Preferred Shares, as applicable, and the nature and amount of each of those securities, or the method of determining those amounts;
- (b) whether the Share Purchase Contracts are to be prepaid or not or paid in instalments;
- (c) any conditions upon which the purchase or sale will be contingent and the consequences if such conditions are not satisfied;

- (d) whether the Share Purchase Contracts are to be settled by delivery, or by reference or linkage to the value or performance of Common Shares or Preferred Shares;
- (e) any acceleration, cancellation, termination or other provisions relating to the settlement of the Share Purchase Contracts;
- (f) the date or dates on which the sale or purchase must be made, if any;
- (g) whether the Share Purchase Contracts will be issued in fully registered or global form;
- (h) the material income tax consequences of owning, holding and disposing of the share purchase contracts; and
- (i) any other material terms and conditions of the Share Purchase Contracts including, without limitation, transferability and adjustment terms and whether the Share Purchase Contracts will be listed on the TSX.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to the Share Purchase Contracts which are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Share Purchase Contracts described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Share Purchase Contracts.

DESCRIPTION OF UNITS

Units may be comprised of one or more of the other Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each Security included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each included Security. A unit agreement, if any, under which a Unit is issued may provide that the securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Units. This description will include, where applicable:

- (a) the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;
- (b) any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units;
- (c) whether the Units will be issued in fully registered or global form; and
- (d) any other material terms and conditions of the Units.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to the Units which are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Units described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Units.

CERTAIN INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement may describe certain Canadian federal income tax consequences which may be applicable to a purchaser of Securities offered thereunder, and may also include a discussion of certain United States federal income tax consequences to the extent applicable.

RISK FACTORS

Investment in the Securities is subject to various risks including those risks inherent to the industries in which Tidewater operates. Discussions of certain risk factors affecting us in connection with our businesses are provided below as well as in our disclosure documents filed from time to time with the securities commission or similar securities regulatory authority in each of the provinces of Canada which are incorporated by reference or deemed to be incorporated by reference in this Prospectus. In particular, see "Risk Factors" in the Annual Information Form.

Before deciding whether to invest in any Securities, prospective purchasers should consider carefully the risk factors below as well as those risk factors incorporated by reference in this Prospectus (including subsequently filed documents incorporated by reference) and those described, or incorporated by reference, in a Prospectus Supplement relating to a specific offering of Securities as well as the other information contained in and incorporated by reference in this Prospectus and in the applicable Prospectus Supplement.

Future sales or issuances of debt or equity securities may result in dilution to the Corporation's shareholders

We may sell or issue additional debt or equity securities in offerings to finance our operations, development, acquisitions or other projects. Our significant shareholders may also sell the Common Shares or other securities they hold or may hold in the future.

We cannot predict the size of future sales and issuances of debt or equity securities or the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares.

Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Corporation's Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Corporation's earnings per share. Sales of our Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that we deem appropriate.

Market price of our Common Shares may fluctuate

Our Common Shares are listed and posted for trading on the TSX. An investment in the Corporation's Securities is highly speculative. The market prices for the Securities of companies in the energy transition industry have been volatile. Market price fluctuations in the Common Shares may be due to the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "Cautionary Note Regarding Forward-Looking Statements". In addition, the market price for securities in the stock markets, including the TSX, recently experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Common Shares.

The use of proceeds may vary from planned use

While detailed information regarding the use of proceeds from the sale of our Securities will be described in the applicable Prospectus Supplement, the Corporation will have broad discretion over the use of the net proceeds from an offering by the Corporation of its Securities. Because of the number and variability of factors that will determine the Corporation's use of such proceeds, the Corporation's ultimate use might vary substantially from its planned use. You may not agree with how the Corporation allocates or spends the proceeds from an offering of its Securities. The Corporation may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of its Securities, including the market value of its Common Shares.

Industry Volatility

Recent market events and conditions, including global excess oil and natural gas supply, actions taken by the Organization of the Petroleum Exporting Countries, the impacts of the COVID-19 pandemic, slowing growth in certain global economies, market volatility, and sovereign debt levels in various countries, have caused significant weakness and volatility in commodity prices. The outbreak of conflict between Russia and Ukraine strongly influenced crude oil prices. The possibility of a disruption to Russian crude oil exports has introduced significant risk to global crude oil markets, exacerbating uncertainty around future supply and inventory levels. These geopolitical tensions have recently been countered by rising economic risks and the continuation of a global pandemic, leading to elevated levels of volatility in crude oil prices. The events between Russia and Ukraine have had no immediate effect on North American natural gas balances, but the conflict's impact on competing fuel prices has contributed to a volatile pricing environment.

In addition, in 2022, industry has been impacted by significant cost inflation, rising interest rates, labour shortages and supply constraints, and the Corporation expects these pressures will continue through the balance of the year and into next year. The Corporation will continue to actively monitor inflationary pressures and supply chain constraints and their impact on the Corporation's business.

These events and conditions could cause a significant decrease in the valuation of oil and gas companies and a decrease in confidence in the energy transition industry which could have a negative effect on the Corporation's ability to raise additional funds in the future or if it is able to do so, to do so on unfavourable terms. The Corporation's operating costs could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices, and additional government intervention through stimulus spending or additional regulations. The Corporation's inability to manage costs may impact project returns and future development decisions, which could have a material adverse effect on its financial performance and funds from operations

Interest Rate Risk

Interest rate risk arises from the Corporation's use of floating interest rate bearing credit facilities. Both the senior credit facility and the AIMCo Facility bear interest at a variable rate. The AIMCo Facility's Base Interest Rate of 6.50% per annum is subject to certain inflation escalators. In particular, the AIMCo Facility's interest rate fluctuates directly with the rate of inflation as the interest rate payable thereunder is based on the CPI rate plus an applicable margin. The Canadian CPI inflation rate adjustment used for the AIMCo Facility has a floor of 0% and a cap of 4% per annum. The senior credit facility's interest rate fluctuates with the agent bank's prime lending rate and/ or the banker's acceptance rate depending on how the Corporation chooses to draw down on the facility.

PROMOTER

Tidewater Midstream may be considered a promoter of the Corporation within the meaning of applicable Canadian securities laws. To the knowledge of the Corporation, as of the date of this Prospectus, Tidewater Midstream beneficially owns, controls or directs, directly or indirectly, 23,900,000 Common Shares,

representing 68.85% of the issued and outstanding Common Shares. See "Tidewater Renewables Ltd. — Intercorporate Relationships".

On August 18, 2021, concurrent with Tidewater Renewables' initial public offering, the Corporation acquired certain assets (the "**Acquired Assets**") from Tidewater Midstream for aggregate consideration of \$538,500,000 (including \$180 million in cash and the balance in Common Shares), which price was determined after taking into consideration, among other things, discounted cash flows based on projected cash flows from the Acquired Assets and valuation multiples of publicly traded companies that were deemed comparable to the Acquired Assets by Tidewater Midstream, Tidewater Renewables and the underwriters under the initial public offering. The consideration paid by Tidewater Midstream for the Acquired Assets was \$51,249,000 and such assets were acquired on November 1, 2019 (as to those assets located at the PGR) and December 2016 (as to those assets located at Tidewater Midstream's Brazeau River Complex).

Concurrent with the acquisition of the Acquired Assets from Tidewater Midstream, the Corporation and Tidewater Midstream entered into the Acquisition Agreements, the Shared Services Agreement, the Governance Agreement, and the Investor Liquidity Agreement (each as defined in the Annual Information Form and as further described under "Agreements with Tidewater Midstream and Other Counterparties" in the Annual Information Form, which is incorporated by reference herein).

INTEREST OF EXPERTS

As at the date of this Prospectus, the partners and associates of DLA Piper (Canada) LLP, as a group, beneficially own, directly or indirectly, less than one percent of any class of securities of the Corporation.

Deloitte LLP is the Corporation's independent auditor and they are independent with respect to the Corporation within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Alberta.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement relating to an offering of Securities, certain legal matters relating to the offering of such Securities will be passed upon on behalf of the Corporation by DLA Piper (Canada) LLP. If any underwriters, dealers or agents named in a Prospectus Supplement retain their own counsel to pass upon legal matters relating to the Securities, their counsel will be named in the Prospectus Supplement.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Deloitte LLP, Chartered Professional Accountants, Calgary, Alberta. The transfer agent and registrar for the Common Shares is TSX Trust Company at its principal offices in Calgary, Alberta and Toronto, Ontario.

CONTRACTUAL RIGHTS OF RESCISSION

Original purchasers of convertible, exchangeable or exercisable securities in Canada will have a contractual right of rescission against the Corporation. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise of the security, or the amount paid for the convertible, exchangeable or exercisable security if no amount was paid upon conversion, exercise or exchange, upon surrender of the underlying securities gained thereby, in the event that this Prospectus contains a misrepresentation, provided that both the conversion, exchange or exercise occurs, and the right of rescission is exercised, within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 203 of the *Securities Act* (Alberta), and is in addition to any other right or remedy available to original purchasers under section 203 of the *Securities Act* (Alberta) or otherwise at law.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province.

However, purchasers of Securities distributed under an "at-the-market distribution" do not have the right to withdraw from an agreement to purchase the Securities and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to Securities purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to the Securities purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of NI 44-102. Any remedies under securities legislation that a purchaser of the Securities distributed under an "at-the-market distribution" may have against the Corporation or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of convertible, exchangeable or exercisable securities, purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus or any prospectus supplement is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: December 13, 2022

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

TIDEWATER RENEWABLES LTD.

(signed) "*Robert Colcleugh*"
Interim Chief Executive Officer

(signed) "*Raymond Kwan*"
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "*Margaret Raymond*"
Director

(signed) "*John Adams*"
Director

CERTIFICATE OF THE PROMOTER

Dated: December 13, 2022

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

TIDEWATER MIDSTREAM AND INFRASTRUCTURE LTD.

(signed) "*Robert Colcleugh*"
Interim Chief Executive Officer