

# Tidewater announces TransAlta's ownership interest in the Pioneer pipeline and dividend announcement

CALGARY, Dec. 17, 2018 /CNW/ -

## TransAlta Pioneer pipeline option exercise

Tidewater Midstream and Infrastructure Ltd. ("**Tidewater**" or the "**Corporation**") is pleased to announce that TransAlta has exercised its option to acquire a 50 percent ownership interest in the Pioneer pipeline connecting the Tidewater owned Brazeau River Complex to TransAlta's generating units in the Keephills and Sundance area. Tidewater will construct and operate the 120 km natural gas pipeline, with an 11km lateral connecting to Sundance, which will have an initial throughput of 130 MMcf/d with the potential to expand to approximately 440 MMcf/d. The project is supported by a 15 year take or pay commitment from TransAlta. TransAlta's investment will be approximately \$90 million. Construction of the 120km pipeline commenced last month and is expected to be fully operational by the second half of 2019. TransAlta's investment is subject to final regulatory approval of the lateral and licence transfers from Tidewater to the partnership.

## Fourth Quarter dividend

Tidewater is pleased to announce that its Board has declared a dividend for the fourth quarter of 2018 of \$0.01 per common share payable on or about January 31<sup>st</sup>, 2019 to shareholders of record on December 31, 2018. The ex-dividend date is December 28, 2018. This dividend is an eligible dividend for the purpose of the *Income Tax Act* (Canada).

## *The Corporation's Business*

Tidewater is traded on the TSX under the symbol "TWM". Tidewater's business objective is to build a diversified midstream and infrastructure company in the North American natural gas and natural gas liquids ("NGL") space. Its strategy is to profitably grow and create shareholder value through the acquisition and development of oil and gas infrastructure. Tidewater plans to achieve its business objective by providing customers with a full service, vertically integrated value chain through the acquisition and development of oil and gas infrastructure including: gas plants, pipelines, railcars, trucks, export terminals and storage facilities.

## **Cautionary Notes**

### *Advisory Regarding Forward-Looking Statements*

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

Specifically, this news release contains forward-looking statements relating to but not limited to: planned construction of the TransAlta Pioneer pipeline and projected in-service date of such pipeline;

potential to expand the capacity of the Pioneer pipeline; expected investment by TransAlta in the Pioneer pipeline and the timing of the related cash payment; and projections regarding the receipt of final regulatory approvals of the lateral and licence transfers for TransAlta's investment.

Such forward-looking statements of information are based on a number of assumptions which may prove to be incorrect. In addition to other assumptions identified in this document, assumptions have been made regarding, among other things: general economic and industry trends; oil and gas industry expectation and development activity levels; future natural gas, crude oil and NGL prices; the Corporation's ability to secure natural gas supplies; anticipated timelines and budgets being met in respect of the Corporation's projects and operations; receipt of regulatory approvals for the Corporation's capital projects; that counterparties will comply with contracts in a timely manner; that there are no unforeseen material costs relating to the facilities which are not recoverable from customers; funds flow from operations and cash flow consistent with expectations; future capital expenditures to be made by the Corporation; the ability to obtain additional financing on satisfactory terms; the ability of Tidewater to successfully market its products; the Corporation's future debt levels and the ability of the Corporation to repay its debt when due; foreign currency, exchange and interest rates; that any third-party projects relating to the Corporation's growth projects will be sanctioned and completed as expected; the Corporation's ability to obtain and retain qualified staff and equipment in a timely and cost-effective manner; and, the amount of future liabilities relating to lawsuits and environmental incidents and the availability of coverage under the Corporation's insurance policies.

Actual results achieved will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors including but not limited to: general economic, political, market and business conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility; regulatory approvals of the Corporation's capital projects; activities of producers and customers, procurement of natural gas supplies; the regulatory environment and decisions and First Nations and landowner consultation requirements; operational matters, including potential hazards inherent in the Corporation's operations and the effectiveness of health, safety, environmental and integrity programs; transportation of hazardous materials; fluctuations in commodity prices, inventory levels and supply/demand trends; actions by governmental authorities, including changes in government regulation including environmental, tariffs and taxation; changes in operating and capital costs, including fluctuations in input costs; competition for, among other things, business, capital, acquisition opportunities, requests for proposals, materials, equipment, labour and skilled personnel; environmental risks and hazards, including risks inherent in the transportation of NGLs which may create liabilities to the Corporation in excess of the Corporation's insurance coverage, if any; non-performance or default by counterparties to agreements which the Corporation or one or more of its subsidiaries has entered into in respect of its business; construction and engineering variables associated with capital projects, including the availability of contractors, engineering and construction services, accuracy of estimates and schedules, and the performance of contractors; the availability of capital on acceptable terms; changes in the credit-worthiness of counterparties; effects of weather conditions; reliance on key personnel; technology and security risks; potential losses which would stem from any disruptions in production, including work stoppages or other labour difficulties; technical and processing problems; changes in gas composition; and failure to realize the anticipated benefits of recently completed acquisitions.

The foregoing lists are not exhaustive. Additional information on these and other factors which could affect the Corporation's operations or financial results are included in the Corporation's most recent Annual Information Form and in other documents on file with the Canadian Securities regulatory authorities.

The above summary of assumptions and risks related to forward-looking statements in this news release is intended to provide shareholders and potential investors with a more complete perspective on Tidewater's current and future operations and such information may not be appropriate for other purposes. There is no representation by Tidewater that actual results achieved

will be the same in whole or in part as those referenced in the forward-looking statements and Tidewater does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.

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