



NEWS RELEASE

Gibson Energy and USD Announce Government of Alberta Approval of Hardisty DRU and Finalization of Agreements to Sanction the Construction of the Initial 50,000 bbl/d of Capacity

2/25/2020

CALGARY, Alberta, Feb. 25, 2020 -- US Development Group, LLC (through a wholly-owned affiliate, collectively USD) and Gibson Energy Inc. (Gibson) (TSX: GEI) jointly announced the receipt of all required regulatory approvals from the Government of Alberta to proceed with the construction of a diluent recovery unit (DRU) near Hardisty, Alberta, Canada. Additionally, USD and Gibson have finalized all required commercial agreements with ConocoPhillips Canada to fully underpin and sanction the construction of the initial phase of the DRU at 50,000 barrels per day of inlet bitumen blend capacity and enable rail shipments of DRUbit™ to the U.S. Gulf Coast.

Construction of the DRU is expected to begin in April 2020, and the DRU could be placed into service later in the second quarter of 2021. USD and Gibson are currently in commercial discussions with other potential producer and refiner customers to secure additional long-term, take-or-pay agreements to support future expansions of capacity at the DRU.

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About USD Group LLC

USD and its affiliates are engaged in designing, developing, owning, and managing large-scale multi-modal logistics centers and energy-related infrastructure across North America. USD solutions create flexible market access for customers in significant growth areas and key demand centers, including Western Canada, the U.S. Gulf Coast and Mexico. Among other projects, USD is currently pursuing the development of a premier energy logistics terminal on the Houston Ship Channel with capacity for substantial tank storage, multiple docks (including barge and deepwater), inbound and outbound pipeline connectivity, as well as a rail terminal with unit train capabilities. For additional information, please visit www.usdg.com. Information on websites referenced in this release are not part of this release. DRUbit™ is a trademark of DRU Assets LLC, a subsidiary of USD, and is used by permission. All rights reserved.

About Gibson

Gibson is a Canadian-based oil infrastructure company with its principal businesses consisting of the storage, optimization, processing, and gathering of crude oil and refined products. Headquartered in Calgary, Alberta, the Company's operations are focused around its core terminal assets located at Hardisty and Edmonton, Alberta, and also include the Moose Jaw Facility and an infrastructure position in the U.S. Gibson shares trade under the symbol GEI and are listed on the Toronto Stock Exchange. For more information regarding Gibson as well as the DRU project visit www.gibsonenergy.com and Gibson's profile on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking information and statements (collectively, forward-looking statements) including, but not limited to, statements concerning the proposed construction and operations of the DRU, the timing for construction of the DRU and in-service date, the ability to transport DRUbit™ from the DRU to the U.S. Gulf Coast and potential future expansion of the DRU.

These statements relate to future events or future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "aim", "target", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential" and "capable" and similar expressions are intended to identify forward-looking statements. The forward looking statements reflect the project participant's beliefs and assumptions with respect to, among other things, the ability to obtain necessary commercial support in connection with the DRU, the timing of completion of the DRU, continued market demand, general economic trends, industry trends, commodity prices, capital markets, the governmental, regulatory and legal environment in the various jurisdictions in which they individually, or collectively, conduct and will conduct their respective business, ability to obtain qualified personnel and equipment in a timely and cost-efficient manner, ability to generate sufficient cash

to meet its current and future obligations, ability to obtain financing for capital programs and the DRU on acceptable terms, the successful and timely implementation of capital projects in a manner consistent with financial expectations and the other business activities of the participants, and other assumptions inherent in management's expectations of future operating and financial results and other forward-looking statements identified herein.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although the project participants believe these statements to be reasonable, no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. Actual results could differ materially from those anticipated in these forward looking statements as a result of, among other things, risks inherent in the businesses conducted by each of the project participants, ability for Gibson and USD to secure additional long-term, take-or-pay agreements with other producer and refiner customers to support possible future expansions of the DRU, the ability to satisfy conditions associated with the DRU and its construction and operation, the ability of customers to discover and market reserves, construction costs in respect of the DRU and USD's Port Arthur terminal, regulatory decisions, competitive factors in the industries in which the project participants operate, prevailing economic conditions, world-wide demand for crude oil and petroleum products, volatility of commodity prices, currency and interest rates fluctuations, product supply and demand (including demand for DRUbit™), changes in credit ratings applicable to any of the participants, operating costs and the accuracy of cost estimates, exposure to counterparties and partners, including ability and willingness of such parties to satisfy contractual obligations in a timely manner, future capital expenditures, ability to obtain necessary regulatory approvals for USD's Port Arthur terminal, rail capacity and terminal access, the successful and timely implementation of construction on the DRU and Port Arthur terminal and/or stages thereof, changes to any of the project participants' business plans or strategy, ability to access various sources of debt and equity capital, generally, and on terms acceptable to the respective participant, changes in government policies, laws and regulations, including environmental and tax laws and regulations, competition for employees and other personnel, equipment, material and services related thereto, the availability and cost of employees and other personnel, equipment, materials and services, weather, including its impact on product demand, exploration, production and transportation, inherent risks associated with the exploration, development, production and transportation of bitumen, the timing and extent of changes in foreign currency exchange rates, interest rates, inflation rates, global and domestic financial market conditions and global and domestic general economic conditions, political developments around the world, including the areas in which the project participants individually, or collectively, operate, many of which are beyond the control of any of the project participants. Readers are cautioned that the foregoing lists are not exhaustive. For an additional discussion of material risk factors relating to Gibson and its operations, please refer to those included in Gibson's Annual Information Form dated February 24, 2020 as filed on SEDAR and available on the Gibson website at www.gibsonenergy.com.