



Gibson Energy Announces 2020 First Quarter Results

All financial figures are in Canadian dollars unless otherwise noted

Calgary, Alberta (May 4, 2020) – Gibson Energy Inc. (“Gibson” or the “Company”) (TSX: GEI), announced today its financial and operating results for the three months ended March 31, 2020.

“Gibson delivered strong operational and financial results in the first quarter, driven by the continued growth of stable, long-term cash flows from our Infrastructure segment, which have increased over 40% in the last two years and are expected to represent roughly 80% of our business in 2020,” said Steve Spaulding, President and Chief Executive Officer. “During the quarter, we witnessed a profound shift in the near to medium-term outlook for the global energy industry with the outbreak of COVID-19. Most importantly, I am proud of the Gibson Energy team, and the numerous efforts we made, and continue to advance, to protect our people and ensure the safe, reliable operation of our assets.”

Mr. Sean Brown, Senior Vice President and Chief Financial Officer added, “From a financial perspective, though these are very challenging times for our customers, and our industry as a whole, I am comforted by the fact that by re-focusing the Company around high-quality oil-infrastructure businesses we are positioned well. We have built significant resiliency into our business with long-term, stable cash flows from predominantly investment grade counterparties and maintaining a conservative balance sheet with a fully-funded model for growth capital.”

Financial Highlights:

- Distributable cash flow from combined operations⁽¹⁾ of \$86 million in the first quarter, a \$3 million or 4% increase over the first quarter of 2019 due a meaningful increase in contribution from the Infrastructure segment more than offsetting the decrease in the Marketing segment from a robust quarter in 2019
- Infrastructure segment profit of \$98 million in the first quarter, a \$23 million or 31% increase over the first quarter of 2019, primarily due to additional tankage in service at Hardisty as well as the expansion of the HURC Facility and the expansion of the Moose Jaw Facility
- Marketing segment profit of \$36 million in the first quarter, a \$25 million or 41% decrease over the first quarter of 2019, with the comparative quarter having benefitted from opportunities created by volatility in crude differentials and a stronger market for Refined Products
- Adjusted EBITDA from continuing operations⁽²⁾ of \$129 million in the first quarter, a \$10 million or 9% increase over the first quarter of 2019, leading to Net Debt to Pro Forma Adjusted EBITDA at March 31, 2020 of 2.7x, below the Company’s 3.0x – 3.5x target range and reflective of Gibson’s strong financial position
- Remain fully-funded for all sanctioned capital and continue to maintain ample liquidity through a \$750 million Revolving Credit Facility that was effectively undrawn net of cash at the end of the first quarter
- Payout ratio on a trailing twelve-month basis of 62%, well below the Company’s 70% to 80% target range

Strategic Developments and Highlights:

- Subsequent to the end of the quarter, recognizing the importance of sustainability and ESG principles in how the Company operates and in its business strategy, Gibson published its inaugural Sustainability Report
- 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 capacity under long-term, take-or-pay agreements, and also received all required regulatory approvals from the Government of Alberta to proceed with the construction of the DRU
- Amended the Company’s Revolving Credit Facility to increase the capacity from \$560 million to \$750 million and extended the maturity date from March 2024 to February 2025
- Announced that Ms. Judy Cotte joined the Company’s Board of Directors effective March 17, 2020
- Subsequent to the end of the quarter, DBRS Morningstar reaffirmed its Issuer Rating of “BBB (low)” with a “Stable” trend, citing Gibson’s contracted cash flows, competitive position and reasonable financial metrics

⁽¹⁾ Distributable cash flow from combined operations is defined in Gibson’s Management’s Discussion and Analysis (“MD&A”). See MD&A sections “Liquidity and Capital Resources” and “Results of Discontinued Operations” for cash flow from operations discussion, which is the most closely related GAAP measure.

⁽²⁾ Adjusted EBITDA from continuing operations is defined in Gibson’s MD&A. See MD&A section “Results of Continuing Operations” for segment profit from continuing operations discussion, which is the most closely related GAAP measure and disclosed in note 1 of the condensed consolidated financial statements.

COVID-19 Response Update

The COVID-19 pandemic has prompted the Government of Alberta to declare a state of public health emergency. Alongside government and public health officials, Gibson is actively monitoring COVID-19 updates and following the latest guidance. As the COVID-19 pandemic continues to evolve, Gibson is prioritizing the health and safety of its workforce by directing employees to work remotely from home wherever possible pursuant to the Company's business continuity plan. For employees at the Company's facilities, Gibson has implemented "business minimum" staffing levels in combination with stringent safety and hygiene protocols to both protect employees and ensure the continued delivery of critical services to meet the needs of customers and other stakeholders.

Gibson believes that preparation, along with a dedicated team, has led to a seamless transition. The Company would like to recognize the continued efforts of all Gibson employees during this time and would also thank all its stakeholders for their ongoing support.

Management's Discussion and Analysis and Financial Statements

The 2020 first quarter Management's Discussion and Analysis and unaudited Condensed Consolidated Financial Statements provide a detailed explanation of Gibson's financial and operating results for the three months ended March 31, 2020, as compared to the three months ended March 31, 2019. These documents are available at www.gibsonenergy.com and at www.sedar.com.

2020 First Quarter Results Conference Call

A conference call and webcast will be held to discuss the 2020 first quarter financial and operating results at 7:00am Mountain Time (9:00am Eastern Time) on Tuesday, May 5, 2020.

The conference call dial-in numbers are:

- 478-219-0003 / 844-358-6759
- Participant Pass Code: 6299604

This call will also be broadcast live on the Internet and may be accessed directly at the following URL:

<https://edge.media-server.com/mmc/p/yta4twcv>

The webcast will remain accessible for a 12-month period at the above URL. Additionally, a digital recording will be available for replay two hours after the call's completion until Wednesday, May 13, 2020, using the following dial-in numbers:

- 404-537-3406 / 855-859-2056
- Participant Pass Code: 6299604

Annual General Meeting & Webcast Details

Gibson is holding its annual meeting of shareholders on Tuesday, May 5, 2020 at 10:00am Mountain Time (12:00 noon Eastern Time). In light of public health concerns regarding COVID-19, shareholders will not be able to attend the meeting in person as it will be held as a virtual-only meeting conducted via live audio webcast. Shareholders will have an equal opportunity to participate at the virtual-only meeting regardless of their geographic location. Participants are encouraged to register for the live audio webcast at least 10 minutes prior to the presentation start time.

Following the conclusion of the formal proceedings of Gibson's annual shareholder meeting, Mr. Steve Spaulding, President and Chief Executive Officer, will address shareholders and provide brief remarks on the current state of the business and discuss highlights of the Company's key initiatives (including the launch of the Company's Sustainability Report).

The live audio webcast can be accessed using the following URL:

<https://web.lumiagm.com/?fromUrl=244694939>

The webcast will remain accessible for a 12-month period on Gibson's website, www.gibsonenergy.com.

Supplementary Information

Gibson has also made available certain supplementary information regarding the first quarter financial and operating results, available on the Company's website (as noted above).

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, visit www.gibsonenergy.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 delivery of Gibson's strategy and the timing thereof and expectations concerning Gibson's Infrastructure segment in 2020.

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 Gibson's beliefs and assumptions with respect to, among other things, future operating and financial results, future growth in world-wide demand for crude oil and petroleum products; crude oil prices; no material defaults by the counterparties to agreements with Gibson; Gibson's ability to obtain qualified personnel, owner-operators, lease operators and equipment in a timely and cost-efficient manner; the regulatory framework governing taxes and environmental matters in the jurisdictions in which Gibson conducts and will conduct its business; changes in credit ratings applicable to Gibson; operating costs; future capital expenditures to be made by Gibson; Gibson's ability to obtain financing for its capital programs on acceptable terms; the Company's future debt levels; the impact of increasing competition on the Company; the impact of changes in government policies on Gibson; the impact of future changes in accounting policies on the Company's consolidated financial statements; the impact of the COVID-19 pandemic, including related government responses thereto, on demand for crude oil and petroleum products and our operations generally; Gibson's ability to effectively transition its operations as required in response to the COVID-19 pandemic; the availability of coverage under Gibson's insurance policies (including in respect of Gibson's business interruption insurance policy); the Company's ability to successfully implement the plans and programs disclosed in Gibson's strategy and other assumptions inherent in management's expectations in respect of the 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 Gibson believe these statements to be reasonable, no assurance can be given that the results or events anticipated in these forward-looking statements will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. Actual results or events 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 Gibson; competitive factors in the industries in which Gibson operates; prevailing global and domestic financial market and economic conditions; world-wide demand for crude oil and petroleum products; volatility of commodity prices, currency and interest rates fluctuations; product supply and demand; 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; capital expenditures by oil and gas companies; production of crude oil; decommissioning, abandonment and reclamation costs; changes to Gibson's business plans or strategy; ability to access various sources of debt and equity capital, generally, and on terms acceptable to Gibson; 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; dependence on certain key suppliers and key personnel; reputational risks; acquisition and integration risks; risks associated with our Hardisty DRU project; capital project delivery and success; risks associated with Gibson's use of

technology; ability to obtain regulatory approvals necessary for the conduct of Gibson's business; the availability and cost of employees and other personnel, equipment, materials and services; labour relations; seasonality and adverse weather conditions, including its impact on product demand, exploration, production and transportation; inherent risks associated with the exploration, development, production and transportation of crude oil and petroleum products; risks related to widespread epidemics or pandemic outbreaks, including the COVID-19 pandemic and government responses related thereto, and the impact thereof to the other risks inherent in the businesses conducted by Gibson; risks related to actions of OPEC and non-OPEC countries, including the effect thereof on the demand for crude oil and petroleum products and commodity prices; and political developments around the world, including the areas in which Gibson operates, many of which are beyond the control of Gibson. 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.

Non-GAAP Measures

This news release refers to certain financial measures that are not determined in accordance with IFRS. Distributable cash flow ("DCF") is not a measure recognized under IFRS and does not have standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures reported by other entities. Management considers this to be an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. Distributable cash flow is used to assess the level of cash flow generated and to evaluate the adequacy of internally generated cash flow to fund dividends. Changes in non-cash working capital are excluded from the determination of distributable cash flow because they are primarily the result of fluctuations in product inventories or other temporary changes. Upgrade and replacement capital expenditures are deducted from distributable cash flow as there is an ongoing requirement to incur these types of expenditures. The Company may deduct or include additional items in its calculation of distributable cash flow; these items would generally, but not necessarily, be items of a non-recurring nature. Additional information about reconciliation of historical distributable cash flow to its most closely related IFRS measure, cash flow from operating activities can be found in our Management Discussion and Analysis ("MD&A") available on SEDAR at www.sedar.com and on our website at www.gibsonenergy.com.

For further information, please contact:

Mark Chyc-Cies
Vice President, Strategy, Planning & Investor Relations
Phone: (403) 776-3146
Email: mark.chyc-cies@gibsonenergy.com

SELECTED FINANCIAL INFORMATION

Three months ended March
31,

2020 2019

Continuing operations¹

Revenue	\$ 1,458,690	\$ 1,748,688
Segment profit	134,111	135,774
Net income	50,003	58,677
Basic earnings per share	0.34	0.41
Diluted earnings per share.....	0.34	0.40
Adjusted EBITDA ²	128,697	118,483
Distributable cash flow ²	85,952	78,950
Dividends declared	49,711	47,937
Cash flow provided by (used in) from operating activities	155,699	(12,494)
Growth capital expenditures	\$ 58,932	\$ 41,074

Combined operations¹

Combined adjusted EBITDA ^{1,2}	\$ 128,697	\$ 123,545
Distributable cash flow ²	85,952	82,834

Last twelve months – As at
March 31,

2020 2019

Debt and dividend payout ratios

Total and senior debt leverage ratio.....	2.7	2.3
Interest coverage ratio	7.0	7.2
Debt to capitalization leverage ratio	48%	-
Combined dividend payout ratio ⁴	62%	62%

1. See definition of non-GAAP measures on pages 12 to 13 and 25. Combined Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”) and Combined distributable cash flow, represents the aggregated results of both continuing and discontinued operations

2. See pages 13 to 14 and 19 to 20 for a reconciliation of Adjusted EBITDA to segment profit and distributable cash flow to cash flow from operations, respectively