



TIDEWATER RENEWABLES LTD. UPDATES PROGRESS ON ITS RENEWABLE DIESEL FACILITY, FUNDING PLAN AND INITIATES COMMISSIONING

CALGARY, April 13, 2023 - Tidewater Renewables Ltd. (“**Tidewater Renewables**” or the “**Corporation**”) (TSX: LCFS) announces initial unit commissioning at its Renewable Diesel (HDRD) Complex and its financing solution to support the completion and start-up of the HDRD facility. Following the previously announced capital cost increase, the Corporation has significantly enhanced its funding capacity. Tidewater Renewables is in discussion with its lenders to seek consents for increases to its lending facilities. It has also received additional government support, in the form of an issuance of credits that will result in cash proceeds of \$43 million.

The HDRD Complex continues to progress on schedule and with no change to the previously announced gross capital cost estimate of \$342 million. Construction is currently estimated to be 93% complete with the last major piece of equipment now on site. Construction operations commissioning has begun on several units with final completion and start-up expected to begin within two months. The HDRD project continues to be a leader in safety performance with zero loss time injuries throughout the life of the project to date.

To support the HDRD project, Tidewater Renewables has recently entered into firm credit sales agreements that will result in \$43 million of proceeds net to the Corporation. Proceeds from the credit sales and the anticipated expansion of its lending facilities will primarily be employed to offset the previously disclosed capital cost increases at the Corporation’s HDRD Complex. Tidewater Renewables believes its enhanced liquidity will sufficiently fund the HDRD project through start-up while providing significant additional flexibility.

“The support from government and our current capital providers has been fundamental to the ongoing advancement and success of our HDRD Complex, which will become Canada’s first Renewable Diesel facility. This project will provide significant value to our stakeholders while reducing the carbon intensity of fuels used in British Columbia and Canada” said Rob Colcleugh, Chairman and Interim CEO.

HDRD Complex Update

- HDRD Complex construction is progressing as forecast and is 93% complete.
- All major equipment for the HDRD Complex is now on site and set.
- The majority of the dry commissioning of the utility packages is complete.
- The tank farm and rail systems are now ready for operation.
- Target start-up is expected within two months.
- Operating at its design capacity, the HDRD Complex is expected to generate annualized run rate EBITDA of between \$90 – 115 million⁽¹⁾.

(1) Run rate EBITDA used throughout this news release is a non-GAAP financial measure. See the “Non-GAAP and Other Financial Measures” in this news release and the Corporation’s MD&A for information on each non-GAAP financial measure or ratio.

About Tidewater Renewables

Tidewater Renewables is traded on the TSX under the symbol “LCFS”. Tidewater Renewables 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, 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 Renewables’ 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, that utilize existing proven technologies. Organically, Tidewater Renewables seeks to leverage the existing infrastructure and engineering expertise of Tidewater Midstream and Infrastructure Ltd., 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. Additional information relating to Tidewater Renewables is available on SEDAR at www.sedar.com and at www.tidewater-renewables.com.

Non-GAAP and Other Financial Measures

Throughout this news release and in other materials disclosed by the Corporation, Tidewater Renewables uses a number of financial measures when assessing its results and measuring overall performance. The intent of non-GAAP measures and ratios 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. For more information with respect to financial measures which have not been defined by GAAP, including reconciliations to the closest comparable GAAP measure, see the “Non-GAAP and Other Financial Measures” section of Tidewater Renewables’ most recent MD&A which is available on SEDAR.

Run rate EBITDA guidance related to the HDRD Complex contains various assumptions including a renewable refinery margin of \$90/bbl. The renewable refinery margin is derived from vegetable oil strip pricing for the Corporation’s feedstocks, which are 50% and 40% hedged through 2023 and 2024, respectively, current diesel strip pricing, the Corporation’s previously announced Canadian Clean Fuel Regulation credit sales and average BC LCFS credits sale prices over the past 12-months.

Advisory Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements and forward-looking information (collectively referred to herein as, “forward-looking statements”) within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events, conditions or future financial performance of Tidewater Renewables based on future economic conditions and courses of action. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of any words such as “seek”, “anticipate”, “budget”, “plan” and similar expressions. These statements involve known and unknown risks, assumptions, uncertainties and other factors that may cause actual results or events to differ

materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon.

In particular, this news release contains forward-looking statements pertaining to, but not limited to, the following: the expected financial performance of the Corporation's capital projects and assets; guidance with respect to forecasted run rate EBITDA; the success and timing of the HDRD Complex and related milestones and capital costs; and the Corporation's operational and financial performance, including expectations regarding generating revenue, revenues and operating expenses.

Although the forward-looking statements contained in this news release are based upon assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this news release, the Corporation has made assumptions regarding, but not limited to: Tidewater Renewables' ability to execute on its business plan; general economic and industry trends, including the duration and effect of the COVID-19 pandemic; operating assumptions relating to the Corporation's projects; expectations around the level of output from the Corporation's projects, including assumptions relating to feedstock supply levels; timing and cost of completion of the HDRD Complex, including that the project will remain on budget and on schedule; the ownership and operation of Tidewater Renewables' business; regulatory risks, including changes or delay to the BC LCFS credits or CFR credits; the expansion of production of renewable fuels by competitors; the future pricing of BC LCFS credits and CFR credits; the Corporation's ability to monetize BC LCFS and CFR credits at commercial prices; future commodity and renewable energy prices; sustained or growing demand for renewable fuels; the ability for the Corporation to successfully turn a wide variety of renewable feedstocks into low carbon fuels; changes in the credit-worthiness of counterparties; the Corporation's future debt levels and its ability to repay its debt when due; the Corporation's ability to continue to satisfy the terms and conditions of its credit facilities; the continued availability of the Corporation's credit facilities; the Corporation's ability to obtain seek consents for increases to its lending facilities on satisfactory terms; that the Corporation's enhanced liquidity will sufficiently fund the HDRD project through start-up while providing additional flexibility; foreign currency, exchange, inflation and interest rate risks; and the other assumptions set forth in the Corporation's most recent annual information form available under the Corporation's profile on SEDAR at www.sedar.com.

The foregoing lists are not exhaustive. Additional information on these and other factors which could affect the Corporation's operations or financial results are set forth in the Corporation's most recent MD&A and annual information form and in other documents on file with the Canadian Securities regulatory authorities available under the Corporation's profile on SEDAR at www.sedar.com.

The Corporation's actual results could differ materially from those anticipated in the forward-looking statements, as a result of numerous known and unknown risks and uncertainties and other factors including, but not limited to: changes in supply and demand for low carbon products; general economic, political, market and business conditions, including fluctuations in interest rates, foreign exchange rates, supply chain pressures, inflation, stock market volatility and supply/demand trends; risks of health epidemics, pandemics and similar outbreaks, including COVID-19, which may have sustained material adverse effects on the Corporation's business, financial position, results of operations and/or cash flows; risks and liabilities inherent in the operations related to renewable energy production and storage

infrastructure assets, including the lack of operating history and risks associated with forecasting future performance; competition for, among other things, third-party capital, materials, equipment, labour, and skilled personnel; risks related to the environment and changing environmental laws in relation to the operations conducted with the Corporation's other capital projects; risks related to and the other risks set forth in the Corporation's most recent MD&A and annual information form available under the Corporation's profile on SEDAR at www.sedar.com.

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 at www.sedar.com.

Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect the Corporation's expectations only as of the date of this news release. The purpose of the financial outlooks contained in this news release are to give the reader information about management's current expectations and plans and readers are cautioned that such information may not be appropriate for other purposes and is given as of the date of this news release. Tidewater Renewables disclaims any intention or obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Financial Outlook

This news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about expectations regarding financial results, including run rate EBITDA and annual run rate EBITDA, which are subject to the same assumptions, risk factors, limitations and qualifications as set out under the heading "Forward-Looking Information". The actual financial results of the Corporation may vary from the amounts set out herein and such variation may be material. The Corporation and its management believe that the financial outlook has been prepared on a reasonable basis, reflecting management's best estimates and judgments and the FOFI contained in this news release was approved by management as of the date hereof. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, the Corporation undertakes no obligation to update such FOFI. FOFI contained in this news release was made as of the date hereof and was provided for the purpose of providing further information about the Corporation's anticipated future business operations on an annual basis. Readers are cautioned that the FOFI contained in this news release should not be used for purposes other than for which it is disclosed herein.

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