Gibson Energy Announces 2023 Capital Budget

All financial figures are in Canadian dollars unless otherwise noted

Calgary, Alberta (December 5, 2022) – Gibson Energy Inc. announced today its target for growth capital expenditures[1] in 2023 of between $100 million and $125 million, depending on the timing of the sanction of certain growth opportunities. Additionally, the Board of Directors has approved the allocation of between $30 million and $35 million in replacement capital expenditures[1] in 2023.

"We continue to advance discussions with several customers for the sanction of additional infrastructure opportunities," said Steve Spaulding, President and Chief Executive Officer. "On an unrisked basis, these projects would drive investment in 2023 to within our $150 million to $200 million growth capital target range. Reflecting that the timing of the individual sanction decisions of these opportunities remains variable, we currently expect to deploy between $100 million and $125 million in growth capital in 2023 on a risked basis with additional capital commitments being carried into 2024."

Gibson remains fully-funded for all sanctioned capital and well within its Financial Governing Principles given the continued growth of its long-term, stable Infrastructure cash flows. At the end of the third quarter of 2022, the Company's Net Debt to Adjusted EBITDA ratio[1] of 2.7x was below the bottom end of its 3.0x – 3.5x target range and its Dividend Payout ratio[1] on a trailing twelve-month basis of 64% was also below the Company's 70% – 80% target range. With an internal funding capacity above both its 2023 growth capital outlook and its annual $150 million to $200 million growth capital target, Gibson remains disciplined in its deployment of capital and well positioned to continue to return capital to shareholders in accordance with its capital allocation philosophy.

"Given our solid financial position and strong business performance, we have been able to increase return of capital to shareholders through the targeted repurchase of up to $150 million in common shares in 2022, representing nearly 4.5% of our outstanding shares," said Sean Brown, Senior Vice President and Chief Financial Officer. "This repurchase is in addition to the return of approximately $215 million of capital to shareholders in 2022 through our quarterly dividend payments, which implies a current yield on our common shares of over 6%. We continue to see the potential to return excess capital to shareholders in 2023, with an initial target of up to $100 million in share repurchases through the year, which would represent the repurchase of over 7% of our shares on a cumulative basis."

Inclusion in ESG Index

As Gibson continues to advance its sustainability journey, the Company is pleased to have been added to the GLIO/GRESB ESG Index, the world's first specialist ESG-filtered listed infrastructure index. Gibson is committed to maintaining a leading ESG profile and has continued its progress through recent initiatives that would include a focus on safety, further embedding ESG into its culture and business as well as achieving targets of having at least one racial and ethnic minority and/or Indigenous person on the Board as well as Senior Management and of 40% women representation on the Board, ahead of a 2025 target date.

About Gibson

Gibson Energy Inc. ("Gibson" or the "Company") (TSX: GEI), is a Canadian-based liquids infrastructure company with its principal businesses consisting of the storage, optimization, processing, and gathering of liquids and refined

[1] Net debt to Adjusted EBITDA ratio and Dividend Payout ratio are non-GAAP financial ratios. Net debt, Adjusted EBITDA and Distributable cash flow are components of these non-GAAP ratios. Growth capital and replacement capital are supplementary financial measures. See the "Specified Financial Measures" section of this press release.

products. Headquartered in Calgary, Alberta, the Company's operations are focused around its core terminal assets located at Hardisty and Edmonton, Alberta, and 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, management's expectations with respect to the business and financial prospects and opportunities of Gibson or its subsidiaries, business and funding strategy and plans of management, expectations of future market conditions, expectations of growth capital expenditures and replacement capital expenditures in 2023 and 2024, Gibson's ability to sanction projects that are in support thereof and the resulting impact of such projects on Gibson's or its customers' business and Gibson's capital allocation, Gibson's ability to progress its DRU and other commercial opportunities, Gibson's expectations with respect to its funding position, Gibson's expectations of the Infrastructure and Marketing segments, the return of capital to shareholders and the conditions upon which Gibson would do so and Gibson's plans and strategies to realize its projections. All statements other than statements of historical fact are forward-looking statements. The use of any of the words ''anticipate'', ''plan'', ''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. These 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. 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. These statements speak only as of the date of this press release. In addition, this press release may contain forward-looking statements and forward-looking information attributed to third party industry sources. The Company does not undertake any obligations to publicly update or revise any forward-looking statements except as required by securities law. Actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous risks and uncertainties including, but not limited to, the risks and uncertainties described in "Forward-Looking Statements" and "Risk Factors" included in the Company's Annual Information Form dated February 23, 2022 as filed on SEDAR and available on Gibson's website at www.gibsonenergy.com.

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Specified Financial Measures

This press release refers to certain financial measures that are not determined in accordance with GAAP, including non-GAAP financial measures and non-GAAP financial ratios. Readers are cautioned that non-GAAP financial measures and non-GAAP financial ratios do not have standardized meanings prescribed by GAAP and, therefore, may not be comparable to similar measures presented by other entities. Management considers these to be important supplemental measures of the Company's performance and believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures.

For further details on these specified financial measures, including relevant reconciliations, see the "Specified Financial Measures" section of the Company's MD&A for the three and nine months ended September 30, 2022 and 2021, which is incorporated by reference herein and is available on Gibson's SEDAR profile at www.sedar.com and Gibson's website at www.gibsonenergy.com.

a) **Adjusted EBITDA**

Noted below is the reconciliation to the most directly comparable GAAP measures of the Company's segmented and consolidated adjusted EBITDA for the three and nine months ended September 30, 2022, and 2021:

Three months ended September 30	**Infrastructure**		**Marketing**		**Corporate & Adjustments**		**Total**	
($ thousands)	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Segment Profit	109,349	102,774	44,786	13,528	-	-	154,135	116,302
Unrealized loss on derivative financial instruments	-	-	2,889	2,249	-	-	2,889	2,249
General and administrative	-	-	-	-	(10,374)	(9,238)	(10,374)	(9,238)
Adjustments to share of profit from equity accounted investees	2,021	1,403	-	-	-	-	2,021	1,403
Other	-	-	-	-	742	-	742	-
Adjusted EBITDA	111,370	104,177	47,675	15,777	(9,633)	(9,238)	149,413	110,716

Nine months ended September 30	**Infrastructure**		**Marketing**		**Corporate & Adjustments**		**Total**	
($ thousands)	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Segment Profit	326,143	328,622	81,705	25,907	-	-	407,848	354,529
Unrealized (gain) / loss on derivative financial instruments	-	-	(1,027)	11,635	-	-	(1,027)	11,635
General and administrative	-	-	-	-	(29,960)	(26,645)	(29,960)	(26,645)
Adjustments to share of profit from equity accounted investees	6,042	1,937	-	-	-	-	6,042	1,937
Other	-	-	-	-	742	-	742	-
Adjusted EBITDA	332,185	330,559	80,678	37,542	(29,218)	(26,645)	383,645	341,456

	Three months ended September 30,	
($ thousands)	**2022**	**2021**
Net Income	71,465	35,996
Income tax expense	20,589	11,018
Depreciation, amortization, and impairment charges	37,191	39,425
Net finance costs	16,426	15,612
Unrealized loss on derivative financial instruments	2,889	2,249
Stock based compensation	4,569	4,864
Adjustments to share of profit from equity accounted investees	2,021	1,403
Corporate foreign exchange (gain) / loss and other	(5,737)	149
Adjusted EBITDA	149,413	110,716

	Nine months ended September 30,	
($ thousands)	**2022**	**2021**
Net Income	159,354	101,136
Income tax expense	47,646	29,287
Depreciation, amortization, and impairment charges	113,645	132,606
Net finance costs	47,112	46,383
Unrealized (gain) / loss on derivative financial instruments	(1,027)	11,635
Stock based compensation	15,427	18,100
Adjustments to share of profit from equity accounted investees	6,042	1,937
Corporate foreign exchange (gain) / loss and other	(4,554)	372
Adjusted EBITDA	383,645	341,456

b) **Distributable Cash Flow**

The following is a reconciliation of distributable cash flow from operations to its most directly comparable GAAP measure, cash flow from operating activities:

($ thousands)	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Cash flow from operating activities	206,671	93,419	528,254	213,620
Adjustments:				
Changes in non-cash working capital and taxes paid	(50,588)	12,923	(144,309)	118,147
Replacement capital	(7,556)	(7,591)	(15,384)	(14,201)
Cash interest expense, including capitalized interest	(15,771)	(13,634)	(43,527)	(40,069)
Lease payments	(7,510)	(9,180)	(27,630)	(29,686)
Current income tax	(10,555)	(5,422)	(29,656)	(21,134)
Distributable cash flow	114,691	70,515	267,748	226,677

($ thousands)	Twelve months ended September 30, 2022	Twelve months ended September 30, 2021
Cash flow from operating activities	531,440	258,560
Adjustments:		
Changes in non-cash working capital and taxes paid	(49,631)	149,400
Replacement capital	(23,783)	(19,270)
Cash interest expense, including capitalized interest	(57,676)	(51,687)
Lease payments	(34,638)	(40,450)
Current income tax	(33,568)	(15,780)
Distributable cash flow	332,144	280,773

c) Dividend Payout Ratio

	Twelve months ended September 30, 2022	Twelve months ended September 30, 2021
Distributable cash flow	332,144	280,773
Dividends declared	213,869	203,328
Dividend payout ratio	64%	72%

d) Net Debt To Adjusted EBITDA Ratio

	Twelve months ended September 30, 2022	Twelve months ended September 30, 2021
Long-term debt	1,551,478	1,575,324
Lease liabilities	72,151	88,031
Less: unsecured hybrid debt	(250,000)	(250,000)
Less: cash and cash equivalents	(72,183)	(67,351)
Net debt	1,301,446	1,346,004
Adjusted EBITDA	487,407	423,344
Net debt to adjusted EBITDA ratio	2.7	3.2