

Targa Resources Corp. Logo

Targa Resources Corp. Sells 45 Percent Interest in Bakken Assets for \$1.6 Billion

February 19, 2019

HOUSTON, Feb. 19, 2019 (GLOBE NEWSWIRE) -- Targa Resources Corp. (NYSE: TRGP) ("Targa" or the "Company") announced today that it has entered into definitive agreements to sell a 45 percent interest in Targa Badlands LLC ("Badlands"), the entity that holds all of Targa's assets in North Dakota, to funds managed by GSO Capital Partners and Blackstone Tactical Opportunities (collectively, "Blackstone") for \$1.6 billion in cash (the "Transaction").

Under the terms of the executed agreements, Targa will continue to be the operator and will hold majority governance rights in Badlands. Future growth capital is expected to be funded on a pro rata basis. Badlands will pay a minimum quarterly distribution to Blackstone and to Targa based on their initial investments, and Blackstone's capital contributions will have a liquidation preference upon a sale of Badlands.

The Badlands assets and operations are located in the Bakken and Three Forks Shale plays of the Williston Basin in North Dakota and include approximately 480 miles of crude oil gathering pipelines, 125,000 barrels of operational crude oil storage, approximately 260 miles of natural gas gathering pipelines and the Little Missouri natural gas processing plant with a current gross processing capacity of approximately 90 million cubic feet per day ("MMcf/d"). Additionally, Badlands owns a 50% interest in the 200 MMcf/d Little Missouri 4 ("LM4") Plant that is anticipated to be completed in the second quarter of 2019.

"We are very proud of our talented employees and assets in the Badlands, and our joint venture with Blackstone will support us in continued growth while providing best in class service to our customers in the Bakken," said Joe Bob Perkins, Chief Executive Officer of the Company. "Selling a minority interest in the Badlands at an attractive valuation allows us to satisfy a substantial portion of our estimated 2019 equity funding needs and provides us with significant flexibility looking forward."

Michael Zawadzki, Senior Managing Director and Co-Head of Energy at GSO Capital Partners said, "We are delighted to partner with Targa and look forward to building upon the strong operating performance, commercial activity, and customer service capabilities of Badlands. Given its extensive asset footprint across the core of the highly prolific Williston Basin, we believe Badlands is well positioned for continued growth."

Targa expects to use the net cash proceeds to pay down debt and for general corporate purposes including funding its growth capital program. The Transaction is expected to close in the second quarter of 2019 and is subject to customary regulatory approvals and closing conditions.

Evercore is serving as Targa's exclusive financial advisor and Vinson and Elkins LLP is acting as Targa's legal counsel on the Transaction. Citi is serving as Blackstone's exclusive financial advisor and Akin Gump Strauss Hauer & Feld LLP is acting as Blackstone's legal counsel on the Transaction.

Targa management will discuss the Transaction on its previously announced fourth quarter 2018 earnings conference call and webcast. The conference call will be webcast live over the internet and may be accessed either through webcast or telephone dial-in.

Event: Targa Resources Corp. Fourth Quarter 2018 Earnings Webcast and Presentation
Date: Wednesday, February 20, 2019
Time: 11:00 a.m. Eastern Time
Webcast: www.targaresources.com under "Events and Presentations" or directly at <https://edge.media-server.com/m6/p/ui7iq2dg>

Dial-in Information (audio only - please dial in 10 minutes ahead):

North America Toll Free: (877) 881-2598
Outside North America: (443) 818-6422
Participant Passcode: 2176547

Forward-Looking Statements

Certain statements in this release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, are forward-looking statements. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside the Company's control, which could cause results to differ materially from those expected by management of the Company. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including a decline in the price and market demand for natural gas, natural gas liquids and crude oil, the timing and success of business development efforts; and other uncertainties. These and other applicable uncertainties, factors and risks are described more fully in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2017, and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The Company does not undertake an obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

About Targa Resources Corp.

Targa Resources Corp. is a leading provider of midstream services and is one of the largest independent midstream energy companies in North America. Targa owns, operates, acquires, and develops a diversified portfolio of complementary midstream energy assets. The Company is primarily engaged in the business of: gathering, compressing, treating, processing, and selling natural gas; storing, fractionating, treating, transporting, and selling NGLs and NGL products, including services to LPG exporters; gathering, storing, terminaling, and selling crude oil; storing, terminaling, and selling refined petroleum products.

For more information, please visit the Company's website at www.targaresources.com.

Contact the Company's investor relations department by email at

InvestorRelations@targaresources.com or by phone at (713) 584-1133.

Sanjay Lad
Director - Investor Relations

Jennifer Kneale
Chief Financial Officer

About Blackstone

Blackstone is one of the world's leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our asset management businesses, with over \$472 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com. Follow Blackstone on Twitter @Blackstone.

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Source: Targa Resources Corp.