



NuStar Energy L.P. Enters into a \$750 Million Unsecured Term Loan Agreement with Oaktree to Bolster Financial Flexibility

April 20, 2020

Announces Other Self-help Measures including 45 Percent Reduction in 2020 Strategic Capital Expenditures

SAN ANTONIO--(BUSINESS WIRE)--Apr. 20, 2020-- NuStar Energy L.P. (NYSE: NS) today announced that it has entered into a \$750 million unsecured term loan agreement with funds managed by Oaktree Capital Management, L.P. ("Oaktree") to strengthen its near-term liquidity. The three-year, 12 percent facility provides that NuStar will draw \$500 million at closing and may elect to draw an additional \$250 million under the facility during the first year.

"Oaktree is excited for this opportunity to invest in NuStar's continued success," said Jared Parker, Oaktree Capital Managing Director and Co-Portfolio Manager of its energy infrastructure investment strategy. "We are happy to support their essential infrastructure assets and their solid management team."

NuStar President and CEO Brad Barron said, "We are pleased to partner with Oaktree for a facility that provides important financial flexibility to address current market challenges. We plan to utilize the proceeds to pay down our revolver and bolster our liquidity to address our near-term debt maturities."

"In addition to paying down our revolving credit agreement, we have also improved our near-term liquidity through a significant reduction in our 2020 spending," Barron noted.

NuStar now plans to spend between \$165 and \$195 million for strategic capital in 2020, which is a reduction of over \$145 million, or approximately 45 percent below previously forecasted 2020 strategic capital spending and approximately 60 percent below 2019 strategic capital spending. NuStar has also identified \$20 - \$30 million of controllable expense reductions for the full-year of 2020.

"We have also identified a significant amount of additional potential reductions that we are prepared to make to scale back spending in 2021, as conditions warrant," Barron said.

"It has been a busy few weeks for NuStar, as it has been for so many, across the country and around the globe. But I am proud to report that our employees are continuing to work hard to ensure that NuStar continues to provide the critical midstream services needed to support our nation's vital energy infrastructure in the near- and long-term," said Barron.

NuStar Energy L.P., a publicly traded master limited partnership based in San Antonio, is one of the largest independent liquids terminal and pipeline operators in the nation. NuStar currently has approximately 10,000 miles of pipeline and 74 terminal and storage facilities that store and distribute crude oil, refined products and specialty liquids. The partnership's combined system has approximately 74 million barrels of storage capacity, and NuStar has operations in the United States, Canada and Mexico. For more information, visit NuStar Energy L.P.'s website at www.nustarenergy.com.

Oaktree is a leader among global investment managers specializing in alternative investments, with \$125 billion in assets under management as of December 31, 2019. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. The firm has over 950 employees and offices in 19 cities worldwide. For additional information, please visit Oaktree's website at www.oaktreecapital.com.

Intrepid Partners, LLC served as exclusive financial advisor to NuStar in connection with the loan transaction and Sidley Austin served as exclusive legal advisor to NuStar.

Kirkland and Ellis served as exclusive legal advisor to Oaktree.

Forward-Looking Statements

This press release includes forward-looking statements regarding future events, such as the partnership's future performance, capital expenditure and expense reductions. All forward-looking statements are based on the partnership's beliefs as well as assumptions made by and information currently available to the partnership. These statements reflect the partnership's current views with respect to future events and are subject to various risks, uncertainties and assumptions. These risks, uncertainties and assumptions are discussed in NuStar Energy L.P.'s 2019 annual report on Form 10-K and subsequent filings with the Securities and Exchange Commission. Actual results may differ materially from those described in the forward-looking statements. Except as required by law, the partnership does not intend to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

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