



Southcross Energy Partners, L.P. Restructuring Plan Confirmed by Court

January 27, 2020

Expects to Emerge from Chapter 11 in the Coming Days

DALLAS, Texas, Jan. 27, 2020 (GLOBE NEWSWIRE) -- Southcross Energy Partners, L.P. (OTCQX: SXEEQ) ("Southcross" or "the Company") today announced that the United States Bankruptcy Court for the District of Delaware (the "Court") has confirmed the Company's Plan of Reorganization. The Company expects to successfully emerge from Chapter 11 by the end of the month.

Through the court-supervised process, the Company has completed the sales of its natural gas pipeline network in Corpus Christi, Texas and pipelines and related assets in Mississippi and Alabama and strengthened its financial position by using the proceeds of the sales to significantly reduce its debt. Additionally, as previously announced in November 2019, Southcross acquired the Lancaster Gathering and Treating System from Southcross Holdings LP.

The Company is poised to emerge reorganized around its high-quality gathering and processing business with facilities in the Eagle Ford Shale region. The go-forward Company's operations now include the Lone Star and Woodsboro gas processing plants, the Bonnie View fractionation facility and the Lancaster and Valley Wells gathering and treating systems.

"The Court's confirmation of our Plan positions us to emerge as a stronger, more profitable standalone gathering and processing business," said James W. Swent III, President and Chief Executive Officer of Southcross. "We are moving forward with a strengthened financial position and facilities that are strategically located in the Eagle Ford Shale region. We are excited about the opportunities we see to reinvest in the business, build out our capabilities and drive growth through our complementary suite of gas gathering, processing, treating, fractionation and marketing of residue gas and NGL products. We look forward to emerging and remain focused on working safely to provide customers the high-quality services they expect from us."

Swent added, "Thanks to the incredible efforts of our team members, we were able to provide our customers uninterrupted service and achieve a number of significant operating milestones, including an outstanding safety performance for a period of 15 consecutive months of zero recordable incidents. We thank our employees for their hard work and commitment to safety throughout this process. On behalf of the entire Southcross team, I also want to express our gratitude to our customers, suppliers and business partners for their continued support over the past several months."

Upon emergence, Southcross will become a privately held company and its units will no longer be listed on any public market.

Additional Information About the Court-Supervised Process

Additional information about the court-supervised process is available by calling the Company's claims agent, KCC, at (866) 967-0671 (US/ Canada) or (310) 751-2671 (International). Court filings and other information related to the court-supervised proceedings are available at www.kccllc.net/southcrossenergy.

Davis Polk & Wardwell LLP and Morris, Nichols, Arsht & Tunnell LLP are serving as legal counsel to Southcross, Alvarez & Marsal is serving as restructuring advisor and Evercore is serving as financial advisor.

About Southcross Energy Partners, L.P.

Southcross Energy Partners, L.P. is a master limited partnership that provides natural gas gathering, processing, treating, compression and transportation services and NGL fractionation and transportation services. It also sources, purchases, transports and sells natural gas and NGLs. Its assets are located in South Texas near the Eagle Ford Shale region and include two cryogenic gas processing plants, two Sour Gas treating plants and a fractionation facility, and approximately 2,500 miles of pipeline. The South Texas assets are located in or near the Eagle Ford shale region. Southcross is currently headquartered in Dallas, Texas.

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Forward-Looking Statements

This news release and accompanying statements may contain forward-looking statements. All statements that are not statements of historical facts, including statements regarding our restructuring process, our Chapter 11 proceedings, our operations, our evaluation of a range of options, including a possible sale of the business, the divestiture of certain assets or a standalone restructuring plan, our financial position, future growth, and the potential emergence by us as a viable, more profitable company, and our intent to make all vendor and supplier payments are forward-looking statements. We have used the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should," "will," "would", "potential," and similar terms and phrases to identify forward-looking statements in this news release. Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions could be inaccurate, and, therefore, we cannot assure you that the forward-looking statements included herein will prove to be accurate. These forward-looking statements reflect our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors including: the Partnership's significant indebtedness, the restructuring process, and actions taken in our Chapter 11 proceedings. All future written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the previous statements. The forward-looking statements herein speak as of the date of this news release. The Partnership undertakes no obligation to update

any information contained herein or to publicly release the results of any revisions to any forward-looking statements that may be made to reflect events or circumstances that occur, or that we become aware of, after the date of this news release.



Source: Southcross Energy Partners, L.P.