

May 1, 2018



CorEnergy Announces First Quarter 2018 Results

KANSAS CITY, Mo.--(BUSINESS WIRE)-- CorEnergy Infrastructure Trust, Inc. ("CorEnergy" or the "Company") today announced financial results for the first quarter, ended March 31, 2018.

First Quarter Performance Summary

First quarter financial highlights are as follows:

| | For the Three Months Ended March 31, 2018 | | |
|---|--|-----------|---------|
| | Total | Per Share | |
| | | Basic | Diluted |
| Net Income (Attributable to Common Stockholders) ¹ | \$ 5,310,833 | \$0.45 | \$ 0.45 |
| NAREIT Funds From Operations (NAREIT FFO) ¹ | \$11,449,252 | \$0.96 | \$ 0.89 |
| Funds From Operations (FFO) ¹ | \$11,413,799 | \$0.96 | \$ 0.89 |
| Adjusted Funds From Operations (AFFO) ¹ | \$12,027,196 | \$1.01 | \$ 0.91 |
| Dividends Declared to Common Stockholders | | \$0.75 | |

¹ Management uses AFFO as a measure of long-term sustainable operational performance. NAREIT FFO, FFO, and AFFO are non-GAAP measures. Reconciliations of NAREIT FFO, FFO and AFFO, as presented, to Net Income Attributable to CorEnergy Stockholders are included at the end of this press release. See Note 1 for additional information.

Recent Developments

- Maintained dividend: Declared common stock dividend of \$0.75 per share for the first quarter 2018, in line with the previous ten quarterly dividends
- Received participating rents: Continued to receive participating rents on the Pinedale LGS
- Tenant relationship: Entered into discussions with Energy XXI Gulf Coast (EGC) regarding its post-bankruptcy recovery efforts, while intending to preserve long-term value for our investors
- MoGas Pipeline: Continued preparation of the FERC rate case to be filed in second quarter 2018

"During the first quarter, we prepared for the upcoming FERC rate case for the MoGas Pipeline and commenced our annual asset inspections, including the Grand Isle Gathering

System and the Portland Terminal. Regarding our offer to enter into discussions with EGC, traditionally we have expressed that any potential solution accommodating tenant distress would need to preserve the present value of our assets,” said CorEnergy CEO Dave Schulte. “The CorEnergy team is also diligently pursuing a number of promising acquisition opportunities with the objective of closing one or more in 2018. Upstream operators are open to creative funding options, such as those provided by CorEnergy, including selling dedicated infrastructure assets and redeploying proceeds into projects with greater return opportunities.”

Portfolio Update

Pinedale LGS: Since the beginning of the year, the market pricing of both Ultra Petroleum's bonds and equity seem to be reflecting lower expected cash flow as a result of actual and forward prices for Rockies gas. However, UPL's active horizontal drilling results are reported as economic even at lower realized prices, and the utilization of our Liquids Gathering System remains at robust levels. CorEnergy continues to receive participating rents, which contribute to increased dividend coverage.

Grand Isle Gathering System: Following its emergence from bankruptcy in December 2016, Energy XXI Gulf Coast has undertaken the task of realigning costs and developing efficiencies to strengthen its financial stability and fund future production. Given the quality of the long-term reserves behind our GIGS system, CorEnergy has offered to enter discussions with its tenant to analyze the possibility of assisting with further recovery efforts, including a potential lease restructuring, among other considerations. Provided that the long-term value of GIGS is preserved, CorEnergy is willing to find an outcome which will also support EGC's future success.

Outlook

CorEnergy regularly assesses its ability to pay and grow its dividend to common stockholders above the current level of \$0.75 per quarter. The Company targets long-term revenue growth of 1-3% annually from existing contracts, through inflation-based and participating rent adjustments and additional growth from acquisitions. There can be no assurance that any potential acquisition opportunities will result in consummated transactions.

Dividend Declaration

Common Stock: A first quarter 2018 dividend of \$0.75 per share was declared for CorEnergy's common stock. The dividend is payable on May 31, 2018, to stockholders of record on May 17, 2018.

Preferred Stock: For the Company's 7.375% Series A Cumulative Redeemable Preferred Stock, a cash dividend of \$0.4609375 per depositary share was declared. The preferred stock dividend, which equates to an annual dividend payment of \$1.84375 per depositary share, is payable on May 31, 2018, to stockholders of record on May 17, 2018.

First Quarter 2018 Earnings Conference Call

CorEnergy will host a conference call on Wednesday, May 2, 2018, at 1:00 p.m. Central

Time to discuss its financial results. Please dial into the call at 877-407-8035 (for international, 1-201-689-8035) approximately five to ten minutes prior to the scheduled start time. The call will also be webcast in a listen-only format. A link to the webcast will be accessible at coreenergy.reit.

A replay of the call will be available until 1:00 p.m. Central Time on June 2, 2018 by dialing 877-481-4010 (for international, 1-919-882-2331). The Conference ID is 28051. A replay of the conference call will also be available on the Company's website.

About CorEnergy Infrastructure Trust, Inc.

CorEnergy Infrastructure Trust, Inc. (NYSE: CORR, CORRPrA) is a real estate investment trust (REIT) that owns essential energy assets, such as pipelines, storage terminals, and transmission and distribution assets. We receive long-term contracted revenue from operators of our assets, primarily under triple-net participating leases. For more information, please visit coreenergy.reit.

Forward-Looking Statements

This press release contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included herein are "forward-looking statements." Although CorEnergy believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those discussed in CorEnergy's reports that are filed with the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Other than as required by law, CorEnergy does not assume a duty to update any forward-looking statement. In particular, any distribution paid in the future to our stockholders will depend on the actual performance of CorEnergy, its costs of leverage and other operating expenses and will be subject to the approval of CorEnergy's Board of Directors and compliance with leverage covenants.

Notes

¹NAREIT FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, impairment losses of depreciable properties, real estate-related depreciation and amortization (excluding amortization of deferred financing costs or loan origination costs) and other adjustments for unconsolidated partnerships and non-controlling interests. Adjustments for non-controlling interests are calculated on the same basis. FFO as we have presented it here, is derived by further adjusting NAREIT FFO for distributions received from investment securities, income tax expense (benefit) from investment securities, net distributions and dividend income and net realized and unrealized gain or loss on other equity securities. CorEnergy defines AFFO as FFO Adjusted for Securities Investment plus (gain) loss on extinguishment of debt, provision for loan losses, net of tax, transaction costs, amortization of debt issuance costs, amortization of deferred lease costs, accretion of asset retirement obligation, income tax expense (benefit) unrelated to securities investments, non-cash costs associated with

derivative instruments, and certain costs of a nonrecurring nature, less maintenance, capital expenditures (if any), amortization of debt premium, and other adjustments as deemed appropriate by Management. Reconciliations of NAREIT FFO, FFO Adjusted for Securities Investments and AFFO to Net Income Attributable to CorEnergy Stockholders are included in the additional financial information attached to this press release.

Consolidated Balance Sheets

| | <u>March 31, 2018</u> | <u>December 31, 2017</u> |
|--|-----------------------|--------------------------|
| Assets | <i>(Unaudited)</i> | |
| Leased property, net of accumulated depreciation of \$77,452,422 and \$72,155,753 | \$ 460,659,797 | \$ 465,956,467 |
| Property and equipment, net of accumulated depreciation of \$13,470,161 and \$12,643,636 | 112,357,230 | 113,158,872 |
| Financing notes and related accrued interest receivable, net of reserve of \$4,600,000 and \$4,100,000 | 1,000,000 | 1,500,000 |
| Other equity securities, at fair value | 2,972,281 | 2,958,315 |
| Cash and cash equivalents | 17,330,097 | 15,787,069 |
| Deferred rent receivable | 23,760,888 | 22,060,787 |
| Accounts and other receivables | 2,983,075 | 3,786,036 |
| Deferred costs, net of accumulated amortization of \$790,381 and \$623,764 | 3,338,298 | 3,504,916 |
| Prepaid expenses and other assets | 791,418 | 742,154 |
| Deferred tax asset, net | 3,511,770 | 2,244,629 |
| Goodwill | 1,718,868 | 1,718,868 |
| Total Assets | <u>\$ 630,423,722</u> | <u>\$ 633,418,113</u> |
| Liabilities and Equity | | |
| Secured credit facilities, net of debt issuance costs of \$250,507 and \$254,646 | \$ 39,867,493 | \$ 40,745,354 |
| Unsecured convertible senior notes, net of discount and debt issuance costs of \$1,771,120 and \$1,967,917 | 112,228,880 | 112,032,083 |
| Asset retirement obligation | 9,298,421 | 9,170,493 |
| Accounts payable and other accrued liabilities | 4,183,744 | 2,333,782 |
| Management fees payable | 1,813,263 | 1,748,426 |
| | 2,169,077 | 2,204,626 |
| Income tax liability | | |
| Unearned revenue | 4,842,292 | 3,397,717 |
| Total Liabilities | <u>\$ 174,403,170</u> | <u>\$ 171,632,481</u> |
| Equity | | |

| | | |
|--|-----------------------|-----------------------|
| Series A Cumulative Redeemable Preferred Stock 7.375%, \$130,000,000 liquidation preference (\$2,500 per share, \$0.001 par value), 10,000,000 authorized; 52,000 issued and outstanding at March 31, 2018 and December 31, 2017 | \$ 130,000,000 | \$ 130,000,000 |
| Capital stock, non-convertible, \$0.001 par value; 11,924,478 and 11,915,830 shares issued and outstanding at March 31, 2018 and December 31, 2017 (100,000,000 shares authorized) | 11,925 | 11,916 |
| Additional paid-in capital | 326,008,627 | 331,773,716 |
| Total Equity | 456,020,552 | 461,785,632 |
| Total Liabilities and Equity | <u>\$ 630,423,722</u> | <u>\$ 633,418,113</u> |

Consolidated Statements of Income and Comprehensive Income (Unaudited)

| | For the Three Months Ended | |
|---|-----------------------------------|-----------------------|
| | March 31, 2018 | March 31, 2017 |
| Revenue | | |
| Lease revenue | \$ 17,591,859 | \$ 17,066,526 |
| Transportation and distribution revenue | 3,952,979 | 5,010,590 |
| Total Revenue | <u>21,544,838</u> | <u>22,077,116</u> |
| Expenses | | |
| Transportation and distribution expenses | 1,572,896 | 1,335,570 |
| General and administrative | 2,727,057 | 3,061,240 |
| Depreciation, amortization and ARO accretion expense | 6,289,330 | 6,005,908 |
| Provision for loan losses | 500,000 | — |
| Total Expenses | <u>11,089,283</u> | <u>10,402,718</u> |
| Operating Income | <u>\$ 10,455,555</u> | <u>\$ 11,674,398</u> |
| Other Income (Expense) | | |
| Net distributions and dividend income | \$ 3,951 | \$ 43,462 |
| Net realized and unrealized gain (loss) on other equity securities | 13,966 | (544,208) |
| Interest expense | (3,210,590) | (3,454,397) |
| Total Other Expense | <u>(3,192,673)</u> | <u>(3,955,143)</u> |
| Income before income taxes | <u>7,262,882</u> | <u>7,719,255</u> |
| Taxes | | |
| Current tax benefit | (35,549) | (33,760) |
| Deferred tax benefit | (409,277) | (298,846) |
| Income tax benefit, net | <u>(444,826)</u> | <u>(332,606)</u> |
| Net Income | <u>7,707,708</u> | <u>8,051,861</u> |

| | | |
|--|---------------------|---------------------|
| Less: Net Income attributable to non-controlling interest | — | 382,383 |
| Net Income attributable to CorEnergy Stockholders | <u>\$ 7,707,708</u> | <u>\$ 7,669,478</u> |
| Preferred dividend requirements | 2,396,875 | 1,037,109 |
| Net Income attributable to Common Stockholders | <u>\$ 5,310,833</u> | <u>\$ 6,632,369</u> |
| Net Income | \$ 7,707,708 | \$ 8,051,861 |
| Other comprehensive income: | | |
| Changes in fair value of qualifying hedges / AOCI attributable to CorEnergy stockholders | — | 2,972 |
| Changes in fair value of qualifying hedges / AOCI attributable to non-controlling interest | — | 694 |
| Net Change in Other Comprehensive Income | <u>\$ —</u> | <u>\$ 3,666</u> |
| Total Comprehensive Income | <u>7,707,708</u> | <u>8,055,527</u> |
| Less: Comprehensive income attributable to non-controlling interest | — | 383,077 |
| Comprehensive Income attributable to CorEnergy Stockholders | <u>\$ 7,707,708</u> | <u>\$ 7,672,450</u> |
| Earnings Per Common Share: | | |
| Basic | \$ 0.45 | \$ 0.56 |
| Diluted | \$ 0.45 | \$ 0.56 |
| Weighted Average Shares of Common Stock Outstanding: | | |
| Basic | 11,918,904 | 11,888,681 |
| Diluted | 11,918,904 | 11,888,681 |
| Dividends declared per share | \$ 0.750 | \$ 0.750 |

Consolidated Statements of Cash Flow

| | For the Three Months Ended | |
|---|-----------------------------------|-----------------------|
| | <u>March 31, 2018</u> | <u>March 31, 2017</u> |
| Operating Activities | | |
| Net Income | \$ 7,707,708 | \$ 8,051,861 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Deferred income tax, net | (409,277) | (298,846) |
| Depreciation, amortization and ARO accretion | 6,642,875 | 6,474,779 |
| Provision for loan losses | 500,000 | — |
| Gain on sale of equipment | (3,724) | — |
| Net distributions and dividend income, including recharacterization of income | — | 148,649 |

| | | |
|---|------------------------|------------------------|
| Net realized and unrealized (gain) loss on other equity securities | (13,966) | 544,208 |
| Unrealized gain on derivative contract | — | (27,073) |
| Changes in assets and liabilities: | | |
| Increase in deferred rent receivable | (1,700,101) | (1,802,285) |
| Decrease in accounts and other receivables | 802,961 | 632,878 |
| Increase in prepaid expenses and other assets | (49,264) | (99,573) |
| Increase in management fee payable | 64,837 | 10,270 |
| Increase in accounts payable and other accrued liabilities | 2,102,656 | 1,932,866 |
| Decrease in current income tax liability | (35,549) | — |
| Decrease in unearned revenue | (1,862,534) | — |
| Net cash provided by operating activities | <u>\$ 13,746,622</u> | <u>\$ 15,567,734</u> |
| Investing Activities | | |
| Purchases of property and equipment | (47,883) | — |
| Proceeds from sale of property and equipment | 11,499 | — |
| Return of capital on distributions received | — | 31,055 |
| Net cash (used in) provided by investing activities | <u>\$ (36,384)</u> | <u>\$ 31,055</u> |
| Financing Activities | | |
| Debt financing costs | (261,667) | — |
| Dividends paid on Series A preferred stock | (2,396,875) | (1,037,109) |
| Dividends paid on common stock | (8,626,668) | (8,667,329) |
| Principal payments on secured credit facilities | (882,000) | (2,413,733) |
| Net cash used in financing activities | <u>\$ (12,167,210)</u> | <u>\$ (12,118,171)</u> |
| Net Change in Cash and Cash Equivalents | <u>\$ 1,543,028</u> | <u>\$ 3,480,618</u> |
| Cash and Cash Equivalents at beginning of period | 15,787,069 | 7,895,084 |
| Cash and Cash Equivalents at end of period | <u>\$ 17,330,097</u> | <u>\$ 11,375,702</u> |
| Supplemental Disclosure of Cash Flow Information | | |
| Interest paid | \$ 705,228 | \$ 1,047,357 |
| Non-Cash Financing Activities | | |
| Change in accounts payable and accrued expenses related to debt financing costs | \$ (252,694) | \$ — |
| Reinvestment of distributions by common stockholders in additional common shares | 310,204 | 247,333 |
| NAREIT FFO, FFO Adjusted for Securities Investment and AFFO Reconciliation (Unaudited) | | |

For the Three Months Ended

| | March 31, 2018 | March 31, 2017 |
|--|-----------------------|-----------------------|
| Net Income attributable to CorEnergy Stockholders | \$ 7,707,708 | \$ 7,669,478 |
| Less: | | |
| Preferred Dividend Requirements | 2,396,875 | 1,037,109 |
| Net Income attributable to Common Stockholders | \$ 5,310,833 | \$ 6,632,369 |
| Add: | | |
| Depreciation | 6,138,419 | 5,822,296 |
| Less: | | |
| Non-Controlling Interest attributable to NAREIT FFO reconciling items | — | 411,455 |
| NAREIT funds from operations (NAREIT FFO) | \$ 11,449,252 | \$ 12,043,210 |
| Add: | | |
| Distributions received from investment securities | 3,951 | 223,166 |
| Less: | | |
| Net distributions and dividend income | 3,951 | 43,462 |
| Net realized and unrealized gain (loss) on other equity securities | 13,966 | (544,208) |
| Income tax benefit from investment securities | 21,487 | 195,760 |
| Funds from operations adjusted for securities investments (FFO) | \$ 11,413,799 | \$ 12,571,362 |
| Add: | | |
| Provision for loan losses, net of tax | 500,000 | — |
| Transaction costs | 32,281 | 258,782 |
| Amortization of debt issuance costs | 353,544 | 468,871 |
| Amortization of deferred lease costs | 22,983 | 22,983 |
| Accretion of asset retirement obligation | 127,928 | 160,629 |
| Less: | | |
| Non-cash gain associated with derivative instruments | — | 27,072 |
| Income tax benefit | 423,339 | 136,846 |
| Non-Controlling Interest attributable to AFFO reconciling items | — | 3,351 |
| Adjusted funds from operations (AFFO) | \$ 12,027,196 | \$ 13,315,358 |
| | | |
| Weighted Average Shares of Common Stock Outstanding: | | |
| Basic | 11,918,904 | 11,888,681 |
| Diluted | 15,373,450 | 15,343,226 |
| NAREIT FFO attributable to Common Stockholders | | |
| Basic | \$ 0.96 | \$ 1.01 |
| Diluted ⁽¹⁾ | \$ 0.89 | \$ 0.93 |
| FFO attributable to Common Stockholders | | |
| Basic | \$ 0.96 | \$ 1.06 |
| Diluted ⁽¹⁾ | \$ 0.89 | \$ 0.96 |

AFFO attributable to Common Stockholders

| | | | | |
|------------------------|----|------|----|------|
| Basic | \$ | 1.01 | \$ | 1.12 |
| Diluted ⁽²⁾ | \$ | 0.91 | \$ | 1.00 |

(1) Diluted per share calculations include dilutive adjustments for convertible note interest expense, discount amortization and deferred debt issuance amortization.

(2) Diluted per share calculations include a dilutive adjustment for convertible note interest expense.

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