

SALIENT MIDSTREAM & MLP FUND ANNOUNCES SECOND QUARTER 2018 DIVIDEND OF \$0.171 PER SHARE AND NET ASSET VALUE AS OF APRIL 30, 2018

HOUSTON, TX – May 7, 2018 – Salient Midstream & MLP Fund (the “Fund”) (NYSE: SMM) today announced a dividend of \$0.171 per share for the second quarter ending May 31, 2018.

At the close of business on April 30, 2018, the Fund’s total assets were \$257.6 million and the Net Asset Value (NAV) per share was \$10.68. On April 30, 2018, the closing share price of the Fund was \$10.05, which was trading at a 5.9% discount to the NAV.¹ For the month ending April 30, 2018 the Fund’s yield was 9.7%² while the Fund’s NAV and market price total returns were 9.7% and 10.4%, respectively, compared to 8.1% for the Alerian MLP Index.³

Across the Master Limited Partnership (MLP) and midstream industry, many companies have announced plans to simplify their corporate structure and funding models. Several management teams are taking steps to reduce their cost of capital by removing incentive distribution rights (IDRs) and reducing dividend or distribution payments in order to internally fund capital expenditures for the company rather than issuing more equity at depressed prices.⁴ Management teams are looking to create value for shareholders by reducing debt, improving their credit rating, and funding growth capital via internally generated cash flow versus the old model of more frequent equity issuances.

The Fund’s private equity investment in EMG Utica I Offshore Co-Investment, L.P., continues to perform in line with expectations and is now distributing cash to the Fund. While we do not ultimately control the timing, we expect to monetize this asset at some point over the next few years and redeploy the cash proceeds into income generating midstream securities, which we believe should help support future dividend growth for the Fund.

As a result of recent distribution and dividend cuts by some of the Fund’s holdings, as well as announced strategic consolidations, mergers and other strategic initiatives relating to various company goals discussed above, the Fund has elected to reduce its quarterly dividend from \$0.244 per share to \$0.171 per share.

The Fund’s second quarter dividend will be payable on May 30, 2018 to common stockholders of record on May 17, 2018. It is anticipated that this dividend will be a combination of return of capital and ordinary income for tax purposes. The final tax status of the dividend may differ substantially from this preliminary

¹ Past performance is not indicative of future results. Current performance may be higher or lower than the data shown. The data shown are unaudited. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares.

² Source: Salient Capital Advisors, LLC. The rate is annualized based on the latest dividend paid by the Fund divided by the April 30, 2018 stock price. Past performance is not indicative of future results.

³ Source: Salient Capital Advisors, LLC and Alerian, April 30, 2018. Past performance is not indicative of future results. No investment strategy can guarantee performance results. The index reflects the reinvestment of dividends and income and does not reflect deductions for fees, expenses or taxes. The index is unmanaged and not available for direct investment. “Alerian MLP Index”, “Alerian MLP Total Return Index”, “AMZ” and “AMZX” are trademarks of Alerian and their use is granted under a license from Alerian.

⁴ Incentive Distribution Rights (IDRs) give a limited partnership’s general partner an increasing share in the incremental distributable cash flow the partnership generates.

information, and the final determination of such amount will be made in early 2019 when the Fund can determine its earnings and profits for the 2018 fiscal year.

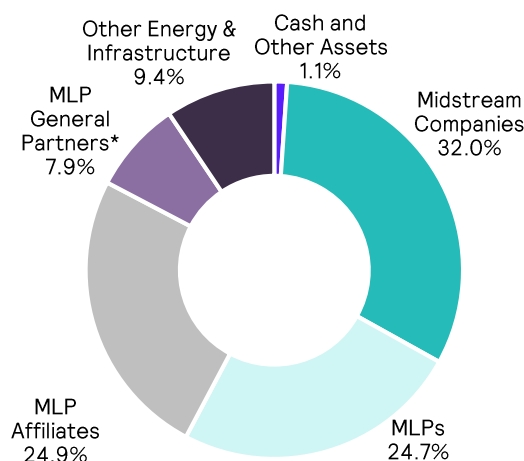
The Fund's quarterly dividends per share over the past year are shown below:¹

Amount	Payable Date	Ex-Date	Record Date
\$0.171	May 30, 2018	May 16, 2018	May 17, 2018
\$0.244	February 27, 2018	February 14, 2018	February 15, 2018
\$0.244	November 29, 2017	November 16, 2017	November 17, 2017
\$0.244	August 31, 2017	August 16, 2017	August 18, 2017
\$0.244	May 31, 2017	May 17, 2017	May 19, 2017

Past performance is not indicative of future results.

The Fund distributions are comprised of distributable cash flow generated from its portfolio investments plus any realized capital gains. The tax characteristics of the historical distributions can be found on www.salientpartners.com/strategies/salient-midstream-mlp-fund/

The Fund's investment allocation as of April 30, 2018 is shown in the pie chart below:



For illustrative purposes only. Figures are based on the Fund's gross assets.

*Structured as corporations for U.S. federal income tax purposes.

Source: Salient Capital Advisors, LLC, April 30, 2018.

¹ The amount of dividends may vary depending on a number of factors. As portfolio and market conditions change, the rate of distributions on Fund common shares could change. A portion of the Fund's returns may be comprised of ordinary income, return of capital and net realized capital gains. The Fund will determine the tax characteristics of all Fund dividends after the end of the calendar year and will provide shareholders such information at that time.

The Fund's Top 10 holdings as of April 30, 2018 are shown below:¹

Company Name	Sector	Percent of Gross Assets
ONEOK, Inc.	Midstream Company	9.8%
EMG Utica I Offshore Co-Investment, L.P.	MLP Affiliate	9.2%
Targa Resources Corp.	Midstream Company	9.0%
Plains GP Holdings, L.P.	MLP Affiliate	6.4%
The Williams Companies, Inc.	MLP Affiliate	6.0%
SemGroup Corp.	Midstream Company	5.2%
Energy Transfer Partners, L.P.	MLP	4.8%
EnLink Midstream LLC	MLP General Partner	4.5%
Enbridge, Inc.	Midstream Company	4.0%
Energy Transfer Equity, L.P.	MLP	3.9%
Total		62.8%

For illustrative purposes only. Current and future holdings are subject to change and risk. Figures are based on the Fund's gross assets. Source: Salient Capital Advisors, LLC, April 30, 2018.

The Fund's unaudited balance sheet as of April 30, 2018 is shown below:

**Salient Midstream & MLP Fund
Balance Sheet
April 30, 2018
(Unaudited)**

Assets	(in millions)
Investments	\$254.8
Other Assets	2.5
Cash and Cash Equivalents	0.3
Total Assets	257.6
Liabilities	
Line of Credit Payable	67.8
Other Liabilities	0.6
Total Liabilities	68.4
Net Assets	\$189.2

The Fund had 17.7 million common shares outstanding as of April 30, 2018.

¹ Fund shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Data are based on total market value of Fund investments unless otherwise indicated. The data provided are for informational purposes only and are not intended for trading purposes.

Past performance is not indicative of future results.

###

Salient Midstream & MLP Fund is a Delaware statutory trust registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended. The Fund's investment objective is to provide a high level of total return with an emphasis on making quarterly cash distributions to its common shareholders. The Fund seeks to achieve that objective by investing at least 80% of its total assets in securities of MLPs and midstream companies. There can be no assurance that the Fund will achieve its investment objective.

This press release contains "forward-looking statements" as defined under the U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will," and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual future results to differ significantly from the Fund's present expectations or projections indicated in any forward-looking statements. These risks include, but are not limited to, changes in economic and political conditions; regulatory and legal changes; leverage risk; valuation risk; interest rate risk; tax risk; the volume of sales and purchase of shares; the continuation of investment advisory, administration and other service arrangements; and other risks discussed in the Fund's filings with the Securities and Exchange Commission. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Fund undertakes no obligation to publicly update or revise any forward-looking statements made herein. There is no assurance that the Fund's investment objective will be attained.

About Salient

Salient Partners, L.P. ("Salient") is a diversified asset management firm and leading provider of real asset and alternative investment strategies for institutional investors and investment advisors. The firm offers a comprehensive suite of single-asset and multi-asset solutions designed to serve as powerful building blocks for smarter, more efficient portfolios. Strategies are offered in the form of open- and closed-end funds and separately managed accounts. Salient provides unconventional market insights in its highly acclaimed [Epsilon Theory](#) newsletter and Salient [blog](#). Learn more about Salient at www.salientpartners.com and follow us on [LinkedIn](#) and [Twitter](#). Salient was founded in 2002 and has offices in Houston, San Francisco and New York.

FOR SHAREHOLDER INQUIRIES:

Salient Capital Advisors, LLC
info@salientpartners.com
800-994-0755

FOR MEDIA INQUIRIES:

Catherine P. Jones
Polisi Jones Communications
cjones@polisijones.com
917-330-8934