

## SALIENT MIDSTREAM & MLP FUND ANNOUNCES UNAUDITED NET ASSET VALUE AS OF MAY 31, 2022

HOUSTON, TX – June 7, 2022 – Salient Midstream & MLP Fund (the “Fund”) (NYSE: SMM) provided today a summary of unaudited statement of assets and liabilities and announced Net Asset Value (NAV) as of May 31, 2022.

On May 31, 2022, the Fund’s total assets were \$233.8 million and the NAV per share was \$9.72. On May 31, 2022 the closing share price of the Fund was \$8.50, which was trading at a 12.6% discount to the NAV.<sup>1</sup> The Fund’s NAV and market price total returns for the month of May were 6.6% and 8.1%, respectively, compared to 6.6% for the Alerian Midstream Energy Select Total Return Index (AMEIX).<sup>2</sup> The Fund’s NAV and market price total returns year-to-date (YTD) were 32.9% and 28.9%, respectively, compared to 26.7% for the AMEIX.<sup>2</sup>

While we continue to consider various alternatives to enhance shareholder value, we believe the most effective strategy to improve the discount is to generate top quartile total returns relative to our peer group of leveraged regulated investment company (RIC) and C-Corp closed-end funds and to pay an attractive and growing cash distribution to investors.<sup>3</sup> Over the last 12 months, SMM has increased its distribution by 46% and management plans to review the distribution rate every six months with expectations to continue passing through distribution increases as the Fund’s portfolio has distribution increases.

Since the Fund’s inception, the portfolio management team has focused on generating top-tier total returns rather than focusing on the distribution rate and the Fund’s performance over multiple time period’s versus its peers is provided in the table below along with a ranking of SMM vs. peers.

Name	Yield	Premium/Discount	Market Price							NAV						
			YTD	1 Year	3 Year Annualized	5 Year Annualized	7 Year Annualized	Since Inception Annualized	Rank	YTD	1 Year	3 Year Annualized	5 Year Annualized	7 Year Annualized	Since Inception Annualized	Rank
Salient Midstream & MLP Fund	4.1%	-12.6%	28.9%	56.6%	6.1%	-0.3%	-5.8%	-1.2%	2	32.9%	35.1%	5.4%	1.5%	-6.7%	0.1%	3
Manager A	7.9%	-16.6%	36.1%	41.3%	-13.7%	-11.3%	-10.1%	-3.9%	8	29.2%	31.0%	-12.6%	-9.8%	-10.6%	-3.1%	9
Manager B	7.4%	-18.1%	24.5%	29.6%	-1.2%	-2.9%	-9.1%	-2.6%	5	21.2%	28.5%	-0.7%	-1.0%	-8.9%	-2.0%	8
<b>Average RIC Excluding SMM</b>	<b>7.7%</b>	<b>-17.3%</b>	<b>30.3%</b>	<b>35.5%</b>	<b>-7.5%</b>	<b>-7.1%</b>	<b>-9.6%</b>	<b>-3.2%</b>		<b>25.2%</b>	<b>29.8%</b>	<b>-6.7%</b>	<b>-5.4%</b>	<b>-9.8%</b>	<b>-2.6%</b>	
Manager C	6.7%	-16.9%	37.6%	37.8%	-7.6%	-6.0%	-8.3%	-2.5%	4	37.5%	43.7%	-5.8%	-3.9%	-7.7%	-1.0%	4
Manager D	6.7%	-18.5%	41.6%	44.8%	-4.7%	-5.2%	-7.9%	-2.6%	6	36.6%	45.9%	-3.5%	-3.3%	-7.8%	-1.4%	6
Manager E	6.6%	-19.2%	36.6%	39.7%	-3.4%	-4.7%	-6.9%	-3.1%	7	35.8%	41.9%	-2.1%	-2.9%	-6.7%	-1.3%	5
Manager F	3.8%	-20.2%	33.7%	49.3%	4.1%	0.5%	-5.6%	--	-	34.7%	49.8%	6.6%	2.3%	-4.3%	--	-
Manager G	8.1%	-17.6%	30.2%	42.7%	-28.6%	-20.0%	-15.5%	-9.6%	11	27.9%	34.5%	-26.1%	-17.2%	-14.9%	-7.8%	11
Manager H	5.3%	-18.6%	31.0%	20.8%	-28.4%	-20.7%	-20.8%	--	-	27.0%	28.0%	-26.5%	-17.8%	-18.3%	--	-
Manager I	8.5%	-14.4%	26.3%	24.6%	-5.3%	-4.1%	-7.9%	-2.1%	3	26.2%	30.0%	-4.9%	-1.3%	-5.4%	0.3%	2
Manager J	7.0%	-14.6%	21.7%	17.8%	-1.1%	-3.9%	-3.8%	--	-	23.8%	25.0%	-0.5%	-1.2%	-3.8%	--	-
Manager K	5.1%	-16.9%	32.2%	43.9%	-30.7%	-21.4%	-17.1%	--	-	22.4%	31.4%	-26.9%	-18.5%	-16.7%	--	-
Manager L	5.3%	-22.4%	13.7%	25.0%	3.8%	0.5%	-3.6%	-6.5%	9	20.4%	22.1%	6.4%	2.8%	-3.7%	-2.0%	7
Manager M	8.4%	-18.0%	26.9%	33.8%	-21.4%	-16.4%	-13.4%	-7.0%	10	20.3%	27.8%	-18.0%	-11.6%	-12.1%	-4.0%	10
Manager N	7.3%	-0.1%	23.1%	23.6%	1.5%	1.1%	-0.9%	3.1%	1	19.7%	21.4%	1.1%	1.9%	-1.5%	3.7%	1
<b>Average C-Corp</b>	<b>6.6%</b>	<b>-16.5%</b>	<b>29.5%</b>	<b>33.6%</b>	<b>-10.2%</b>	<b>-8.4%</b>	<b>-9.3%</b>	<b>-3.8%</b>		<b>27.7%</b>	<b>33.5%</b>	<b>-8.3%</b>	<b>-5.9%</b>	<b>-8.6%</b>	<b>-1.7%</b>	
<b>CEF Universe Average</b>	<b>6.5%</b>	<b>-16.3%</b>	<b>29.6%</b>	<b>35.4%</b>	<b>-8.7%</b>	<b>-7.7%</b>	<b>-9.1%</b>	<b>-3.4%</b>		<b>27.7%</b>	<b>33.0%</b>	<b>-7.3%</b>	<b>-5.4%</b>	<b>-8.6%</b>	<b>-1.7%</b>	

Source: Salient Capital Advisors, LLC, May 31, 2022. For illustrative purposes only. Past performance is not indicative of future results. No investment strategy can guarantee performance results. All investments are subject to investment risk, including loss of principal invested.

<sup>1</sup> 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.

<sup>2</sup> Source: Salient Capital Advisors, LLC and Alerian, May 31, 2022. “Alerian Midstream Energy Select Index,” “Alerian Midstream Energy Select Total Return Index,” “AMEI” and “AMEIX” are trademarks of Alerian and their use is granted under a license from Alerian. Past performance is not indicative of how the index will perform in the future. The index reflects the reinvestment of dividends and income and does not reflect deductions for fees, expenses or taxes. The index is unmanaged and is not available for direct investment. Alerian Midstream Energy Select Total Return Index (AMEIX) is a total return composite of North American midstream energy infrastructure companies that are engaged in activities involving energy commodities. The capped, float-adjusted, capitalization-weighted index is disseminated in real time on a price-return basis. Inception date of the AMEIX is April 1, 2013.

<sup>3</sup> A regulated investment company (RIC) is an entity deemed eligible by the Internal Revenue Service (IRS) to pass through taxes for capital gains, dividends, or interest earned to the individual investors. A C corporation (or C-Corp) is a legal structure for a corporation in which the owners, or shareholders, are taxed separately from the entity.

Since inception in 2012 SMM is the second best performing closed-end fund on market price and the third best on NAV in the peer group of eleven funds.

SMM's inception to date (ITD) annualized total return (based on market price) of -1.2% has outperformed the RIC Average of -3.2% and C-Corp average of -3.8%. Likewise, on a NAV basis, SMM's ITD return of 0.1% compares favorably to the -2.6% return for the peer group of RIC Funds and -1.7% for C-Corp Funds.

### May Market Commentary

May was a strong month for energy infrastructure equities which were up 6.6% as measured by the Alerian Midstream Energy Select Index (AMEIX).<sup>2</sup> A meaningful portion of the industry reported earnings in early May that were largely better than expected across multiple metrics such as cash flows, throughput volume and margins. Healthy earnings increases compared to last year were met with a generally positive reaction from investors. For the remainder of 2022, we remain positive on the industry as 1) free cash flow after dividends is growing at a healthy pace, 2) hydrocarbon volumes are growing as drilling activity improves and 3) capital allocation remains mostly focused on returning excess cash to investors through buybacks and potential dividend increases.<sup>4</sup>

Crude oil as measured by the West Texas Intermediate (WTI) benchmark was up 9.5% for the month of May and is now up 52.5% for the year.<sup>5</sup> Crude oil prices have moved sharply higher due to the war in Ukraine. Russia produces ~10 million barrels per day (mmbbls/d) of crude oil, or about 10% of global supply and is the second largest crude oil exporter after Saudi Arabia.<sup>6</sup> Markets are worried that crude oil supplies may be disrupted which could lead to a spike in crude oil prices well above current levels. Europe's move towards sanctioning Russia's energy exports could lead to a further spike in global crude oil and natural gas prices. Longer term, we view crude oil prices in the \$70-\$80 range as being positive for investment in the American energy industry. While the Ukrainian war will have an as yet unknown effect on crude oil supply, fundamentals remain robust as energy consumption continues to rise post COVID. Commodity analysts continue to see a tight supply environment for both crude oil and natural gas in 2022 and potentially into 2023 as energy demand appears to be on trend to exceed peak pre-COVID levels.<sup>7</sup> We believe that current prices are sufficient to lead to U.S. volume growth in 2022, with increases in production already showing up in recent Energy Information Administration (EIA) data. The promise of these incremental volumes should be supportive of midstream companies going forward.

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<sup>4</sup> **Free cash flow after distributions** represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets. **Hydrocarbon** a compound of hydrogen and carbon, such as any of those which are the chief components of petroleum and natural gas. **Share buybacks** are when a company buys its own outstanding shares to reduce the number of shares available on the open market.

<sup>5</sup> Source: Bloomberg, May 31, 2022.

<sup>6</sup> Source: Energy Information Administration (EIA), May 31, 2022.

<sup>7</sup> Source: Goldman Sachs, May 31, 2022.

The Fund's Top 10 holdings as of May 31, 2022 are shown below:<sup>8</sup>

No.	Symbol	Name	Country	Asset Type	% of Gross Assets
1	ET	Energy Transfer L.P.	United States	MLP	9.4%
2	TRGP	Targa Resources Corp.	United States	C-Corp	6.9%
3	LNG	Cheniere Energy, Inc.	United States	C-Corp	5.8%
4	PPL CN	Pembina Pipeline Corp.	Canada	C-Corp	5.7%
5	ENB	Enbridge, Inc.	United States	C-Corp	5.6%
6	-	EMG Utica   Offshore Co-Investment LP	United States	C-Corp	5.5%
7	WMB	The Williams Companies, Inc.	United States	MLP	4.8%
8	MPLX	MPLX L.P.	United States	MLP	4.6%
9	PAGP	Plains GP Holdings L.P.	United States	C-Corp	4.5%
10	OKE	ONEOK, Inc.	United States	C-Corp	4.4%
					<b>57.1%</b>

For illustrative purposes only. Current and future holdings are subject to change and risk. Figures are based on the Fund's gross assets ex-cash. Source: Salient Capital Advisors, LLC, May 31, 2022.

The Fund's unaudited balance sheet as of May 31, 2022 is shown below:

**Salient Midstream & MLP Fund  
Balance Sheet  
May 31, 2022  
(Unaudited)**

<b>Assets</b>	(in millions)
Investments	\$233.1
Other Assets	0.4
Cash and Cash Equivalents	0.3
<b>Total Assets</b>	<b>\$233.8</b>
<b>Liabilities</b>	
Line of Credit Payable	\$60.7
Other Liabilities	0.8
<b>Total Liabilities</b>	<b>\$61.5</b>
<b>Net Assets</b>	<b>\$172.3</b>

The Fund had 17.7 million common shares outstanding as of May 31, 2022.

Past performance is not indicative of future results.

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<sup>8</sup> 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.

*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 real asset and alternative investment firm that offers a suite of strategies focused on energy and infrastructure, real estate and tactical alternative investments. Institutions and investment advisors turn to Salient to build smarter, more efficient portfolios. Strategies are offered in the form of open- and closed-end funds and separately managed accounts. Salient was founded in 2002 and has offices in Houston and San Francisco. Learn more about Salient at [www.salientpartners.com](http://www.salientpartners.com).

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