

SALIENT MIDSTREAM & MLP FUND ANNOUNCES TAX AND INVESTMENT UPDATE

HOUSTON, TX – May 17, 2017 – Salient Midstream & MLP Fund (the “Fund”) (NYSE: SMM) today announced the completion of its 2016 federal tax provision, resulting in a tax refund receivable related to the Salient Midstream & MLP Fund, Inc. (the “C-Corp Subsidiary”) liquidation. The Fund also announced that one of its top five holdings, EMG Utica I Offshore Co-Investment, L.P. (“EMG Utica Co-Investment”), intends to begin paying quarterly distributions.

The 2016 C-Corp Subsidiary federal tax provision, related to the C-Corp Subsidiary liquidation in 2016, was recently completed by the Fund’s tax preparers. As a result, the Fund will record a tax refund receivable from the Internal Revenue Service in the amount of \$980,619 for the Fund’s federal tax payment made earlier in 2017. This tax-related receivable will increase the Net Asset Value of the Fund.

In addition, EMG Utica Co-Investment, recently announced its intentions to begin paying quarterly distributions, starting in August, for the second quarter of 2017.¹ The EMG Utica Co-Investment quarterly cash distribution supports the Fund’s continuing investment.

We continue to believe that maintaining the Fund’s status as a Regulated Investment Company (“RIC”) provides the most effective long-term strategy to our investors. The completion of the C-Corp Subsidiary liquidation allowed the Fund to maintain RIC status following certain tax law changes. As previously disclosed in the Fund’s 2016 Annual Report, all investments held by the former C-Corp Subsidiary were sold on January 21, 2016. The C-Corp Subsidiary subsequently ceased operations and simultaneously transferred its other assets and liabilities to the Fund. The liquidation of the C-Corp Subsidiary was completed on September 30, 2016.

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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.

¹ Source: Energy and Minerals Group, April 2017.

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.

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