



SMART SAND, INC. ANNOUNCES UPDATES ON MANAGING MARKET VOLATILITY

April 7, 2020

THE WOODLANDS, Texas, April 07, 2020 (GLOBE NEWSWIRE) -- Smart Sand, Inc. (NASDAQ: SND) (the "Company") provided an update on the current market environment.

The recent decline in oil prices resulting from a combination of oversupply from Russia and Saudi Arabia and reduced demand related to the COVID-19 pandemic has led many exploration and production companies and oilfield service companies to announce plans to slow or stop well completions activity. In response, Smart Sand has reduced its total capital expenditure budget by up to \$20 million, including a significant reduction in its SmartSystems™ manufacturing plans. The Company now estimates that full year 2020 capital expenditures will be approximately \$5 million to \$10 million. The Company also put in place several SG&A cost-cutting measures, including salary reductions of its executive management team between 15% and 20% and suspension of its variable cash compensation programs for all employees, which the Company expects will result in a savings of approximately 25% over 2019 levels.

Prior to these unexpected events, the Company's first quarter sales volumes were strong at approximately 757,000 tons, an increase of more than 60% over fourth quarter 2019 sales volumes of 462,000 tons.

Chuck Young, Founder and CEO stated, "In these uncertain times, we felt action was needed to minimize our costs to be able to effectively manage through what is expected to be an extended turbulent market environment. These cuts in capex and compensation, while difficult decisions, will help us manage our cash flow needs. Remember, this is why we took a measured approach to spending in the ups... so we can manage through the downs. Our principle operating philosophies haven't changed. Now more than ever we will strive to live within our cash flow so we can continue to operate in this difficult market environment while maintaining a strong balance sheet. At our core, we remain committed to offering the highest quality products and the highest quality service while maintaining low leverage. With this strategy, we believe, as we always have, that we will ultimately prevail in any market."

About Smart Sand:

Smart Sand is a fully integrated frac sand supply and services company, offering complete mine to wellsite proppant supply and logistics solutions to its customers. The Company produces low-cost, high quality Northern White frac sand and offers proppant logistics and wellsite storage solutions to customers through its in-basin transloading terminal and SmartSystems wellsite proppant storage capabilities. The Company provides products and services primarily to oil and natural gas exploration and production companies and oilfield service companies. For more information, please visit www.smartsand.com.

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