

Smart Sand, Inc. Enters Into New \$45 Million Senior Secured Revolving Credit Facility and Assigns Unsecured Bankruptcy Claim to Third Parties

THE WOODLANDS, Texas, Dec. 14, 2016 (GLOBE NEWSWIRE) -- Smart Sand, Inc. (NASDAQ:SND) (the "Company") announced today that the Company has entered into a new \$45 million senior secured revolving credit facility ("Revolving Credit Facility"), with Jefferies Finance LLC serving as the sole lead arranger, bookrunner, administrative agent and collateral agent. The Revolving Credit Facility has a three-year term, with a scheduled maturity date of December 8, 2019. The Revolving Credit Facility bears interest at a rate of LIBOR plus an applicable margin ranging from 3.00% to 4.00% that varies with the Company's leverage ratio. The Revolving Credit Facility replaces the Company's prior revolving credit facility which was paid off and terminated on November 9, 2016, with proceeds generated from its initial public offering ("IPO") on November 3, 2016. The Company believes that availability under this facility, together with the proceeds generated through its IPO, will provide the Company with the financial flexibility necessary to support its current operations and corporate growth objectives.

Additionally, the Company announced today that it has assigned its general unsecured claim in the CJ Holdings Co., et. al. Chapter 11 Reorganization to third parties for \$6.6 million.

In August 2016, C & J Energy Services Inc., rejected its product purchase agreement with the Company and demanded a refund of certain prepayments made under the contract prior to the bankruptcy filing. The Company pursued a claim for damages in the bankruptcy proceeding and ultimately entered into a settlement agreement resulting in the Company being granted a \$12 million general unsecured claim in the CJ Holdings Co. Chapter 11 Reorganization.

On December 9, 2016, third parties agreed to purchase the Company's general unsecured claim for \$6.6 million which amount was paid in full on December 12, 2016.

Forward-looking Statements

This release contains forward-looking statements within the meaning of the federal securities laws. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words "believe," "expect," "anticipate," "intend," "estimate" and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Our forward-looking statements include statements about our business strategy, our industry, our future profitability, our expected capital expenditures and the impact of such expenditures on our performance, the costs of being a publicly traded corporation, our anticipated financial flexibility and our capital programs.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable. Factors that could cause our actual results to differ materially from the results contemplated by such forward-looking statements include, but are not limited to (i) large or multiple customer defaults, including defaults resulting from actual or potential insolvencies, (ii) the level of production of crude oil, natural gas and other hydrocarbons and the resultant market prices of crude oil, natural gas, natural gas liquids and other hydrocarbons, (iii) changes in general economic and geopolitical conditions; (iv) competitive conditions in our industry, (v) changes in the long-term supply of and demand for oil and natural gas, (vi) actions taken by our customers, competitors and third-party operators, (vii) changes in the availability and cost of capital, (viii) our ability to successfully implement our business plan, (ix) our ability to complete growth projects on time and on budget, (x) the price and availability of debt and equity financing (including changes in interest rates), (xi) changes in our tax status, (xii) technological changes, (xiii) operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control, (xiv) the effects of existing and future laws and governmental regulations (or the interpretation thereof), (xv) failure to secure or maintain contracts with our largest customers or non-performance of any of those customers under the applicable contract, (xvi) the effects of future litigation, and such other factors discussed or referenced in the "Risk Factors" section of the prospectus (the "Prospectus"), filed with the U.S. Securities and Exchange Commission, relating to our recently completed IPO.

You should not place undue reliance on our forward-looking statements. Although forward-looking statements reflect our good faith beliefs at the time they are made, forward-looking statements involve known and unknown risks, uncertainties and other factors, including the factors described under "Risk Factors" in the Prospectus, which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. You should also carefully consider the statements under the heading "Forward-Looking Statements" in the Prospectus. Any forward-looking statement speaks only as of the date on which such statement is made,

and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

About Smart Sand:

Smart Sand, Inc. is a pure-play, low-cost producer of high-quality Northern White raw frac sand, which is a preferred proppant used to enhance hydrocarbon recovery rates in the hydraulic fracturing of oil and natural gas wells. Northern White raw frac sand, which is found predominantly in Wisconsin and limited portions of Minnesota and Illinois, is highly valued by oil and natural gas producers as a preferred proppant due to its favorable physical characteristics.

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Smart Sand, Inc.

Additional assets available online: [Photos \(1\)](#)

<https://ir.smartsand.com/2016-12-14-Smart-Sand,-Inc-Enters-Into-New-45-Million-Senior-Secured-Revolving-Credit-Facility-and-Assigns-Unsecured-Bankruptcy-Claim-to-Third-Parties>