

Smart Sand, Inc. Enters Into \$35 Million Settlement With U.S. Well Services, LLC

THE WOODLANDS, Texas, June 29, 2021 (GLOBE NEWSWIRE) -- Smart Sand, Inc. (NASDAQ: SND) (the "Company" or "Smart Sand") announced today that it has reached a settlement with U.S. Well Services, LLC ("USW"), a subsidiary of U.S. Well Services, Inc. ("USWS"), in connection with the approximate \$50.9 million judgment issued by the Superior Court of the State of Delaware in favor of Smart Sand in its breach of contract case against USW. Under the terms of the settlement, USW has paid to Smart Sand a \$35.0 million cash payment and USWS has entered into a two year Right of First Refusal Agreement with Smart Sand covering all purchases of Northern White frac sand by USWS and its affiliates in the continental United States from January 1, 2022 through December 31, 2023.

Charles Young, Smart Sand's Chief Executive Officer, commented, "We are very pleased to have reached an agreement with U.S. Well and bring this long running action to a beneficial conclusion. This outcome makes our business stronger." Young continued, "The cash payment provides us with immediate liquidity, enhancing our already strong balance sheet. The right of first refusal agreement provides us with an opportunity to once again sell sand to U.S. Well and increase our Northern White sales volumes over the next two years. We are now free to focus exclusively on our core business and believe that the future has never been brighter for Smart Sand."

About Smart Sand:

We are a fully integrated frac sand supply and services company, offering complete mine to wellsite proppant logistics, storage and management solutions to our customers. We produce low-cost, high quality Northern White frac sand and offer proppant logistics, storage and management solutions to our customers through our in-basin transloading terminal and our SmartSystems wellsite proppant storage capabilities. We provide our products and services primarily to oil and natural gas exploration and production companies and oilfield service companies. We own and operate premium frac sand mines and related processing facilities in Wisconsin and Illinois, which have access to three Class I rail lines, allowing us to deliver products substantially anywhere in the United States and Canada. For more information, please visit www.smartsand.com.

Forward-looking Statements:

All statements in this news release other than statements of historical facts are forward-looking statements that contain the Company's current expectations about our future results. We have attempted to identify any forward-looking statements by using words such as "expect," "will," "estimate," "believe" and other similar expressions. Although we believe that the expectations reflected and the assumptions or bases underlying our forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Such statements are not guarantees of future performance or events and are subject to known and unknown risks and uncertainties that could cause our actual results, events or financial positions to differ materially from those included within or implied by such forward-looking statements.

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, fluctuations in product demand, regulatory changes, adverse weather conditions, increased fuel prices, higher transportation costs, access to capital, increased competition, continued effects of the global pandemic, changes in economic or political conditions, and such other factors discussed or referenced in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the year ended December 31, 2020, filed by the Company with the U.S. Securities and Exchange Commission ("SEC") on March 3, 2021, and in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, filed by the Company with the SEC on May 4, 2021.

You should not place undue reliance on our forward-looking statements. 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.

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Source: Smart Sand, Inc.

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

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