CONFIDENTIAL | **May 18, 2017**

Smart Sand, Inc.

Houlihan Lokey 2017 Global Industrials Conference

Disclaimer

Forward-Looking Statements

This presentation 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 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” and "Management's Discussion and Analysis of Financial Condition and Results of Operations“ sections of the Form 10-K, filed by the Company with the U.S. Securities and Exchange Commission on March 16, 2017.

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 in the preceding paragraph, 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 Registration Statement. 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.

In this presentation, assumptions were made with respect to industry performance, general business and economic conditions and other matters. Any estimates contained in these analyses – whether expressed or implied are based on estimates and are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth herein. Smart Sand reserves the right to change any or all of the estimations included herein whether as a result of any changes in the above referenced information, market factors or otherwise.

Disclaimer (cont'd)

Reserves

Mineral resources and reserves are typically classified by confidence (reliability) levels based on the level of exploration, consistency and assurance of geologic knowledge of the deposit. This classification system considers different levels of geoscientific knowledge and varying degrees of technical and economic evaluation. Mineral reserves are derived from in situ resources through application of modifying factors, such as mining, analytical, economic, marketing, legal, environmental, social and governmental factors, relative to mining methods, processing techniques, economics and markets. In estimating our reserves, our independent reserve engineer does not classify a resource as a reserve unless that resource can be demonstrated to have reasonable certainty to be recovered economically in accordance with the modifying factors listed above. "Reserves" are defined by SEC Industry Guide 7 as that part of a mineral deposit that could be economically and legally extracted or produced at the time of the reserve determination. Industry Guide 7 defines "proven (measured) reserves" as reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling and (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established. Industry Guide 7 defined "probable (indicated) reserves" as reserves for which quantity and grade and/or quality are computed from information similar to that used for proven (measured) reserves, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven (measured) reserves, is high enough to assume continuity between points of observation.

Non-GAAP Information

This presentation also contains information about the Company's EBITDA, Adjusted EBITDA, and Production Costs, which are not measures derived in accordance with U.S. generally accepted accounting principles ("GAAP") and which exclude components that are important to understanding the Company's financial performance. We define EBITDA as our net income, plus (i) depreciation, depletion, accretion and amortization expense; (ii) income tax expense (benefit); (iii) interest expense and (iv) franchise taxes. We define Adjusted EBITDA as EBITDA, plus (i) gain or loss on sale of fixed assets or discontinued operations, (ii) integration and transition costs associated with specified transactions, including our initial public offering, (iii) restricted stock compensation, (iv) development costs, (v) cash charges related to restructuring, retention and other similar actions, (vi) earnout and contingent consideration obligations, (vii) non-cash charges and unusual or non-recurring charges. We believe that our presentation of EBITDA and Adjusted EBITDA will provide useful information to investors in assessing our financial condition and results of operations. Net income is the GAAP measure most directly comparable to EBITDA and Adjusted EBITDA. EBITDA and Adjusted EBITDA should not be considered alternatives to net income presented in accordance with GAAP. Because EBITDA and Adjusted EBITDA may be defined differently by other companies in our industry, our definition of EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies, thereby diminishing its utility. Reconciliations of EBITDA and Adjusted EBITDA to net income, the most directly comparable GAAP financial measure, can be found in the Registration Statement and in the Appendix to this presentation.

We also use production costs, which we define as costs of goods sold, excluding depreciation, depletion, accretion of asset retirement obligations and freight charges, to measure our financial performance. Freight charges consist of shipping costs and rail car rental and storage expenses. Shipping costs consist of railway transportation and transload costs to deliver products to customers. Rail car rental and storage expenses are associated with our long-term rail car operating agreements with certain customers. A portion of these freight charges are passed through to our customers and are, therefore, included in revenue. We believe production costs is a meaningful measure to management and external users of our financial statements, such as investors and commercial banks, because it provides a measure of operating performance that is unaffected by historical cost basis. Cost of goods sold is the GAAP measure most directly comparable to production costs. Production costs should not be considered an alternative to cost of goods sold presented in accordance with GAAP. Because production costs may be defined differently by other companies in our industry, our definition of production costs may not be comparable to similarly titled measures of other companies, thereby diminishing its utility. A reconciliation of Production Costs to cost of goods sold, the most directly comparable GAAP financial measure, can be found in the Registration Statement and in the Appendix to this presentation.

Disclaimer (cont'd)

Industry and Market Data

This presentation has been prepared by the Company and includes market data and other statistical information from third-party sources, including independent industry publications, or other published independent sources. Although the Company believes these third-party sources are reliable as of their respective dates, the Company has not independently verified the accuracy or completeness of this information.

Smart Sand Key Highlights

- Long-lived, strategically located, high-quality reserve base
- Intrinsic logistics advantage
- Significant organic growth potential
- Focus on safety and environmental stewardship
- Experienced management team
- Strong industry fundamentals
- Strong balance sheet and financial flexibility

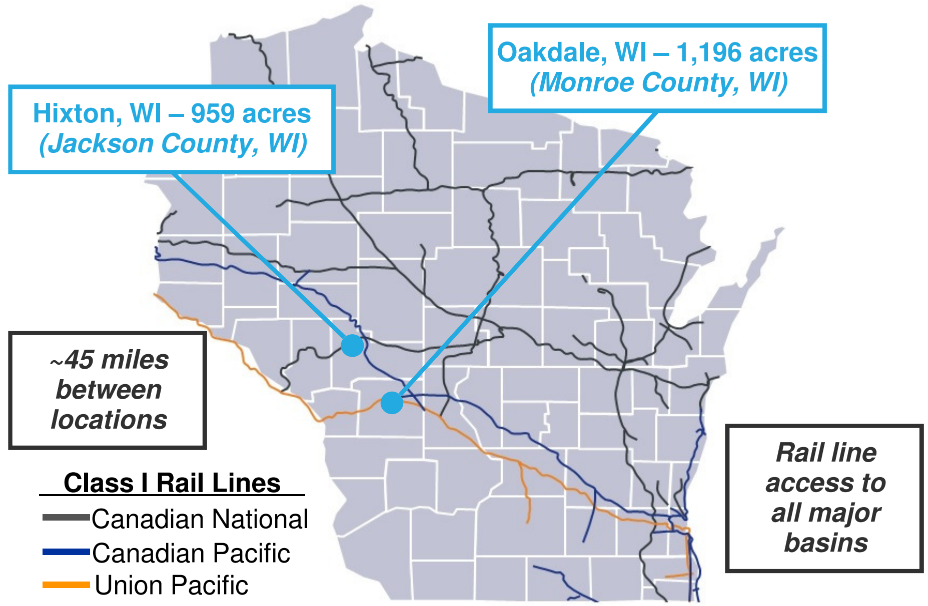
Smart Sand Company Overview

Company Overview

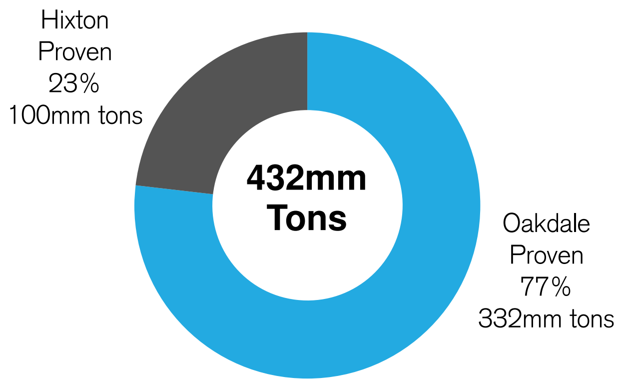
Smart Sand is a pure-play, low-cost producer of high-quality Northern White raw frac sand

- The Company owns and operates a Northern White raw frac sand mine, processing facility and a multi-unit train rail logistics loadout on the Canadian Pacific rail network, a Class I rail line, near Oakdale, Wisconsin
- Expanding Byron location to be a multi-unit train capable facility on a Class I rail line owned by Union Pacific, ~3.5 miles away from the Oakdale facility
- Smart Sand owns a second property available for future development in Jackson County, Wisconsin, named the Hixton site
- 150 employees as of March 31, 2017
- Headquartered in The Woodlands, Texas

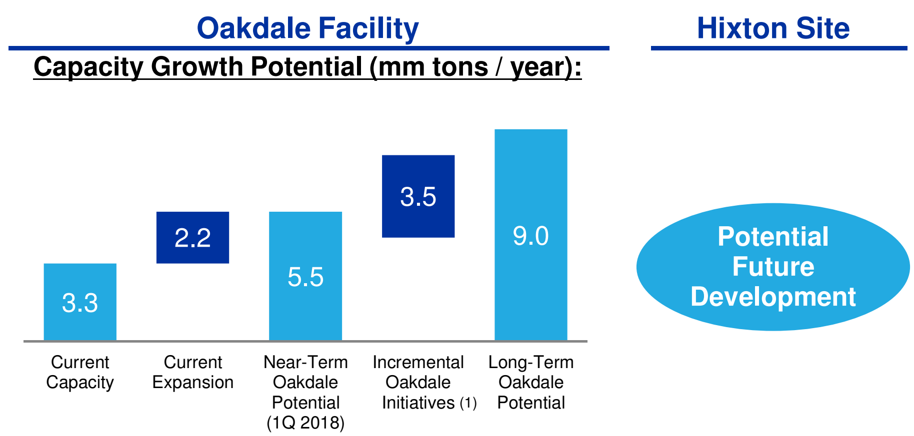
Reserve Locations



Sand Reserve Overview



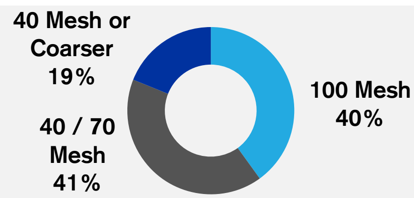
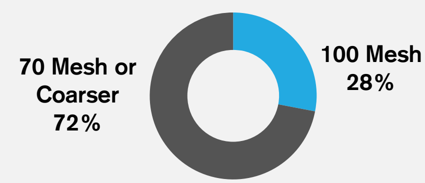
Significant Organic Growth Potential



Source: Smart Sand Management, Company disclosures.

(1) Further development and permitting at the Oakdale facility could ultimately allow for production of up to 9 million tons of raw frac sand per year.

Summary of Smart Sand's Strategic Assets

	Oakdale (Existing Operation)	Hixton (Potential Future Development)
Location	Monroe County, WI	Jackson County, WI
Mine	✓	–
Processing Facility	✓	–
Rail Loading Facility	✓	–
Rail Access	Served by two Class I rail lines	Access to one Class I rail line
Proven Reserves(1)	332mm tons (60.4 year life based on 5.5mm tons annual name plate capacity beginning Q1'18)	100mm tons
Total Reserves(1)	332mm tons	100mm tons
Reserves by Mesh Substrate		
Production Capacity	~5.5mm tons / year *(Estimated Q1 2018)*	–
Potential Capacity	~9mm tons / year	–

(1) Oakdale reserves based on John T. Boyd reserve report as of December 31, 2016.

Oakdale Facility: High Quality Northern White Raw Frac Sand

- 1,196 contiguous acres with 332 million tons of proven reserves(1)
  - As of December 31, 2016, we have utilized 135 acres for facilities and mining operations, only 11.3% of total acreage
- Integrated facility with mining, wet and dry sand processing capabilities and on-site rail infrastructure (~7 miles of track)
  - Adding third rail loop which should be operational by the end of June 2017
- Current annual nameplate processing capacity of 3.3 million tons with the potential to expand to ~9.0 million tons
- Expanding to 5.5 million tons of annual nameplate processing capacity by Q1 2018
- 81% of our current reserve mix at Oakdale consists of 40/70 and 100 mesh substrate

(1) Reserves based on John T. Boyd reserve report as of December 31, 2016.

Cost-Effective, Differentiated Process

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Onsite Mining / Excavation

Conveyer Belt to Onsite Wet Plant

Wet Plant Cleans and Sorts

Dry Plant Dries and Sorts Product

Unit Trains Deliver Dry Sand to Basin

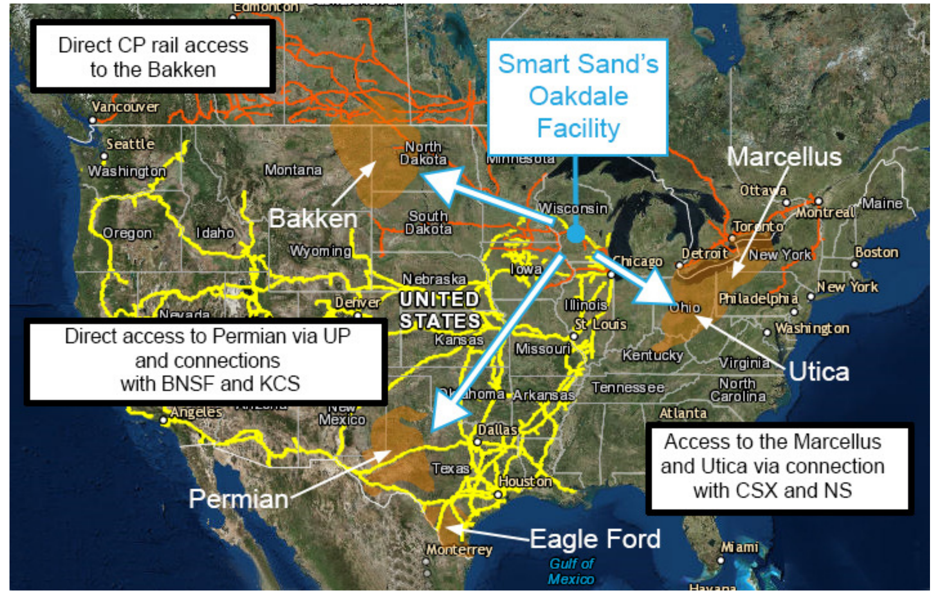
- Low cost operating structure results from a number of key attributes:
  - Low royalty rates ($0.50 per ton only on 20/70 sand sold)
  - Higher mining yields due to balance of coarse and fine mineral reserve deposits
  - Minimal to no trucking required since reserves, processing plants, and primary rail facilities are in one location
- Potential ability to further reduce operating costs through dredging and other cost initiatives

Expansive Logistics Capabilities

Key Logistical Advantages

- **On-site rail** – eliminates trucking to a rail load-out facility and associated costs
- **Class I access** – current location on Canadian Pacific rail line provides direct access to multiple high-growth plays and avoids interchange fees on local short-hauls
- **Rail design** – efficient rail design eliminates demurrage and optimizes load times
- **Unit train capability** – significantly reduces customer product delivery time and costs (see below)
- **Dual Source Capability** – additional Union Pacific Rail Siding allows for opportunity to reduce freight costs by providing the ability to source sand on competing Class I rail lines
- **Direct Access to Permian** – Union Pacific facility helps enable origin-destination pairings in the Permian and better meet customer demand

Highly Competitive Delivery Capabilities



Illustrative Unit Train Economics

Generally 14+ days
Increased landed cost and time

Generally <5 days
Better utilization of railcars, predictable

Unit trains require approximately a third of the time of manifest trains and significantly improve reliability

Significant Organic Growth Potential

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Near-term

UP Rail Siding (Byron, WI)

- Commenced operations in June 2016
- Dual-serve rail origination capability at Oakdale
- Expanding to be a unit-train capable facility by end of Q3 2017
- Expected to result in incremental sale volumes due to more competitive rail rates

Oakdale Expansion

- Expanding to 5.5 million tons of annual nameplate capacity by Q1 2018
- Integrated plant design with wet plant and dry plants enclosed for year-round processing

Long-term

Sustainable Oakdale Expansion Potential

- Smart Sand's reserve base of ~332 million proven tons provides significant ability to ultimately increase annual production capacity at Oakdale up to ~9 million tons

In-basin and Other Potential Sites

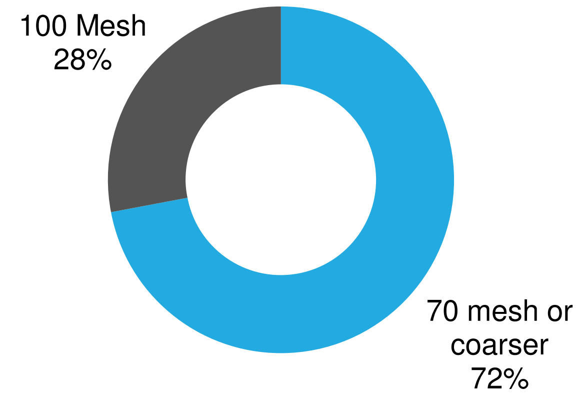
- In-basin terminals and "last-mile" development key to long-term strategy to provide low cost, efficient product and logistics delivery to the wellhead
- ~100 million tons of proven reserves at Hixton with access to third Class I rail line
- Regional greenfield mine opportunities being evaluated to provide geographic diversification of our mining asset base

Hixton Facility Opportunity

Hixton Site Highlights

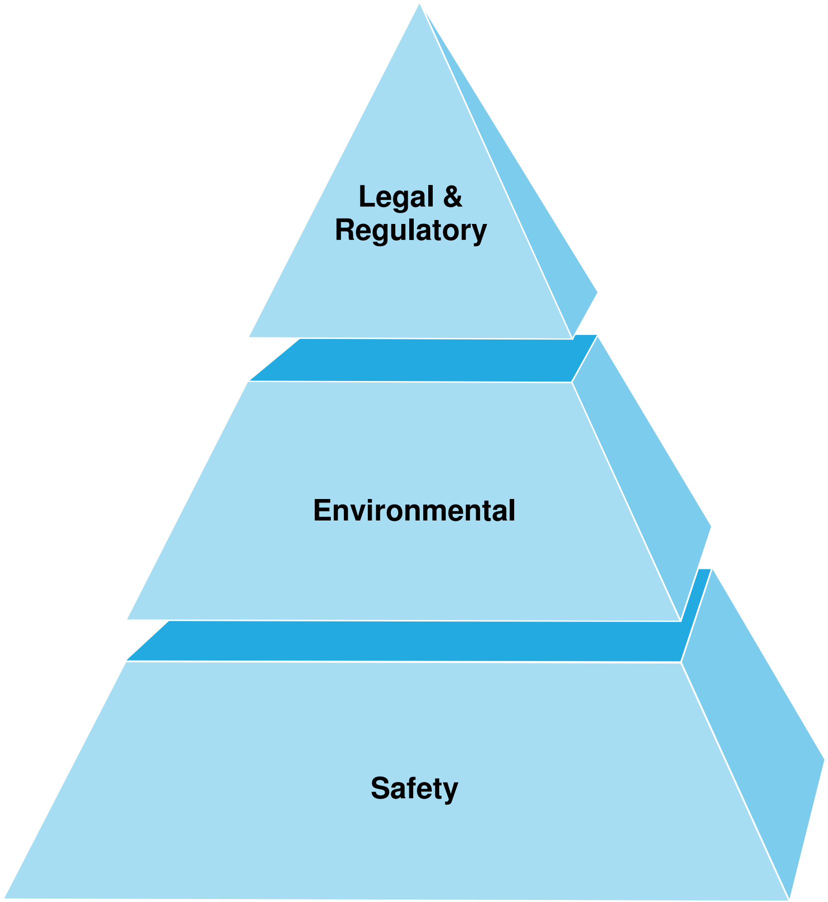
- In addition to our Oakdale facility, we own a second site comprising 959 acres in Jackson County, Wisconsin situated adjacent to a Class I rail line, the Canadian National
- Site consists of ~100 million tons of proven Northern white frac sand reserves
- Hixton facility is fully permitted and remains readily available for future expansion opportunities
- Asset is well positioned to take advantage of rebound in Canadian drilling activity or additional upside in U.S demand

Hixton Reserve Mix



Source: J.T. Boyd.

Committed to Highest Corporate Standards



- Management maintains close dialogue with its customers regarding the oil and gas industry's rigorous regulatory environment
- ISO registered Quality System and Environmental Management System in place

- Minimal environmental and community impact: on-site rail, careful mine design, moderating trucking and extensive use of conveyors
- A member of the Wisconsin Industrial Sand Association (WISA), a selective industry group promoting high standards for safety, sustainability, and environmental performance
- Participant in Wisconsin's Green Tier program, demonstrating voluntary commitment to high environmental performance through projects that improve the environment and promote good community relations

- Our first priority is a safe work environment. Dedicated safety staff, continual training, and daily inspections are part of our MSHA approved safety plan

WISA WISCONSIN INDUSTRIAL SAND ASSOCIATION · ISO 9001 CERTIFIED · INTERNATIONAL CERTIFICATION ISO 14001 · GREEN TIER · Green Masters Program

Smart Sand is committed to providing a safe working environment and upholding the highest levels of environmental stewardship

Our Strategy

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Focusing on increasing capacity utilization and processing capacity

- Continue to position ourselves as a pure play producer of high-quality Northern White raw frac sand
- Continue to evaluate economically attractive facility enhancement opportunities

Optimizing logistics infrastructure

- Take advantage of new dual-serve rail capabilities at Oakdale facility to potentially negotiate more competitive rail rates and reduce transportation costs
- Continue evaluating ways to reduce landed cost to producers in the basin
- Continue to evaluate opportunities to develop in-basin delivery points and last mile solutions for delivery of sand to the wellhead to capture incremental value from efficient management of supplying sand from the mine all way to the wellhead

Focusing on cost profile and process improvements

- Low royalty rates and minimal yield loss from balance of coarse and fine mineral reserves drive operating costs lower
- Continue to evaluate cost and efficiency initiatives at Oakdale facility to reduce overall operating cost structure

Pursuing accretive acquisitions and greenfield opportunities

- Increased liquidity from our IPO and follow on offering allows us to explore strategic alternatives to diversify operations and strengthen logistic capabilities

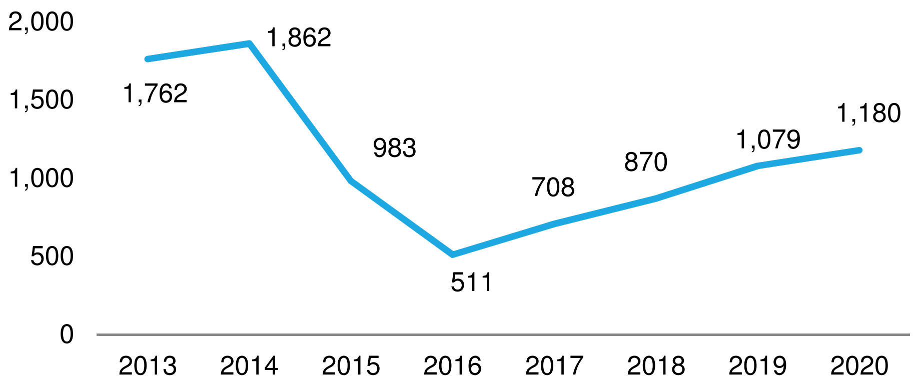
Maintaining financial strength and flexibility

- Ability to access capital markets and availability under our unfunded credit facility provides us with financial flexibility

INDUSTRY OVERVIEW

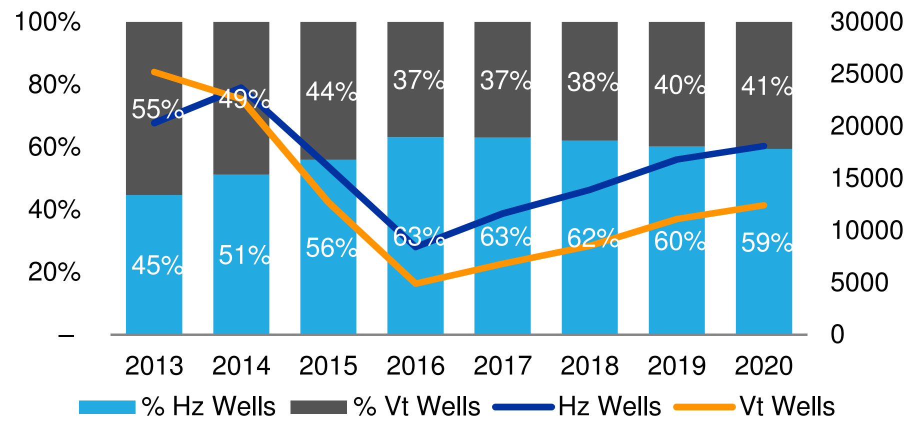
Industry Trends Driving Growth in Sand Demand

Average Active U.S. Rig Count



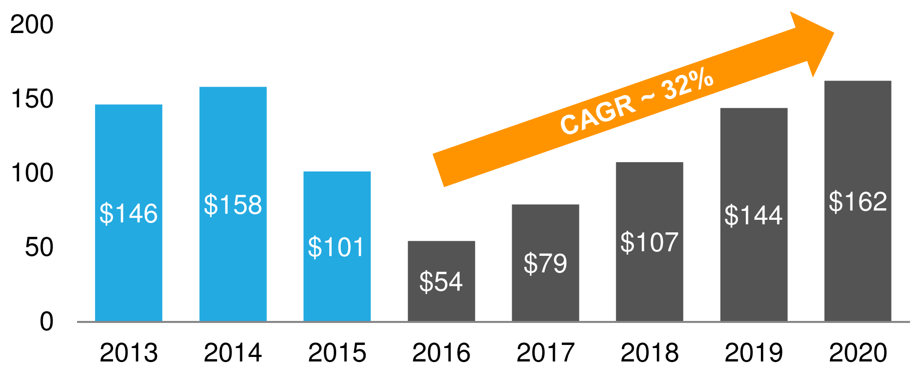
Source: Spears and Associates Drilling Production Outlook Report, December 2016 and Baker Hughes.

U.S. Horizontal vs. Vertical Well Mix



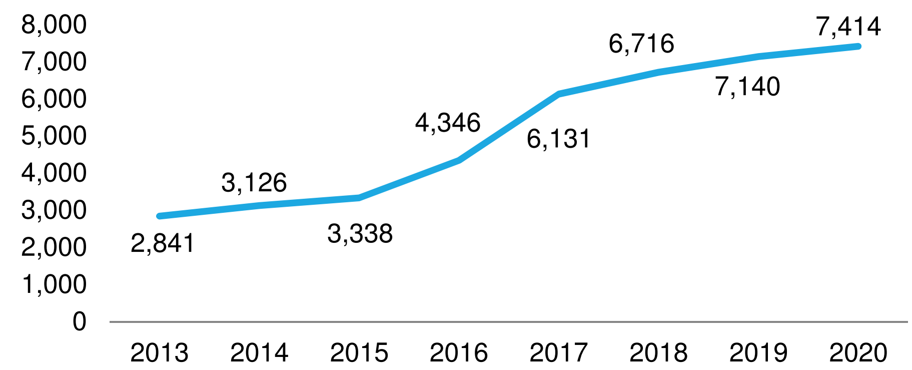
Source: Spears and Associates Drilling Production Outlook Report, December 2016 and Baker Hughes.

Drilling & Completion Spending (in $bns)



Source: Spears and Associates Drilling Production Outlook Report, December 2016.

Tons of Proppant per Horizontal Well



Source: Spears and Associates Hydraulic Fracturing Market Report, Q4 2016.

Current industry dynamics are expected to drive an increase in proppant demand in excess of historical highs and cause potential supply shortages

Market Growth Potential

Jefferies U.S. Land Framework

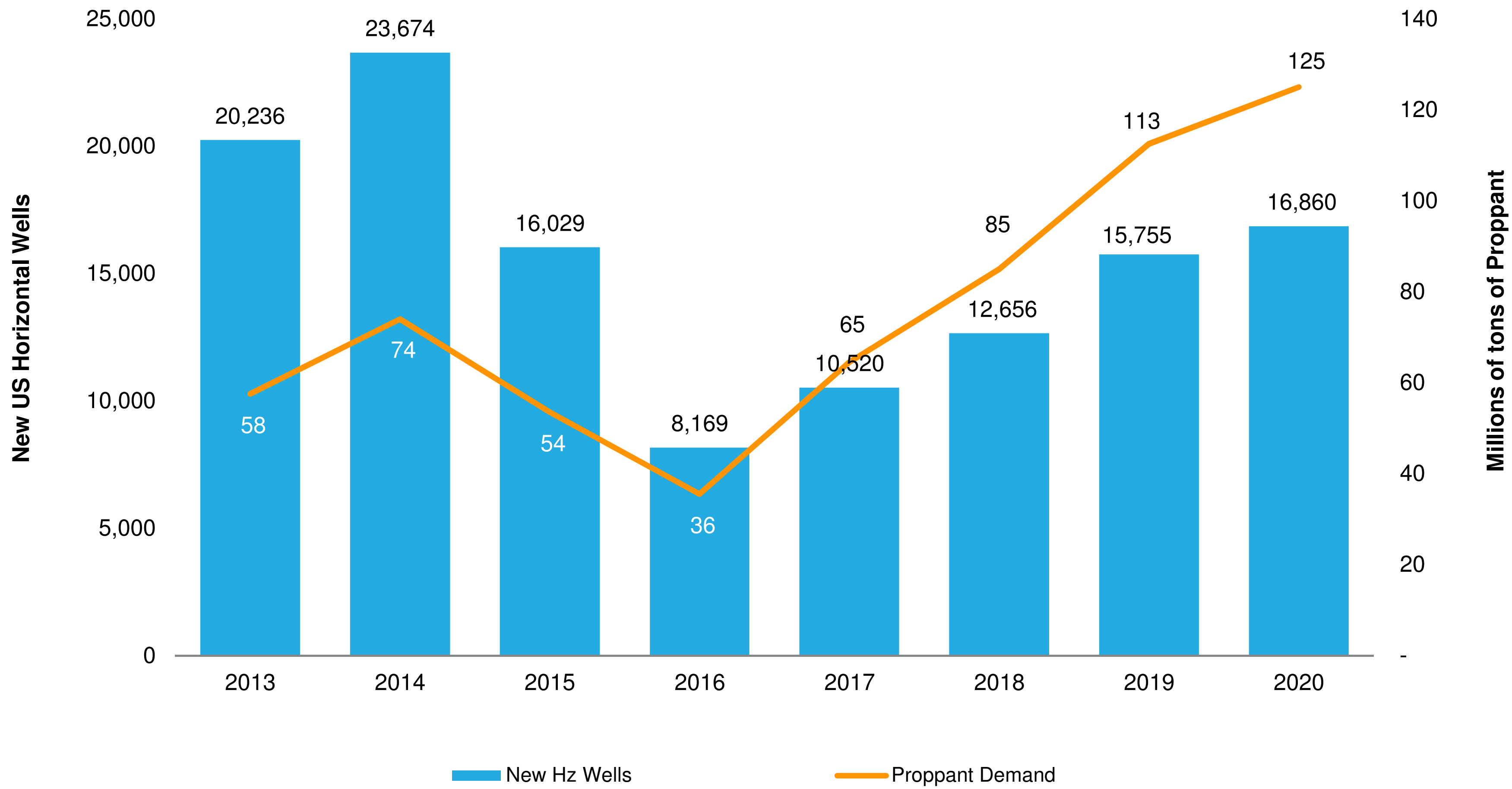
	2016 Average	2017 Average	2018 Average	2014 Peak
Rig Count	• **484** *(-48% y/y)*	• **825** *(+70% y/y)*	• **1,120** *(+36% y/y)*	• **1,789** *Ave Rigs*
% HZ Rigs	• **83%** *(+344 bps y/y)*	• **82%** *(-35 bps y/y)*	• **82%** *(↔ y/y)*	• **71%** *Horizontal*
Ave. Rig Efficiency	• **17.3** HZ Wells per Rig-Year *(+8.2% y/y)*	• **17.4** HZ Wells per Rig-Year *(+0.4% y/y)*	• **17.0** HZ Wells per Rig-Year *(-2.4% y/y)*	• **14.7** *HZ Wells per Rig-Year*
Well Count	• **10,860** *(-47% y/y)*	• **16,950** *(+56% y/y)*	• **22,600** *(+33% y/y)*	• **35,375** *Total Wells*
Stages/Well	• **19.8** *(+28% y/y)*	• **22.4** *(+13% y/y)*	• **22.8** *(+2% y/y)*	• **12.4** *Stages/Well*
Stage Count	• **214,700** *(-36% y/y)*	• **372,830** *(+74% y/y)*	• **492,060** *(+32% y/y)*	• **421,500** *Stages*
Frac HHP Demand	• **7.3MM** HHP *(-30% y/y)*	• **12.6MM** HHP *(+73% y/y)*	• **16.7MM** HHP *(+33% y/y)*	• **14.4MM** *HHP*
Frac HHP Utilization*	• **47%** *(-1,465 bps y/y)*	• **86%** *(+3,890 bps y/y)*	• **97%** *(+1,140 bps y/y)*	• **91%** *Utilization*
Frac Sand Demand	• **38.5MM** tons *(-14% y/y)*	• **77.4MM** tons *(+101% y/y)*	• **96.0MM** tons *(+24% y/y)*	• **55.3MM** *tons*
Frac Sand Utilization	• **50%** *(-1,245 bps y/y)*	• **94%** *(+4,440 bps y/y)*	• **108%** *(+1,400 bps y/y)*	• **93%** *Utilization*

*Represents Effective Utilization, which assumes a varying 10-20% haircut to gross supply to better represent operational constraints.

Source: Jefferies estimates, Baker Hughes, NavPort, State Regulatory filings.

Proppant Industry Outlook

Total Market Proppant Demand



Proppant demand is projected to rapidly increase over the next few years

Source: Spears and Associates Hydraulic Fracturing Market Report, Q4 2016.

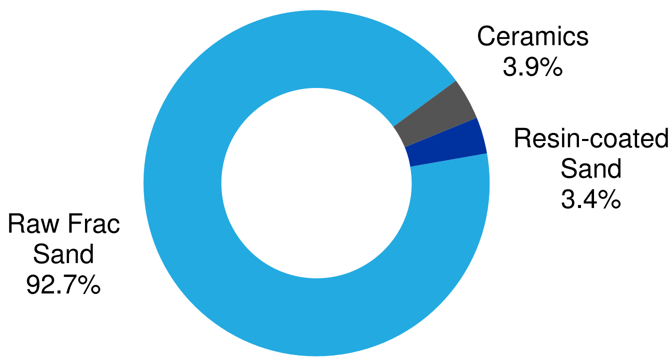
Raw Sand Established as Proppant of Choice

Comparison of Key Proppant Characteristics

	Brown Raw Frac Sand	Northern White Raw Frac Sand	Resin-coated	Ceramics
Product and Characteristics	▪ Natural resource ▪ Quality of sand varies widely depending on source	▪ Natural resource ▪ Considered highest quality raw frac sand ▪ Monocrystalline in nature, exhibiting crush strength, turbidity and roundness and sphericity in excess of API specifications	▪ Raw frac sand substrate with resin coating ▪ Coating increases crush strength ▪ Bond together to prevent proppant Flowback	▪ Manufactured product ▪ Typically highest crush strength
Crush Strength	▪ Up to 12,000 psi	▪ Up to 12,000 psi	▪ Up to 15,000 psi	▪ Up to 18,000 psi
Relative Price	▪ Least expensive	⟷		▪ Most Expensive

Source: API; Stim-Lab, Inc.; company provided information; The Freedonia Group, September 2015.

U.S. Proppant Market Share by Type



Source: The Freedonia Group, September 2015. Figures based on weight.

With Clear Supply Constraints

- Operating permits can be difficult to obtain
- Few remaining Northern White frac sand reserve sites which meet API specifications
- Few remaining contiguous frac sand reserves
- Local opposition has stymied the development of some new, unpermitted facilities in Wisconsin and Minnesota
- Design-build phase for facilities requires long lead time

Growing Demand for Fine Sand

Mesh Sizes

- Proppant size is characterized by mesh size which is determined by sieving the proppant through mesh screens
  - Historically, large mesh sizes used for oily / liquids rich formations
  - Historically, smaller mesh sizes were used for natural gas formations
- Generally, E&P companies have two methods to control well performance: increase frac conductivity or reservoir contact area
- Due to smaller grain size, 100 mesh enhances reservoir contact area
  - Used more prominently in oil wells with increasingly positive results
- Focus on reservoir contact area has led to an increasing number of operators achieving better yields (higher production relative to optimized cost), increasing demand for 100 mesh

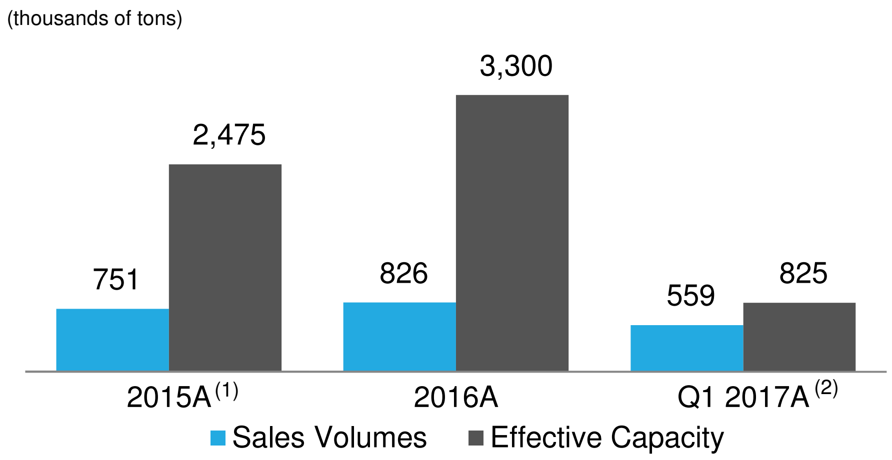
Market Outlook for Fine Sand

- According to Kelrik LLC, a notable driver impacting demand for fine mesh sand is increased proppant loadings, specifically, larger volumes of proppant placed per frac stage
- Kelrik expects the trend of using larger volumes of finer mesh materials, such as 100 mesh sand and 40/70 sand, to continue
- Due to innovations in completion techniques, demand for finer grade sands has also shown a considerable resurgence

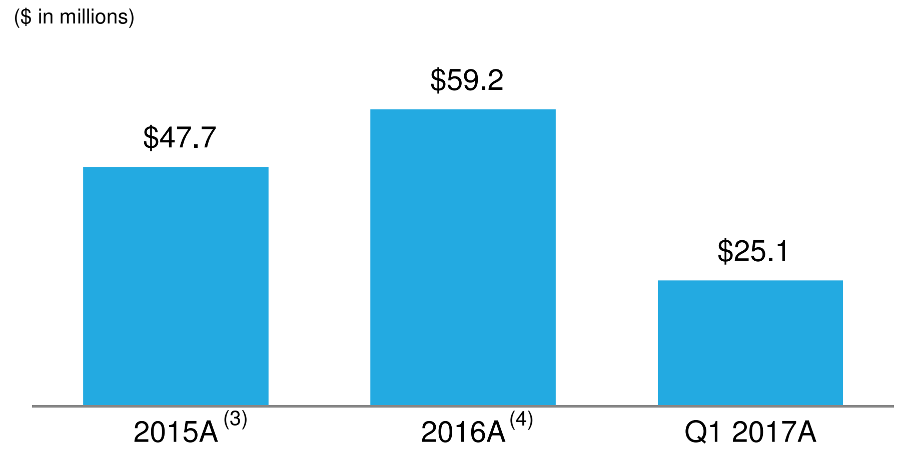
FINANCIAL INFORMATION

Summary Financials

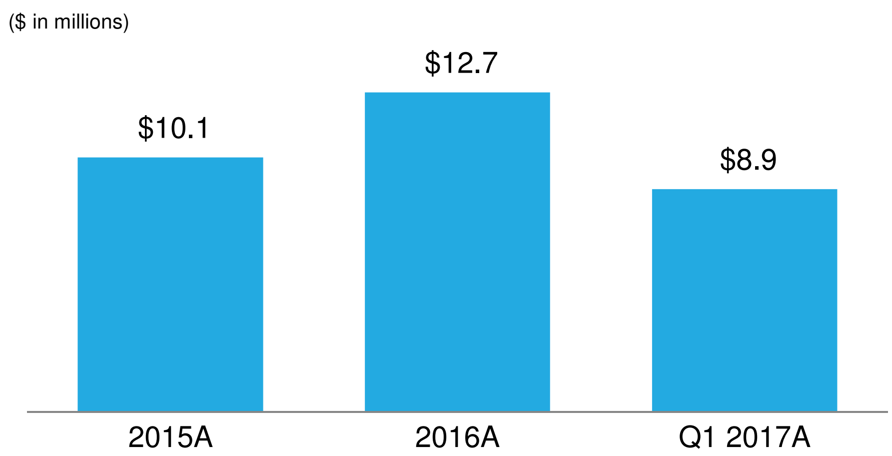
Sales Volumes



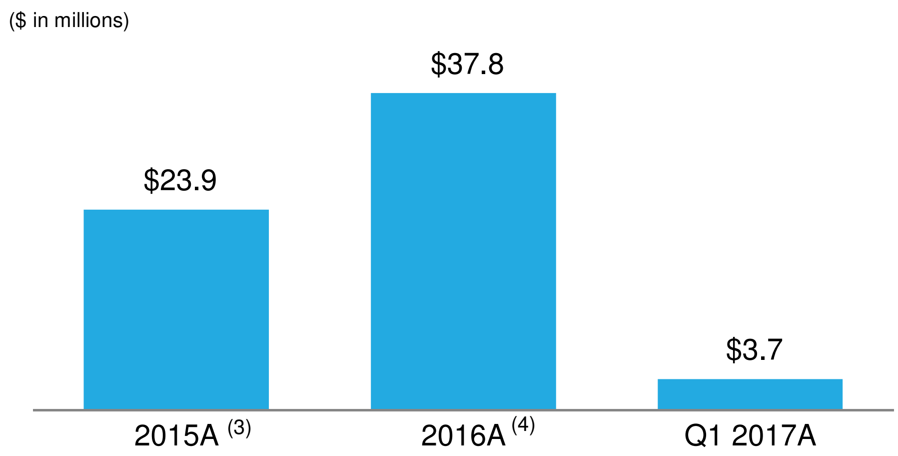
Revenue



Production Costs



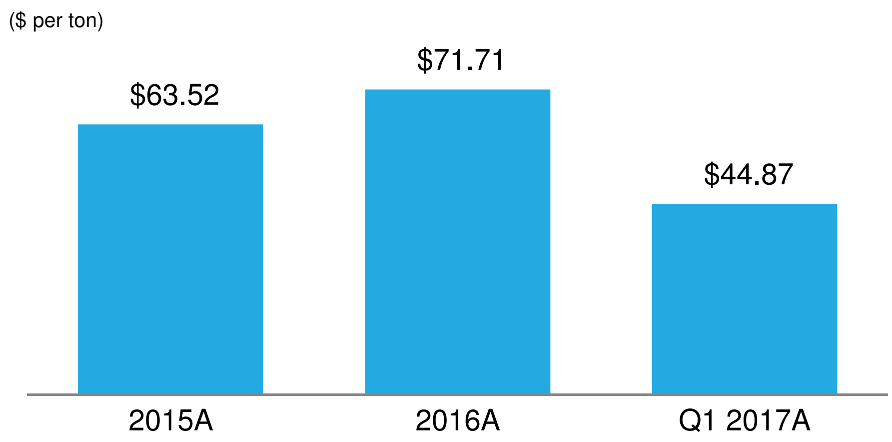
Adjusted EBITDA



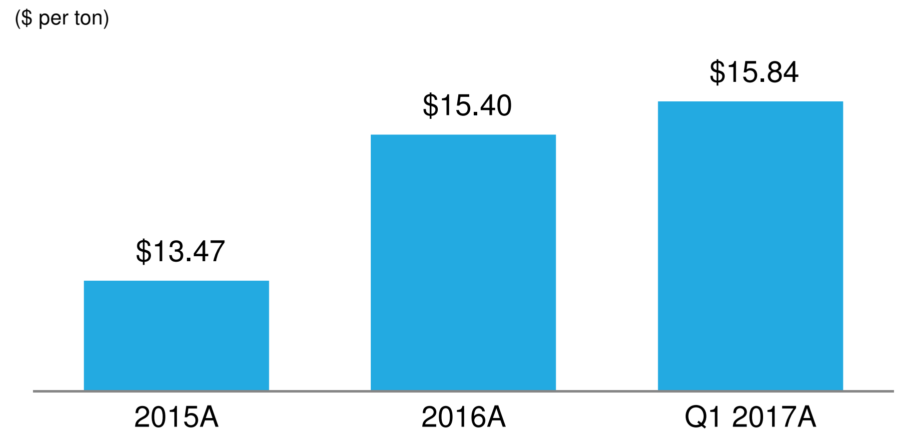
(1) In September 2015, we completed an expansion project to increase our processing capacity from 2.2 million tons per year to approximately 3.3 million tons per year. Effective capacity is weighted average across full year.
(2) Effective capacity based on the three months ended March 31, 2017 or 3.3 million tons of processing capacity per year.
(3) Includes monthly minimum / shortfall payments of $11.1 million for 2015.
(4) Includes monthly minimum / shortfall payments of $20.9 million for 2016.

Summary Financials Per Ton

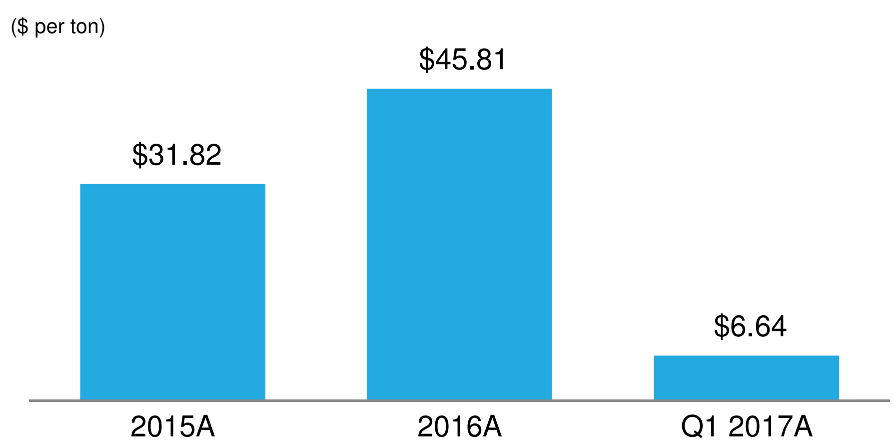
Revenue [1]



Production costs



Adjusted EBITDA [1]



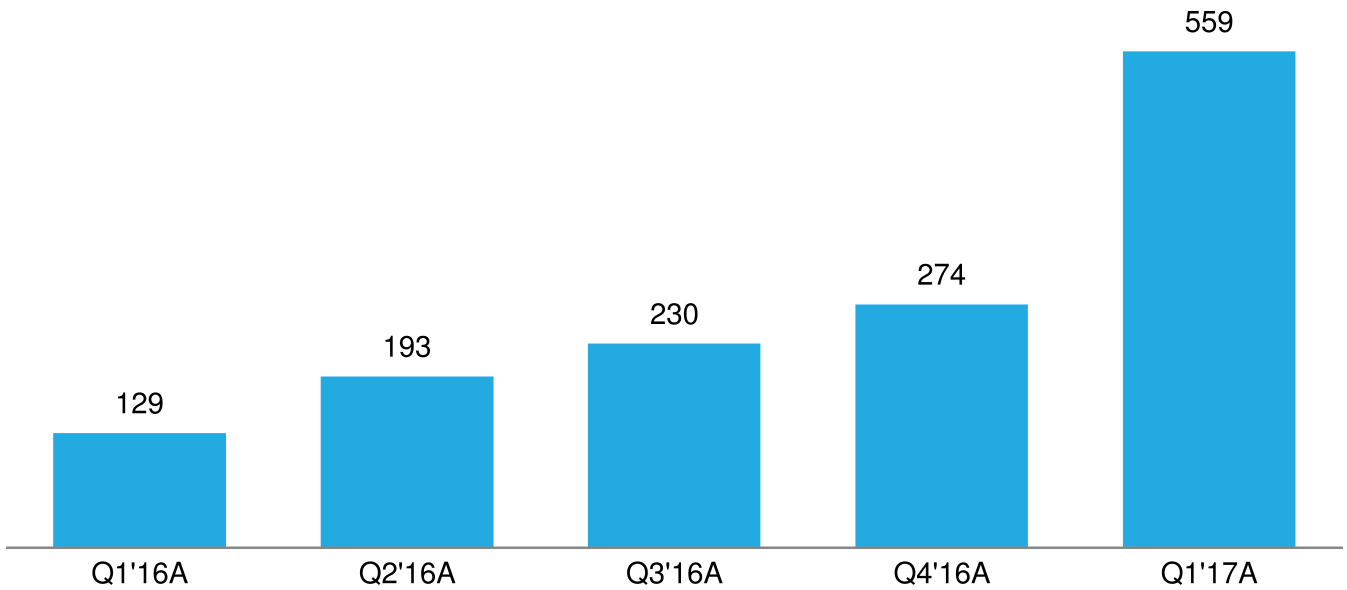
On a per ton basis, our financial performance remained strong despite the energy downturn

(1) Includes monthly minimum / shortfall payments of $11.1 million for 2015 and $20.9 million for 2016.

Summary Quarterly Sales Volumes

Quarterly Sales Volumes

(thousands of tons)



Financial Highlights

- Significant balance sheet flexibility and liquidity post IPO and February 2017 equity offering
  - Minimal debt
  - Approximately $70 million in cash available to support growth initiatives
- Minimal unused railcar exposure
  - 1,410 of 1,540 leased railcars assigned to customers as of May 1, 2017
- Contract structure provides ongoing cash flow support
  - Monthly reservation charges and periodic shortfall payments provide some stability of cash flow through industry operating cycles
  - Generated positive operating cash flow and Adjusted EBITDA for 2016 in difficult operating environment
- Ability to take advantage of near term market growth potential
  - Available capacity at Oakdale to capture near term volume growth
  - Expanding Oakdale to 5.5 million tons of annual nameplate processing capacity to take advantage of current strong market demand

APPENDIX

Income Statement

smartsand

($ in millions)	For the Year ended Dec 31, 2014 (Audited)	Year ended Dec 31, 2015 (Audited)	Year ended Dec 31, 2016 (Audited)	Three months ended Mar 31, 2017 (Unaudited)
Revenues[1]	$68.2	$47.7	$59.2	25.1
Cost of sales	29.9	21.0	26.6	19.7
Gross profit	**38.2**	**26.7**	**32.7**	**5.4**
Operating expenses				
Salaries, benefits and payroll taxes	5.1	5.1	7.4	1.7
Depreciation and amortization	0.2	0.4	0.4	0.1
Selling, general and administrative	7.2	4.7	4.5	2.0
Total operating expenses	**12.5**	**10.1**	**12.3**	**3.8**
Income from operations	25.8	16.6	20.4	1.6
Preferred stock interest expense	(5.6)	(5.1)	(5.6)	–
Other interest expense	(2.2)	(2.7)	(2.9)	(0.1)
Other income	0.4	0.4	8.9	0.0
Total other expense	**(7.5)**	**(7.5)**	**0.4**	**(0.1)**
Loss on extinguishment of debt	(1.2)	–	(1.1)	–
Income (loss) before income tax expense	17.1	9.1	19.7	1.5
Income tax expense (benefit)	9.5	4.1	9.4	0.5
Net income (loss)	**7.6**	**5.0**	**10.3**	**1.0**
Adjusted EBITDA	**33.3**	**23.9**	**37.9**	**3.7**
Capital expenditures	**30.9**	**29.4**	**2.5**	**1.6**
Sales volumes (tons)	**1,255,455**	**750,675**	**826,414**	**558,523**

(1) Includes monthly minimum / shortfall payments of $0 for 2014, $11.1 for 2015, and $20.9 for 2016.

Balance Sheet

smartsand

($ in millions)	As of December 31, 2014 (Audited)	December 31, 2015 (Audited)	December 31, 2016 (Audited)	March 31, 2017 (Unaudited)
Current assets				
Cash and cash equivalents	$0.8	$3.9	$46.6	$73.6
Accounts receivable	8.6	6.0	5.7	10.8
Inventory – ST	8.6	4.2	10.3	9.1
Prepaid expenses and other assets	4.1	1.5	1.4	1.6
Total current assets	**22.2**	**15.6**	**65.0**	**95.1**
Noncurrent assets				
PP&E, net	85.8	108.9	104.0	104.4
Inventory – LT	1.1	8.0	3.2	0.1
Deferred financing cost, net	0.6	0.5	1.2	1.3
Total noncurrent assets	**87.5**	**117.4**	**108.4**	**105.8**
Total assets	**109.6**	**133.1**	**173.4**	**200.9**
Current liabilities				
Accounts payable and accrued expenses	8.4	4.9	4.0	7.4
Deferred revenue	–	7.1	1.6	–
Income tax payable	–	–	7.1	7.2
Cap. lease & notes payable – current	0.5	1.8	1.0	0.9
Preferred stock liability – current	–	34.7	–	–
Total current liabilities	**8.9**	**48.6**	**13.7**	**15.6**
Noncurrent liabilities				
Revolving credit facility, net	59.1	63.3	–	–
Deferred tax liability	11.0	14.5	15.0	15.4
Asset retirement obligation	1.8	1.2	1.4	1.4
Cap. lease & notes payable – noncurrent	1.7	1.8	0.9	0.8
Preferred stock liability – noncurrent	29.1	–	–	–
Total noncurrent liabilities	**102.7**	**80.8**	**17.3**	**17.6**
Total liabilities	**111.6**	**129.4**	**31.0**	**33.1**
Total stockholders' equity (deficit)	**(2.0)**	**3.7**	**142.4**	**167.8**
Total liabilities and stockholders' equity	**109.6**	**133.1**	**173.4**	**200.9**

Note: Figures may not tie due to rounding.

Statement of Cash Flows

($ in millions)	Year ended December 31, 2014 (Audited)	Year ended December 31, 2015 (Audited)	Year ended December 31, 2016 (Audited)	Three months ended March 31, 2017 (Unaudited)
	For the			
Operating activities				
Net income (loss)	$7.6	$5.0	$10.4	$1.0
Adjustments to reconcile net income (loss) to net cash provided by operating activities				
Depreciation, depletion and amortization of asset element obligation	3.6	5.3	6.5	1.7
(Gain) loss on disposal of assets	0.1	0.1	(0.1)	(0.0)
Loss on derivatives	–	0.5	–	–
Loss on adjustment of debt	1.2	–	1.1	–
Revenue reserve	–	(0.1)	–	–
Amortization of deferred financing cost	0.1	0.3	0.2	0.1
Accretion of debt discount	0.2	0.5	0.3	–
Deferred income taxes	8.3	3.7	0.5	0.3
Stock-based compensation, net	0.4	0.8	1.4	0.2
Non-cash interest expense on revolving credit facility	1.9	0.7	–	–
Non-cash interest expense on Series A preferred stock	5.6	5.1	5.6	–
Changes in assets and liabilities				
Accounts and unbilled receivables	(4.4)	2.6	0.3	(5.1)
Inventories	0.3	(2.5)	(1.4)	4.3
Prepaid expenses and other assets	(3.5)	2.4	0.1	(0.2)
Deferred revenue	(0.2)	7.1	(5.5)	(1.6)
Accounts payable	0.8	(0.1)	0.8	0.1
Accrued and other expenses	0.3	(0.7)	(0.5)	2.9
Income taxes payable	(0.2)	–	7.0	0.2
Net cash provided by operating activities	**22.1**	**30.7**	**26.7**	**3.8**
Investing activities:				
Purchase of property, plant and equipment	(30.8)	(29.4)	(2.5)	(1.6)
Proceeds from disposal of assets	–	–	–	0.0
Net cash used in investing activities	**(30.8)**	**(29.4)**	**(2.5)**	**(1.6)**
Financing activities				
Repayment of line of credit	(9.2)	–	–	–
Repayments of notes payable	(0.1)	(0.5)	(1.4)	(0.0)
Payments under equipment financing obligators	(0.2)	(0.4)	(0.4)	(0.1)
Payment of deferred financing and amendment costs	(0.7)	(0.4)	(1.2)	(0.2)
Proceeds from revolving credit facility	61.2	12.8	1.1	–
Repayment of revolving credit facility	(3.5)	(9.6)	(65.3)	-
Proceeds from equity issuance	–	–	138.3	26.3
Payment of equity transaction costs	–	–	(11.0)	(2.1)
Repayment Series A preferred stock	(40.0)	–	(40.3)	–
Purchase of treasury stock	–	–	(0.4)	–
Net cash provided by (used in) financing activities	**7.4**	**1.8**	**19.4**	**23.9**
Net (decrease) increase in cash	(1.3)	3.1	43.6	26.1
Cash at beginning of period	2.1	0.8	3.9	47.5
Cash at end of period	**0.8**	**3.9**	**47.5**	**73.6**

EBITDA Reconciliation

($ in thousands)	Year ended December 31, 2014	2015	2016	Three months ended March 31, 2017
Net income (loss)	$7,556	$4,990	$10,379	$969
Depreciation, depletion, accretion and amortization	3,642	5,318	6,445	1,667
Income tax expense (benefit)	9,518	4,129	9,394	515
Interest expense	7,832	7,826	8,436	173
Franchise taxes	139	35	21	228
EBITDA	**$28,687**	**$22,298**	**$34,675**	**$3,552**
Gain (loss) on sale of assets	57	39	(59)	(39)
Initial public offering-related costs	2,687	221	725	–
Restricted stock compensation	420	792	1,426	176
Development costs	249	76	–	–
Non-cash charges and unusual or non-recurring charges	–	455	21	20
Loss on extinguishment of debt	1,230	–	1,051	–
Adjusted EBITDA	**$33,330**	**$23,881**	**$37,839**	**$3,709**

Production Cost Reconciliation

($ in thousands)	Year ended December 31, 2014	2015	2016	Three months ended March 31, 2017
Cost of goods sold	$29,934	$21,003	$26,569	$19,662
Depreciation, depletion, and accretion of asset retirment obligations	(3,481)	(4,930)	(6,076)	(1,579)
Freight charges	(5,763)	(5,959)	(7,765)	(9,228)
Production costs	**$20,690**	**$10,114**	**$12,728**	**$8,855**
Production costs per ton	**$16.49**	**$13.47**	**$15.40**	**$15.84**