



Smart Sand, Inc. Completes Acquisition of Eagle Materials Inc. Oil and Gas Proppants Segment

September 18, 2020

THE WOODLANDS, Texas, Sept. 18, 2020 (GLOBE NEWSWIRE) -- Smart Sand, Inc. (NASDAQ: SND), a fully integrated frac sand supply and services company, announced today that it has completed the acquisition of the Oil and Gas Proppants Segment of Eagle Materials Inc. (the "Segment") The Segment's primary assets include frac sand mines and related processing facilities in Utica, Illinois and New Auburn, Wisconsin, with approximately 3.5 million tons of annual processing capacity, of which approximately 1.6 million tons has access to the BNSF rail line.

Charles Young, Smart Sand's Chief Executive Officer stated, "We are excited about this consolidation opportunity. This acquisition provides direct access to an additional Class I rail line which allows us greater and more sustainable logistics options to continue to broaden our mine to wellsite capabilities for our customers. We believe these additional mining and logistics resources help secure Smart Sand's ability to be the preferred provider of Northern White frac sand in the proppants market. We believe this acquisition adds valuable assets to our purpose-built portfolio and by financing this transaction with equity, we remain focused on maintaining low leverage levels."

"With this acquisition we will be able to expand our footprint into new basins, gain access to new and enhanced logistics options, broaden our customer base and complement our mine to wellsite supply and logistics capabilities. These assets complement our existing business and we are confident we will be able to expand our efficient and low-cost operating model as we continue to provide the highest-quality and most reliable supply of frac sand available on the market today."

The acquisition was completed on September 18, 2020 for aggregate consideration of \$2 million, consisting of 1,503,759 shares of newly-issued Smart Sand common stock. Eagle Materials Inc. has agreed to provide initial liquidity support for the Segment to Smart Sand pursuant to one or more loans in an aggregate amount of up to \$5 million, which may be issued during the first twelve months from the closing date of the acquisition. If funded and not repaid on or before the twelve-month anniversary of the closing date, such loans will mature on September 18, 2024 and will be amortized over the 36 months following such anniversary. As of today, September 18, 2020, Smart Sand has total cash on hand of \$10.8 million and no borrowings outstanding on its Credit Facility or under the liquidity support agreement.

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.

Contact:

Josh Jayne
Phone: (281) 231-2660
Email: jjayne@smartsand.com

Lee Beckelman
Phone: (281) 231-2660
E-mail: lbeckelman@smartsand.com



Source: Smart Sand, Inc.