Select Sands Reports Results for First Quarter 2021

MAY 28, 2021 – HOUSTON, TX, USA – Select Sands Corp. ("Select Sands" or the "Company") (TSXV: SNS, OTC: SLSDF) announces operational and financial results for Q1 2021, and the filing of its audited financial statements and associated management's discussion and analysis on www.sedar.com. All dollar references in this release are in U.S. dollars.

KEY HIGHLIGHTS

- Sold 59,970 tons of frac and industrial sand during Q1 2021, compared to 53,009 tons in Q4 2020 and 58,842 tons in Q1 2020. Sales volumes for Q1 2021 were impacted by a widespread harsh winter storm in February, during which Select Sands was informed by its natural gas supplier to curtail usage of gas to preserve supply for regional subsistence demand and to expect the possibility of supply curtailment orders. The combined impact of well-head freeze-offs and the failure of gas processing plants and pipelines resulted in more than a week of downtime for the Company's Arkansas production facilities.
- Generated revenue of $3.6 million and a gross loss of $0.04 million in Q1 2021, versus $3.1 million of revenue and a gross margin of $1.0 million in Q4 2020, and revenue of $3.6 million and a gross loss of $0.8 million in Q1 2020. Contributing to the $1.0 million decline in gross margin from Q4 2020 to Q1 2021 were certain adjustments recorded in Q4 2020 for the Employee Retention Credit program (ERC) that was granted by the U.S. government, reclassification of year-to-date lease expenses out of cost of goods sold, and other costs associated with the Company's project to optimize and consolidate processing assets to improve its cost structure (the "Plant Reconfiguration Project"). Also impacting sequential results was higher expenses for utilities and repairs and maintenance, as well as costs to restart the Company's facilities as a result of the severe winter storm in Q1 2021.
- Reported a net loss of $0.8 million, or $0.01 loss per diluted share, in Q1 2021, compared to net income of $0.4 million, or $0.00 per diluted share, in Q4 2020 and a net loss of $1.5 million, or $0.02 loss per diluted share, in Q1 2020.
- Posted an adjusted EBITDA[(1)] loss of $0.3 million for Q1 2021, versus adjusted EBITDA of $0.8 million in Q4 2020 and an adjusted EBITDA loss of $1.1 million in Q1 2020.
- As of March 31, 2021, cash and cash equivalents were $0.2 million, accounts receivable was $1.6 million, and inventory was $3.5 million.

(1) Adjusted EBITDA is a non-IFRS financial measure and is described and reconciled to net loss in the table under "Non-IFRS Financial Measures".

Zig Vitols, President and Chief Executive Officer, commented, "We were encouraged to see our frac and industrial sand sales volumes for the first quarter increase 13% from the fourth quarter. Our sales volumes growth would have been even higher if not for the more than a week's worth of plant downtime due to the severe winter storm in the first quarter. The storm resulted in higher utility costs, repairs and maintenance, and other expenses associated with restarting our operations. Also impacting our sequential financial performance were a number of cost adjustments made during the fourth quarter that significantly benefitted that period's results. Looking at our ongoing expense profile, we are clearly seeing the advantages afforded by the Plant Reconfiguration Project. We look forward to seeing even higher margins as production volumes increase over time, which will allow us to spread our fixed costs over a larger number of tons."

FINANCIAL SUMMARY

The following table includes summarized financial results for the three months ended March 31, 2021, December 31, 2020, and March 31, 2020:

Select Sands Corp.

Summarized Consolidated Interim Statements of Operations and Comprehensive (Loss) Income

(Expressed in United States Dollars)

(Unaudited)

	For the Three Months Ended		
	March 31, 2021	**December 31, 2020**	**March 31, 2020**
Revenue	**$ 3,561,940**	**$ 3,128,659**	**$ 3,590,857**
Cost of goods sold (excluding depreciation and depletion)	3,597,555	2,162,139	4,411,169
Gross (Loss) Margin	**$ (35,615)**	**$ 966,520**	**$ (820,312)**
General and administrative ("G&A") expenses	290,323	222,866	344,058
Depreciation and depletion	404,312	737,198	270,670
Interest on long-term debt	146,795	132,485	78,528
Operating Loss	**$ (877,045)**	**$ (126,029)**	**$ (1,513,568)**
Interest income	221	111	2,582
Foreign exchange gain	(1,340)	1,930	33,767
Gain on extinguishment of debt	-	416,153	-
Gain on disposal of investments	68,034	-	-
Unrealized gain/loss on investments	26,817	(25,307)	-
Gain on return of capital from equity investee	-	280,300	-
Share of loss of equity investee	-	-	-
Provision for impairment of property, plant and equipment	-	(136,012)	-
Loss on sale of property, plant and equipment	475	23,239	-
(Loss) Income Before Income Taxes	**$ (782,838)**	**$ 434,385**	**$ (1,477,219)**
Income tax expense	-	-	-
Net (Loss) Income	**$ (782,838)**	**$ 434,385**	**$ (1,477,219)**
Foreign currency translation adjustment	(1,876)	8,403	(27,586)
Comprehensive (Loss) Income	**$ (784,714)**	**$ 442,788**	**$ (1,504,805)**
Basic and Diluted (Loss) Earnings Per Share	$ (0.01)	$ 0.00	$ (0.02)
Weighted Average Number of Shares Outstanding	**88,563,316**	**88,563,316**	**88,563,316**
Adjusted EBITDA (1)	**$ (327,057)**	**$ 802,311**	**$ (1,128,021)**

(1) Excludes depreciation and depletion, interest on long-term debt, deferred income tax expense (recovery), income taxes, gain on extinguishment of debt, gain on disposal of investments, gain on return of capital from equity investee, unrealized (gain) loss on investments, share of loss of equity investee, provision for impairment of property, plant and equipment, and (gain) loss on sale of property, plant and equipment. See table under "Non-IFRS Financial Measures" for reconciliation to net (loss) income..

SALES VOLUMES

	For the Three Months Ended		
	March 31, 2021	**December 31, 2020**	**March 31, 2020**
Frac sand	59,970	52,913	58,770
Industrial sand	-	96	72
Frac and Industrial sand	**59,970**	**53,009**	**58,842**
Other sand & gravel	1,800	260	256
Total	**61,770**	**53,269**	**59,098**

For Q2 2021, the Company currently expects sales volumes of frac and industrial sand of 70,000 to 85,000 tons.

OPERATIONS UPDATE

Fully completed in January 2021, the Plant Reconfiguration Project has materially improved the efficiency of Select Sands' mining, processing and shipping operations by reducing the number of interplant sites from four to two and allowing for all truck transport between facilities in open top dump trailers while discontinuing the necessity of interplant transport in closed hopper trailers. In addition, the Company has increased the level of its own truck fleet capacity to help lower transportation costs.

Since the completion of the reconfiguration project in Arkansas, the mine gate unit production cost has significantly been reduced. On a cash basis, averaging Q4 2020 and Q1 2021 versus Q1 of 2020 (before reconfiguration), the unit cost has been reduced approximately 20% on a per ton basis.

Select Sands new wet plant located at the Sandtown Quarry remains fully operational and the new dry plant at the Diaz Rail Facility is currently producing both 100 mesh and 40/70 mesh product as needed.

Supporting the increasing needs of customers in the Eagle Ford shale basin in South Texas, the Company's George West transload facility is continuing to operate 24 hours per day and seven days per week and is offered to transload for other rail shippers.

The Eagle Ford basin continues its recovery that started in Q4 of 2020 according to Lium LLC as reported by industry publication Infill Thinking in its May 4, 2020 issue. The Company is seeing other oilfield services companies planning to increase their presence in the basin.

Encouraging news from Research and Markets that represents itself as the "World's Largest Market Store" recently reported that the global proppant market is forecast to grow to USD 11,837.91 Million in 2025 at a CAGR of 9.2% from USD 7,612.38 Million in 2020.

Despite increased oil prices, frac sand pricing has been slow to recover and is not sustainable at these levels. Sales are coming in from a wider customer base as volumes from the Arkansas operations remain under 50% capacity, while demand continues to increase giving ample space to increase future shipments. Spot sales pricing appears to have increased recently and the Company is cautiously optimistic that this will represent an opportunity for the remainder of the year.

OUTLOOK

Mr. Vitols concluded, "Driven by further economic expansion and resulting growing global oil demand, we expect to see a moderate but steady increase in sales volumes as we move through the remainder of the year and into 2022. Although this is not assured. In addition to serving our largest customer with an active well program underway in the Eagle Ford, we have been pleased to see some of our previous customers in other basins return to ordering product. With our high-quality product offering located much closer to key oil basins in the Southern

U.S. compared to the majority of other Northern White Sand producers, we believe we are uniquely positioned to serve both current and prospective customers, as well as capitalize on other attractive market opportunities for the benefit of our shareholders."

Elliott A. Mallard, PG of Kleinfelder is the qualified person as per the NI-43-101 and has reviewed and approved the technical contents of this news release.

ADDITIONAL MANAGEMENT COMMENTARY

An audio recording of management's additional comments related to its results and outlook will be posted to the Company's website (https://www.selectsands.com/) under the Investors section on Friday, May 28, 2021.

ABOUT SELECT SANDS CORP.

Select Sands Corporation is an industrial silica product company, which wholly owns a Tier-1 (Northern White), silica sands property and related production facilities located near Sandtown, Arkansas. Select Sands' goal is to become a key supplier of premium industrial silica sand and frac sand to North American markets. Select Sands' Arkansas properties have a significant logistical advantage of being significantly closer to oil and gas markets located in Oklahoma, Texas, Louisiana, and New Mexico than sources of similar sands from the Wisconsin area. Select Sands also operates a transload facility in George West, Texas in Live Oak County that serves customers operating in the Eagle Ford Shale Basin. The facility has a capacity for 180 rail cars and is equipped with two offload/loading stations with dedicated silos for a high throughput capacity.

The Tier-1 reference above is a classification of frac sand developed by PropTester, Inc., an independent laboratory specializing in the research and testing of products utilized in hydraulic fracturing and cement operations, following ISO 13503-2:2006/API RP19C:2008 standards. Select Sands' Sandtown project has NI 43-101 compliant Indicated Mineral Resources of 42.0MM tons (TetraTech Report; February, 2016). The Sandtown deposit is considered Northern White finer-grade sand deposits of 40-70 Mesh and 100 Mesh.

FORWARD-LOOKING STATEMENTS

This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Information and statements which are not purely historical fact are forward-looking statements. The forward-looking statements in this press release relate to comments that include, but are not limited to, statements related to expected current and future state of operations, sales volumes for 2021, the impact of the February 2021 winter storm and the unique market position of the Company. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward-looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

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Select Sands Corp.
Consolidated Interim Statements of Financial Position
(Expressed in United States Dollars)
(Unaudited)

		March 31, 2021		December 31, 2020
ASSETS				
Current				
Cash and cash equivalents	$	**187,634**	$	265,961
Accounts receivable		**1,550,930**		1,553,921
Inventory		**3,509,512**		2,941,717
Prepaid expenses		**91,302**		90,440
Investments		**-**		268,672
Total Current Assets		**5,339,378**		5,120,711
Deposits		**424,844**		424,844
Right-of-use assets		**807,800**		896,830
Property, plant and equipment		**13,981,482**		14,242,603
Total Assets	$	**20,553,504**	$	20,684,988
LIABILITIES				
Current				
Line of credit	$	**4,366,951**	$	4,418,067
Accounts payable and accrued liabilities		**1,424,076**		917,172
Current portion of lease liability		**429,481**		444,939
Current portion of long-term debt		**1,718,024**		1,145,476
Total Current Liabilities		**7,938,532**		6,925,654
Decommissioning liability		**78,100**		78,100
Lease liability		**381,730**		473,945
Long-term debt		**4,485,437**		4,752,870
Total Liabilities		**12,883,799**		12,230,569
EQUITY				
Share capital		**34,803,135**		34,803,135
Share-based payment reserve		**5,509,628**		5,509,628
Accumulated other comprehensive income		**9,856**		11,732
Deficit		**(32,652,914)**		(31,870,076)
Total Equity		**7,669,705**		8,454,419
Total Liabilities and Equity	$	**20,553,504**	$	20,684,988

Select Sands Corp.

Consolidated Interim Statements of Operations and Comprehensive Loss

(Expressed in United States Dollars)

(Unaudited)

	For the Three Months Ended	
	March 31, 2021	March 31, 2020
Revenue	**$ 3,561,940**	$ 3,590,857
Cost of Goods Sold (excluding depreciation and depletion)	**3,597,555**	4,411,169
Gross Loss	**(35,615)**	(820,312)
Operating Expenses		
Compensation and consulting	**167,339**	226,399
Depreciation and depletion	**404,312**	270,670
Interest on long-term debt	**146,795**	78,528
Selling, general and administrative	**122,984**	117,659
Total Operating Expenses	**841,430**	693,256
Operating Loss	**(877,045)**	(1,513,568)
Other Income (Expense)		
Interest income	**221**	2,582
Foreign exchange (loss) gain	**(1,340)**	33,767
Gain on disposal of investments	**68,034**	-
Unrealized gain on investments	**26,817**	-
Gain on sale of property, plant and equipment	**475**	-
Total Other Income	**94,207**	36,349
Net Loss for the Period	**(782,838)**	(1,477,219)
Other Comprehensive (Loss) Income		
Foreign currency translation adjustment	**(1,876)**	(27,586)
Comprehensive Loss for the Period	**$ (784,714)**	$ (1,504,805)
Basic and Diluted Loss per Share	**$ (0.01)**	$ (0.02)
Weighted Average Number of Shares Outstanding	**88,563,316**	88,563,316

Select Sands Corp.

Consolidated Interim Statements of Cash Flows

(Expressed in United States Dollars)

(Unaudited)

	For the Three Months Ended	
	March 31, 2021	March 31, 2020
Operating Activities		
Net loss for the period	**$ (782,838)**	$ (1,477,219)
Adjustments for non-cash items:		
Depreciation and depletion	**404,312**	270,670
(Gain) Loss on sale of equipment	**(475)**	51,334
Gain on disposal of investments	**(68,034)**	-
Unrealized gain on investments	**(26,817)**	-
Accretion on finance leases	**25,312**	-
Changes in non-cash operating assets and liabilities:		
Accounts receivable	**2,991**	(2,121,594)
Inventory	**(567,795)**	(601,088)
Prepaid expenses	**(862)**	61,921
Accounts payable and accrued liabilities	**506,904**	71,680
Total Cash Used in Operating Activities	**(507,302)**	(3,744,296)
Investing Activities		
Deposits	**-**	(301,157)
Proceeds from disposal of investments	**363,523**	-
Proceeds from disposal of equipment	**22,000**	3,380
Property, plant and equipment	**(75,686)**	(1,399,949)
Total Cash Provided by (Used in) Investing Activities	**309,837**	(1,697,726)
Financing Activities		
Proceeds from line of credit	**(51,116)**	2,181,794
Proceeds from long-term debt	**572,548**	2,665,756
Principal repayments of long-term debt	**(267,433)**	-
Repayment of lease liability	**(132,985)**	-
Total Cash Provided by (Used in) Financing Activities	**121,014**	4,847,550
Effect of Exchange Rate Changes on Cash	**(1,876)**	(27,586)
Decrease in Cash and Cash Equivalents	**(78,327)**	(622,058)
Cash and Cash Equivalents, Beginning of Period	**265,961**	1,151,323
Cash and Cash Equivalents, End of Period	**$ 187,634**	$ 529,265

NON-IFRS FINANCIAL MEASURES

The following information is included for convenience only. Generally, a non-IFRS financial measure is a numerical measure of a company's performance, cash flows or financial position that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with IFRS. Adjusted EBITDA is not a measure of financial performance (nor does it have a standardized meanings) under IFRS. In evaluating non-IFRS financial measures, investors should consider that the methodology applied in calculating such measures may differ among companies and analysts.

The Company uses both IFRS and certain non-IFRS measures to assess operational performance and as a component of employee remuneration. Management believes certain non-IFRS measures provide useful supplemental information to investors in order that they may evaluate Select Sands' financial performance using the same measures as management. Management believes that, as a result, the investor is afforded greater transparency in assessing the financial performance of the Company. These non-IFRS financial measures should not be considered as a substitute for, nor superior to, measures of financial performance prepared in accordance with IFRS.

Reconciliation of Net (Loss) Income to EBITDA to Adjusted EBITDA

	Three Months Ended		
	March 31, 2021	**December 31, 2020**	**March 31, 2020**
Net (Loss) Income	**$ (782,838)**	**$ 434,385**	**$ (1,477,219)**
Add Back			
Depreciation and depletion	404,312	737,198	270,670
Interest on long-term debt	146,795	132,485	78,528
EBITDA	**$ (231,731)**	**$ 1,304,068**	**$ (1,128,021)**
Add Back			
Gain on disposal of Investments	(26,817)	-	-
Gain on return of capital from equity investee	-	(280,300)	-
Gain on extinguishment of debt	-	(416,153)	-
Unrealized (gain) loss on investments	(68,034)	25,307	-
Provision for impairment of property, plant and equipment	-	136,012	-
(Gain) loss on sale of property, plant and equipment	(475)	33,377	-
Adjusted EBITDA	**$ (327,057)**	**$ 802,311**	**$ (1,128,021)**

As reflected in the above table for the periods presented, the Company defines EBITDA as net loss before depreciation and depletion, interest on long-term debt, non-cash share-based compensation, deferred income tax expense (recovery) and income taxes. The Company defines Adjusted EBITDA as net loss before depreciation and depletion, interest on long-term debt, non-cash share-based compensation, deferred income tax expense (recovery), income taxes, gain on extinguishment of debt, gain on return of capital from equity investee, unrealized loss on investments, share of loss of equity investee, provision for impairment of property, plant and equipment, and loss on sale of property, plant and equipment. Select Sands uses Adjusted EBITDA as a supplemental financial measure of its operational performance. Management believes Adjusted EBITDA to be an important measure as they exclude the effects of items that primarily reflect the impact of long-term investment and financing decisions, rather than the performance of the Company's day-to-day operations. As compared to net income (loss) according to IFRS, this measure is limited in that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in the Company's business, the charges associated with impairments, termination costs, transaction costs or other items management views as unusual or one-time in nature. Management evaluates such items through other financial measures such as capital expenditures and cash flow provided by operating activities. The Company believes that these measurements are useful to measure a company's ability to service debt and to meet other payment obligations or as a valuation measurement.

INDICATED RESOURCES DISCLOSURE

The Company advises that the production decision on the Sandtown deposit (the Company's current "Sand Operations") was not based on a Feasibility Study of mineral reserves, demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that production will occur as anticipated or that anticipated production costs will be achieved.