DRIVING SUCCESS WITH

SPEED
SCALE
STRENGTH

US SILICA™

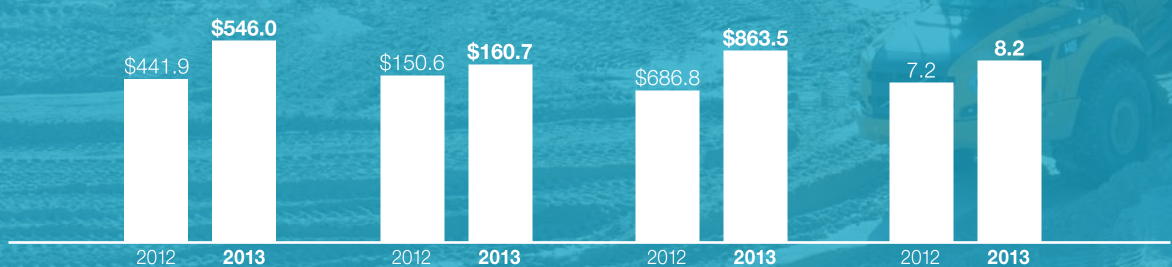
2013 SUMMARY ANNUAL REPORT

ABOUT US

Founded 114 years ago, U.S. Silica is a leading producer of commercial silica used in the oil and gas industry, and in a wide range of industrial applications. In addition to oil and gas drilling companies, U.S. Silica's customers include companies engaged in the production of glass, chemicals, foundry products, building products, industrial filtration and treatment products, and fillers and extenders.

FINANCIAL HIGHLIGHTS

(All in millions except per share data)	2013	2012	% Change
Sales:	$546.0	$441.9	24%
Cost of goods	$348.6	$256.5	36%
Total operating expenses	$ 86.2	$ 66.4	30%
Operating income	$111.2	$119.0	(7%)
Income before taxes	$ 96.0	$109.8	(13%)
Net income	$ 75.3	$ 79.2	(5%)
EPS (diluted)	$ 1.41	$ 1.50	(6%)
Total volume	8.2	7.2	14%
Adjusted EBITDA*	$160.7	$150.6	7%



REVENUE (MILLIONS)

ADJUSTED EBITDA* (MILLIONS)

TOTAL ASSETS (MILLIONS)

TOTAL VOLUME (TONS)

*For a definition of Adjusted EBITDA and a reconciliation to GAAP, please see pages 74 and 75 of our Form 10-K.

2013

A YEAR OF INCREASING SCALE MANAGING GROWTH

Growth LEEDS to Expansion: Chicago Office Relocates to LEED Gold Certified Building

The building housing our new office in Chicago has received the Leadership in Energy and Environmental Design (LEED) Gold Certification from the U.S. Green Building Council. This prestigious award is a result of operations and maintenance efforts designed to improve indoor air quality, minimize water use and increase energy efficiency.

TO OUR SHAREHOLDERS

The companies that will grow and prosper in our industry are those able to build the infrastructure necessary to operate more efficiently and respond quickly to changing market conditions. U.S. Silica is one of those.

U.S. Silica Receives Wisconsin Environmental Recognition

In 2013, U.S. Silica was awarded Green Tier status by the Wisconsin Department of Natural Resources (WDNR). This recognition is for companies that have demonstrated superior environmental performance through implementation of an environmental management system.

In the past five years, the U.S. oil and gas industry has undergone a historic transformation that has altered the global energy landscape and put our nation on a path toward energy independence. The discovery of huge new basins of oil and natural gas, available for production using advanced horizontal drilling and completion techniques, opened a massive new sector in the industry and transformed the economies of entire regions in the U.S.

As a supplier of the silica-based proppant used to support the geologic structures containing these resources—U.S. Silica's products are critical to the process.

Demand for our products is projected to grow substantially—a phenomenon we believe is still not fully appreciated within the capital markets. At the same time, our industry is also becoming more sophisticated and, indeed, more competitive. This has dictated that suppliers and service companies move rapidly and decisively to meet the requirements of this dynamic new industry-within-an-industry.

SPEED, SCALE, STRENGTH: DRIVING SUCCESS

Current trends within our industry dictate a simple truth: Companies that are able to build scale infrastructure with flexibility and reliability will be the long-term winners. I believe that U.S. Silica is one of those companies!

Our operating theme for 2014—Driving Success with Speed, Scale and Strength—captures this imperative. As horizontal drilling penetrates new basins and drilling technology continues to improve, it has become crystal clear that speed matters. A lot. Scale matters. A whole lot. And strength matters even more.

U.S. Silica has drawn on its financial strength and top-notch team to expand production capacity and transportation infrastructure, allowing us to gain market share and establish our company as one of the industry's most significant suppliers of silica-based proppants.

In the past 12 months, U.S. Silica has added meaningful scale to our business with the opening of two new production facilities—the first in more than four decades. We also made substantial progress on a third facility, and dramatically expanded our "transload" terminal network.

One of our new plants is in Sparta, Wisconsin. The start-up of this facility has increased our frac sand production capability to more than 4.5 million tons per year. Our second new facility, in Rochelle, Illinois, is focused on producing resin-coated sand for the oil and gas industry as well as high value, high margin products for our industrial business. This new plant has already contributed to improved contribution margins in our industrial business.

In 2013 we increased the speed with which we respond to our customers by adding seven new transloads in the first quarter and later completing a multiyear agreement with Wildcat Minerals, adding 19 more terminals. As of year-end, we were shipping more than 60 percent of our oil and gas products from a transload location, up from 40 percent at the beginning of the year. And when those shipments depart our mine sites, they are increasingly on unit trains that further boost efficiency and lower per-ton transportation cost. During the year we shipped more than 44 unit trains from both Ottawa and Sparta to our San Antonio transload terminal.

We aren't finished building yet. We expect our newest facility, near Utica, Illinois, to be on line by the end of the second quarter of 2014. This low-cost greenfield mine and processing plant will add another 1.5 million tons of raw frac sand capacity, and will further improve our logistical flexibility. Longer term we're in the initial permitting stages for another new greenfield site near Fairchild, Wisconsin. This facility within the next few years could add up to an additional three million tons of capacity to our network, growing total frac sand capacity to an estimated nine million tons.

GROWING STRONGER

We have funded our expansion almost exclusively through cash flow, made possible by continued strong earnings and revenue growth. Despite a difficult fourth quarter that was hampered by severe winter storms and several one-time charges, in 2013 we still delivered excellent financial results. Revenue for the year was up 23.6 percent, to $546.0 million. Adjusted EBITDA totaled $160.7 million, up 6.7 percent over 2012. And earnings per diluted share were $1.41.

Production volume totaled 8.2 million tons in 2013, up 13.8 percent year-over-year. Our oil and gas volumes totaled 4.1 million tons, up nearly 40 percent for the year. And our contribution margin dollars increased 4.1 percent, driven by strong demand for frac sand across all grades and continued excellent execution by our operations and logistics teams.

In our industrial segment, while total volume, at 4.1 million tons, was down slightly year-over-year, higher margin product line extensions and strong building products and chemical markets resulted in an increase of nearly 6.3 percent in our contribution margin per ton. During the year we were also successful in negotiating multiyear contract extensions with several strategic ISP customers, locking in significant profitability and positioning us well for future gains. We introduced 10 new products during the year and have 30 more in the pipeline.

SPEED, SCALE AND STRENGTH MATTER

Our investments in infrastructure, logistics and new products continued to pay off in 2013. We estimate that our market share in the oil and gas industry increased to about 10 percent in 2013, up from eight percent in 2012, making us one of the largest players in this highly fragmented industry. We recognize that only the most efficient companies—those with a large production and transportation network—will thrive over the long term.

Further, we believe that over the next several years U.S. Silica can substantially increase its share in the oil and gas market. To accomplish that, in 2014 we will focus closely on further improving the efficiency of our supply chain, and carefully evaluate acquisition opportunities to expand our infrastructure and add additional mine production. We will also consider similar acquisitions to add capacity and new products to our industrial business.

On behalf of our board of directors and management team, I want to thank our people for all that they've accomplished in 2013, as well as our customers, communities, and shareholders. We've only just begun to grow.

Sincerely,

Bryan A. Shinn

Bryan A. Shinn,
President and CEO

As of year-end, U.S. Silica had approximately 3,600 rail cars under lease, with a projected 4,300 cars by the end of 2014. Both our production facilities and our transloads are strategically situated near a variety of Class I rail lines and barge terminals.

SPEED

It takes an average of 25 rail cars of sand to frac a single well, and often a drilling company needs product on site within 24 hours.

U.S. Silica is meeting that challenge every day with an extensive network of transload terminals that has moved supply closer to the wellhead. Our goal is to situate one of our transloads within *one hour* of 80 percent of the nation's working wells. Early in 2013 we opened seven new transloads in the Eagle Ford, the Rockies, in the Mid-Con and in the Northeast; later in the year we completed a multiyear agreement with Wildcat Minerals, providing us access to 19 additional transload sites located near several major shale basins. This arrangement is helping us expand in underpenetrated markets such as the DJ Basin, and increasing our footprint in existing markets, including the Bakken and the Permian Basins.

The result: transload sales were up 50 percent year-over-year, including over half a million tons out of our new San Antonio facility. Sixty percent of our sales exiting 2013 were from one of our 35 transloads.

2013

EXCELLENCE IN CLIENT RESPONSE TIME

Partnering with Our Communities

Our network of community outreach committees partner with our neighboring municipalities and charitable organizations through activities such as volunteering, establishing relationships with local fire and emergency departments, and sponsoring local events and youth sporting leagues. We also engage community stakeholders to advise us on how we can best benefit our friends and neighbors through these efforts.

2013

FACILITIES IN THE RIGHT PLACES WITH THE RIGHT PRODUCTS AT THE BEST PRICE

Reducing Electricity Costs

We reduced our electrical demand per ton of sand produced by over 7.5 percent last year by investing in more efficient plant equipment, using smarter systems to manage pumping and processing, and utilizing high-efficiency light fixtures and occupancy sensors.

U.S. Silica in 2013 added two new state-of-the-art production facilities and 26 new transload locations to further expand its nationwide supply chain and logistical network.

SCALE

Lean production plus logistics plus efficiency results in a low-cost provider. These are the key elements that distinguish an industry leader in silica-based products to the rapidly expanding oil and gas industry and growing industrial market.

At the end of 2013, we had access to a total of 35 transloads, and we were operating nine industrial sand production plants and six oil and gas frac sand production plants. We had increased our total oil and gas capacity to more than 4.5 million tons a year, up 50 percent over 2012, and our new Sparta, Wisconsin and Rochelle, Illinois plants—both brought on line in a single year—were U.S. Silica's first new production facilities in more than four decades.

We are continuing to expand our production capabilities. We expect a third new plant in Utica, Illinois, to come online by the end of the second quarter of 2014. This low-cost greenfield mine and processing plant will add another 1.5 million tons of raw frac sand capacity to our system. And longer term, we're in the permitting process to launch another greenfield facility near Fairchild, Wisconsin—a 650-acre mine and processing plant with on-site access to Class I rail. This new facility could come online as early as late 2015 and add up to three million tons of new capacity to our network.

Greenhouse Gas Emissions and U.S. Silica

Last year, we reduced our overall greenhouse gas (GHG) emissions per sales ton by more than 3 percent by increasing our fuel efficiency and reducing the amount of electricity used in our operations.

STRENGTH

Over its 114-year history, U.S. Silica has established a long-standing reputation for strong financials, strong relationships and a strong team of professionals.

- **Strong financially.** U.S. Silica has been able to maintain one of the strongest balance sheets among its peers, operating with little leverage and generating exceptionally strong cash flows. Over the past couple of years, we have been able to fund more than $170 million of capital expenditures and capacity expansion entirely out of cash flow.
- **Strong relationships.** U.S. Silica has built deep and lasting relationships. We serve on the advisory councils of two of the nation's biggest railroads, and with oil service companies have established ourselves as one of the nation's most efficient and reliable suppliers of proppants. Our industrial business has hundreds of customers, many of which we have supplied and had relationships with for decades.
- **Strong internally.** We could not have achieved the growth, profitability and success in our industry—both on the industrial side of the business and in oil and gas—without one of the most talented teams of people in the industry. Our employees, combined with a strong and ethically driven corporate culture, distinguish U.S. Silica within its industry.

2013

SUCCESSFUL LONG-TERM STRATEGY FOR STRONG CUSTOMER RELATIONSHIPS

U.S. Silica believes its logistics and operations teams are the best in the business. We work every day with our customers to deliver the best product, at the best possible price and at the right time, setting the standard for our industry.

LEADERSHIP

Bryan Shinn talked about the importance of "**SPEED**," "**SCALE**" and "**STRENGTH**" in his letter to shareholders. We asked each member of his executive management team to explain how those imperatives impact their jobs every day. Here's what they said.

DON MERRIL
VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

Our customers need our products faster than ever before. To keep up, we've invested $170 million in the past two years to build the necessary infrastructure to meet the needs of our customers, but equally as important, we invested $30 million in working capital in 2013 alone to forward-stage inventory and we've expanded our workforce.

Our financial strength allows us to dig a moat around our business that's wider and deeper than our competition. My job is to make sure our balance sheet stays ahead of our business, and that's what I am going to do.

J. P. BLANCHARD
VICE PRESIDENT AND
GENERAL MANAGER, INDUSTRIAL
AND SPECIALTY PRODUCTS

In ISP, I think of our ability to convert concepts into products for our customers and currency for our stakeholders. A couple of years ago we started the transformation of the ISP business and had what we called our "Innovation Summit," where we brainstormed ideas for new products and challenged our business model. Traditionally, the core ISP markets are relatively conservative with regard to new products, but in 2013, our business generated a few million dollars in top line revenue from products that didn't exist 24 months ago. We have made significant strides to incorporate more innovation into our DNA.

Scale and strength allow us to grow with our customers, to serve national accounts with needs in several locations from a robust supply chain with multiple locations. We're able to invest ahead of demand in order to meet customers needs in the future. In ISP we believe that we grow by enabling our customer's growth.

BRADFORD CASPER
VICE PRESIDENT OF
STRATEGIC PLANNING

U.S. Silica's speed, scale and strength make our strategic options "ands" not "ors." We have the depth and breadth to drive change on multiple fronts across the organization to keep pace with the ever changing needs of our customers.

Our markets evolve quickly. We are focused on adding the capacity we need to keep pace with our customers' growth while insisting that each new asset also gives us new flexibility on product specs, logistics or value added coatings.

CHRISTINE MARSHALL
GENERAL COUNSEL AND
CORPORATE SECRETARY

While a company's legal department is often all about caution and taking more time, we try to balance that with our own desire to respond to the needs of our customers. We've tried to set a standard of turning around contract reviews, offer letters and other such matters in 24 to 48 hours.

We fulfill our "need for speed" with a small, yet very well-rounded and productive legal department. I have been working very hard to increase the scale of our department so we can retain the speed and increase the strength! As our customer base grows, we will continue to maintain the flexibility and speed of service that typifies our department.

DAVE MURRY
VICE PRESIDENT OF
TALENT MANAGEMENT,
CHIEF HUMAN RESOURCES OFFICER

Talent acquisition is key for us. We've worked hard to get the right people on the floor with the right skill set, and the experience and enthusiasm for our business. We have the financial strength to offer the kind of competitive packages necessary to attract that talent.

A lot of what we do in supporting the business is to maintain a scalable process and systems to respond to growth. You can't reinvent payroll or the onboarding process each time you hire the next ten people. We have to be able to hire hundreds of people, and to do so efficiently, because we're growing so fast.

JASON TEDROW
VICE PRESIDENT OF SUPPLY CHAIN

Every day I am trying to find new ways to quickly respond to our customer's needs and move as much product as fast as I can. Whether it's putting a 100 car unit train together to supply a large transload in San Antonio, Texas, or responding on a Friday night to a request to have 5,000 tons of product available within 24 hours at East Liverpool, Ohio—we have the supply chain in place to accomplish that.

Strength is all about flexibility and relationships. We are able to provide unique solutions for our customers through our transload network and our ability to move product by rail, truck or barge. Our transportation providers know us and trust us—they call us with opportunities because they know we'll deliver.

DON WEINHEIMER
VICE PRESIDENT AND
GENERAL MANAGER, OIL & GAS

Our customers are consuming more product, at a faster pace, than ever before. Meeting that demand—quickly—is critical to getting market share. Our job is to get our customers what they need, when they need it.

Our transload network has grown. Our customers have more options, more choices, and we have more contingencies of how we can get products to them. And our balance sheet supports that. There aren't many companies that carry as much inventory, in as many places as U.S. Silica—and it puts us in a position where our customers choose us as their supplier.

MIKE WINKLER
VICE PRESIDENT AND
CHIEF OPERATING OFFICER

Speed is all about having the facts. Early this year, we instituted a new "daily direction setting" process, where our teams monitor key metrics such as product deployment from plant to transload, rail car usage and plant performance. We now sit down as a team and view the results—every day, 15 minutes. Everything is based on measurable results and how we can improve on our performance.

Scale is teaching us some valuable lessons. We're learning which transload models work best, both from an ownership perspective, but also based on size and our experience with different levels of capital costs and effectiveness.

ADAM YOXTHEIMER
VICE PRESIDENT AND
CHIEF ADMINISTRATIVE OFFICER

Information Technology plays a critical role in managing our rapidly growing business. At U.S. Silica, we're thrusting a "phone and e-mail" industry into the modern e-commerce era. By bringing cutting-edge technology to our customers, we can offer better service and faster response, operate with more agility, and provide 24x7 access to information. Our strong financial position allows us to invest in IT solutions that give us a competitive advantage. We're building systems to give our customers the best buying experience possible: the Amazon of sand.

2014

TIME-TESTED FUTURE-FOCUSED

Our investments in infrastructure, logistics and new products is part of a continuing journey. We ended the year with about a 10 percent market share. Our long-term goal: 18–20 percent within the next several years. To get there, we plan to continue to invest, build and, where appropriate, acquire new capacity and technology. We also recognize that we can continue to improve our supply chain, better integrating our production plants, transloads, rail connections and overall capacity to deliver our products faster and more cost-effectively.

SHAREHOLDER INFORMATION

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8490 Progress Drive, Suite 300
Frederick, MD 21701

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
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Baltimore, MD 21202

COMMON STOCK
The common stock of U.S. Silica Holdings, Inc. is listed on the New York Stock Exchange. The ticker symbol is SLCA.

REGISTRAR AND TRANSFER AGENT
Broadridge Corporate Issuer Solutions
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Brentwood, NY 11717
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FORWARD-LOOKING STATEMENTS
Any statements in this 2013 Summary Annual Report that are not entirely historical in nature constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. For important information regarding forward-looking statements, please read "Forward-Looking Statements" on pages 1 and 2 of U.S. Silica's Annual Report on Form 10-K for the year ended December 31, 2013.

BOARD OF DIRECTORS

Charles Shaver
Chairman of the Board, U.S. Silica Holdings, Inc.
Chairman and Chief Executive Officer
Axalta Coatings Systems, LLC

Daniel Avramovich
Chairman and Chief Executive Officer
Pacer International, Inc.

Peter Bernard
Chairman of the Board, Zeitecs
Chairman of the Board, Tendeka

William J. Kacal
Retired Partner
Deloitte & Touche LLP

Bryan A. Shinn
President and Chief Executive Officer
U.S. Silica Holdings, Inc.

J. Michael Stice
Chief Executive Officer
Access Midstream Partners, L.P.

OFFICERS

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President and Chief Executive Officer

Donald A. Merril
Vice President and Chief Financial Officer

John P. Blanchard
Vice President and General Manager, Industrial and Specialty Products

Bradford B. Casper
Vice President of Strategic Planning

Christine C. Marshall
General Counsel and Corporate Secretary

David D. Murry
Vice President of Talent Management,
Chief Human Resources Officer

Jason L. Tedrow
Vice President of Supply Chain

Don D. Weinheimer
Vice President and General Manager, Oil and Gas

Michael L. Winkler
Vice President and Chief Operating Officer

Adam S. Yoxtheimer
Vice President and Chief Administrative Officer

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