First Quarter 2012 Earnings Call

May 8, 2012

Cautionary Statement Regarding Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

Certain statements in this press release are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and speak only as of this date. Forward-looking statements include any statement that does not directly relate to any historical or current fact and may include, but are not limited to, statements regarding U.S. Silica's growth opportunities, strategy, future financial results, forecasts, projections, plans and capital expenditures, and the commercial silica industry. Forward-looking statements are based on our current expectations and assumptions, which may not prove to be accurate. These statements are not guarantees and are subject to risks, uncertainties and changes in circumstances that are difficult to predict. Many factors could cause actual results to differ materially and adversely from these forward-looking statements. Among these factors are (1) fluctuations in demand for commercial silica; (2) the cyclical nature of our customers' businesses; (3) operating risks that are beyond our control; (4) federal, state and local legislative and regulatory initiatives relating to hydraulic fracturing; (5) our ability to implement our capacity expansion plans within our current timetable and budget; (6) loss of, or reduction in, business from our largest customers; (7) increasing costs or a lack of dependability or availability of transportation services or infrastructure; (8) our substantial indebtedness and pension obligations; (9) our ability to attract and retain key personnel; (10) silica-related health issues and corresponding litigation; (11) seasonal and severe weather conditions; and (12) extensive and evolving environmental, mining, health and safety, licensing, reclamation and other regulation (and changes in their enforcement or interpretation). Additional information concerning these and other factors can be found in U.S. Silica's filings with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Non-GAAP Financial Measures

This presentation contains Non-GAAP financial measures, including Adjusted EBITDA and Segment Contribution Margin. Adjusted EBITDA should be considered supplemental to and not a substitute for financial information prepared in accordance with generally accepted accounting principles (GAAP) included in U.S. Silica's filings with the Securities and Exchange Commission and may differ from similarly titled measures used by others. Please see the slide 13 to this presentation for additional information, including a definition of Segment Contribution Margin and a reconciliation of Adjusted EBITDA to the most directly comparable financial measure calculated in accordance with GAAP.

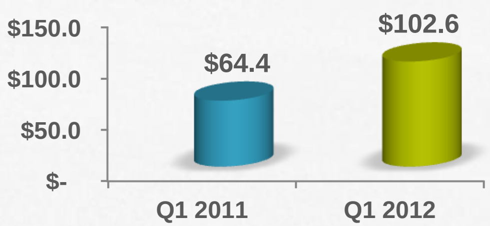
About U.S. Silica

- Foundation dating back over 112 years
- Headquartered in Frederick, MD
  - Offices in Houston, TX and Chicago, IL
- Thirteen strategic production facilities
- Two business segments:
  - Oil & Gas Proppants (“O&G”)
    - Broad product offering of natural, raw, API-grade, frac sand
  - Industrial & Specialty Products (“ISP”)
    - Markets include glass, foundry, paints, building products and chemicals

First Quarter 2012 Achievements

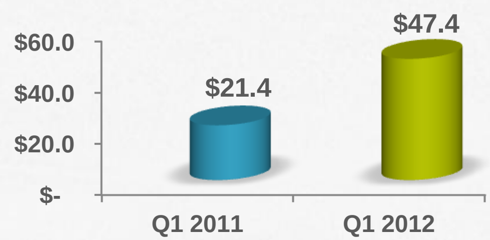
Sales Revenue
(in millions)

59.2% YOY Growth



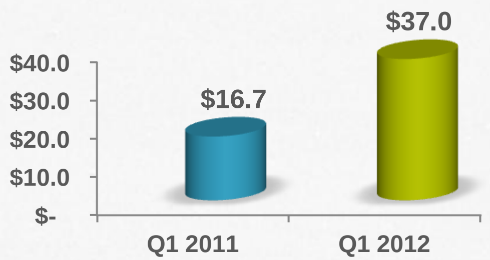
Contribution Margin
(in millions)

121.1% YOY Growth



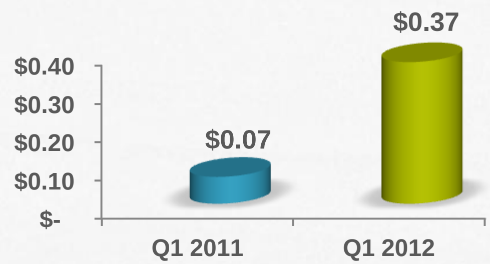
Adjusted EBITDA*
(in millions)

121.1% YOY Growth



EPS
(actual dollars)

428.6% YOY Growth



** A non-GAAP financial measure. See slides 13 and 14.*

Market Update

Oil & Gas Proppants

- Natural gas prices drive redeployment of production rigs from dry gas basins to wet gas and oil basins
- Geographic positioning, coupled with our supply chain and logistics expertise, have allowed us to continue to anticipate and meet the demand of our customers and win new business
- We are taking a true partnership approach with our customers and are becoming fully integrated with their supply chains to address shortages of various grades of frac sand caused by shifting rigs
- Demand shifted to coarser grades of sand grades of sand that we produce

Industrial & Specialty Products

- Experiencing growth and increased demand
  - Volume increase of nearly 3%
  - Revenue increase of nearly 8%
- Continue to work with our existing customers on developing value-added products and capabilities
- Continued focus on increased demand for specialized, engineered, performance materials

Capital Projects

Resin Coated Sand Plant – Rochelle, IL

- Construction began during the first quarter of 2012
- Expected to be operational by the first quarter of 2013
- Initial production capacity of 200,000 tons or 400 million pounds annually
- Substrate for this facility will be provided from our Ottawa, IL production facility
  - Competitive advantage due to quality control of primary input as well as the flexibility to adjust the grade to demand
- Total capital outlay estimated to be $42-44 million
- Ability to double capacity in a relatively short period of time

Capital Projects

Greenfield Production Facility – Sparta, WI

- Acquired the land and over 38 million tons of estimated reserves in December 2011
- Received all necessary permitting to begin construction in January 2012
- Board of Directors recently approved construction of the facility
- Initial production capacity of 750,000-850,000 tons annually
- Construction began during the second quarter of 2012, equipment with long lead-times ordered
- Expected to be operational by the second quarter of 2013
- Total capital outlay estimated to be $50-60 million
- Facility designed with scalability to cost effectively increase capacity in the future

First Quarter 2012 Financial Results

(unaudited; $ in millions except statistics and per share)

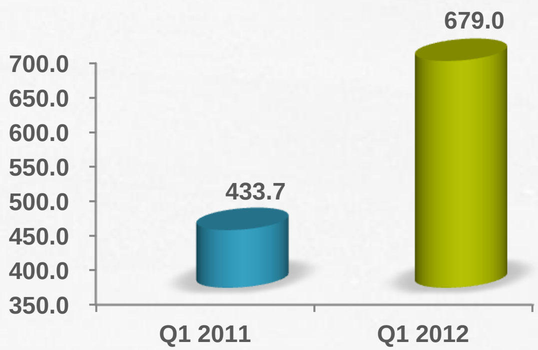
	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Key Operating Statistics:		
Tons Sold: (000s)		
Oil & Gas	679.0	433.8
Industrial & Specialty Products	1,063.9	1,034.7
Total	1,742.9	1,468.5
Income:		
Revenue	$ 102.6	$ 64.4
Contribution Margin [(a)]	$ 47.4	$ 21.4
% Margin	*46.2%*	*33.2%*
Adjusted EBITDA [(a)]	$ 37.0	$ 16.7
% Margin	*36.1%*	*26.0%*
Net Income	$ 19.1	$ 3.5
EPS, Basic and Diluted	$ 0.37	$ 0.07

(a) Indicates a Non-GAAP financial measure. See slide 13 to this presentation for additional information, including a definition of Segment Contribution Margin and a reconciliation of Adjusted EBITDA to the most directly comparable financial measure calculated in accordance with GAAP.

O&G Segment

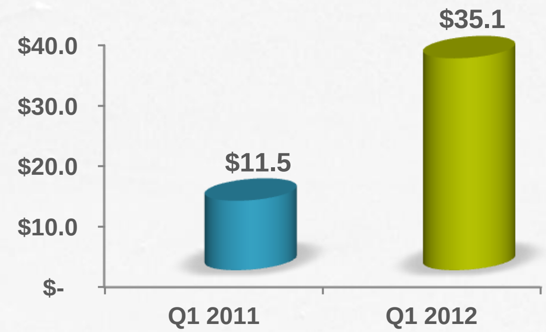
O&G Sales Volume
(in tons)

56.6% YOY Growth



O&G Contribution Margin
(in millions)

205.2% YOY Growth

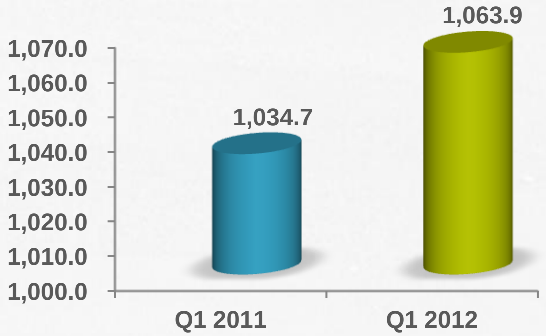


- Sales volume increased 245.3 thousand tons, or 56.6%
- O&G contribution margin increased by 205.2%, or $23.6 million, to $35.1 million
  - O&G contribution margin accounted for 76.8% of total contribution margin in the first quarter of 2012, compared to 54.3% in the first quarter of 2011

ISP Segment

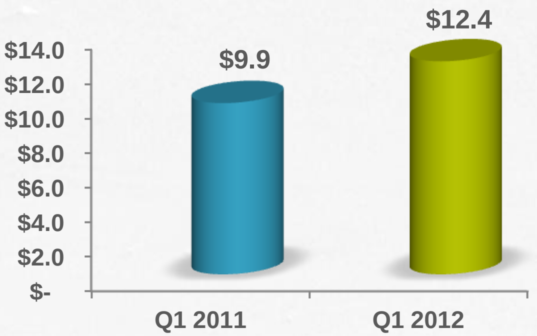
ISP Sales Volume
(in tons)

2.8% YOY Growth



ISP Contribution Margin
(in millions)

24.4% YOY Growth



- Sales volume increased 29.2 thousand tons in the first quarter of 2012, or 2.8%
- ISP contribution margin increased by 24.4%, or $2.4 million, to $12.4 million

Cash Flow and Liquidity

- Net cash provided by operations was $1.5 million in the first quarter of 2012, compared to use of $2.8 million for the first quarter of 2011
  - Improvement in operating income of $19.4 million, offset by $8.0 million one-time payment related to termination of management advisory agreement, and a net build in working capital of $11.6 million
- Capital spending of $15.0 million in the first quarter of 2012, primarily new construction projects
- As of March 31, 2012, we had $84.6 million of cash on hand and $24.0 million available under our credit facilities; as of May 7, 2012, we had $96.2 million of cash on hand
- Our total outstanding debt at March 31, 2012 was $261.2 million
- We had no off-balance sheet arrangements at March 31, 2012

2012 First Half and Full Year Guidance

- We currently estimate for the first half of 2012:
    - Revenue $192 – $204 million
    - Adjusted EBITDA $72 – $75 million
- We currently estimate for full year 2012 :
    - Revenue $395 – $420 million
    - Adjusted EBITDA* $142 – $150 million
    - Capital Expenditures $100 – $115 million

* *The Company is not able to provide a reconciliation of projected Adjusted EBITDA to projected Net Income due to the unknown effect, timing and potential significance of certain income statement items. The methodology, consistently applied, to reconcile Adjusted EBITDA to Net Income is disclosed in our Quarterly Report on Form 10-Q, as filed with the SEC and included on slides 13 and 14, herein*

Non-GAAP Financial Performance Measures

Segment Contribution Margin

The Company organizes its business into two reportable segments, Oil & Gas Proppants and Industrial & Specialty Products, based on end markets. The reportable segments are consistent with how management views the markets served by the Company and the financial information reviewed by the chief operating decision maker. The Company manages its Oil & Gas Proppants and Industrial & Specialty Products businesses as components of an enterprise for which separate information is available and is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assess performance.

An operating segment's performance is primarily evaluated based on segment contribution margin, which excludes certain corporate costs not associated with the operations of the segment. These corporate costs are separately stated below and include costs that are related to functional areas such as operations management, corporate purchasing, accounting, treasury, information technology, legal and human resources. The Company believes that segment contribution margin, as defined above, is an appropriate measure for evaluating the operating performance of its segments. However, this measure should be considered in addition to, not a substitute for, or superior to, income from operations or other measures of financial performance prepared in accordance with generally accepted accounting principles.

Adjusted EBITDA

Adjusted EBITDA is not a measure of our financial performance or liquidity under GAAP and should not be considered as an alternative to net income as a measure of operating performance, cash flows from operating activities as a measure of liquidity or any other performance measure derived in accordance with GAAP. Additionally, Adjusted EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. Adjusted EBITDA contains certain other limitations, including the failure to reflect our cash expenditures, cash requirements for working capital needs and cash costs to replace assets being depreciated and amortized, and excludes certain non-recurring charges that may recur in the future. Management compensates for these limitations by relying primarily on our GAAP results and by using Adjusted EBITDA only as a supplement. Our measure of Adjusted EBITDA is not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation.

Reconciliation (Adjusted EBITDA to Net Income)

	Three Months Ended March 31,	
	2012	2011
Net income	$ 19,113	$ 3,510
Total interest expense, net of interest income	3,763	5,441
Provision for taxes (benefit)	7,032	1,647
Total depreciation, depletion and amortization expenses	5,978	5,089
EBITDA	35,886	15,687
Non-recurring expesnes (income) (1)	(439)	-
Transaction expenses (2)	156	-
Permitted management fees and expenses (3)	-	313
Non-cash incentive compensation (4)	654	96
Post-employment expenses (excluding service costs) (5)	605	628
Other adjustments allowable under our existing credit agreements (6)	125	5
Adjusted EBITDA	$ 36,987	$ 16,729

(1) Includes the gain on the sale of assets.

(2) Includes fees and expenses related to the January 27, 2012 amendment of our Term Loan Facility and ABL Facility.

(3) Includes fees and expense paid to Golden Gate Capital for ongoing consulting and management services provided pursuant to an Advisory Agreement entered into in connection with Golden Gate Capital Acquisition; this Advisory Agreement was terminated in connection with our IPO.

(4) Includes vesting of incentive equity compensation issued to our employees.

(5) Includes net pension cost and net post-retirement cost relating to pension and other post-retirement benefit obligations during the applicable period, but in each case excluding the service cost relating to benefits earned during such period.

(6) Reflects miscellaneous adjustments permitted under our existing credit agreements, including such items as expenses related to reviewing growth initiatives and potential acquisitions.