

June 7, 2022



## Mammoth Calls On PREPA To Pay the \$40.4 Million Dollars that PREPA Shows as Immediately Available For Release

OKLAHOMA CITY, June 7, 2022 /PRNewswire/ -- Mammoth Energy Services, Inc. (NASDAQ: TUSK) ("Mammoth" or the "Company") is calling on the Puerto Rico Electric Power Authority ("PREPA") to release the \$40.4 million shown by PREPA as available in its emergency account funded by the Federal Emergency Management Agency ("FEMA") toward payment for the electric grid restoration work completed by Mammoth's wholly-owned subsidiary, Cobra Acquisitions LLC ("Cobra"), more than three years ago in Puerto Rico in the aftermath of Hurricane Irma and Hurricane Maria.

In a document, dated May 11, 2022, entitled "13-week cash flow update," PREPA indicated that \$40.4 million remains available in PREPA's emergency account for Cobra's restoration work. The 13-week cash flow update, including page 9 referencing the \$40.4 million in available funds, was published by the Puerto Rico Fiscal Agency and Financial Advisory Authority ("PRFA") on its website, subject to a number of qualifications, limitations and cautionary statements included therein, and is publicly available at <https://www.aafaf.pr.gov/wp-content/uploads/13-week-cash-flow-update-05-11-2022.pdf>. Information on the PRFA website does not constitute part of this news release.

As of the date of this news release, PREPA owes Cobra in excess of \$350 million, including over \$123 million in accrued and unpaid interest, for such restoration work. This account receivable accrues the contractual interest at the rate of over \$3.3 million per month. Mammoth continues to vigorously pursue the collection of this severely delinquent account receivable.

Mammoth's Chief Executive Officer, Arty Straehla, commented:

***"It is inexplicable that PREPA is continuing to breach their contractual obligations, especially when their own financial documents indicate that \$40.4 million of cash for work performed by Cobra remains in a PREPA emergency account. Our work in Puerto Rico has stood the test of time, and yet nearly half a decade later, we are still seeking an explanation from PREPA about their ongoing obfuscation. This trend sends a chilling message to anyone considering doing business in Puerto Rico, particularly during any future natural disasters. Furthermore, as the monthly interest on the debt continues to accrue, the real victims here are the people of Puerto Rico who will ultimately get stuck with the tab. Enough is enough, the apparent funds in the PREPA account have been provided by FEMA for payment to Cobra, and it is long past time for PREPA to pay its bills."***

For more information related to the Puerto Rico situation, please visit: <https://puertorico.mammothenergy.com/>

## **Mammoth Energy Services, Inc.**

Mammoth is an integrated, growth-oriented energy services company focused on the construction and repair of the electric grid for private utilities, public investor-owned utilities and co-operative utilities through its infrastructure services businesses. The Company also provides products and services to enable the exploration and development of North American onshore unconventional oil and natural gas reserves. Mammoth's suite of services and products include: infrastructure services, well completion services, natural sand and proppant services, drilling services and other energy services. For more information, please visit [www.mammothenergy.com](http://www.mammothenergy.com).

### **Contact:**

Mark Layton, Chief Financial Officer  
[m Layton@mammothenergy.com](mailto:m Layton@mammothenergy.com)  
(405) 608-6007

### **Investors:**

Rick Black  
[rblack@dennardlascar.com](mailto:rblack@dennardlascar.com)  
(832) 435-0026

## **Forward-Looking Statements and Cautionary Statements**

*This news release (and any oral statements made regarding the subjects of this release, including on the conference call announced herein) contains certain statements and information that may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts that address activities, events or developments that Mammoth expects, believes or anticipates will or may occur in the future are forward-looking statements. The words "anticipate," "believe," "ensure," "expect," "if," "intend," "plan," "estimate," "project," "forecasts," "predict," "outlook," "aim," "will," "could," "should," "potential," "would," "may," "probable," "likely" and similar expressions, and the negative thereof, are intended to identify forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this press release specifically include statements, estimates and projections regarding the Company's business outlook and plans, future financial position, liquidity and capital resources, operations, performance, acquisitions, returns, capital expenditure budgets, costs and other guidance regarding future developments. Forward-looking statements are not assurances of future performance. These forward-looking statements are based on management's current expectations and beliefs, forecasts for the Company's existing operations, experience and perception of historical trends, current conditions, anticipated future developments and their effect on Mammoth, and other factors believed to be appropriate. Although management believes that the expectations and assumptions reflected in these forward-looking statements are reasonable as and when made, no assurance can be given that these assumptions are accurate or that any of these expectations will be achieved (in full or at all). Moreover, the Company's forward-looking statements are subject to significant risks and uncertainties, including those described in its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings it makes with the SEC, including those relating to the Company's acquisitions and contracts, many of which*

are beyond the Company's control, which may cause actual results to differ materially from historical experience and present expectations or projections which are implied or expressed by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: any continuing impacts of the COVID-19 pandemic, related global and national health concerns and economic repercussions; demand for our services; the volatility of oil and natural gas prices and actions by OPEC members and other exporting nations affecting commodities prices and production levels; the impact of the current Russian/Ukrainian military conflict on the global energy and capital markets and global stability; operational challenges relating to the COVID-19 pandemic and efforts to mitigate the spread of the virus, including logistical challenges, protecting the health and well-being of our employees, remote work arrangements, performance of contracts and supply chain disruptions; inflationary pressures; the outcome of ongoing government investigations and other legal proceedings, including those relating to the contracts awarded to the Company's subsidiary Cobra Acquisitions LLC ("Cobra") by the Puerto Rico Electric Power Authority ("PREPA"); the failure to receive or delays in receiving governmental authorizations, approvals and/or payments, including payments with respect to the PREPA account receivable for prior services to PREPA performed by Cobra; the Company's inability to replace the prior levels of work in its business segments, including its infrastructure and well completion services segments; risks relating to economic conditions; impacts of the recent federal infrastructure bill on the infrastructure industry and our infrastructure services business; the loss of or interruption in operations of one or more of Mammoth's significant suppliers or customers; the loss of management and/or crews; the outcome or settlement of our litigation matters, including the adverse impact of the recent settlement with MasTec Renewables Puerto Rico, LLC, and the effect on our financial condition and results of operations; the effects of government regulation, permitting and other legal requirements; operating risks; the adequacy of capital resources and liquidity; Mammoth's ability to continue to comply with, or if applicable, obtain a waiver of forecasted or actual noncompliance with certain financial covenants and comply with other terms and conditions under our recently amended revolving credit facility; weather; natural disasters; litigation; volatility in commodity markets; competition in the oil and natural gas and infrastructure industries; and costs and availability of resources.

Investors are cautioned not to place undue reliance on any forward-looking statement which speaks only as of the date on which such statement is made. We undertake no obligation to correct, revise or update any forward-looking statement after the date such statement is made, whether as a result of new information, future events or otherwise, except as required by applicable law.

📄 View original content: <https://www.prnewswire.com/news-releases/mammoth-calls-on-prepa-to-pay-the-40-4-million-dollars-that-prepa-shows-as-immediately-available-for-release-301562478.html>

SOURCE Mammoth Energy Services, Inc.