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# **Mammoth Energy Issues Statement on Fox News Reporting: "Puerto Rico Still Owes Company \$350 Million For Restoring Grid In 2017 As It Faces Fresh Hurricane Outages"**

OKLAHOMA CITY, Sept. 26, 2022 /PRNewswire/ -- Mammoth Energy Services, Inc. (NASDAQ: TUSK) ("Mammoth" or the "Company") today issued the following statement in response to a news story from [Fox News](#) headlined, "Puerto Rico still owes company \$350 million for restoring grid in 2017 as it faces fresh hurricane outages":

"First and foremost, our prayers are with the people of Puerto Rico as they pick up the pieces from yet another natural disaster. Five years ago, when we arrived after Hurricane Maria, we saw with our own eyes the impact of Hurricane Maria and know all too well the devastation widespread power outages bring to everyday life. As Congress begins another discussion about the path forward on the next recovery, those entities still owed for work completed last time need to be made whole. Since Maria, my Company has responded to 17 subsequent natural disaster related power restoration efforts that were funded by the Federal Emergency Management Agency ("FEMA") and have been compensated fully for each one without issue. Puerto Rico is the glaring exception. If we expect private companies to answer the call of duty when lives are hanging in the balance, government must step up and do its job to ensure its partners are not left twisting in the wind." – Arty Straehla, Chief Executive Officer, Mammoth Energy Services.

In anticipation of Hurricane Ian's landfall on the west coast of Florida, Mammoth's subsidiaries are mobilizing crews for a quick response in the event assistance is required to restore power in the United States.

The development comes ahead of the Natural Resources Committee of the House of Representatives holding hearings this week regarding Puerto Rico recovery efforts and expected to feature testimony from director of the Central Office for Recovery, Reconstruction and Resilience ("COR 3"), Manuel Laboy, the executive director of the Puerto Rico Electric Power Authority ("PREPA"), Josué Colón, the director of the Energy Bureau, Edison Avilés Deliz, the president of LUMA Energy, Wayne Stensby, environmental lawyer Ruth Santiago and the president of CAMBIO, Ingrid Vila Biaggi.

According to reporting from [Bloomberg News](#), "a week after Hurricane Fiona swiped Puerto Rico, causing catastrophic flooding and knocking out power to the entire island of 3.1 million, just over half of the US commonwealth has electricity, officials said."

Following Hurricane Maria (September 2017) in Puerto Rico and its complete destruction of the island's power grid, Mammoth, through its subsidiary Cobra Acquisitions LLC ("Cobra"),

was awarded an initial \$200 million restoration contract in 2017. Through five separate amendments to the original contract, the aggregate contract amount was eventually increased to \$945 million. PREPA awarded a second contract of up to \$900 million to Cobra in response to a Request for Proposals ("RFP") process.

As of September 1, 2022, Mammoth, through Cobra, is owed \$365 million including \$138 million in interest charges, as specified in the contract, on remaining invoices for work Cobra completed more than three years ago.

### **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).

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### **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 war in Ukraine 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; rising interest rates and their impact on the cost of capital; the outcome of ongoing government investigations and other legal proceedings, including those relating to the contracts awarded to the Company's subsidiary Cobra by 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 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.*

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SOURCE Mammoth Energy Services, Inc.