



June 29, 2020

Dear Valued Supplier:

I am reaching out with an important update about actions we are taking toward building a more competitive business for the future.

Today, against the unprecedented backdrop of COVID-19 and the severe declines in the oil and gas markets, Covia announced that it has entered into an agreement with lenders holding a majority of its secured debt on the terms of a comprehensive financial restructuring plan that is expected to strengthen our financial position and position the Company to better execute on our go-forward business strategy. To implement the terms of the agreement, Covia and certain of its U.S. subsidiaries voluntarily filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Our subsidiaries outside of the U.S. are excluded from this filing. This court-supervised process will serve as the means to a new beginning for Covia.

We have made important progress over the last year executing our strategy and aligning our business with changing market conditions. The decisive actions we are taking now will position Covia to be an even stronger partner to our vendors, customers and other business partners in both the near-term and the long-term, once the global pandemic passes and the energy markets stabilize.

Here's what today's announcement means for you:

- **We intend to pay vendors and suppliers in full under normal terms for goods and services provided on or after the filing date.** Covia has strategically built a current cash reserve of approximately \$250 million. We believe we have sufficient liquidity to operate the business throughout this process, and to continue the flow of goods and services to customers.
- **Our active mines, distribution network and offices are operating in the normal course of business.** We intend to continue serving customers and meeting demand for our diverse mineral-based and material solutions across our Industrial and Energy markets throughout the court-supervised process.
- **Your cooperation will enable us to achieve a successful outcome.** We appreciate your continued support as we continue to provide customers with the products they expect from us.

We are confident in our future and believe our lenders' support of our restructuring agreement demonstrates their confidence as well. We remain committed to building upon our competitive advantages for the benefit of our business partners like you and our other stakeholders.

We intend to move through this process as quickly as possible.

Covia is committed to communicating with stakeholders throughout the process, and below are answers to questions that you may have. Additional information about the process can be found at ir.coviacorp.com. Court documents and other information related to the court-supervised proceedings are available at <https://cases.primeclerk.com/Covia> or by utilizing our call centers at 877-606-3610 if calling from within the U.S./Canada or 929-955-3452 if calling from outside the U.S. or Canada.

Thank you for your understanding during these challenging times, and please do not hesitate to reach out to your regular contacts at Covia should you have any questions.

We greatly value our relationship with you and look forward to continuing our relationship with you to drive our mutual success as we move forward, with a stronger Covia.

A handwritten signature in black ink that reads "Rick Navarre". The signature is written in a cursive, flowing style.

Rick Navarre,
Chairman, President and Chief Executive Officer

Frequently Asked Questions

Are your operations continuing as normal?

- Covia’s active mines and distribution network are operating in the ordinary course of business and serving customers.
- We intend to continue safely meeting demand for our diverse mineral-based and material solutions throughout the court-supervised process and beyond.

Will the company continue to order goods/services from its suppliers?

- It will. The company anticipates having adequate liquidity to continue purchasing goods and materials going forward. Invoices for goods and services provided on, or after, the filing date should be submitted through typical accounts payable channels, and payments will be processed in the usual manner.

Will vendors and suppliers be paid in full moving forward?

- Yes. We intend to pay vendors in full for goods and services received on or after the filing date as usual under customary terms. Our vendor relationships are extremely important to us, and we appreciate the support our vendors have shown us in the past. We want to look ahead and set the stage for continued business going forward.

Will vendors receive payment for any outstanding invoices billed prior to the filing?

- Under U.S. law, unpaid debts for goods and services received by the company before the filing date (known as “pre-petition claims”) generally cannot be paid without specific court approval.
- Any pre-petition claims will be addressed as part of the court-supervised restructuring process.
- Court filings, along with information about the claims process, are available at:
<http://cases.primeclerk.com/Covia>

Will international vendors receive payment for any outstanding invoices billed prior to the filing?

- Yes. Non-U.S. vendors and suppliers who are providing goods and services for international entities of Covia will see no change in the ability to be paid for either pre-filing or post-filing invoices.

What is the impact on any contracts I have with the company?

- U.S. bankruptcy law generally requires that you continue to perform under an existing contract (including continuing to offer goods or provide services) absent court approval for relief to the contrary.

What if I have additional questions?

- We encourage you to reach out to your usual contact with any additional questions.
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