



**AUDIT COMMITTEE POLICY ON
COMPLAINT PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS
(Adopted as of May 31, 2019)**

PURPOSE:

The charter of the Audit Committee (the "Committee") of the Board of Directors of Hi-Crush Inc. (the "Company"), following the directive of Section 301 of the Sarbanes-Oxley Act of 2002, Section 10A of the Securities Exchange Act of 1934 and Rule 10A-3 promulgated thereunder and the requirements of the New York Stock Exchange provides that the Committee will establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

This policy establishes standards and procedures to ensure that handling of accounting, internal accounting control and audit-related complaints and concerns complies with the objectives of the Committee.

SCOPE:

The policy applies to the Company and all subsidiaries.

A. PROCEDURES:

Responsibilities of Committee With Respect to Specified Complaints

The Committee will receive, retain, investigate and act on complaints and concerns of employees and others regarding questionable accounting, internal accounting controls and auditing matters, including without limitation those regarding (a) deficiencies in or the circumvention or attempted circumvention of internal accounting controls, (b) the manipulation of financial results by management or employees, (c) misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company, (d) the misleading of internal or external auditors, (e) fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company or in the recording and maintaining of financial records of the Company, (f) deviation from full and fair reporting of the Company's financial condition, (g) theft or (h) other matters that would otherwise constitute a violation of the Company's accounting policies (an "Accounting Concern"), according to the procedures set forth herein.

Matters relating to any of the following partial list of categories of Accounting Concerns can be handled through this policy:

- Accounting
- Accounting systems
- Internal audit
- Harassment of accounting and internal audit personnel
- Disagreements between auditors (internal or external) and management
- Disputes relating to accounting and reporting

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- Illegal acts that may require disclosure
- Taxes
- Price fixing
- Fraudulent billing
- Theft
- Illegal loans to officers or directors
- Uninsured risks
- Unacknowledged liabilities
- Undisclosed related party transactions
- Conflicts of interest
- Internal control
- Bribes

B. Procedures for Submitting Accounting Concerns

1. The Company will maintain a hotline for the purpose of facilitating the receipt, coding and reporting of Accounting Concerns to the Committee and the Company (the “Hotline”). The Hotline provides a mechanism for submission of Accounting Concerns on a confidential and anonymous basis via telephonic, web-based and ordinary mail processes.
2. Any employee of the Company may submit in good faith an Accounting Concern the employee reasonably believes to be true. Employees may submit complaints and concerns by any of the following means:
 - a. Contacting the Hotline on a confidential and, if desired, anonymous basis by telephone either on-line at compliance@hicrush.com or by telephone through the whistleblower hotline at 877-696-6223.
 - b. Mailing or delivering a written statement to the Committee, c/o Corporate Secretary, Hi-Crush Inc., 1330 Post Oak Blvd., Suite 600, Houston, Texas 77056, in a sealed envelope labeled with a legend such as: “Confidential: To be opened by the Committee only.” Any such envelopes received by the Corporate Secretary shall be forwarded promptly and unopened to the Chairman of the Committee. If an employee would like to discuss any matter personally with the Committee, the employee should indicate this in the submission and include a telephone number or e-mail address at which he or she might be contacted if the Committee deems it appropriate.
 - c. Please note, that if the submission does not include contact information and the submission does not provide sufficient enough information to investigate the matter, the persons conducting the investigation may not be able to fully investigate the complaint. Accounting Concerns should be submitted with as much detail as can reasonably be provided, including a description of the Accounting Concern, the period of time during which the employee observed the Accounting Concern and any steps that the employee has taken to investigate the Accounting Concern, including reporting it to a supervisor and the supervisor’s reaction.

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3. The Committee recognizes that employees and other parties may also report Accounting Concerns to the Committee or the Company through means other than those described in Section B.2 above.
4. Management will collect, record and promptly forward to the Committee any reported Accounting Concerns not submitted directly to the Committee through the Hotline or otherwise.

C. Procedures for Handling Accounting Concerns

1. When possible, or unless an employee submission is made anonymously, receipt will be acknowledged to the sender.
2. The Committee will record and review each Accounting Concern received. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Committee. If necessary, the Committee will convene a special meeting to address complaints deemed to be significant. Significant complaints include those that relate to a potential significant illegal act, material misstatement of the Company's financial statements, significant fraud or any matter involving one of the Company's executive officers. The Committee, in making such review, may in its discretion consult with any member of management or any employee or outside advisor that it believes would have appropriate expertise or information to assist the Committee. The Committee will determine whether an inquiry or investigation into the Accounting Concern should be conducted and, if so, whether the Committee or management should conduct such inquiry or investigation, taking into account the considerations set forth in Section D. below.
3. If the Committee determines that it should conduct an inquiry or investigation into the Accounting Concern, the Committee will notify the General Counsel of that conclusion. The Committee will promptly undertake an inquiry or investigation according to the procedures it deems appropriate or advisable under the circumstances. The Committee will be free in its discretion to engage outside auditors, counsel or other experts to assist in the inquiry or investigation and in the analysis of results.

If, following its inquiry or investigation, the Committee determines that a violation of policy has occurred, the Committee may direct the Company to take effective remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of policy.

4. If the Committee determines that management should conduct the inquiry or investigation, the Committee will notify the General Counsel of that conclusion. Management will thereafter promptly undertake an inquiry or investigation according to the procedures it deems appropriate or advisable under the circumstances and will report the results of its inquiry or investigation to the Committee. Management will be free in its discretion to engage outside auditors, counsel or other experts to assist in the inquiry or investigation and in the analysis of results.

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5. The General Counsel will maintain a record of each Accounting Concern received, the status of any inquiry or investigation conducted and the final disposition of such matter. Such records will be retained as part of the books of the Committee maintained by the Corporate Secretary in accordance with any document retention policy in place at the time and applicable law.
6. All Accounting Concerns received, all active investigations and the disposition of completed or closed inquiries and investigations since the prior meeting will be summarized by the General Counsel and discussed at regularly scheduled Committee meetings.

D. Considerations Relative to Whether the Committee or Management Should Conduct an Inquiry into an Accounting Concern

In determining whether management or the Committee should conduct an inquiry or investigation into an Accounting Concern, the Committee will consider, among any other factors that are appropriate under the circumstances, the following:

1. Who is the alleged wrongdoer? If an executive officer, senior financial or accounting officer or other high management official is alleged to have engaged in wrongdoing, that factor alone may militate in favor of the Committee conducting the inquiry or investigation.
2. How serious is the alleged wrongdoing? The more serious the alleged wrongdoing, the more appropriate that the Committee should undertake the inquiry or investigation. If the alleged wrongdoing would constitute a crime involving the integrity of the financial statements of the Company, that factor alone may militate in favor of the Committee conducting the inquiry or investigation.
3. How credible is the allegation of wrongdoing? The more credible the allegation, the more appropriate that the Committee should undertake the investigation. In assessing credibility, the Committee should consider all facts surrounding the allegation, including but not limited to whether similar allegations have been made in the press or by analysts.

E. Protection of Complainants

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate or retaliate against any employee, and will not tolerate any such action by management or any other person or group, for making an Accounting Concern in good faith, reasonably believing the same to be true, or providing assistance to the Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, inquiring about or investigating an Accounting Concern. The Committee will not reveal the identity of any employee who reports a good faith Accounting Concern and who asks that his or her identity as the person who reported such Accounting Concern remain confidential and will not make any effort, or tolerate any effort made by any other person or group, to ascertain the identity of any employee who makes a good faith Accounting Concern anonymously.

If an employee believes that he or she has been subjected to any harassment, discrimination or retaliation for having submitted a report or participating in an investigation relating to a report, the employee should immediately report the concern to the General Counsel of the Company or to any supervisor.

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Any complaint that any managers, supervisors, or employees are involved in discrimination, retaliation or harassment related to the reporting or investigation of questionable accounting, internal accounting controls or auditing matters shall be promptly and thoroughly investigated in accordance with the investigation procedures outlined above. If a complaint of discrimination, retaliation or harassment is substantiated, appropriate disciplinary action, up to and including discharge, will be taken.

F. Employee Communication

The Company will post relevant information concerning this policy and the procedures for submitting Accounting Concerns on the Company's website. In addition, the Company will notify employees of the Hotline system and reporting procedures by means reasonably designed to create and maintain widespread awareness of the system.