



Montauk Renewables, Inc. Signs Letter of Intent with European Energy to Provide CO₂ for e-Methanol Production

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PITTSBURGH, Aug. 07, 2023 (GLOBE NEWSWIRE) -- Montauk Renewables, Inc. (NASDAQ: MNTK) ("Montauk" or the "Company") and its subsidiary, Montauk Energy Holdings, LLC, announced the Company signed a Letter of Intent ("LOI") with EE North America, LLC ("EE North America"), a North American subsidiary of Denmark-based European Energy, to deliver all biogenic Carbon Dioxide ("CO₂") volumes from all its Texas facilities sufficient for large scale production of e-fuels such as e-methanol. The initial delivery period is expected to begin in 2026 and is expected to last for 15 years upon final agreement. The LOI immediately commits Montauk's CO₂ from its Texas facilities to EE North America's Texas project.

EE North America is a North American subsidiary of Denmark-based European Energy that, for the past 19 years, has been committed to being a leading player in the development of renewable energy. EE North America intends to construct a Power-to-X facility in Texas that would take the biogenic CO₂ from Montauk's locations and use it in the production of e-methanol. The e-methanol would then be used to fuel vessels for maritime shipping operations. The LOI between Montauk and EE North America assists Montauk in synchronizing capital commitment timing at its Texas facilities with EE North America's project.

The planned delivery would prevent a critical amount of biogenic CO₂ from entering the atmosphere and put it to beneficial use, creating a new fixed-price commodity revenue stream for Montauk.

"The expected agreement between Montauk and EE North America will have a positive impact on the global reduction of CO₂, a greenhouse gas that contributes to climate change, while continuing to expand and diversify our revenue sources, in this case with fixed-price commodity sales," said Sean McClain, CEO of Montauk. "Our relationship with European Energy is another example of Montauk's commitment to environmental stewardship, its multi-faceted development strategy, its ability to align itself with industry leaders and its commitment to enhancing shareholder value."

EE North America's CEO, Lorena Ciciriello, expressed her enthusiasm for the agreement, stating, "By thinking creatively, building robust relationships, and strategically assembling the pieces for long-term growth, we are at the forefront of the clean energy transition. With genuine excitement and a shared vision, EE North America and Montauk are forging a powerful partnership, propelling us towards a brighter and more sustainable tomorrow. Our passion for driving the transition to cleaner energy fuels our dedication every step of the way."

"Collaboration is paramount in tackling large and complex projects, and we are thrilled to celebrate this agreement with Montauk," said Jaime Casaus-Bribian, European Energy's Head of Power-to-X Projects for the Americas & Iberia. He emphasized the value of being a first mover in the Power-to-X space, stating, "With a holistic approach to project development and strong strategic partnerships, we are leveraging the expertise from our blueprint e-methanol project in Denmark (Kassø), maximizing our first mover advantage in the U.S., together with our group company Ammongas that provides solutions for capturing and cleaning CO₂. Our aim is to be a key player in the U.S. across e-fuels and hydrogen, driving innovation and forging a sustainable energy future."

About Montauk Renewables, Inc.

Montauk Renewables, Inc. (NASDAQ: MNTK) is a renewable energy company specializing in the management, recovery and conversion of biogas into RNG. The Company captures methane, preventing it from being released into the atmosphere, and converts it into either RNG or electrical power for the electrical grid ("Renewable Electricity"). The Company, headquartered in Pittsburgh, Pennsylvania, has more than 30 years of experience in the development, operation and management of landfill methane-fuelled renewable energy projects. The Company has current operations at 15 operating projects located in California, Idaho, Ohio, Oklahoma, Pennsylvania, North Carolina and Texas. The Company sells RNG and Renewable Electricity, taking advantage of Environmental Attribute premiums available under federal and state policies that incentivize their use. Montauk was named the number one ranking company in South Africa in the Sunday Times Top 100 Companies of 2022. For more information, visit <https://ir.montaukrenewables.com> Follow Montauk on [LinkedIn](#)

About EE North America

EE North America develops, finances, builds, and operates wind and solar farms as well as Power-to-X projects. Its parent company, European Energy A/S, is based in Copenhagen, Denmark, and has significant and in-depth experience in the development and deployment of renewable energy in four continents. European Energy was founded in 2004 and has a current project pipeline of 50 GW in markets across the world. For more information, please visit EuropeanEnergy.com

For more information on Power-to-X (PtX), visit, <https://europeanenergy.com/green-solutions/ptx/>
Related news, <https://europeanenergy.com/news-insights/>

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Safe Harbor Statement

This release contains forward-looking statements regarding our planned sale of CO2 and capital expenditures associated therewith.

Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. Future events or circumstances may change our expectations and may also affect the nature of the assumptions, risk and uncertainty to which our forward-looking statements are subject. The forward-looking statements in this release speak only as of the date of this release, and we assume no duty, and do not undertake, to update them. Actual results or future events could differ, possibly materially, from those that we anticipated in these forward-looking statements. As a result, we caution against placing undue reliance on any forward-looking statements.

Forward-looking statements are subject to risks, uncertainties and other factors, many of which are beyond the Company's control and are difficult to predict, including, without limitation, risks related to the failure to consummate the transaction or to realize the benefits of the transaction in the anticipated timeframe or at all; unanticipated costs, burdens or difficulties associated with the contemplated transaction and the other risk factors described in more detail in the Company's 2022 Form 10-K, first quarter 2023 Form 10-Q and other filings with the U.S. Securities and Exchange Commission at www.sec.gov. We have included this web address as inactive textual reference only. Information on this website is not part of this document.