

MONTAUK RENEWABLES, INC.

Audit Committee Charter

Purpose

The purpose of the Audit Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Montauk Renewables, Inc. (the “*Company*”) is to (1) assist the Board in its oversight of (a) the integrity of the Company’s financial statements, (b) the Company’s compliance with legal and regulatory requirements, (c) the independent auditors’ qualifications, independence, and performance, and (d) the performance of the Company’s internal audit function; (2) prepare the Committee’s report to be included in the Company’s annual proxy statement (the “*Audit Committee Report*”); (3) advise and consult with management and the Board regarding the financial affairs of the Company; and (4) appoint, compensate, retain, terminate, oversee and evaluate the work of the Company’s independent auditors.

Membership

Size. The Committee will be comprised of at least three directors, with the exact number to be determined from time to time by the Board.

Independence. Each Committee member must (1) meet the director and audit committee member independence requirements set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), the listing standards of The Nasdaq Stock Market, LLC (“*Nasdaq*”), and any other requirements imposed by applicable laws, rules and regulations, subject to an election by the Company to rely on the transition periods applicable to initial public offerings or as may otherwise be permitted by the Nasdaq listing standards, and (2) not have participated in the preparation of the financial statements of the Company or a current subsidiary of the Company at any time during the past three years.

Financial Expertise. Each Committee member must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement. At least one Committee member must have past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. In addition, at least one Committee member must meet the criteria of an “audit committee financial expert” within the meaning of Section 407 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder by the Securities and Exchange Commission (the “*SEC*”).

Limitation on Service on Other Public Company Audit Committees. No Committee member may simultaneously serve on the audit committees of more than three public companies (including the Company), unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee. The Board will disclose any such determination in its annual proxy statement.

(January 2021)

Selection, Resignation and Removal. Committee members will be appointed by a majority vote of the Board from among its members based on the recommendations of the Board's Nominating and Corporate Governance Committee, including to fill vacancies following the death, resignation or removal of a Committee member. The Board will select a Committee Chair from among the Committee's members. Committee members will serve at the pleasure of the Board until such member's successor is duly appointed and qualified or until such member's resignation upon written notice to the Board or removal by a majority vote of the Board.

Compensation. Each Committee member may receive as compensation from the Company only (1) director's fees (which include all forms of compensation paid to directors of the Company for service as a director or member of a Board Committee, including customary benefits that all directors receive) and/or (2) pension payments or other deferred compensation provided that such compensation is not in any way contingent on continued service.

Authority and Responsibilities

The Committee is responsible for overseeing the (1) Company's accounting and financial reporting process and (2) audits of the Company's financial statements on behalf of the Board. Management is responsible for the preparation, presentation and integrity of the Company's financial statements, and for the appropriateness of the accounting and reporting policies that are used by the Company. The independent auditors are responsible for auditing the Company's financial statements and for reviewing the Company's interim financial statements.

The Committee is directly responsible for the appointment, compensation, retention, oversight and evaluation of the work of the Company's independent auditors (including resolution of disagreements between management and the auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The independent auditors report directly to the Committee.

The Committee's authority and oversight responsibilities include the following:

Independent Auditors

1. **Retain the Independent Auditors.** The Committee has the sole authority to (a) retain and terminate the Company's independent auditors, (b) approve all audit engagement fees, terms and services, and (c) approve any non-audit engagements with the Company's independent auditors.
2. **Establish Policy for Pre-Approval of Auditors' Services.** The Committee is to establish a written pre-approval policy, and review and pre-approve all fees paid to the independent auditor for audit and non-audit services in accordance with such policy.
3. **Review and Discuss the Auditors' Quality Control.** The Committee is to, at least annually, obtain and review a report by the independent auditors describing (a) the audit

- firm's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the audit firm, and (c) any steps taken to deal with any such issues.
4. Review and Evaluate the Independence of the Auditors. The Committee is, at least annually, to assess the independent auditors' independence, obtain and review a report by the independent auditors delineating all relationships between the independent auditors and the Company, including the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board ("PCAOB"). The Committee is to actively engage in a dialogue with the independent auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the auditors, and take, or recommend that the full Board take, appropriate action in response to the auditors' report to satisfy itself of the auditors' independence.
 5. Ensure Rotation of Lead Audit Partner and Evaluate Rotation of Audit Firm. The Committee will, at least annually, review and evaluate the lead partner of the independent auditor, and take such steps as may be required by law to assure the regular rotation of the audit partner serving on the Company's audit engagement team. The Committee will further consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself.
 6. Report to the Board on the Qualifications, Independence and Performance of the Independent Auditors and the Lead Audit Partner. At least annually, the Committee will evaluate the qualifications, independence and performance of the independent auditors and the lead audit partner, and will present its conclusions to the Board. If so determined by the Committee, the Committee will recommend that the Board take additional action to satisfy itself of the qualifications, independence and performance of the independent auditors and the lead audit partner. In performing its evaluation, the Committee should take into account the opinions of management and the Company's internal auditors (which may be a third-party firm as long as it is not the independent auditors) or, if the Committee deems appropriate, other personnel responsible for the Company's internal audit function.
 7. Set Hiring Policies. The Committee is to set clear hiring policies for employees or former employees of the independent auditors.
 8. Review and Discuss the Audit Plan. The Committee is to review and discuss with the independent auditors the plan for, and the scope of, the annual audit and other examinations, including responsibilities, the adequacy of staffing and the audit budget. The Committee will approve any significant modifications to the annual audit plan.

9. Review and Discuss Conduct of the Audit. The Committee is to regularly review and discuss with the independent auditors the matters required to be discussed pursuant to applicable auditing standards relating to the conduct of the audit, as well as any audit problems or difficulties and management’s response, including (a) any restrictions on the scope of the independent auditors’ activities or on access to requested information, and (b) any disagreements with management. Among the items the Committee may want to review with the independent auditors are: any accounting adjustments that were noted or proposed by the independent auditors but were “passed” (as immaterial or otherwise); any communications between the Company’s audit team and the independent auditors’ national office regarding auditing or accounting issues presented by the engagement; and any “management” or “internal control” letter issued, or proposed to be issued, by the independent auditors to the Company. The Committee will also review with the independent auditors the responsibilities, budget and staffing of the Company’s internal audit function.

Internal Audit Function

10. Review Actions Concerning Senior Internal Auditing Executive. The Committee is to review and concur with management’s appointment, termination or replacement of the senior internal audit executive or the third-party firm performing the internal audit function.
11. Establish and Assess Procedures for Complaints Regarding Financial Statements or Accounting Policies. The Committee is to establish and periodically assess the Company’s procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or such other complaints as may come before the Committee, including, but not limited to, complaints reported to the Committee by employees pursuant to the Company’s Whistleblower Protection and Non-Retaliation Policy; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The Committee will oversee the resolutions of such complaints and discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any complaints or concerns regarding the Company’s financial statements or accounting policies.
12. Review and Discuss Internal Audit Plans. The Committee is to review and discuss with the senior internal audit executive and appropriate members of the staff of the internal audit department, or with the third-party internal audit firm and its staff, the plans for and the scope of their ongoing internal audit activities.
13. Review and Discuss Internal Audit Reports. The Committee is to review and discuss with the senior internal audit executive and appropriate members of the staff of the internal audit department, or with the third-party internal audit firm and its staff, the internal audit activities, examinations and results thereof of the internal audit

department or third-party internal audit firm. The Committee is also to review the internal audit department's (or the third-party internal audit firm's) activities periodically, including any plan changes, objective changes or resource updates. The Committee should also periodically review any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the internal audit work.

14. Review and Discuss the Systems of Internal Accounting Controls. The Committee is to review and discuss with the independent auditors, the senior internal audit executive (or the third-party internal audit firm), the General Counsel and, if and to the extent deemed appropriate by the Committee Chair, members of their respective staffs the adequacy of the Company's internal control over financial reporting controls, the Company's financial, auditing and accounting organizations and personnel, and the Company's policies and compliance procedures with respect to business practices.
15. Review and Discuss the Recommendations of Independent Auditors. The Committee is to review and discuss with the senior internal audit executive and the appropriate members of the staff of the internal audit department (or with the third-party internal audit firm and its staff) recommendations made by the independent auditors and the senior internal audit executive (or by the third-party internal audit firm and its staff), management's responses, as well as such other matters, if any, as such persons or other officers of the Company may desire to bring to the attention of the Committee.

Financial Statements, Financial Reporting and Systems of Internal Control

16. Review and Discuss Financial Statements and Disclosures. The Committee will meet to review and discuss with management and the independent auditors the Company's annual audited financial statements and quarterly financial statements, including (a) the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," (b) the disclosures regarding internal controls and other matters required to be reported to the Committee under applicable legal, regulatory and Nasdaq requirements, and (c) all critical accounting policies and practices used or to be used by the Company. The Committee will also discuss with the independent auditors the matters required to be discussed by the auditing standards of the PCAOB. The Committee will make a recommendation to the Board regarding whether or not the annual audited or quarterly financial statements should be included in the Company's Form 10-K or Form 10-Q, as applicable.
17. Review and Discuss the Audit Results. The Committee is to review and discuss with the independent auditors (a) the report of their annual audit, or proposed report of their annual audit, (b) material written communications between the independent auditors and management provided by the independent auditors to the Committee, (c) the reports of their reviews of the Company's interim financial statements, and (d) the reports of the results of such other examinations outside of the course of the independent auditors' normal audit procedures that the independent auditors may from time to time undertake.

The foregoing is to include, as appropriate, a review of (a) major issues regarding (i) accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles and (ii) the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative U.S. Generally Accepted Accounting Principles ("GAAP") methods on the financial statements, and (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements.

18. Obtain Assurances under Section 10A(b) of the Exchange Act. The Committee is to obtain assurance from the independent auditors that in the course of conducting the audit, there have been no acts detected or that have otherwise come to the attention of the independent auditors that require disclosure to the Committee under Section 10A(b) of the Exchange Act.
19. Review and Discuss Earnings Press Releases. The Committee is to review and discuss earnings and other financial press releases, including the type and presentation of information to be included in the company's press releases, use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies (which review may occur after issuance and may be done generally as a review of the types of information to be disclosed and the form of presentation to be made).

Risk Management; Ethical and Legal Compliance

20. Discuss Risk Management Policies. The Committee is to discuss guidelines and policies with respect to risk assessment and risk management to assess and manage the Company's exposure to risk. The Committee should discuss the Company's major financial, operational and strategic risk exposures and the steps management has taken to monitor and control these exposures. The Committee should also discuss the Company's risks related to cybersecurity, including review of the state of the Company's cybersecurity, emerging cybersecurity developments and threats, and the Company's strategy to mitigate cybersecurity risks.
21. Compliance with Legal Requirements and the Company's Code of Business Conduct and Ethics. The Committee will periodically obtain reports from management, the Company's senior internal audit executive (or the third-party internal audit firm and its staff) and the independent auditors that the Company and its affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics, including matters with a significant impact on the Company's financial statements. The Committee should periodically advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws

- and regulations and with the Company's Code of Business Conduct and Ethics and Whistleblower Protection and Non-Retaliation Policy. The Committee will review requests for waivers from the Company's Code of Business Conduct and Ethics with respect to directors and executive officers, and promptly disclose any waivers that are required by regulation or listing standards to be disclosed publicly.
22. Discuss Legal Affairs. The Committee will periodically discuss with management and the independent auditors the Company's legal affairs, including (a) any actions taken by, and correspondence with, any regulators or governmental authorities, (b) any legal or governmental matters that may have a material impact on the Company and (c) any other significant outstanding legal matters involving the Company or any its subsidiaries (including pending or threatened litigation) that may have a material impact on the Company's financial statements or the Company's compliance policies.
 23. Review Conflicts of Interest and Approve Related Party Transactions. The Committee will receive and review reports and disclosures of material conflicts of interests and related party transactions. The Committee will review, approve, and ratify transactions with related parties in accordance with its written policy regarding such transactions and, at least annually, review and assess each ongoing related party transaction to determine whether the relationship remains appropriate.
 24. Discuss Fraud Controls. The Committee will discuss with management, the Company's senior internal audit executive (or the third-party internal audit firm and its staff) and the independent auditors the risk of fraud and the implementation of fraud controls.

Other

25. Prepare Audit Committee Report. The Committee will prepare, with the assistance of management, the independent auditors and outside legal counsel, the Audit Committee Report containing the disclosures required by the rules of the SEC to be included in the Company's annual proxy statement.
26. Review and Approve Capital Investments. The Committee will review and approve the Company's proposed capital investments in light of the Company's strategy and financial policies, and recommend Board action with respect to significant capital investments and review the performance of those investments.
27. Review and Discuss Other Matters. The Committee will review and discuss such other matters that relate to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above. Additionally, the Committee will advise and consult with management and the Board from time to time in their discretion or as requested by management or the Board on other financial issues affecting the Company including matters such as capital structure, dividend policy, credit ratings and pension obligations.

Meetings

The Committee will meet as frequently as necessary to carry out its responsibilities under this Audit Committee Charter (this “*Charter*”). The Committee may meet in person, telephonically or by other communications equipment by means of which all persons participating in the meeting can hear each other. The Committee Chair will, in consultation with the other members of the Committee and appropriate officers of the Company, establish the agenda for each Committee meeting. Any Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting. The Committee Chair or a majority of the Committee members may call a meeting of the Committee at any time. A majority of the number of Committee members selected by the Board will constitute a quorum for conducting business at a meeting of the Committee. The act of a majority of Committee members present at a Committee meeting at which a quorum is in attendance will be the act of the Committee, unless a greater number is required by law, the Company’s certificate of incorporation or its bylaws. The Committee Chair will supervise the conduct of the meetings and will have such other responsibilities as the Board or the Committee may designate from time to time.

The Committee may request any officer or employee of the Company, or any representative of the Company’s internal or outside legal counsel, independent auditors, internal audit function or other personnel or advisors, to attend a meeting or to meet with any members or representatives of the Committee. The Committee will meet with the Company’s management, the internal auditors and the independent auditors periodically in separate private sessions to discuss any matter that the Committee, management, the internal auditors, the independent auditors or such other persons believe should be discussed privately. Any Committee member may be excused from a meeting to permit the remaining members of the Committee to act on any matter in which such member’s participation is not appropriate, and such member’s absence will not destroy the quorum for the meeting. The Committee may act by unanimous written consent in lieu of a meeting.

The Committee will maintain minutes or other records of its meetings and will give regular reports to the Board on these meetings, including the Committee’s actions, conclusions and recommendations and such other matters as required by this Charter or as the Board may from time to time specify. Reports to the Board may take the form of oral reports by the Chair of the Committee.

Delegation

Except as otherwise provided in the Company’s certificate of incorporation, bylaws, applicable laws, regulations, listing standards or a resolution of the Board, the Committee may, in its discretion, form subcommittees and delegate all or a portion of its duties and responsibilities to a subcommittee, an individual member of the Committee or officers of the Company. In particular, the Committee may also delegate to one or more of its members the authority to pre-approve audit and/or non-audit services, provided that the decisions of any member(s) to whom pre-approval authority is delegated will be presented to the Committee at the next Committee meeting.

Resources and Authority

The Committee will have the appropriate resources and authority to discharge its responsibilities as required by law, including, without limitation, the authority to engage outside auditors for special audits, reviews and other procedures and to engage independent counsel and other advisors, experts or consultants as it determines necessary or appropriate to carry out its duties. The Committee may also, to the extent it deems necessary or appropriate, meet with the Company's investment bankers or financial analysts who follow the Company.

The Company will provide for appropriate funding, as determined by the Committee, for payment of (1) compensation to the Company's independent auditors engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, (2) compensation to independent counsel and any other advisors, experts or consultants employed by the Committee, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee will have the authority to investigate any matter brought to its attention within the scope of its duties.

Annual Review

At least annually, the Committee will (1) review this Charter with the Board and recommend any changes to the Board and (2) evaluate its performance against the requirements of this Charter and review this evaluation with the Board. The evaluation will include the establishment of goals and objectives of the Committee for the upcoming year. The Committee will conduct its review of this Charter in such manner as it deems appropriate. The Committee will conduct its performance evaluation in such manner as directed by the Nominating and Corporate Governance Committee.