MONTAUK RENEWABLES

Investor Presentation

FULL YEAR 2023 RESULTS

MARCH 14, 2024

Cautionary Statement Regarding Forward-Looking and non-GAAP Financial Information

This presentation contains “forward-looking statements” within the meaning of U.S. federal securities laws. Such statements include, among others, those we make relating to our estimated and projected financial condition, results of operations, costs and expenditures and objectives for future operations, growth, initiatives and strategies. They also include those regarding future production volumes and revenues, strategic growth opportunities, the expected benefits of the Pico digestion capacity increase, the Montauk Ag project in North Carolina, the Second Apex RNG Facility, the Blue Granite RNG Facility, the Bowerman RNG Facility, the delivery of biogenic carbon dioxide volumes to European Energy, the resolution of gas collection issues at the McCarty facility, the mitigation of wellfield extraction environmental factors at the Rumpke facility, and weather-related anomalies

All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expect and, therefore, you should not unduly rely on such statements. The risks and uncertainties that could cause those actual results to differ materially from those expressed or implied by these forward-looking statements include but are not limited to: our ability to develop and operate new renewable energy projects, including with livestock farms, and related challenges associated with new projects, such as identifying suitable locations and potential delays in acquisition financing, construction, and development; reduction or elimination of government economic incentives to the renewable energy market; the inability to complete strategic development opportunities; widespread manmade, natural and other disasters (including severe weather events), health emergencies, dislocations, geopolitical instabilities or events, terrorist activities, international hostilities, government shutdowns, political elections, security breaches, cyberattacks or other extraordinary events that impact general economic conditions, financial markets and/or our business and operating results; continued inflation could raise our operating costs or increase the construction costs of our existing or new projects; rising interest rates could increase the borrowing costs of future indebtedness; the potential failure to retain and attract qualified personnel of the Company or a possible increased reliance on third-party contractors as a result; the length of development and optimization cycles for new projects, including the design and construction processes for our renewable energy projects; dependence on third parties for the manufacture of products and services and our landfill operations; the quantity, quality and consistency of our feedstock volumes from both landfill and livestock farm operations; reliance on interconnections with and access to electric utility distribution and transmission facilities and gas transportation pipeline for our Renewable Natural Gas and Renewable Electricity Generation segments; our projects not producing expected levels of output; potential benefits associated with the combustion-based oxygen removal condensate neutralization technology; concentration of revenues from a small number of customers and projects; our outstanding indebtedness and restrictions under our credit facility; our ability to extend our fuel supply agreements prior to expiration; our ability to meet milestone requirements under our power purchase agreements; existing regulations and changes to regulations and policies that effect our operations; expected benefits from the extension of the Production Tax Credit and other tax credit benefits under the Inflation Reduction Act of 2022; decline in public acceptance and support of renewable energy development and projects, or our inability to appropriately address environmental, social and governance targets, goals, commitments or concerns, including climate-related disclosures; our expectations regarding Environmental Attribute volume requirements and prices and commodity prices; our expectations regarding the period during which we qualify as an emerging growth company under the Jumpstart Our Business Startups Act (“JOBS Act”); our expectations regarding future capital expenditures, including for the maintenance of facilities; our expectations regarding the use of net operating losses before expiration; our expectations regarding more attractive carbon intensity scores by regulatory agencies for our livestock farm projects; market volatility and fluctuations in commodity prices and the market prices of Environmental Attributes and the impact of any related hedging activity; regulatory changes in federal, state and international environmental attribute programs and the need to obtain and maintain regulatory permits, approvals, and consents; profitability of our planned livestock farm projects; sustained demand for renewable energy; potential liabilities from contamination and environmental conditions; potential exposure to costs and liabilities due to extensive environmental, health and safety laws; impacts of climate change, changing weather patterns and conditions, and natural disasters; failure of our information technology and data security systems; increased competition in our markets; continuing to keep up with technology innovations; concentrated stock ownership by a few stockholders and related control over the outcome of all matters subject to a stockholder vote.

We provide greater detail regarding risks and uncertainties that could potentially impact forward-looking statements in the sections entitled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” in our 2023 Form 10-K and our subsequent 2024 Form 10-Qs and other SEC filings. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties. The forward-looking statements included in this presentation are made only as of the date hereof and we undertake no obligation to publicly update or revise any forward-looking statement except as required by law.

This presentation contains non-GAAP financial measures such as EBITDA and Adjusted EBITDA. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures may be found in this presentation (including the appendix) or our SEC filings. We present non-GAAP financial measures because we believe they assist investors in analyzing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, EBITDA and Adjusted EBITDA are financial performance measurements that management and our board of directors use in their financial and operational decision-making and in the determination of certain compensation programs. Non-GAAP financial measures supplement our results as reported in accordance with GAAP and should not be considered in isolation from, as a substitute for, GAAP financial measures such as net (loss) income, cash flows from operating activities or as a measure of our liquidity or profitability.

Financial Performance

Income Statement

(in thousands, except per share data)	For the year ended December 31, 2023	2022
Total operating revenues	$ 174,904	$ 205,559
Operating expenses:		
Operating and maintenance expenses	59,762	57,267
General and administrative expenses	34,403	34,139
Royalties, transportation, gathering and production fuel	34,861	44,163
Depreciation, depletion and amortization	21,158	20,700
Gain on insurance proceeds	—	(313)
Impairment loss	902	4,852
Transaction costs	178	185
Total operating expenses	$ 151,264	$ 160,993
Operating income	$ 23,640	$ 44,566
Other expenses (income):		
Interest expense	$ 5,753	$ 1,792
Other income	(479)	(468)
Total other expenses	$ 5,274	$ 1,324
Income before income taxes	$ 18,366	$ 43,242
Income tax expense	3,418	8,048
Net income	$ 14,948	$ 35,194
Income per share:		
Basic	$ 0.11	$ 0.25
Diluted	$ 0.11	$ 0.25
Weighted-average common shares outstanding:		
Basic	141,727,905	141,238,851
Diluted	142,151,640	142,579,389

MONTAUK RENEWABLES

Operational Results – Year Ended December 31, 2023

(in thousands, unless otherwise indicated)

All comparisons are between the year ended December 31, 2023 and the year ended December 31, 2022, unless otherwise indicated

Renewable Natural Gas ("RNG") Metrics

- Flat year over year

RIN Metrics

- 1,113 increase in volumes sold
- $0.54 decrease in averaged realized price per RIN
- 631 decrease in CY RINs carried into next CY

Renewable Electricity Generation ("REG") Metrics

- 4 MWh increased production

Operating and Maintenance Expenses

- $4,157 increased RNG operating expenses
- $1,341 decreased REG operating expenses

General and administrative expenses

- $264 increase

Operational Performance

Operating Metrics

(in thousands, unless otherwise indicated)	For the year ended December 31, 2023	2022	Change	Change %
Revenues				
Renewable Natural Gas Total Revenues	$ 156,455	$ 196,218	$ (39,763)	(20.3%)
Renewable Electricity Generation Total Revenues	$ 18,449	$ 17,170	$ 1,279	7.4%
RNG Metrics				
CY RNG production volumes (MMBtu)	5,499	5,522	(23)	(0.4%)
Less: Current period RNG volumes under fixed/floor-price contracts	(1,287)	(1,278)	(9)	0.7%
Plus: Prior period RNG volumes dispensed in current period	368	372	(4)	(1.1%)
Less: Current period RNG production volumes not dispensed	(358)	(378)	20	(5.3%)
Total RNG volumes available for RIN generation (1)	4,222	4,238	(16)	(0.4%)
RIN Metrics				
Current RIN generation (x 11.727) (2)	49,508	49,697	(189)	(0.4%)
Less: Counterparty share (RINs)	(5,203)	(5,275)	72	(1.4%)
Plus: Prior period RINs carried into current period	739	140	599	427.9%
Less: CY RINs carried into next CY	(108)	(739)	631	(85.4%)
Total RINs available for sale (3)	44,936	43,823	1,113	2.5%
Less: RINs sold	(44,936)	(43,823)	(1,113)	2.5%
RIN Inventory	0	—	0	0.0%
RNG Inventory (volumes not dispensed for RINs) (4)	358	368	(10)	(2.7%)
Average Realized RIN price	$ 2.71	$ 3.25	$ (0.54)	(16.6%)
Operating Expenses				
Renewable Natural Gas Operating Expenses	$ 80,762	$ 86,068	$ (5,306)	(6.2%)
Operating Expenses per MMBtu (actual)	$ 14.69	$ 15.59	$ (0.90)	(5.8%)
REG Operating Expenses	$ 13,730	$ 14,910	$ (1,180)	(7.9%)
$/MWh (actual)	$ 70.77	$ 78.47	$ (7.70)	(9.8%)
Other Metrics				
Renewable Electricity Generation Volumes Produced (MWh)	194	190	4	2.1%
Average Realized Price $/MWh (actual)	$ 95.10	$ 90.37	$ 4.73	5.2%

(1) RINs are generated the month following the month gas is produced and dispensed. Volumes under fixed/floor arrangements generate RINs which we not self-market.
(2) One MMBtu of RNG has the same energy content as 11.727 gallons of ethanol, and thus may generate 11.727 RINs under RFS program.qua
(3) Represents RINs available to be self-marketed by us during the reporting period.
(4) Represents gas production on which RINs are not generated.

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Financial Performance

Balance Sheet

(in thousands, except per share data)	As of December 31, 2023	As of December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 73,811	$ 105,177
Accounts and other receivables	12,752	7,222
Current restricted cash	8	22
Related party receivable	-	9,000
Current portion of derivative instruments	785	879
Prepaid expenses and other current assets	2,819	2,568
Total current assets	$ 90,175	$ 124,868
Non-current restricted cash	$ 423	$ 407
Property, plant and equipment, net	214,289	175,946
Goodwill and intangible assets, net	18,421	15,755
Deferred tax assets	2,076	3,952
Non-current portion of derivative instruments	470	936
Operating lease right-of-use assets	4,313	4,742
Finance lease right-of-use assets	36	96
Related party receivable	10,138	—
Other assets	9,897	5,614
Total assets	**$ 350,238**	**$ 332,316**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 7,916	$ 4,559
Accrued liabilities	12,789	15,090
Income tax payable	313	402
Current portion of operating lease liability	420	410
Current portion of finance lease liability	26	71
Current portion of long-term debt	7,886	7,870
Total current liabilities	$ 29,350	$ 28,402
Long-term debt, less current portion	$ 55,614	$ 63,505
Non-current portion of operating lease liability	4,133	4,341
Non-current portion of finance lease liability	10	25
Asset retirement obligations	5,900	5,493
Other liabilities	4,992	3,459
Total liabilities	$ 99,999	$ 105,225
STOCKHOLDERS' EQUITY		
Common stock, $0.01 par value, authorized 690,000,000 shares; 143,732,811 and 143,682,811 shares issued at December 31, 2023 and December 31, 2022, respectively; 141,986,189 and 141,633,417 shares outstanding at December 31, 2023 and December 31, 2022, respectively	1,420	1,416
Treasury stock, at cost, 984,762 and 971,306 shares December 31, 2023 and December 31, 2022, respectively	(11,173)	(11,051)
Additional paid-in capital	214,378	206,060
Retained earnings	45,614	30,666
Total stockholders' equity	250,239	227,091
Total liabilities and stockholders' equity	**$ 350,238**	**$ 332,316**

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Cash Flow

(in thousands, unless otherwise indicated)

	For the year ended December 31, 2023	2022
Net cash provided by (used in):		
Operating activities	$ 41,053	$ 81,066
Investing activities	(63,087)	(20,794)
Financing activities	(9,330)	(8,279)
Net (decrease) increase in cash and cash equivalents	(31,364)	51,993
Restricted cash, end of the period	431	429
Cash and cash equivalents, end of period	74,242	105,606

Operating items affecting net income include:

- $8,843 adjustments to working capital and other assets and liabilities
- $8,318 accounting for stock-based compensation
- $1,876 provision for deferred income taxes

Investing activities include:

- $18,593 capital expenditures for Montauk Ag Renewables
- $13,655 capital expenditures for Pico Digestion Capacity Increase
- $13,092 capital expenditures for Second Apex RNG Facility

Financing activities

- $8,000 repayments of term loan
- $1,138 increase in related party receivable

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Business Development

Capital Development Summary (in thousands, unless otherwise indicated)

The following summarizes our ongoing development growth plans expected capacity contribution, anticipated commencement of operations, and capital expenditure estimate, respectively, excluding Montauk Ag Renewables Development project:

Development Opportunity	Estimated Capacity Contribution (MMBtu/day)	Anticipated Commencement Date	Estimated Capital Expenditure
Pico Digestion Capacity Increase	300	2024 second quarter	Up to $20,000
Second Apex RNG Facility	2,100	2024 fourth quarter	$25,000-$35,000
Blue Granite RNG Facility	900	2026	$25,000-$35,000
Bowerman RNG Facility	3,600	2026	$85,000-$95,000
European Energy Facility	N/A	2027	Up to $15,000/facility

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Business Development

Carbon Dioxide Beneficial Use Opportunity (in thousands, unless otherwise indicated)

2023 Highlights

- Signed contract for delivery of 140 tons per year of biogenic carbon dioxide (“CO2”) with a North American subsidiary of Denmark-based European Energy (“EENA”)
- Reserves EENA the use of the CO2 from our four Texas facilities
- Delivery term is expected to last at least 15 years with first delivery to begin in 2027
- Capital investment is estimated to be approximately $15,000 per facility

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Business Development

Blue Granite RNG Project

2023 Highlights

- Announced planned entrance into South Carolina with the development of a new landfill gas-to-RNG facility
- Expect 900 MMBtu per day of production capacity
- Currently expect commercial operations in 2026 due to required utility distribution system upgrades
  - Upgrades do not impact our interconnection estimates
- Continue to review various alternatives related to interconnection opportunities

Business Development

Bowerman Power RNG Facility

2023 Highlights

- Announced development of an RNG landfill project in Irvine, CA at the Frank R. Bowerman Landfill
- Beneficially process available feedstock in excess of existing REG facility
- Anticipated nameplate capacity of approximately 3,600 MMBtu per day
- Target commissioning date in 2026
- REG facility will continue in operation at RNG facility commissioning

Business Development

Pico Feedstock Amendment (in thousands, unless otherwise indicated)

2023 Highlights

- CARB certified provisional CI score pathway after public comment period
  - First record and generation of LCFS credit revenue on provisional CI
- All remaining gas released from storage
- Commissioned additional digestion capacity and new reception pit
- Expect to complete commissioning of last digestion capacity increase in 2024 second quarter
- Expect dairy to deliver final feedstock increase during 2025
  - Final contractual payment expected 2025

Business Development

Second Apex RNG Facility

2023 Highlights

- Continued construction of a second RNG processing facility
- Planned in connection with increased projections of biogas feedstock availability by landfill host
- Expect 2,100 MMBtu per day capacity increase
- Production increase will be in connection to landfill host waste intake
- Currently expect commercial operations in fourth quarter 2024

Business Development

Montauk Ag Renewables (in thousands, unless otherwise indicated)

2023 Highlights (Continued)

- Announced first phase capital investment ranging between $140,000 to $160,000
- Expected commissioning timeline
  - Second Quarter 2024: Relocated Magnolia reactor
  - Revenue generating activities beginning in 2025
  - Second half 2024 – Second half 2025: rolling commissioning of processing lines
- Estimated annual production beginning 2026, equating to 45 to 50 thousand MWh equivalents
  - Process feedstock from 120 thousand hog spaces per day, equating to 200 tons
  - 190 to 200 thousand MMBtu annually
  - 25 to 30 thousand MWh annually
  - 17 to 20 thousand tons char soil enhancement annually

Business Development

Montauk Ag Renewables

2023 Highlights

- Turkey, NC location has been approved to participate in the Piedmont Natural Gas Renewable Gas Pilot Program
- Signed a lease agreement with Piedmont Natural Gas to provide access to the Turkey, NC property during the construction of the interconnection
- Signed receipt interconnection agreement with Piedmont Natural Gas for Turkey, NC
- Received notification from the NCUC that the Turkey, NC location was approved for an NREF and Certificate of Public Convenience and Necessity
- In March 2024, we submitted an amendment to our New Renewable Energy Facility application with NCUC

Business Development

REG Facility Sale (in thousands, unless otherwise indicated)

2024 Highlights

- Agreement reached with site host to sell gas rights ahead of fuel supply expiration effective October 1, 2024
  - Proceeds of $1,000
  - No longer required to decommission or remove machinery or equipment
- Sale comes as the power purchase agreement was set to expire in 2024
  - PPA expiration would significantly decrease revenues adversely impacting cash flows
- In connection, we secured two separate five-year RNG fuel supply agreement extensions at Atascocita and Coastal Plains

Business Development

Strategic Growth Opportunity Pipeline

Positioned for continued growth, with on-going evaluation of various strategic opportunities:

- Multiple LFG RNG and CNG distribution opportunities in various stages of evaluation
- Exploring wastewater treatment to RNG project opportunities
- Potential costs associated with material acquisition and/or development capital expenditures
- Sufficient capital resources to close on any or all of the currently identified opportunities

We have not entered into any definitive agreements. As we are in various stages of evaluation of strategic opportunities to continue the growth of the Company and while we have entered into nonbinding letters of intent for certain of these opportunities, we can give no assurances that our plans related to these strategic opportunities will progress to definitive agreements. We may not progress on any current strategic opportunity we are evaluating. We believe that our existing cash and cash equivalents, cash generated from operations, and availability under our Amended Credit Agreement will allows us to pursue and close any of these strategic opportunities.

Appendix

Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA

The following table provides our EBITDA and Adjusted EBITDA for the periods presented, as well as a reconciliation to net income:

	For the year ended December 31,	
	2023	2022
Net income	$ 14,948	$ 35,194
Depreciation, depletion and amortization	21,158	20,700
Interest expense	5,753	1,792
Income tax expense	3,418	8,048
Consolidated EBITDA	45,277	65,734
Impairment loss (1)	902	4,852
Net loss (gain) on sale of assets	94	(233)
Transaction costs	178	185
Adjusted EBITDA	**$ 46,451**	**$ 70,538**

(1) For the year ended December 31, 2023, we recorded impairments of $777 for specifically identified RNG machinery and feedstock processing equipment that were no longer in operational use as well as $125 in obsolete REG critical spares. For year ended December 31, 2022, we recorded an impairment of $2,133 for a REG site wherein the forecast future cash flows did not exceed the carrying value of the site's long lived assets. A second REG site was impaired for $1,393 due to discrete conclusion that certain assets acquired in the May 2021 Montauk Ag Renewables Acquisition would no longer be utilized. Also in 2022, we recorded an impairment at an RNG facility for appr46oximately $1,108 due to the specific identification of certain assets no longer being capable of use as designed.

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