MONTAUK RENEWABLES

Investor Presentation

THIRD QUARTER 2022

NOVEMBER 9, 2022

Disclaimers and Confidentiality

Forward-Looking Statements

"Forward-looking statements" within the meaning of U.S. federal securities laws that involve substantial risks and uncertainties. All statements other than statements of historical or current fact included in this report are forward-looking statements. Forward-looking statements refer to our current expectations and projections relating to our financial condition, results of operations, plans, objectives, strategies, future performance, and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "assume," "believe," "can have," "contemplate," "continue," "strive," "aim," "could," "design," "due," "estimate," "expect," "forecast," "goal," "intend," "likely," "may," "might," "objective," "plan," "predict," "project," "potential," "seek," "should," "target," "will," "would," and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operational performance or other events. For example, all statements we make relating to future results of operations, financial condition, expectations and plans of the Company, including expected benefits of the Pico feedstock amendment and the Montauk Ag project in North Carolina, the anticipated completion of the Raeger capital improvement project, the resolution of gas collection issues at the McCarty facility, our estimated and projected costs, expenditures, and growth rates, our plans and objectives for future operations, growth, or initiatives, or strategies are forward-looking statements. 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; deterioration in general economic conditions outside our control including the impacts of supply chain disruptions, inflationary cost increases, and other macroeconomic factors; 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 impact of the ongoing COVID-19 pandemic on our business, financial condition and results of operations; 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 to distribution and transmission products for our Renewable Natural Gas and Renewable Electricity Generation segments; our projects not producing expected levels of output; the anticipated benefits of the Raeger capital improvement project, Pico feedstock amendment and the Montauk Ag project in North Carolina; potential benefits associated with the combustion-based oxygen removal condensate neutralization technology; resolution of gas collection issues at the McCarty facility; 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 under the Inflation Reduction Act of 2022; decline in public acceptance and support of renewable energy development and projects; 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; security threats, including cyber-security attacks; 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; and other risks and uncertainties detailed in the section titled "Risk Factors" in our latest Annual Report on Form 10-K.

We make many of our forward-looking statements based on our operating budgets and forecasts, which are based upon detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements as well as others made in our Securities and Exchange Commission filings and public communications. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties. The forward-looking statements included herein are made only as of the date hereof. The Company undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events, or otherwise, except as required by law.

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Non-GAAP Financial Measures

This presentation and the accompanying tables include references to EBITDA and Adjusted EBITDA which are Non-GAAP financial measures. We present EBITDA and Adjusted EBITDA because we believe the measures 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 measurements of performance that management and the board of directors use in their financial and operational decision-making and in the determination of certain compensation programs. EBITDA and Adjusted EBITDA are supplemental performance measures that are not required by or presented in accordance with GAAP. EBITDA and Adjusted EBITDA should not be considered alternatives to net (loss) income or any other performance measure derived in accordance with GAAP, or as an alternative to cash flows from operating activities or a measure of our liquidity or profitability.

Please see the table at the end of this presentation titled “Non-GAAP Reconciliation.”

Financial Performance

Income Statement

(in thousands, except for share and per share data):

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Total operating revenues	$ 55,860	$ 39,749	$ 155,916	$ 102,872
Operating expenses:				
Operating and maintenance expenses	$ 14,134	$ 13,123	$ 42,205	$ 36,954
General and administrative expenses	8,466	7,520	25,715	35,280
Royalties, transportation, gathering and production fuel	12,188	6,636	34,484	18,840
Depreciation, depletion and amortization	5,167	5,666	15,453	17,062
Gain on insurance proceeds	—	(157)	(313)	(238)
Impairment loss	2,273	—	2,393	626
Transaction costs	—	232	32	357
Total operating expenses	$ 42,228	$ 33,020	$ 119,969	$ 108,881
Operating income (loss)	$ 13,632	$ 6,729	$ 35,947	$ (6,009)
Other expenses (income):				
Interest expense	$ 36	$ 697	$ 339	$ 2,064
Other (income) expense	(131)	617	(463)	662
Total other (income) expense	$ (95)	$ 1,314	$ (124)	$ 2,726
Income (loss) before income taxes	$ 13,727	5,415	$ 36,071	$ (8,735)
Income tax expense (benefit)	2,540	(3,481)	6,847	1,286
Net income (loss)	$ 11,187	$ 8,896	$ 29,224	$ (10,021)
Earnings (loss) per share:				
Basic	$ 0.08	$ 0.06	$ 0.21	$ (0.07)
Diluted	$ 0.08	$ 0.06	$ 0.20	$ (0.07)
Weighted-average common shares outstanding:				
Basic	141,290,748	141,015,213	141,156,126	141,015,213
Diluted	142,722,396	141,048,006	142,627,711	141,015,213

MONTAUK RENEWABLES

Operational Results – Quarter Ended September 30, 2022

(in thousands, unless otherwise indicated)

All comparisons are between the third quarter ended September 30, 2022 and the third quarter ended September 30, 2021, unless otherwise indicated.

Renewable Natural Gas ("RNG") Metrics

- (73) MMBtu decreased production

Renewable Identification Number ("RIN") Metrics

- (2,400) decrease in volumes sold
- $1.84 increase in averaged realized price per RIN sold
- (716) decrease in RINs generated

Renewable Electricity Generation ("REG") Metrics

- 6 MWh increased production

Operating and Maintenance Expenses

- $3,344 increased RNG operating expenses
- ($1,463) decreased REG operating expenses

General and Administrative Expenses

- $946 increase
- $1,102 of the increase due to 2021 Montauk Ag Renewables Acquisition

Operational Performance

Operating Metrics

(in thousands, unless otherwise indicated)	Three Months Ended September 30, 2022	2021	Change	Change %
Revenues				
Renewable Natural Gas Total Revenues	$ 54,343	$ 35,002	$19,341	55.3%
Renewable Electricity Generation Total Revenues	$ 4,351	$ 3,872	$ 479	12.4%
RNG Metrics				
CY RNG production volumes (MMBtu)	1,437	1,510	(73)	(4.8%)
Less: Current period RNG volumes under fixed/floor-price contracts	(333)	(333)	—	—
Plus: Prior period RNG volumes dispensed in current period	367	309	58	18.8%
Less: Current period RNG production volumes not dispensed	(439)	(379)	(60)	15.8%
Total RNG volumes available for RIN generation (1)	1,032	1,107	(75)	(6.8%)
RIN Metrics				
Current RIN generation (x 11.727) (2)	12,100	12,985	(885)	(6.8%)
Less: Counterparty share (RINs)	(1,399)	(1,415)	16	(1.1%)
Plus: Prior period RINs carried into CY	1,547	1,586	(39)	(2.5%)
Less: CY RINs carried into next CY	—	—	—	—
Total RINs available for sale (3)	12,248	13,156	(908)	(6.9%)
Less: RINs sold	(10,850)	(13,250)	(2,400)	(18.1%)
RIN Inventory	1,398	(94)	1,492	(1587.2%)
RNG Inventory (volumes not dispensed for RINs) (4)	439	379	60	15.8%
Average Realized RIN price	$ 3.49	$ 1.65	$ 1.84	111.5%
Operating Expenses				
Renewable Natural Gas Operating Expenses	$ 23,785	$ 14,916	$ 8,869	59.5%
Operating Expenses per MMBtu (actual)	$ 16.55	$ 9.88	$ 6.67	67.5%
Renewable Electricity Generation Operating Expenses	$ 2,525	$ 3,961	$ (1,436)	(36.3%)
$/MWh (actual)	$ 51.53	$ 93.00	$ (41.47)	(44.6%)
Other Metrics				
Renewable Electricity Generation Volumes Produced (MWh)	49	43	6	14.0%
Average Realized Price $/MWh (actual)	$ 88.80	$ 90.93	$ (2.13)	(2.3%)

(1) RINs are generated in the month that the gas is dispensed to generate RINs, which occurs the month after the gas is produced. Volumes under fixed/floor-price arrangements generate RINs which we do 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 the RFS program.
(3) Represents RINs available to be self-marketed by us during the reporting period.
(4) Represents gas production which has not been dispensed to generate RINs.

Financial Performance

Balance Sheet

		As of September 30, 2022		As of December 31, 2021
ASSETS				
Current assets:				
Cash and cash equivalents	$	95,619	$	53,266
Accounts and other receivables		12,264		9,338
Related party receivable		8,940		8,940
Current portion of derivative instrument		718		—
Prepaid expenses and other current assets		4,110		2,846
Assets held for sale		—		777
Total current assets	$	121,651	$	75,167
Restricted cash—non-current	$	407	$	328
Property, plant and equipment, net		173,968		180,893
Goodwill and intangible assets, net		15,897		14,113
Deferred tax assets		4,568		10,570
Non-current portion of derivative instrument		1,244		—
Operating lease right-of-use assets		124		305
Finance lease right-of-use assets		113		—
Other assets		5,971		5,104
Total assets	$	323,943	$	286,480
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	$	3,369	$	4,973
Accrued liabilities		17,243		10,823
Income tax payable		288		—
Current portion of derivative instrument		1,440		650
Current portion of operating lease liability		84		296
Current portion of finance lease liability		69		—
Current portion of long-term debt		7,854		7,815
Total current liabilities	$	30,347	$	24,557
Long-term debt, less current portion	$	65,485	$	71,392
Non-current portion of derivative instrument		—		189
Non-current portion of operating lease liability		21		27
Non-current portion of finance lease liability		42		—
Asset retirement obligation		5,397		5,301
Other liabilities		3,843		2,721
Total liabilities	$	105,135	$	104,187
STOCKHOLDERS' EQUITY				
Common stock, $0.01 par value, authorized 690,000,000 shares; 143,603,681 and 143,584,827 shares issued at September 30, 2022 and December 31, 2021, respectively; 141,290,748 and 141,015,213 shares outstanding at September 30, 2022 and December 31, 2021, respectively	$	1,410	$	1,410
Treasury stock, at cost, 959,344 and 950,214 shares September 30, 2022 and December 31, 2021, respectively		(10,904)		(10,813)
Additional paid-in capital		203,606		196,224
Retained earnings (deficit)		24,696		(4,528)
Total stockholders' equity	$	218,808	$	182,293
Total liabilities and stockholders' equity	$	323,943	$	286,480

Cash Flow

(in thousands, unless otherwise indicated)

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Net cash flows provided by operating activities	59,809	$ 21,298
Net cash flows used in investing activities	(11,270)	(11,414)
Net cash flows used in financing activities	(6,106)	(9,860)
Net increase in cash and cash equivalents	42,433	24
Restricted cash, end of period	426	691
Cash and cash equivalents and restricted, end of period	96,045	21,583

Operating items affecting net income include:

- $7,382 accounting for stock-based compensation
- $6,002 accounting for deferred income taxes
- ($333) adjustments to working capital and other assets and liabilities

Investing activities include:

- $12,750 capital expenditures
  - Includes $2,500 Pico feedstock amendment payments
- $1,088 proceeds received from NOx emissions allowance credits sales

Financing activities

- $6,000 repayments of term loan

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Business Development

Pico Facility Improvement Project

Production update

- CARB will after validation subject CI score pathway to public comment period
- Results of public comment period expected in Q1 of 2023
- CARB approved temporary CI for Q3 and Q4 2022
- Started generating and recognizing RIN revenues from Pico gas storage release
- Expect LCFS 2022 credit revenue in first half of 2023

Capacity expansion program

- Second of three feedstock volume increase milestones achieved
  - Currently expect production to increase five to ten percent
  - Expect dairy to deliver final feedstock increase during 2024
  - Finalized design of digestion capacity and began capital expenditures in Q3 of 2022

Business Development

Montauk Ag Renewables

2022 Updates

- Turkey facility designated as New Renewable Energy Facility by NC Utilities Commission
- Turkey facility entered into NC Utilities Commission pilot project portfolio
- NC Utilities Commission placed three-year moratorium on any new New Renewable Energy Facility designations
- Continuing to work with engineer of record to optimize reactor technology

2022 Recent Developments

Apex Second RNG Facility

Announced second facility in August 2022

- Planned in connection with increased projections of biogas feedstock availability by landfill host
- Expect 2,100 MMBtu per day increase in daily production representing a 40% increase in processing capacity
- Currently expect commercial operations in 2024

Business Development

Strategic Growth Opportunity Pipeline

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

- Multiple LFG RNG sites 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

MONTAUK RENEWABLES

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, which is the most directly comparable GAAP measure, for the three months ended September 30, 2022 and 2021:

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021
Net income	$ 11,187	$ 8,896
Depreciation and amortization	5,167	5,666
Interest expense	36	697
Income tax expense (benefit)	2,540	(3,481)
Consolidated EBITDA	18,930	11,778
Net loss on sale of assets	43	822
Impairment loss (1)	2,273	—
Unrealized gains on hedging activities	(367)	—
Transaction costs	—	232
Adjusted EBITDA	**$20,879**	**$12,832**

(1) During the three months ended September 30, 2022, we recorded an impairment loss of $2,133 in connection to an REG facility where forecasted cash flows did not exceed the carrying value of the long-lived assets in the third quarter of 2022. During the three months ended September 30, 2021, there was no impairment of assets recognized.