Fourth Quarter and Full-Year 2020 Results Conference Call

March 2021

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Industry Information

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Business Update

Executive Summary

4Q20 performance and management outlook

4Q20 Performance
Key Performance Indicators

Unplanned downtime at Marrero. Marrero refinery throughputs declined 25% y/y in 4Q20 due to unplanned downtime and temporary feedstock constraints

Heartland performed well. Total throughputs increased 10% q/q and 6% y/y; operated at peak utilization in response to improved base oil refining production economics

Solid collections growth. Total direct used motor oil collections increased 9% in the fourth quarter 2020, supported by organic market share growth and improved vehicle miles traveled vs. 2Q20 trough levels

Business has bottomed. Refinery utilization and refined product margins both improved, as 4Q20 progressed

Strategic Initiatives
Progress Update

Myrtle Grove oil reclamation project. Myrtle Grove has begun to receive distressed hydrocarbon streams that will be pretreated and reclaimed as feedstock for sale into third-party industrial markets and at the Marrero refinery

Myrtle Grove renewable diesel project. This project is under evaluation, as we continue to consider the construction of a pre-treatment facility capable of sourcing and stabilizing non-conforming organic oils used in the production of renewable diesel fuel

Business turnaround. During the second half of 2020, we enacted a performance improvement plan that expanded our filter processing capabilities, while optimizing logistics to ensure improved fleet collection efficiencies

Management Outlook
4Q20 and Full-Year 2021

Heartland and Marrero Update. Both refineries are operating near peak utilization during the first quarter 2021

Refined Product Margins. As of March 2021, Group II base oil refined products margins were near record levels, while distillate margins have improved materially vs. 4Q20 levels

First Quarter 2021. Anticipate total Adjusted EBITDA in the range of ~$2.0 million to ~$2.5 million

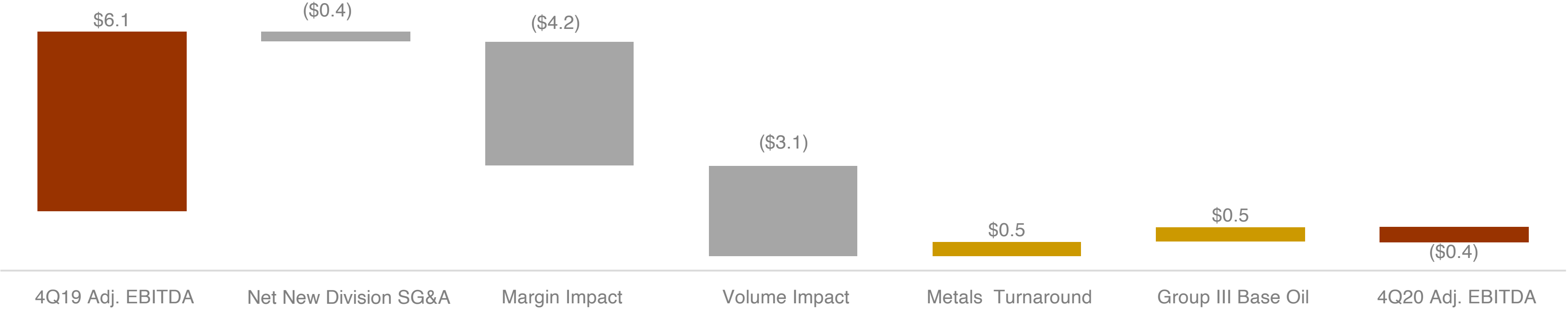
Full-Year 2021. Anticipate positive free cash flow, net income and Adjusted EBITDA

Adjusted EBITDA Performance Bridge

Refined product margin declines and weather-related disruptions at Marrero impacted 4Q20 results

4Q19 vs. 4Q20 Adjusted EBITDA Bridge

($MM)



- Additional SG&A related to the launch of new gasoline distribution division
- Margin impact related to significant y/y decline commodity prices
- Volume impact due to unplanned outage at Marrero in October 2020
- Metals business turnaround – reduced costs, improved operating efficiency
- Group III base oil prices have recovered, driven by higher underlying commodity (WTI crude oil) prices

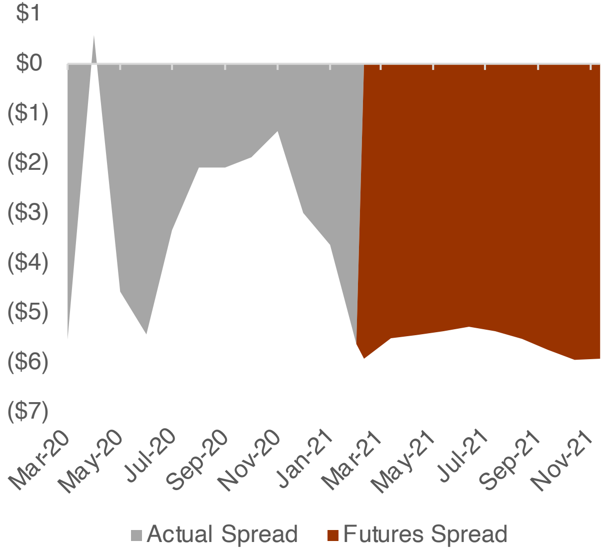
Refined Product Margins Are Improving

While margins are still below historical averages, higher crude oil prices benefit our business

- Reduction in OPEC crude oil production drove crude oil prices higher beginning in Nov-20
- U.S. Energy Information Administration forecasting WTI to remain ~$50 barrel at least through the end of 2022
- Refined product margins have improved at both Marrero and Heartland since November 2020 and remain strong into March 2021

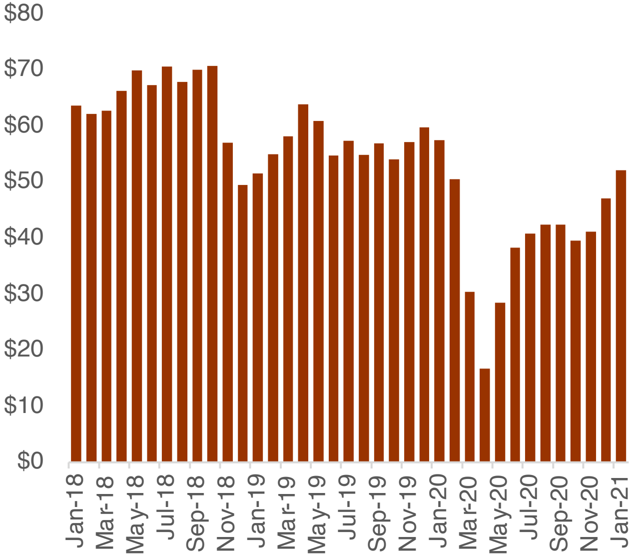
USGC 3% HSFO Less West Texas Intermediate (WTI) Crude Oil ($/Barrel)

High Sulfur Fuel Oil is a Proxy for Used Motor Oil (UMO) Price; WTI is a Proxy For Product Prices*(1)*



Higher Commodity Prices Benefit Us

WTI crude oil climbed higher beginning in Dec-20 and has held at current levels*(1)*



Source: CME Group (March 2021)

VERTEX ENERGY

Myrtle Grove Facility Update

Targeting more than 7 million gallons of annualized feedstock production at Myrtle Grove by year-end 2022

Myrtle Grove Facility Update

Oil Reclamation Project expected to add an estimated $3 million of EBITDA by year-end 2022

- **Overview.** Our co-owned Myrtle Grove (MG) facility recycles distressed organic waste streams used in the production of renewable diesel fuel and other product streams.

- **Oil Reclamation.** The oil reclamation project sources hydrocarbon waste streams from tankage and barges, recycles the oil, then resells the higher value intermediate stream into industrial end-markets. Vertex is currently in the process of enhancing its processing capabilities at MG to accept increased volumes of industrial oil for processing and expects to begin selling feed to third parties during the second half of 2021.

- **Renewable Diesel.** A future phase currently being scoped includes the potential installation of a pre-treatment plant that converts crude vegetable oils such as soybean, canola, and waste-based materials such as used cooking oil, beef tallow and distillers-corn-oil into feedstocks suitable for producing feedstock used in the production of renewable diesel fuel.

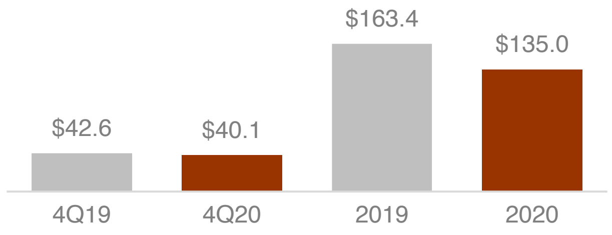
Key Financial Metrics

Fourth Quarter and Full-Year 2020

- Marrero outage in October 2020 adversely impacted 4Q20 operating income and Adjusted EBITDA by ~$2.5 million
- Per barrel refined product margin declined 45% y/y in 4Q20, given a decline in commodity prices
- Full-year results were adversely impacted by lower availability of UMO feedstocks, given pandemic-related factors, together with weather-related disruptions

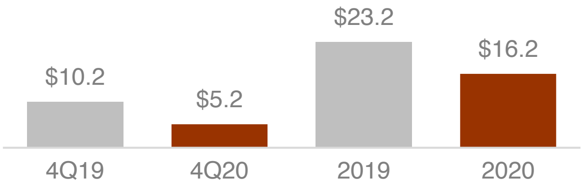
Total Revenues

($MM)



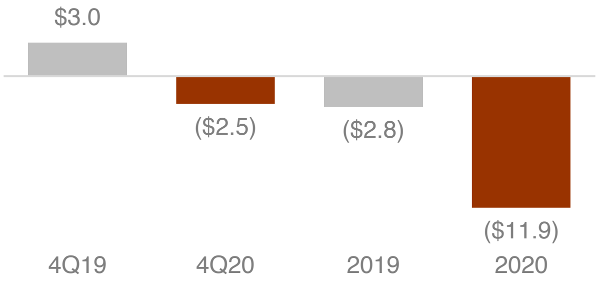
Gross Profit

($MM)



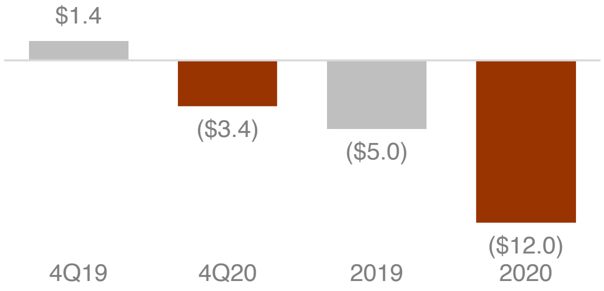
Operating Income (Loss)

($MM)



Net Income (Loss) Attributable to Vertex

($MM)



VERTEX ENERGY

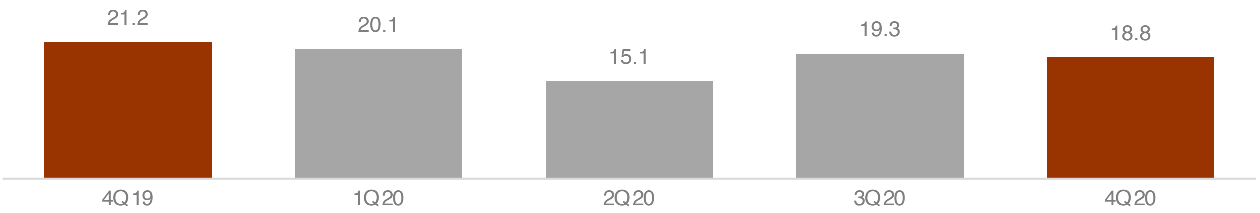
UMO Collections Have Improved From 2Q20 Lows

Collections remain below historical levels; improved operating efficiency reducing per gallon collections cost

- Collection levels have improved since 2Q20; Total direct collections increased to 10.2 million gallons in 4Q20, +9% y/y, vs. 9.4 gallons in 4Q19
- Total cost per gallon to collect is nearly 20% lower than in the prior year in early 2021, given improved route optimization and operating efficiencies
- U.S. vehicle miles traveled remain below historical levels; VMT 6% below 3-year average in December 2020

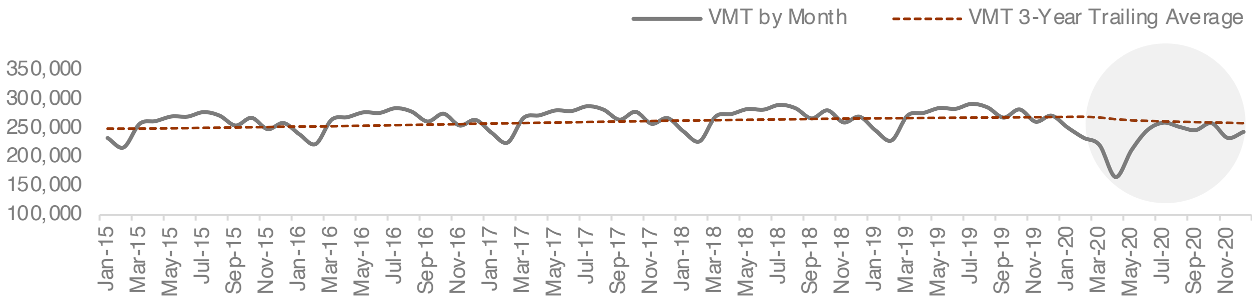
Vertex UMO Feedstock Supply

(UMO Gallons in Millions)



U.S. Vehicle Miles Traveled

(Millions of Road Vehicle Miles Traveled)(1)



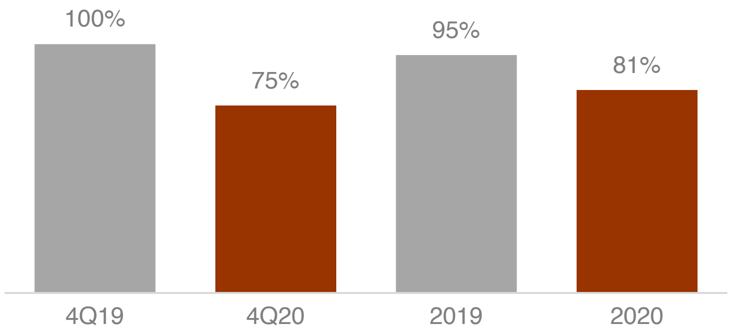
(1) Source: US DOT (February 2021)

Refinery Utilization Update

Heartland operated at peak capacity, while Marrero was impacted by adverse weather

Marrero Refinery

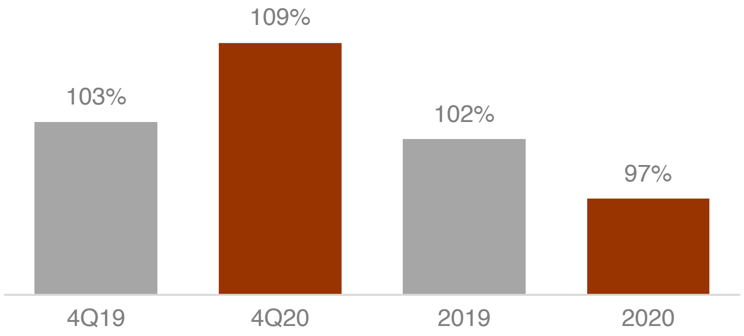
Capacity Utilization Rate*(1)*



- Full-year utilization severely impacted by pandemic-related decline in VMT, resulting in lower UMO availability
- Fourth quarter utilization impacted by severe weather conditions in Oct-20

Heartland Refinery

Capacity Utilization Rate*(1)*



- More UMO availability in regional markets vs. Marrero, allowing for utilization to remain near prior-year levels
- Attractive base oil economics currently incentivize optimizing Heartland in 1Q21

(1) Utilization defined as total refinery throughputs divided by nameplate capacity of the refinery

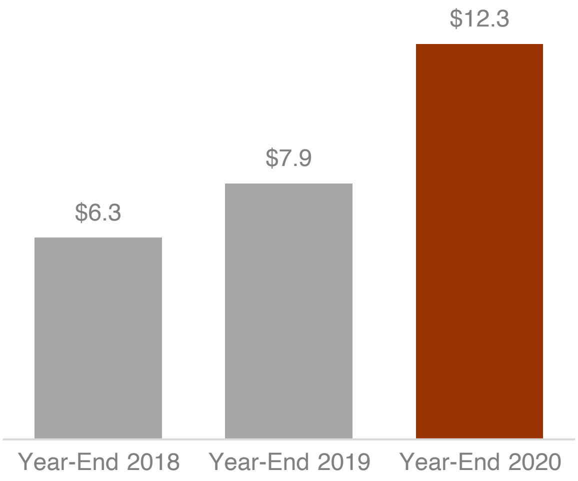
Balance Sheet Update

We expect to be free cash flow positive in both 1Q21 and Full-Year 2021

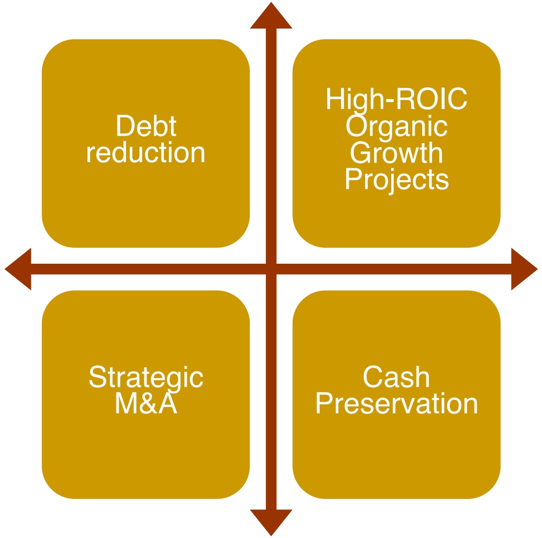
- Year-over-year growth in total cash and liquidity, despite significant pandemic-related challenges
- Significant investment in new business lines to support future growth impacted free cash flow*(2)*
- Anticipate generating positive FCF, Adjusted EBITDA and Net Income in the full-year 2021

Cash & Available Liquidity

$MM(1)



Capital Allocation Priorities



(1) Included in total cash amounts are $9.3 million in cash held in the Company's special purpose vehicles (SPVs) relating to its co-owned Myrtle Grove and Heartland assets, which are limited to use by each SPV, respectively.

(2) Free cash flow is defined as net cash from operating activities less total capital expenditures

APPENDIX

Our Strategic Focus

Outlining a path toward profitable growth through the cycle

Drive Direct Collections Growth

- Direct collections are significantly cost-advantaged over third-party purchased collections
- By increasing direct collections as % of total collections, we significantly reduce feedstock costs

Optimize Refining Asset Base

- Safe, reliable operations drive profitable growth
- Focused on reducing feedstock overhead and reducing direct OPEX per gallon sold

High-Grade Production Slate

- Shift from production of commodity intermediates toward higher value finished products
- Be recognized as leading producer of IMO compliant marine fuel and high-purity base oils

Growth CAPEX / Private Funding

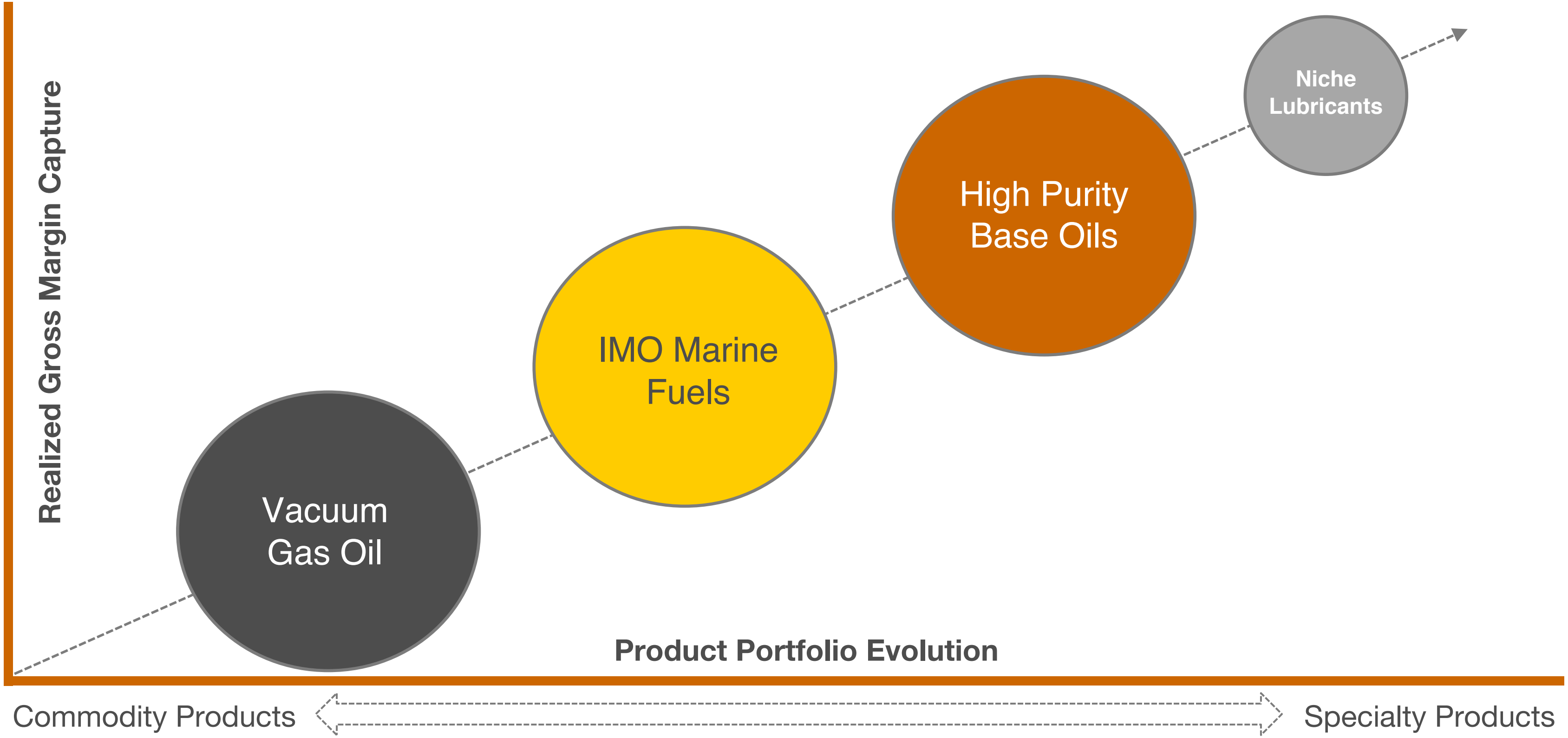
- Identify high-return organic growth projects within existing asset base
- Partner with one or more venture investors on a project-by-project basis to support project CAPEX

Profitable Growth Through Cycle

- Generate Adj. EBITDA growth – use free cash flow to maintain conservative net leverage profile
- Continue to diversify EBITDA across end-markets, geographies and customers

We Are Focused On High-Grading Our Production Slate

Moving higher on the value chain from commoditized toward branded products



Non-GAAP Reconciliation

Reconciliation of net loss attributable to Vertex Energy to Adjusted EBITDA and Free Cash Flow

	For the Three Months Ended		For the Twelve Months Ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Net income (loss)	$ (2,942,783)	$ 1,372,090	$ (11,396,175)	$ (5,485,553)
Add (deduct):				
Interest Income	-	(126)	(101)	(2,697)
Interest Expense	245,910	747,291	1,042,840	3,070,071
Depreciation and amortization	1,841,901	1,846,604	6,985,940	7,180,089
EBITDA	**(854,972)**	**3,965,859**	**(3,367,496)**	**4,761,910**
Add (deduct):				
Other income (Insurance proceeds)	-	-	-	(917,500)
Loss (gain) on change in value of derivative warrant liability	205,565	819,239	(1,638,804)	487,524
Unrealized (gain) loss on derivative instruments	70,219	1,134,723	(281,637)	(1,071,792)
Stock-based compensation	165,155	169,350	656,112	642,841
Adjusted EBITDA *	**$ (414,033)**	**$ 6,089,171**	**$ (4,631,825)**	**$ 3,902,983**
Net cash provided by (used in) operating activities	(1,427,581)	5,531,273	(76,3977)	2,473,167
Deduct: capital expenditures	(2,466,289)	(570,914)	(6,685,684)	(3,858,460)
Free cash flow	(3,893,870)	4,960,359	(6,762,081)	(1,385,293)

* EBITDA, Adjusted EBITDA, and free cash flows are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. EBITDA represents net income before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before stock-based compensation expense and gain (loss) on change in value of derivative warrant liability and unrealized gains and losses on derivative instruments for hedging activities. Free cash flow represents net cash provided by (used in) operating activities, less capital expenditures. Free cash flow, EBITDA and Adjusted EBITDA are presented because we believe they provide additional useful information to investors due to the various noncash items during the period. EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;
- EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, working capital needs;
- EBITDA and Adjusted EBITDA do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;
- Although depreciation and amortization are noncash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements; and
- Other companies in this industry may calculate EBITDA and Adjusted EBITDA differently than Vertex Energy does, limiting its usefulness as a comparative measure.