



# gevo®

## Gevo Signs Definitive Supply Agreement with HCS Holding for Commercial Supply of Renewable Isooctane

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### HCS Holding to Purchase Isooctane in 2017 from Gevo's Demo Hydrocarbon Facility and Larger Volumes from Gevo's First Commercial Facility

ENGLEWOOD, Colo., May 04, 2017 (GLOBE NEWSWIRE) -- [Gevo, Inc.](#) (NASDAQ:GEVO), announced today that it has entered into a Supply Agreement with HCS Holding GmbH (HCS) to supply renewable isooctane under a five-year offtake agreement. HCS is a leading global supplier of high-quality hydrocarbon specialty products. Haltermann Carless, a subsidiary of HCS and one of the oldest companies in the world of chemistry, is expected to be the direct customer with Gevo under the Supply Agreement.

The Supply Agreement is consistent with the Letter of Intent with HCS that Gevo announced earlier this year.

The Supply Agreement has two phases:

1. In the first phase, HCS will purchase isooctane produced at Gevo's demonstration hydrocarbon plant located in Silsbee, Texas. This first phase commences in May 2017 and would continue until completion of Gevo's first large-scale commercial hydrocarbon plant. Gevo estimates that this could generate up to \$2-3 million of gross revenue per year.
2. In the second phase, HCS has agreed to purchase 300,000 gallons of isooctane per year with an option to purchase an additional 100,000 gallons of isooctane per year, under a five-year offtake agreement. The Supply Agreement contains a selling price that is expected to allow for an appropriate level of return on the capital required to build out Gevo's existing production facility in Luverne, Minnesota. Gevo would supply this isooctane from its first commercial hydrocarbon facility, which is expected to be built at Gevo's existing isobutanol production facility located in Luverne, Minnesota (the "Expanded Luverne Plant"). Based on Gevo's current estimates, this Supply Agreement would represent approximately 10-15% of the isooctane production from the Expanded Luverne Plant.

Gevo's primary market development target in 2017 is to enter into binding supply contracts for its renewable isobutanol, isooctane, and alcohol-to-jet fuel ("ATJ") that represents the majority of the production volume to be produced at the Expanded Luverne Plant. Gevo believes that such contracts would underpin the economics of the expansion, which should facilitate the raising of the capital necessary to finance the Expanded Luverne Plant, potentially at a lower cost of capital than what it has historically achieved through the issuance of common stock and warrants in underwritten public offerings.

"We are very pleased to work with Gevo to further develop the renewable isooctane market," says Henrik Krüpper, HCS Chief Commercial Officer and member of HCS Executive Committee. He adds: "Sustainability is a key element of our business strategy. With Gevo we have found the ideal partner to further expand our advanced ecological-sound portfolio for our customers. Gevo has created a unique product with very large potential that fits well into our long-term strategy. As our relationship with Gevo builds, we look forward to marketing other bio-based materials."

It continues to be the intent of Gevo and HCS to establish further offtake arrangements for other products such as Gevo's ATJ and isobutanol.

"The agreement with HCS is a key milestone for Gevo and represents our first definitive purchase agreement for long-term supply from our first commercial scale hydrocarbon site. As we communicated during our last conference call, one of our critical strategic objectives is to secure binding supply contracts for a combination of isobutanol and related hydrocarbon products representing at least 50% of the capacity at the expanded Luverne plant. This is exactly the type of deal I was referencing and we are excited to get the first one on the books," said Dr. Patrick Gruber, Gevo's Chief Executive Officer.

Mr. Gruber continued, "I believe the combination of our restructured balance sheet and the agreement with HCS bodes well for our ability to pursue additional agreements going forward. We are reaching a critical commercial inflection point and excited to work with marquee customers like HCS. We are making good progress towards the goals we set out at the beginning of the year and are actively pursuing additional agreements."

#### About Gevo

Gevo is a renewable technology, chemical products, and next generation biofuels company. Gevo has developed proprietary technology that uses a combination of synthetic biology, metabolic engineering, chemistry and chemical engineering to focus primarily on the production of isobutanol, as well as related products from renewable feedstocks. Gevo's strategy is to commercialize bio-based alternatives to petroleum-based products to allow for the optimization of fermentation facilities' assets, with the ultimate goal of maximizing cash flows from the operation of those assets. Gevo produces isobutanol, ethanol and high-value animal feed at its fermentation plant in Luverne, Minnesota. Gevo has also developed technology to produce hydrocarbon products from renewable alcohols. Gevo currently operates a biorefinery in Silsbee, Texas, in collaboration with South Hampton Resources Inc., to produce renewable jet fuel, octane, and ingredients for plastics like polyester. Gevo has a marquee list of partners including The Coca-Cola Company, Toray Industries Inc. and Total SA, among others. Gevo is committed to a sustainable bio-based economy that meets society's needs for plentiful food and clean air and water.

#### About HCS Holding and Haltermann Carless

HCS Holding is one of the leading manufacturers of high-quality hydrocarbons and specialty chemicals. The company employs about 500 people worldwide. The products are sold worldwide through the traditional brands Haltermann Carless, ETS Racing and EOS. HCS belongs to H.I.G. Europe, a subsidiary of the US private equity investment company, H.I.G. Capital.

Haltermann Carless's tradition-steeped history is rooted in two of the oldest chemical companies worldwide and combines the creative power of two exceptional chemists – Johann Haltermann and Eugene Carless. As an expert on solvents and other hydrocarbon-based products, companies from all over the world and from numerous industries rely on innovative solutions from Haltermann Carless. The company operates a network of state-of-the-art facilities for refining, processing and blending to produce a wide variety of specialty products in key business areas: Automotive, Middle Distillates, Oil & Gas, Pentanes, Performance Fuels, Performance Solvents and Special Aromatics.

For more information visit: <http://www.h-c-s-group.com>; [www.haltermann-carless.com](http://www.haltermann-carless.com);

#### Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which include statements relating to Gevo's ability to finance, construct and operate the Expanded Luverne Plant to produce the isooctane to be sold to HCS Holding pursuant to the Supply Agreement and whether HCS Holding will purchase the isooctane contemplated in the Supply Agreement, are made on the basis of the current beliefs, expectations and assumptions of the management of Gevo and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and Gevo undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. Although Gevo believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Gevo in general, see the risk disclosures in the Annual Report on Form 10-K of Gevo for the year ended December 31, 2016, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the U.S. Securities and Exchange Commission by Gevo.

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