Iberia Airlines Enters Into New Fuel Sales Agreement with Gevo for 6 Million Gallons of Sustainable Aviation Fuel Per Year for Five Years

November 2, 2022

ENGLEWOOD, Colo., Nov. 02, 2022 (GLOBE NEWSWIRE) -- Gevo, Inc. (NASDAQ: GEVO) is pleased to announce a new fuel sales agreement with Iberia Airlines, which is part of International Airlines Group (IAG). The Agreement provides Iberia Airlines 6 million gallons per year of sustainable aviation fuel (SAF) for five years from Gevo's future commercial operations. Iberia Airlines expects to commence fueling its aircraft with SAF from Gevo in 2028. The expected value for the Agreement is deemed to be $165 million over the five-year period, inclusive of the value from environmental benefits for Gevo.

Iberia Airlines is based in Madrid and operates an international flight network through its Madrid hub. As part of IAG, Iberia Airlines is committed to achieving net-zero carbon emissions by 2050, with 10% implementation of sustainable aviation fuel (SAF) by 2030. Utilization of SAF is one of the key opportunities for Iberia Airlines to reach its ambitious climate change goals.

Gevo continues to pursue its stated goal of producing and commercializing one billion gallons of SAF by 2030. By using the Argonne GREET model to provide a lifecycle inventory of carbon, Gevo has a business model designed to reduce greenhouse-gas emissions to net-zero over the entire lifecycle of each gallon of advanced renewable fuel (including its SAF), which includes the emissions resulting from burning the fuel in engines to power transportation. The agreement with Iberia Airlines further increases Gevo's global impact by adding to its range of airline partners.

"We are excited to welcome another member of IAG to Gevo's SAF customer roster," said Dr. Patrick R. Gruber, Gevo's Chief Executive Officer. "The growth of the offtake agreements that we are seeing for SAF reinforces that airlines are ready to make an immediate impact and reduce their carbon intensity. With these commitments, we have no doubt that Gevo can help them achieve their sustainability targets."

Iberia focuses on a four-pronged sustainability strategy: the green transition of the aviation sector, a more sustainable travel experience for its customers, turning Iberia Airlines employees into ambassadors of its sustainability strategy, and the commitment to society.

Teresa Parejo, Sustainability Director from Iberia commented on this agreement "SAF is the best solution to advance the decarbonization of the aviation sector, which will reduce emissions alongside other technology solutions as they are developed. This agreement with Gevo is part of our commitment of achieving net zero emissions by 2050, and also part of the investment being made by the entire aviation sector toward the industry's green transition. This is a global challenge that must be addressed globally and requires as much public-private collaboration as possible"

About Gevo

Gevo's mission is to transform renewable energy and carbon into energy-dense liquid hydrocarbons. These liquid hydrocarbons can be used for drop-in transportation fuels such as gasoline, jet fuel and diesel fuel, that when burned have potential to yield net-zero greenhouse gas emissions when measured across the full life cycle of the products. Gevo uses low-carbon renewable resource-based carbohydrates as raw materials, and is in an advanced state of developing renewable electricity and renewable natural gas for use in production processes, resulting in low-carbon fuels with substantially reduced carbon intensity (the level of greenhouse gas emissions compared to standard petroleum fossil-based fuels across their life cycle). Gevo's products perform as well or better than traditional fossil-based fuels in infrastructure and engines, but with substantially reduced greenhouse gas emissions. In addition to addressing the problems of fuels, Gevo's technology also enables certain plastics, such as polyester, to be made with more sustainable ingredients. Gevo's ability to penetrate the growing low-carbon fuels market depends on the price of oil and the value of abating carbon emissions that would otherwise increase greenhouse gas emissions. Gevo believes that it possesses the technology and know-how to convert various carbohydrate feedstocks through a fermentation process into alcohols and then transform the alcohols into renewable fuels and materials, through a combination of its own technology, know-how, engineering, and licensing of technology and engineering from Axens North America, Inc., which yields the potential to generate project and corporate returns that justify the build-out of a multi-billion-dollar business.

Gevo believes that the Argonne National Laboratory GREET model is the best available standard of scientific-based measurement for life cycle inventory or LCI. Learn more at Gevo's website: www.gevo.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 relate to a variety of matters, without limitation, including Gevo's technology, the Agreement with Iberia Airlines, Gevo's ability to develop, finance and construct one or more production facilities to produce the SAF contemplated by the Agreement with Iberia Airlines, the timing of Gevo producing the SAF for Iberia Airlines, Gevo's ability to produce SAF, the attributes of Gevo's products, Gevo's ability to create net-zero carbon intensity products, and other statements that are not purely statements of historical fact. These forward-looking statements 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, 2021, 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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About Iberia
Iberia is Spain's largest airline and the leading carrier between Europe and Latin America. It belongs to the IAG group and is a member of the oneworld airline alliance. Its aim is simply to be the best choice for travel. Along with Iberia Express and Iberia Regional Air Nostrum, it flies from its Madrid hub to some 50 countries around the world. In addition to carrying passengers, Iberia has diversified into the air freight, aircraft maintenance, and airport handling services business.

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