Gevo, Inc. Provides Company and Project Updates

January 19, 2023

ENGLEWOOD, Colo., Jan. 19, 2023 (GLOBE NEWSWIRE) -- Gevo, Inc. (NASDAQ: GEVO) (“Gevo” or the “Company”), a renewable fuels company focused on the production of sustainable aviation fuel (“SAF”), today provides an update on the Company and projects currently in process.

Addition of New Director
Gevo recently announced that its Board of Directors has appointed Carol Battershell as a new independent director. Carol is a seasoned executive with nearly 40 years in the energy sector in the United States and internationally. She is currently the Chief Executive Officer at Battersea Energy LLC, an energy consulting company, and she previously served as Principal Deputy Director in the Office of Policy at the U.S. Department of Energy (“DOE”). In her ten years with the DOE, Carol led multi-billion-dollar technical programs; ran the Energy Efficiency and Renewable Energy field operations office and was a key contributor to two multi-Agency energy policy reviews. Prior to the DOE, Carol worked for 25 years in the energy industry for BP where she held roles in operations management, strategy development, financial management, and policy development.

Net-Zero 1 Status
Following Gevo’s groundbreaking ceremony in September 2022, progress continues at the Lake Preston, South Dakota, Net-Zero 1 (“NZ1”) location. FEED work is substantially complete and detailed engineering continues. Equipment procurement is expected to begin soon and detailed planning for this year’s construction ramp up has commenced. The project remains on schedule for a 2025 operational startup.

Gevo recently selected a partner as its engineering, procurement, and construction (“EPC”) contractor for NZ1. That firm provides the expertise required for the Net-Zero plant design and construction. This firm also offers deep experience in the energy industry and a collaborative nature to work with the Gevo engineering team in the design and buildout of the net-zero production facility. Gevo is currently negotiating an EPC agreement with this firm and will disclose more details when the contract is finalized.

We are in discussions with multiple strategic and financial entities that are interested in providing equity funding for a portion of the NZ1 project. The progression of these discussions and the debt raise process will guide the timing for financial close and Final Investment Decision (“FID”) for NZ1, which we expect to occur in the second half of 2023. Until financial close, we will use our balance sheet to fund EPC activities. At the invitation of the Department of Energy (“DOE”), we have submitted a Part II application to the DOE’s Title 17 loan guarantee program and have begun the DOE’s loan guarantee process. This process could take several months as the DOE Loan Programs Office performs due diligence on the project, structures the potential loan and negotiates terms with Gevo prior to the loan closing process. The timeline for this process is not within Gevo’s control; however, the more favorable terms of these loans warrant pursuing a DOE loan guarantee simultaneous with Gevo’s pursuit of non-recourse debt with commercial debt fund lenders.

Progress on Key Development Milestones
Accomplished Through year-end 2022:

- Close the purchase of the land for NZ1 in Lake Preston, South Dakota
- Execute NZ1 Carbon Capture and Sequestration agreement
- Reach indicative terms on DBOOM development agreements for:
  - NZ1 Wind energy
  - Green hydrogen
- Select NZ1 engineering, procurement, and construction (“EPC”) contractor
- Select NZ1 fabricator for hydrocarbon plant modules
- Substantial Completion of NZ1 Front-End Engineering Design
- Break ground and begin site preparation for NZ1 at Lake Preston

Through year-end 2023:

- Begin ordering long lead equipment for NZ1
- Execute NZ1 lump-sum turnkey EPC contract
- Complete final negotiations with U.S. Department of Agriculture and initiate Gevo’s Climate-Smart Farm-to-Flight grant with an award ceiling of up to $30MM
- Begin receiving Low Carbon Fuel Standard (“LCFS”) credits for renewable natural gas (“RNG”) production
- Close NZ1 construction financing, including non-recourse debt and equity participation from one or more third parties
- FID for NZ1
- Finalize Net-Zero 2 location and partners

Throughout 2023, Gevo expects to update stockholders about certain key milestones related to the development, financing, and construction of NZ1 as well as subsequent Net-Zero plants. Updates to those milestones will be found in the Company’s press releases and investor presentations in the Investor Relations section of Gevo’s website.

Additional Plant Sites

Gevo continues to make steady progress on securing future SAF production locations beyond NZ1. These future sites must offer an appealing mix of attributes that enable the Company to produce low-cost fuels with the lowest carbon footprint possible. Gevo has signed agreements and letters of intent with multiple parties to secure access to several sites. In addition to greenfield sites, we believe that there are several existing ethanol plants that could be attractive for an alcohol-to-jet (ATJ) plant that would be largely copied from NZ1.

Renewable Natural Gas Project Status
Gevo's RNG project in Northwest Iowa (the "RNG Project") continues to ramp up and stabilize production. Gevo will recognize a full quarter of revenue for RNG sales in the fourth quarter of 2022; however, this revenue will be limited to the value of the commodity sales for much of the period. Revenue from Renewable Identification Number ("RIN") environmental benefits for a small portion of the quarter's gas production are expected as well. The full extent of the available RIN and LCFS credits will begin contributing to revenue at mid-year in 2023 due to timing of the approval and documentation process for the LCFS credits.

Management Comment
Dr. Patrick Gruber, CEO of Gevo commented, "We remain on track with our projects, and I am very optimistic about the future of Gevo's one billion gallons per year goal of Net-Zero fuels. We have multiple attractive sites that we are considering for Net-Zero 2 and beyond. Our process to raise project financing is underway and going well. I believe that momentum is going our way. For example, support for SAF is growing not only at the federal level, but also at the state level. The Illinois House and Senate recently passed SB 2951 which contains a SAF incentive of $1.50 per gallon for airlines that purchase SAF. The term of this incentive is for ten years beginning in June of 2023. This bill allows for the use of Argonne GREET inclusive of agricultural practices and CCS to measure carbon intensity score."

Upcoming Investor Conferences
Presentations provided in conjunction with these events will be available on Gevo's website at www.gevo.com in the Investor Relations section on the morning of the respective presentation. Members of Gevo's senior management will participate in the following hosted investor events:

Credit-Suisse 28th Annual Vail Summit– February 27 & 28, 2023, in Vail, Colorado

About Gevo Inc.

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 lifecycle 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 lifecycle). 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 Argonne National Laboratory GREET model is the best available standard of scientific based measurement for life cycle inventory or LCI.

Important Cautions Regarding 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, including, without limitation, Gevo's NZ1 project, including the timing of financing, FID and other milestones for NZ1, Gevo's other potential Net-Zero projects, Gevo's application to the DOE and the timing of the DOE process, the RNG Project, including the timing of revenue and LCFS credits for the project, Gevo's business development activities, Gevo's ability to successfully develop, construct and finance its projects, the finalization of an EPC contract, Gevo's ability to achieve cash flow from its planned projects, the Illinois SAF incentive program, and other statements that are not purely statements of historical fact. These forward-looking statements are made based on 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.

Company Contact:
John Richardson (Director of Investor Relations)
Gevo, Inc.
Tel: 720-360-7794
E-mail: jrichardson@gevo.com