Gevo’s Net-Zero 1 Reaches Key Milestone for Loan Guarantee from the U.S. Department of Energy

August 7, 2023

ENGLEWOOD, Colo., Aug. 07, 2023 (GLOBE NEWSWIRE) -- Gevo, Inc. (NASDAQ: GEVO) announced today that its Net-Zero 1 ethanol-to-jet project has been invited by the U.S. Department of Energy (“DOE”) to the due diligence and term sheet negotiation phase for a $950 million loan guarantee under the Title 17 Clean Energy Financing Program. The invitation was based on the DOE’s determination that Gevo’s Net-Zero 1 Project is highly qualified and suitable for a loan guarantee from the DOE.

This key milestone marks the successful completion of the phase II application and diligence process, which Gevo publicly announced on January 19, 2023. Most importantly, this milestone signifies the commencement of the underwriting phase for the debt financing process.

"We believe that reaching this stage with the DOE is a critical milestone and illustrative of Gevo’s progress in developing Net-Zero 1. We are excited to be working with the DOE on a process that supports our mission to deliver Sustainable Aviation Fuel (SAF) to the marketplace.” stated Dr. Patrick Gruber, Chief Executive Officer, Gevo.

The Net-Zero 1 plant is expected to have capacity of 65 million gallons per year of sustainable aviation fuel and other hydrocarbons, as well as approximately 1.5 billion pounds of high-value nutritional products on a wet basis annually. Electricity needed to power the plant is expected to come from wind energy and other renewable energy sources, ensuring a sustainable and environmentally friendly approach to fuel production. Additionally, thermal energy needs of the plant are expected to be met by renewable natural gas (RNG) sourced from upstream facilities that produce RNG using manure from dairy cattle and livestock.

DOE's invitation into the due diligence and term sheet negotiation process is not an assurance that DOE will issue a loan guarantee, nor that the terms and conditions of a loan guarantee will align with terms proposed by Gevo. The DOE invitation states, however, that Gevo and its Net-Zero 1 Project have the potential to join the DOE’s portfolio of loans. The foregoing matters are wholly dependent on the results of DOE’s review and determinations.

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.

Forward-Looking Statement

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, the DOE, the ability of Gevo to obtain financing from the DOE, the amount of the DOE loan guarantee, Gevo’s Net-Zero projects, 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, 2022 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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