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Gevo Provides Update Following Settlement With Butamax

September 8, 2015

Settlement Expected to Result in SG&A Expense Savings of Over \$7.5 Million Per Year

ENGLEWOOD, Colo., Sept. 8, 2015 (GLOBE NEWSWIRE) -- Gevo, Inc. (NASDAQ:GEVO) today provided an update following the announcement that it had entered into worldwide patent cross-license and settlement agreements with Butamax Advanced Biofuels, LLC, ending a patent dispute related to technologies for the production of bio-based isobutanol.

Key impacts of the settlement for Gevo include:

- SG&A expense savings expected to be over \$7.5 million per year
- Removes legal uncertainties which should help accelerate agreements with customers, licensees and partners
- Settlement provides Gevo and its licensees access to all isobutanol markets, while leveraging both Gevo's and Butamax's capabilities and development efforts in the jet fuel and on-road gasoline markets, respectively

"This settlement with Butamax is arguably the most important development for our company since Gevo went public in early 2011. This is a win-win agreement for both Gevo and Butamax and now enables us both to get on with making isobutanol a commercial reality and a big business," said Dr. Patrick Gruber, Gevo's Chief Executive Officer.

"Over the past four years, the dispute has proven to be a significant drain on our resources, in particular our cash. Since 2011, we have spent over \$35 million on litigation-related expenses and incurred significant additional costs related to patent-related matters in the interest of defending our freedom to operate. It will be very good to now be able to dedicate 100% of our resources to growing the business. In addition, the uncertainty surrounding the dispute has acted as a headwind for Gevo and our commercialization efforts. The legal issues were complicated to explain and the perception of potential risk caused some partners and customers to stand on the sidelines. This uncertainty is now gone. On the back of the news of the settlement, many of our existing and potential customers, licensees and partners reached out to us to congratulate us on the settlement and to express their excitement in working with Gevo going forward. We are hopeful that with this settlement in hand, we should be able to accelerate our discussions with our potential partners, including licensees," added Gruber.

"The cross license is a great outcome for Gevo as it provides access to all isobutanol markets for Gevo and its licensees. For our core, near-term markets, namely jet fuel, marine and off-road gasoline blendstocks, isooctane and solvents we can access these royalty-free, and in some cases, we may eventually generate royalties if Butamax looks to sell into certain of these markets. We believe that these core markets represent several billion dollars of value for isobutanol. To date, the on-road gasoline blendstock market has not been a near-term focus for Gevo because we believe that it will take significant resources and time to develop this market. Butamax has already made meaningful progress of gaining requisite EPA approvals. As Butamax gains these approvals and opens up the on-road gasoline blendstock market, we will be cheering them on because this is a potential longer-term market opportunity for Gevo. If, in the future, Gevo and our licensees look to access this market, we will pay Butamax a royalty which is set at a rate typical for licenses of this type," said Gruber.

About Gevo

Gevo is a leading 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 biobased 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, Minn. 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.

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, statements related to anticipated SG&A expense savings, the future market for isobutanol, the development of partnerships, customer relationships and licensing agreements, 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, 2014, as amended, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Gevo.

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