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EPA Approves Pathway for Isobutanol as an Advanced Biofuel

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Provides Route for Gevo to Generate Potentially More Valuable D5 RINs at Luverne

ENGLEWOOD, Colo., Jan. 17, 2017 (GLOBE NEWSWIRE) -- [Gevo, Inc.](#) (NASDAQ:GEVO), announced that the U.S. Environmental Protection Agency ("EPA") has approved the pathway for isobutanol produced at Gevo's Luverne, MN plant to be an advanced biofuel under the Renewable Fuel Standard Program ("RFS"). This is the first time that the EPA has approved a pathway for an advanced biofuel that uses starch from feed corn to produce an alcohol. With a partial substitution of fossil based energy sources that are currently used at Luverne with green energy sources, such as biogas, it should be possible for Gevo to achieve the 50% or greater greenhouse gas emissions ("GHG") reduction needed to claim the advanced D5 Renewable Identification Number ("RIN") according to the pathway approval.

A RIN is a serial number assigned to biofuels for the purpose of tracking their production, use and trading, as required under the RFS. RINs can be sold and traded, and as a result carry a monetary value, which is linked to the biofuels that generate the RINs.

Gevo's isobutanol from feed corn starch currently generates D6 RINs, and with this approval, Gevo's isobutanol could generate D5 RINs as well. D5 RIN credits have historically had greater value in the marketplace than D6 RINs, potentially making Gevo's isobutanol more valuable in the future. Isobutanol, used as a gasoline blend stock, generates 1.3 RINs per gallon. This compares to ethanol's 1.0 RINs per gallon, given isobutanol's higher energy density as a molecule. Currently D5 RINs have a value of approximately \$1.00 versus approximately \$0.75 for a D6 RIN. Therefore, at these current values, a gallon of isobutanol would generate RIN value of \$1.30 per gallon if it qualified for a D5 RIN, as compared to \$0.98 per gallon under a D6 RIN, or an additional \$0.32 per gallon.

Isobutanol can also be converted into renewable jet fuel and gasoline. Each of these products would also qualify for RINs.

In order for Gevo to achieve the 50% or greater GHG emission reduction measured with the EPA methodology, Gevo would need to substitute part of its fossil based energy sources at its plant in Luverne with renewable energy sources, for example substituting natural gas with biogas in the production process.

"The new EPA pathway combines the lowest cost carbohydrate feedstock sources with green energy, resulting in advanced fuels with a significant GHG reduction. It is worth noting that this pathway leads to the only advanced biofuel that has potential to significantly lower GHG's while also generating large amounts of protein for animal feed. In fact, practically all of the protein from the feed corn used by Gevo is captured and sold for animal feed. This feed corn, which is not used for human consumption, and which is supplied to Gevo in Luverne is what the local farmers are calling "low carbon corn" because of the advanced farming techniques they use to minimize chemical inputs, the low till/no till fields that are building up soil carbon and the high yields that they achieve which minimizes land use. We are pleased that there is now a route for advanced fuels that provides protein that contributes to the food system. We expect that the approval of this pathway will open up new business opportunities for Gevo, while driving sustainable environmental improvements," said Dr. Patrick Gruber, Gevo's Chief Executive Officer.

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 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.

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 meet the requirements to claim the D5 Renewable Identification Number as described above, including Gevo's ability to achieve the 50% or greater greenhouse gas emissions reduction, and whether Gevo will pursue the D5 Renewable Identification Number pathway described above, 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, 2015, 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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