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Gevo Enters into Exchange Agreement with Whitebox

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Senior Secured Lender Agrees to Exchange into New Notes with Maturity Date in 2020

ENGLEWOOD, Colo., April 20, 2017 (GLOBE NEWSWIRE) -- [Gevo, Inc.](#) (NASDAQ:GEVO), announced today that WB Gevo, Ltd. ("Whitebox"), the holder of the Company's issued and outstanding Senior Secured Convertible Notes, due June 23, 2017 (the "2017 Notes"), and the Company have entered into an Exchange and Purchase Agreement (the "Purchase Agreement") pursuant to which Whitebox has agreed to exchange (the "Exchange") all \$16.5 million of the existing 2017 Notes for the Company's newly created 12.0% Senior Secured Convertible Notes due 2020 (the "2020 Notes"). The Exchange and the issuance of the 2020 Notes require stockholder approval.

The key terms of the 2020 Notes are as follows:

- **Maturity Date:** The 2020 Notes will mature on March 15, 2020.
- **Interest:** The 2020 Notes will accrue interest at 12% per annum, with 10% payable in cash and 2% payable as Payment in Kind ("PIK") interest. The PIK interest is paid by increasing the principal amount of the 2020 Notes by the amount of PIK interest due.
- **Conversion and Conversion Price:** The 2020 Notes are convertible, at the option of the holders, into shares of the Company's common stock. The 2020 Notes will have an initial conversion price (the "Conversion Price") equal to the lesser of (i) \$1.196 per share, or (ii) a premium of 15% to the closing price of the Company's common stock on the date of the Exchange.
- **Conversion Price Reset and Adjustments:** Upon certain equity financing transactions by the Company, the holders will have a one-time right to reset the Conversion Price (i) in the first 90 days following the Exchange, at a 25% premium to the common stock price in the equity financing and (ii) after 90 and before 180 days following the Exchange, at a 35% premium to the common stock share price in the equity financing.
- **Holder Option:** The holders have an option, subject to certain conditions, to purchase up to an additional \$5.0 million aggregate principal amount of 2020 Notes within 90 days of the closing of the exchange contemplated by the Purchase Agreement.

The Exchange and the issuance of the 2020 Notes requires stockholder approval and will be voted on at the Company's Annual Meeting of Stockholders scheduled for June 15, 2017.

"We are very pleased to have signed the Purchase Agreement with Whitebox. Over the past year, we have been working hard to restructure our balance sheet and put ourselves in a stronger financial position that would enable us to move ahead with our strategic initiatives. Resolving our debt situation with Whitebox was paramount to this effort. Over the past year, we have been able to strengthen our cash position while significantly decreasing the principal balance of our 2022 Notes, which gave us the flexibility to work with Whitebox and generate a solution that we believe will benefit all of Gevo's stakeholders and give ourselves more runway to complete our goals, namely to continue to execute our growth plan of building out our Luverne plant to serve Gevo's core jet fuel, renewable gasoline and isobutanol markets," said Dr. Patrick Gruber, Gevo's Chief Executive Officer.

"With clarity on our balance sheet, we believe we will be in an improved position to develop key customer relationships and negotiate better deals for Gevo and our stockholders. I want to be clear that we still need to explore financing options to expand Luverne, but we expect this new capital structure to provide us with additional flexibility that we did not have previously. We continue to look to 2017 as a pivotal year for Gevo and remain excited about the opportunity in front of us," Mr. Gruber continued.

A Current Report on Form 8-K will be filed today with the U.S. Securities and Exchange Commission that will contain a more detailed description of the terms of the Purchase Agreement, the Exchange and the 2020 Notes and will include a copy of the Purchase Agreement and the form of indenture pursuant to which the 2020 Notes would be issued.

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 the Exchange, the Purchase Agreement, the 2020 Notes, whether Gevo's stockholders will approve the Exchange and the 2020 Notes and whether the transactions contemplated by the Purchase Agreement will be completed, 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, 2016, 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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