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Aemetis Signs Offtake Agreement with Delta Air Lines for 250 Million Gallons of Sustainable Aviation Fuel

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Aemetis, Inc. (NASDAQ: AMTX), a renewable fuels company focused on negative carbon intensity products, announced today that an offtake agreement has been signed with Delta Air Lines for 250 million gallons of blended fuel containing sustainable aviation fuel ("SAF") to be delivered over the 10-year term of the agreement. The aggregate value of the agreement is estimated to be more than $1 billion, including LCFS, RFS, 45Q and tax credits.

Sustainable aviation fuel provides significant environmental benefits compared to petroleum jet fuel, including a lower lifecycle carbon footprint. Delta's agreement with Aemetis builds on Delta's current effort for a future of net zero aviation, which includes committing to airline carbon-neutrality from March 2020 onward, aspiring to replace 10 percent of its conventional jet fuel consumption with sustainable aviation fuel (SAF) by the end of 2030 and committing to set science-based targets aligned with the Paris Agreement.

The sustainable aviation fuel is expected to be produced by the Aemetis renewable jet/diesel plant under development on a 125-acre former U.S. Army Ammunition production plant site in Riverbank, California. The blended sustainable aviation fuel is expected to be available for use by Delta starting in 2024.

"When Delta committed to being carbon neutral, we also committed to continued investment and collaboration with others in the industry," said Amelia DeLuca, Delta's managing director of sustainability. "This supply agreement is an important step toward the expansion of SAF, which is not only important in helping us achieve our net-zero aviation goals, but also in supporting our customers to achieve their own sustainability goals."

"The 90 million gallon per year Aemetis Carbon Zero sustainable aviation fuel and renewable diesel plant under development in two phases in Riverbank, California is designed to produce below zero carbon intensity renewable fuels by utilizing cellulosic hydrogen from waste forest and orchard wood along with onsite CO_2 carbon sequestration capacity," said Eric McAfee, Chairman and CEO of Aemetis.

Powered by 100% renewable electricity, the Aemetis Carbon Zero plant design utilizes cellulosic hydrogen made from carbon negative waste wood. The below zero carbon intensity, cellulosic hydrogen then is used to hydrotreat vegetable or other renewable oils to produce aviation and diesel fuel. The process technology is licensed from Axens (France), a global technology provider to the oil and chemical industries.

To further reduce carbon intensity, the Aemetis Carbon Zero production process includes injecting CO2 from the production plant into a sequestration well at the Riverbank plant site to permanently capture an estimated 200,000 metric tonnes per year of CO2.