Bayou Fuels project overview

June 2021

Velocys microchannel, patented FT technology
Commercial reactors delivered and operated

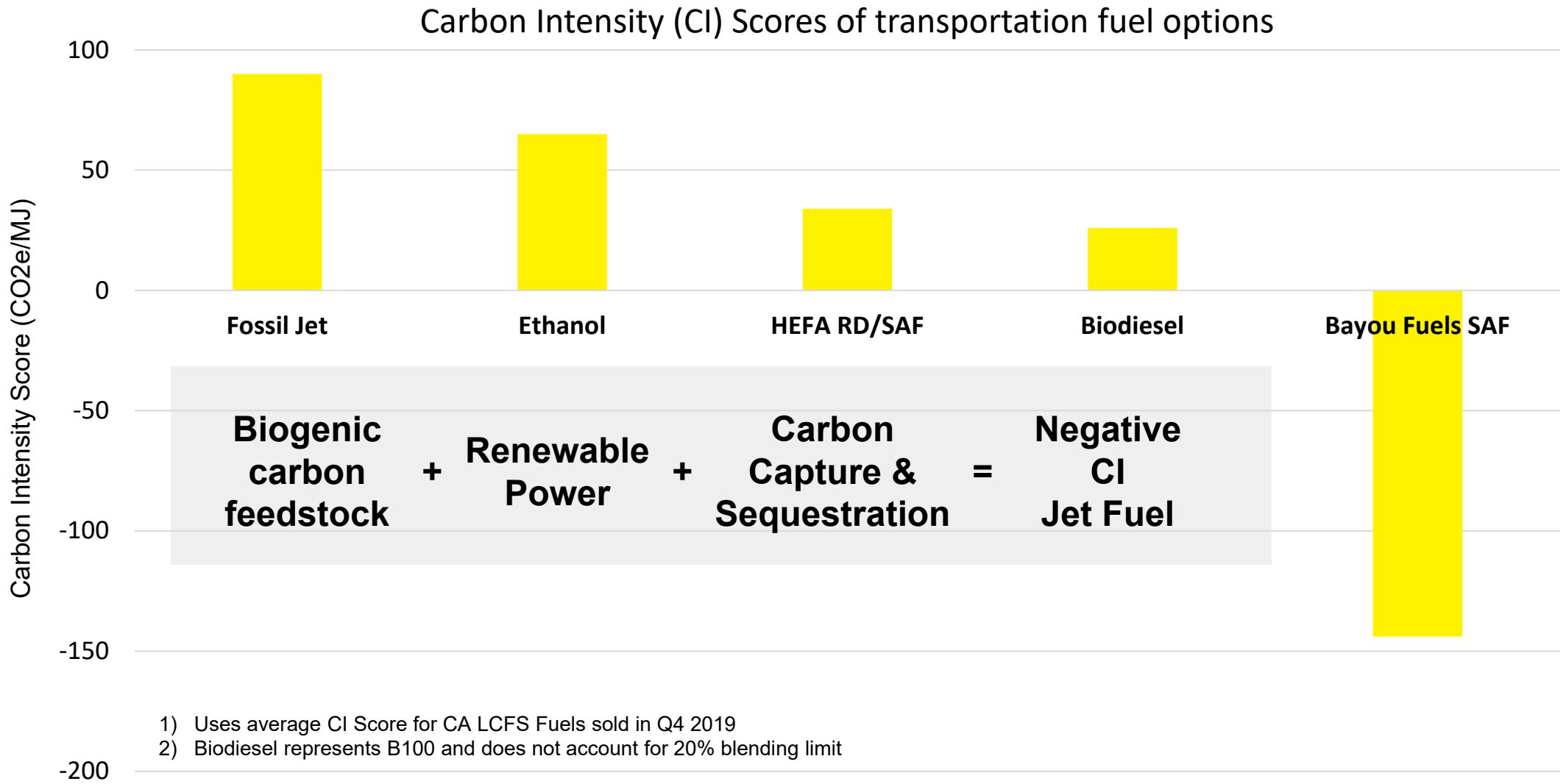
- Compact reactor design enables modular deployment for biorefineries
- Works with other proven technologies for end-to-end process producing drop-in fuels.
- Integrated ASTM code stamped pressure vessel
- Reactors sold to
  - Envia Energy JV
  - Red Rock Biofuels

Velocys commercial FT reactor

Bayou Fuels project
An integrated sustainable aviation biorefinery

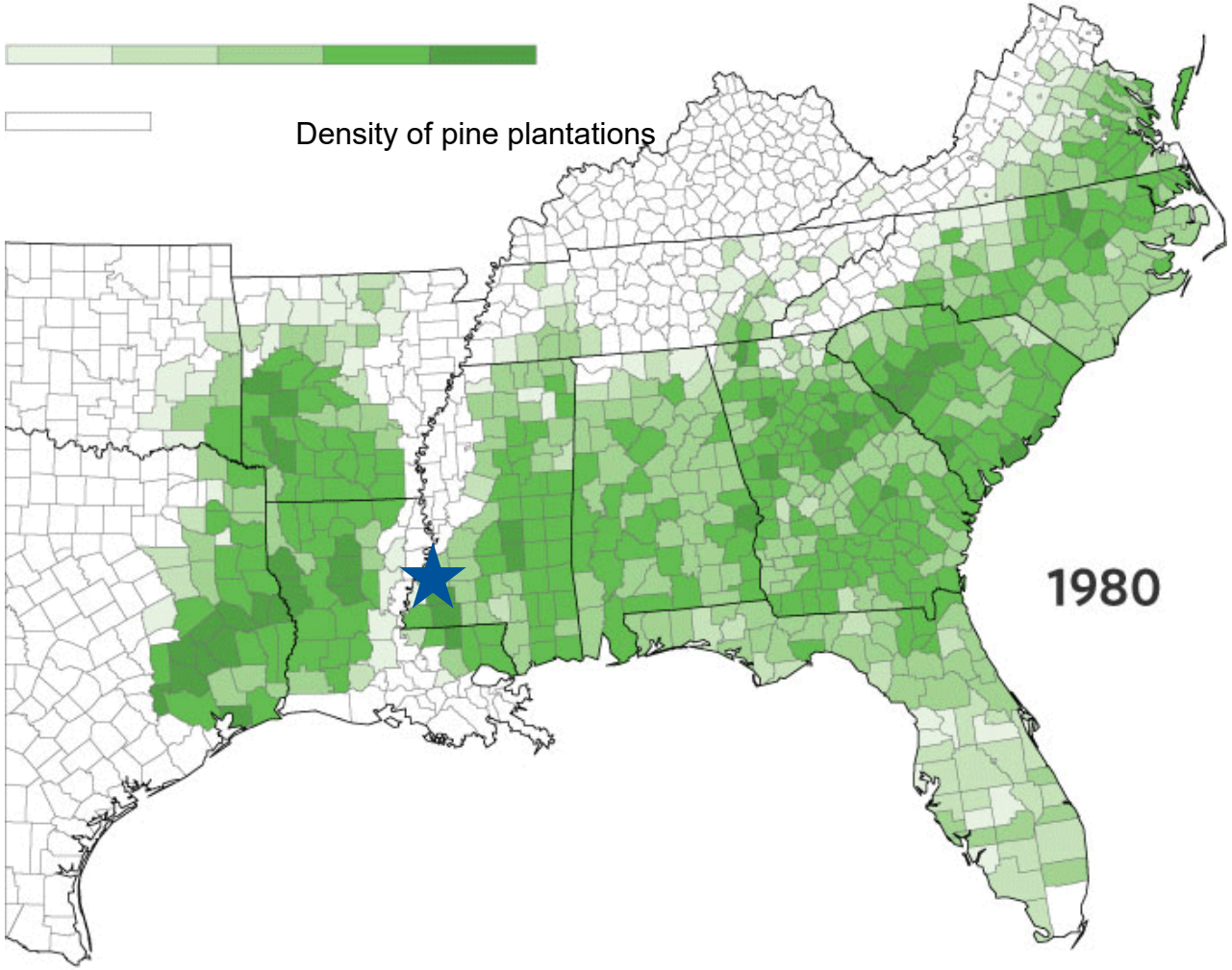
- Bayou Fuels will make Sustainable Aviation Fuel (“SAF”) and renewable naphtha from woody biomass
  - **-144 CI score**
  - 33mm gallons per annum nameplate capacity
  - Bayou Fuels is a wholly owned project of Velocys with over $20mm invested to date
  - All technologies demonstrated at commercial scale
  - Integrated demonstration completed
  - Pre-certified by Roundtable of Sustainable Biomaterials (RSB)
- Site secured under option agreement
- Expect to enter FEED early 2022
- First in a series of biorefineries that can produce deeply carbon negative fuels

Bayou Fuels project has deeply negative Carbon Intensity



1) Uses average CI Score for CA LCFS Fuels sold in Q4 2019
2) Biodiesel represents B100 and does not account for 20% blending limit

Southeast US has ample RFS-qualified feedstock

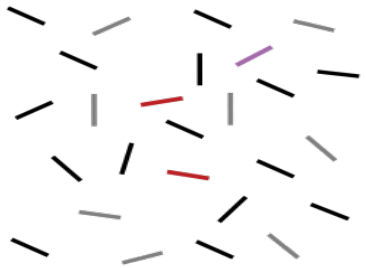
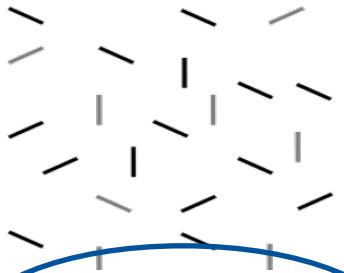
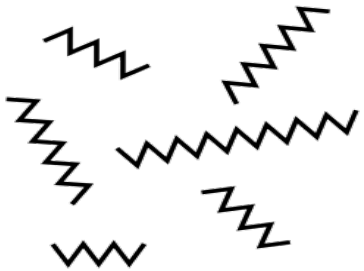
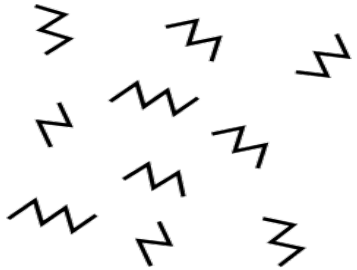


- RFS restricts qualified biomass. Plantation sources preferred*
- Essentially all of today's forestry plantations are in SE US
- Private landowners have "over invested" into pine plantations → much more growth than harvest

* Slash from naturally regenerating forests acceptable
* EPA might lift this restriction in future

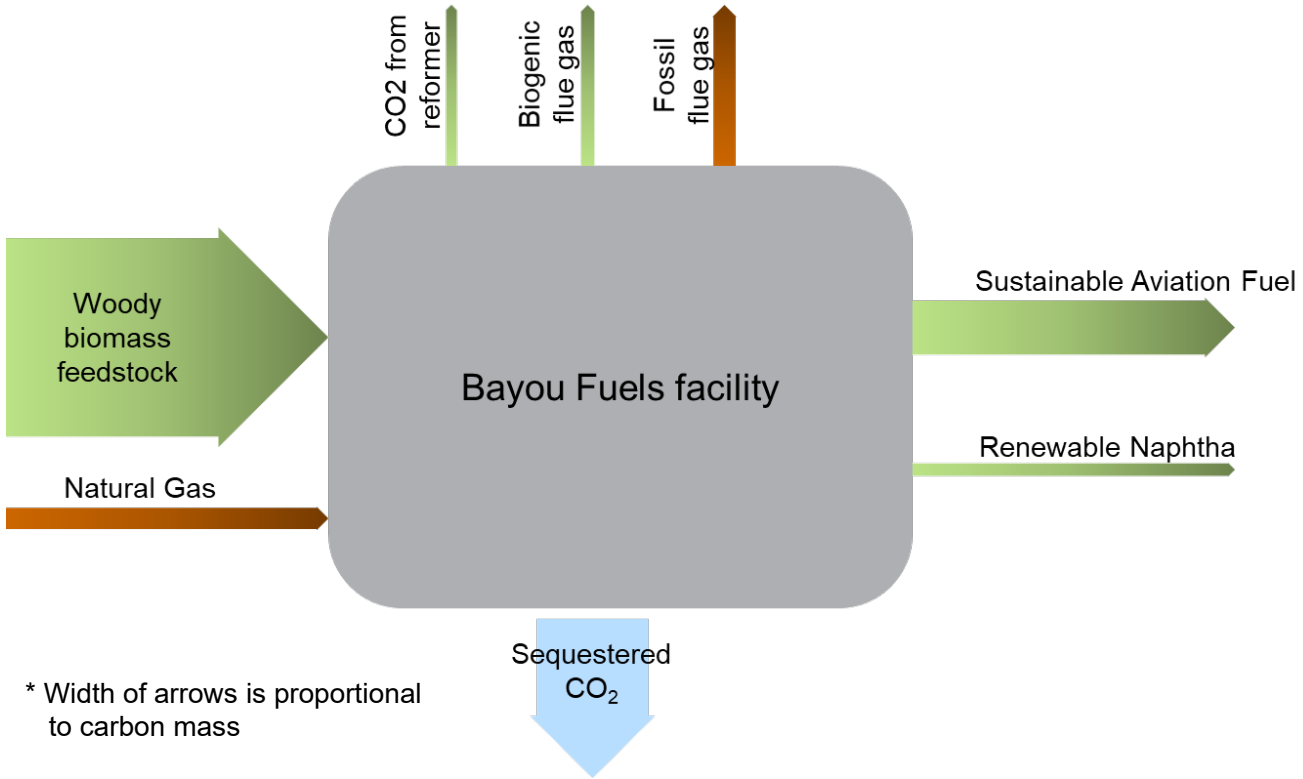
Process overview

Worley
Engineering and co-ordination

	Gasifier	Syngas clean-up	Fischer Tropsch Synthesis	Hydrocracker
Wolf	TRI, Linde, ARVOS GROUP	Air Liquide	VELOCYS	HALDOR TOPSØE
Physical preparation of the feedstock	Thermally and chemically break the material into its component parts to produce syngas	Physically and chemically remove impurities from the syngas	Chemically react the syngas to form long chain hydrocarbons	Chemically cut the long hydrocarbons to sustainable fuels (SPK and naphtha)
				
Tree residue	**Syngas**	**Clean syngas, High purity CO_2**	**FT product**	**Fuels**

Next Gen: Bayou Fuels
Achieving negative carbon intensity

Bayou Fuel achieves negative carbon intensity score because **it removes biogenic carbon from the atmosphere**



Cadmus Group Analysis	SAF Only
Units	g/MJ CO2e
Biomass Growth	-74.9
Biomass Collection/Harvesting	2.4
Biomass Transportation	3.6
Natural Gas Consumption	31.2
Electrical Power Input (Solar)	0.0
Fuel Transportation	0.1
Fuel Distribution	0.2
Naphtha Displacement Credits	-23.3
Tailpipe Emissions	74.9
CCS	-158
Net Carbon Intensity	**-144**

Natchez, MS site – Aerial view

Carbon Capture and Sequestration

- Partnership with industry leader
- Agreement with Oxy Low Carbon Ventures to capture and sequester the CO_2 from the Bayou Fuels plant
- Syngas clean-up systems produce concentrated, clean CO_2 stream which can be compressed for pipeline
- CO_2 will be piped 15 miles to the Denbury pipeline and then to Occidental's sequestration hub
- CCS lowers Carbon Intensity and generates 45Q tax credits

Commercial Summary

A well-structured project

- Velocys is delivering a well-structured project which addresses
  - Execution risk: LSTK EPC contract
  - Performance risk: EPC performance wrap and performance insurance
  - Price risk: long term structured contracts for feedstock and offtake provides cash flow certainty
- Velocys is working with credible external parties to inform key economic inputs, utilizing negotiated inputs where possible
  - CAPEX estimate received from Worley in April 2021
  - Biomass supply - Forest2Market and fixed price LOIs
  - Carbon Intensity confirmed by Cadmus in May 2021
  - Fuel and Credit prices – Updated Argus forecast in April 21 and structured offtake negotiations
  - Independent Engineer - Leidos
  - EPC offers unique execution approach
- Recent commercial definition will support
  - Partnering exercise in H2 2021
  - Additional progress on financing pathways

Project leadership team

Jeff McDaniel, VP New Projects

- Founding member of Velocys
- 25 years' experience in engineering, commercial and business development roles in the energy industry
- jeff.mcdaniel@Velocys.com
- Mobile: 614-348-5029

Andrew Miller, Director Project Finance

- 20 years of corporate finance and project development experience in energy
- Investment and commercial banking experience

Ivan Greager, VP Engineering

- Over 20 years' experience in the oil, gas, chemicals and mining industries
- Leads R&D, technical development, process design, & engineering management

Brian Cody, VP Supply Chain

- 35 years' experience in the energy industry having held positions as CFO, CCO and COO
- Leading the development of the woody biomass supply chain