



NEWS RELEASE

FULCRUM BIOENERGY ANNOUNCES MAJOR INVESTMENT AND STRATEGIC PARTNERSHIP WITH UNITED AIRLINES

Another Major Advancement in Fulcrum's Program to Bring Low-Cost Sustainable Fuels to the Aviation Industry

PLEASANTON, Calif., June 30, 2015 – Fulcrum BioEnergy, Inc. and United Airlines, Inc. announced today that United Airlines has invested \$30 million in Fulcrum and will have the option to directly participate in Fulcrum's waste-to-jet fuel plants across North America. United will also have the opportunity to purchase 90 million gallons per year of Fulcrum's cost-competitive, sustainable jet fuel under long-term offtake agreements, subject to availability. This represents the biggest strategic partnership in the biofuels and aviation industries and Fulcrum's second direct investment by an airline.

"This is a major advancement of Fulcrum's program to provide large volumes of commercial and military spec fuel at competitive pricing to the industry. This strategic partnership with United accelerates our whole program," said E. James Macias, Fulcrum's President and Chief Executive Officer.

"We have created a business that will compete directly with fossil fuel on the basis of cost and sustainability. Since our inception, Fulcrum has developed a robust operating platform and business plan that brings in large industry leaders to create value throughout the waste to fuels process. We have combined the best team in biofuels with two of the largest waste services companies, two major airlines, the U.S. Air Force, the U.S. Navy, the USDA, the best technology providers and a premier contractor to build out our program. I'm proud of what our team has accomplished and am very excited about the future," added Macias.

Strategic Partners Adding Value

Fulcrum has established strong strategic partnerships with industry leaders that are also significant investors in Fulcrum. This adds value across the business enterprise and advances the production and use of alternative fuels for the aviation industry and the military. These collaborative partnerships provide multiple levels of support to Fulcrum's innovative, cost-competitive process for producing a domestic source of renewable transportation fuels.

Feedstock Agreements

Fulcrum has partnered and entered into agreements with two of the nation's largest waste services providers, a subsidiary of Waste Management and Waste Connections, to secure large volumes of municipal solid waste ("MSW") under long-term contracts. The Waste Management subsidiary will provide the majority of the volume for the Sierra BioFuels Plant near Reno, NV, and Waste Connections will provide the balance under a separate long-term MSW supply agreement. As a result of this feedstock contract approach, Fulcrum has established a stable feedstock supply that provides a significant competitive advantage relative to traditional fossil fuels.

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Industry First EPC Contract

In May 2015, Fulcrum announced a biofuels industry first with the execution of a \$200 million fixed-price engineering, procurement and construction (“EPC”) contract with Abengoa for the construction of the Sierra BioFuels Plant. Abengoa, a premier, international construction company, will be responsible for the construction of the Sierra biorefinery and will provide Fulcrum with guarantees on the cost, schedule, start-up and performance of the Sierra plant. This EPC approach will be the standard for every project in Fulcrum’s growth program.

Fuel Offtake Agreements

In August 2014, Fulcrum announced a strategic partnership with Cathay Pacific Airways, Fulcrum’s first with an airline. This partnership included an equity investment and a 10-year fuel offtake agreement.

Fulcrum was awarded grants by the U.S. Department of Defense (“DoD”) and a loan guarantee from the U.S. Department of Agriculture (“USDA”) with the expectation that Fulcrum will be a future supplier of renewable transportation fuels to the military. The DoD and the USDA have been leaders in accelerating the development of clean energy technologies that will diversify fuel supplies away from oil to reduce costs and ensure a secure source of fuel for the military and country. The combined alliances with United, Cathay Pacific, the DoD and the USDA provide Fulcrum with a clear, long-term pathway for delivering low-carbon transportation fuel to the airline industry, the U.S. Navy and the U.S. Air Force.

Fulcrum Fuel

Fulcrum converts the carbon and hydrogen energy embedded in MSW into a clean syncrude that can be upgraded to either jet or diesel drop-in fuels. This clean fuel meets all the commercial and military specifications for ground, air and sea transportation fuels. With MSW as its feedstock, Fulcrum’s fuel will be very cost competitive with petroleum fuel. In addition, Fulcrum’s fuel reduces greenhouse gas emissions by more than 80% compared to fossil fuel.

Sierra BioFuels Plant Entering Construction

The Sierra BioFuels Plant is Fulcrum’s first commercial scale plant. Located approximately 20 miles east of Reno, NV, the Sierra plant will convert more than 180,000 tons of prepared MSW feedstock into approximately 12 million gallons per year of renewable syncrude that will be further refined into low-carbon transportation fuel. Permitting, front-end engineering and site preparation activities for the Sierra plant have been completed and construction activities will begin this fall with production beginning in 2017.

Large Development Program Underway

The Sierra plant’s modular design can be replicated and scaled to efficiently build larger facilities that will produce between 30 and 60 million gallons of jet or diesel fuel annually. With long-term MSW feedstock contracts with Waste Management, North America’s leading provider of comprehensive waste management services, and with Waste Connections, the nation’s third largest waste services provider, and fuel offtake agreements with United and Cathay Pacific, Fulcrum is accelerating development activities for additional, larger scale projects across North America that can produce more than 300 million gallons of low-carbon, renewable transportation fuels annually.

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About Fulcrum

Based in Pleasanton, California, Fulcrum is leading the development of a reliable and efficient process for transforming municipal solid waste into transportation fuels including jet fuel and diesel. The company's plants will provide customers with low-cost, low-carbon drop-in fuel that is competitively priced with traditional petroleum fuel. Fulcrum, a privately held company, has aligned itself with strategic feedstock, technology and fuel offtake partners to further strengthen and accelerate the company's innovative approach to commercially producing large volumes of renewable fuel from municipal solid waste. For more information, please visit www.fulcrum-bioenergy.com.

Contact

Rick Barraza

Vice President of Administration

(925) 224-8244

rbarraza@fulcrum-bioenergy.com

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