

# Velocys Plc

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## Velocys says start up is in sight for Oklahoma gas-to-liquids fuel plant

Velocys Plc (LON:VLS) told investors that the construction phase of the ENVIA Energy GTL plant in Oklahoma City is now complete and early commissioning work is now underway.

The ENVIA plant is based around Velocys gas-to-liquid fuel technology, which enables the production of diesel, jet fuel, waxes and base oil from either natural or biomass gas.

Once operation it will serve an important role for Velocys as it will be a commercial reference point for the company's technology.

"Operational start-up of the ENVIA plant is now within sight; its successful steady state operation will represent the next seminal milestone for Velocys and a significant step for the smaller scale GTL industry," said David Pummell, Velocys chief executive.

"Velocys and its partners continue to work together on site in a high-performing professional collaboration and I remain confident that we will continue to build on this progress to deliver a safe and successful start-up of the plant in the near future, and the timely production of in-specification product."

Earlier this year, the AIM quoted company gained greater operational control of the project as it made available a US\$9m loan, secured on the project, and it was granted additional equity in the venture.

A team of Velocys engineers have been on site since July.

Drawdown on the loan is expected to begin in the fourth quarter, with the final drawdown anticipated in the first quarter of next year. The company added that it doesn't expect any additional funding will be needed.

Velocys said it will pursue options to recover early repayment once the plant is operations.

In a separate statement, Velocys noted that Dr Jan Verloop, a technical expert in GTL, will retire from the group's board with immediate effect though he will remain as a consultant to the company.

The timing is linked to the transition of the ENVIA plant into production.

**Price:** 5.81

**Market Cap:** £61.81 m

### 1 Year Share Price Graph



October 2019 April 2020 October 2020

### Share Information

**Code:** VLS

**Listing:** AIM

**52 week High Low**  
16.8 0.95

**Sector:** Energy

**Website:** www.velocys.com

### Company Synopsis:

*Velocys is a sustainable fuels technology company. Over 18 years we have developed and demonstrated proprietary Fischer-Tropsch technology that enables the production of drop-in fuels from a variety of waste materials. We are currently developing projects in the US and the UK to produce fuels that reduce greenhouse gas emissions for aviation and road transport.*

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