



Media Information

August 7, 2014

FOR IMMEDIATE RELEASE

FULCRUM BIOENERGY AND CATHAY PACIFIC ANNOUNCE STRATEGIC INVESTMENT

Cathay Pacific Airways announced today that it is the first airline investor in Fulcrum BioEnergy, Inc. ("Fulcrum"), a US-based sustainable biofuel developer, as part of the airline's biofuel strategy and to help it achieve a target of carbon-neutral growth from 2020.

The airline has made a strategic equity investment in Fulcrum, which is a world pioneer in the development and commercialization of converting municipal solid waste into sustainable aviation fuel or "biojet fuel." Cathay Pacific also has an option for further investment.

Cathay Pacific Chief Executive Ivan Chu said: "We are very pleased to become the first airline investor in this sustainable biofuel developer. We are well aware of the impact the aviation industry has on the environment and have been doing a great deal to minimize our own impact. We are pleased to have identified Fulcrum as a strategic business partner that has the necessary vision and technological know-how to help Cathay Pacific pursue the use of biojet fuels. These fuels are an important component of our sustainable development strategy, under which we aim to achieve carbon-neutral growth from 2020."

Cathay Pacific has also negotiated a long-term supply agreement with Fulcrum for an initial 375 million US gallons of sustainable aviation fuel over 10 years (representing on an annual basis approximately 2% of the airline's current fuel consumption) that meets all the airline's technical requirements and specifications. Fulcrum plans to commence construction of its first commercial plant later this year and to build large scale, waste-to-renewable jet fuel plants at multiple locations, including locations strategic to the Cathay Pacific network, primarily in North America.

Cathay Pacific Biofuel Manager Jeff Ovens said: "Fulcrum has successfully demonstrated a process of converting municipal solid waste feedstock into sustainable aviation fuel at its scale demonstration facility. The feedstock will be pre-sorted to remove any recyclables prior to being processed into fuels. The company has proved that its technology is viable and has supply commitments in place for feedstock needed for the fuel production. These supply commitments will cover both near-term and future developments."

Fulcrum BioEnergy, Inc. President and Chief Executive Officer Jim Macias said: "We value our strategic relationship with Cathay Pacific, one of the world's premier airlines. Cathay Pacific shares our vision and plan to bring a whole new source of sustainable fuel to the airline industry. A new fuel that has the exact same molecules as fossil fuel but is cleaner, lower in carbon, renewable and lower cost than traditional fossil fuels. Cathay Pacific is really stepping up to help accelerate deliveries of this fuel to the market. This relationship adds to Fulcrum's existing feedstock, technology and fuel off-take partners that enhance Fulcrum's low-cost business model for the production and sale of large volumes of low-carbon, jet fuel."





Media Information

According to Mr. Macias, jet fuel produced by Fulcrum's waste-to-fuels process will reduce lifecycle carbon emissions when used in aircraft or road transport by more than 80% when compared to traditional fuels derived from crude oil and other fossil sources. This process also reduces the amount of municipal solid waste going into landfill sites and the methane gas emissions that result from this. If not captured, methane gas is 21 times more potent than carbon dioxide as a global warming contributor.

About Cathay Pacific

Cathay Pacific Airways is a Hong Kong-based airline offering scheduled passenger and cargo services to 188 destinations in Asia, North America, Australia, Europe and Africa, using a fleet of more than 140 wide-body aircraft. The company is a member of the Swire group and is a public company listed on the Hong Kong Stock Exchange. Dragonair is a wholly owned subsidiary of Cathay Pacific, and the airline also has a 60% stake in AHK Air Hong Kong Ltd, an all-cargo carrier operating regional express freight services. Cathay Pacific has made substantial investments to develop Hong Kong as one of the world's leading global transportation hubs. The airline is a founder member of the **oneworld** global alliance. For more information, please visit www.cathaypacific.com.

About Fulcrum BioEnergy, Inc.

Based in Pleasanton, California, Fulcrum is a leader in the development of a reliable and efficient process for transforming municipal solid waste into a source of low-cost, low-carbon transportation fuels including diesel and jet fuel. The privately-held company is focused on developing, owning and operating efficient, environmentally responsible facilities that convert municipal solid waste and other waste products into large volumes of clean renewable transportation fuel. Fulcrum has aligned itself with strategic feedstock, technology and fuel off-take partners to further strengthen the company's innovative approach to commercially producing renewable fuel from municipal solid waste. Fulcrum's vision is to create a reliable source of renewable fuel, lower greenhouse gas emissions and relieve the pressure on existing and future landfills. For more information, please visit www.fulcrum-bioenergy.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

Cathay Pacific Airways

Ivan Chan, Corporate Communication Manager – Public Affairs, 2747-3837,
email: ivan_c_chan@cathaypacific.com
Esther Lee, Corporate Communication Manager - Public Affairs, 2747-5362,
email: esther_lee@cathaypacific.com

Fulcrum BioEnergy, Inc.

Rick Barraza, Vice President of Administration, (925) 224-8244,
email: rbarraza@Fulcrum-bioenergy.com

