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Pacific Ethanol Refinances $47.5 Million in Secured Promissory Notes

SACRAMENTO, Calif., Sept. 18, 2017 (GLOBE NEWSWIRE) -- **Pacific Ethanol, Inc.** (NASDAQ:PEIX), a leading producer and marketer of low-carbon renewable fuels in the United States, has refinanced $47.5 million in promissory notes related to its July 3, 2017 acquisition of Illinois Corn Processing (ICP). To repay the notes, the company used $6 million of cash on hand and $42 million in proceeds from new term and revolving debt financing with CoBank, ACB.

Neil Koehler, Pacific Ethanol's president and CEO, stated: "With the acquisition of ICP in July 2017, we added our ninth production facility, bringing our combined annual production capacity to 605 million gallons and diversifying our sales with high quality beverage and industrial alcohol products. In conjunction with the acquisition, we stated our intention to quickly refinance the associated short-term promissory notes. With the CoBank term loan and revolving credit facility, we further strengthen our balance sheet with lower cost and longer-term debt."

Financing Terms

Pacific Ethanol entered into two separate financing agreements with CoBank: a $24 million term debt financing and an $18 million revolving debt facility. The $24 million term debt facility matures in September 2021 and provides for quarterly amortizing principal payments of $1.5 million each beginning December 2017. The revolving debt facility matures in September 2022 and does not require amortizing principal payments. Principal repaid under the revolving debt facility may, subject to customary conditions, be reborrowed prior to maturity. The term and revolving debt facilities bear interest at a rate equal to the 30-day LIBOR, plus 3.75%.

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (PEIX) is a leading producer and marketer of low-carbon renewable fuels and high-quality alcohol products in the United States. Pacific Ethanol owns and operates nine production facilities, four in the Western states of California, Oregon and Idaho, and five in the Midwestern states of Illinois and Nebraska. The plants have a combined production capacity of 605 million gallons per year, produce over one million tons per year of ethanol co-products – on a dry matter basis – such as wet and dry distillers grains, wet and dry corn gluten feed, condensed distillers solubles, corn gluten meal, corn germ, corn oil, distillers yeast and CO2. Pacific Ethanol markets and distributes fuel-grade ethanol, high-quality alcohol products and co-products domestically and internationally. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets all ethanol and alcohol products for Pacific Ethanol's plants as well as for third parties, approaching one billion gallons of ethanol marketed annually based on historical volumes. Pacific Ethanol's subsidiary, Pacific Ag. Products LLC, markets wet and dry distillers grains. For more information please visit www.pacificethanol.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Statements and information contained in this communication that refer to or include the Pacific Ethanol's estimated or anticipated future results or other non-historical expressions of fact are forward-looking statements that reflect Pacific Ethanol's current perspective of existing trends and information as of the date of the communication. Forward looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "should," "estimate," "expect," "forecast," "outlook," "guidance," "intend," "may," "might," "will," "possible," "potential," "predict," "project," or other similar words, phrases or expressions. Such forward-looking statements include, but are not limited to, market conditions, including the supply of and domestic and international demand for ethanol and co-products; statements about the benefits of Pacific Ethanol's new term and revolving debt facilities with CoBank and its refinancing of the ICP promissory notes; and Pacific Ethanol's other plans, objectives, expectations and intentions. It is important to note that Pacific Ethanol's plans, objectives, expectations and intentions are not predictions of actual performance. Actual results may differ materially from Pacific Ethanol's current expectations depending upon a number of factors affecting Pacific Ethanol's business. These factors include, among others, adverse economic and market conditions, including for ethanol and its co-products; export conditions and international demand for ethanol and co-products; fluctuations in the price of and demand for oil and gasoline; raw material costs, including ethanol production input costs and changes in governmental regulations and policies. These factors also include, among others, the inherent uncertainty associated with financial and other projections; the anticipated size of the markets and continued demand for Pacific Ethanol's products; the impact of competitive products and pricing; the risks and uncertainties normally incident to the ethanol production and marketing industries; changes in generally accepted accounting principles; successful compliance with governmental regulations applicable to Pacific Ethanol's facilities, products and/or businesses; changes in laws and regulations; the loss of key senior management or staff; the ability of Pacific Ethanol meet the conditions to reborrowing under its revolving credit facility with CoBank; and other events, factors and risks previously and from time to time disclosed in Pacific Ethanol's filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in Pacific Ethanol's Form 10-Q filed with the Securities and Exchange Commission on August 9, 2017.

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