

July 15, 2019



## Pacific Ethanol Pekin Extends Credit Agreements with CoBank

SACRAMENTO, Calif., July 15, 2019 (GLOBE NEWSWIRE) -- **Pacific Ethanol, Inc. (NASDAQ: PEIX)**, a leading producer and marketer of low-carbon renewable fuels and high-quality alcohol products in the United States, reported it has extended the terms of its credit agreements with CoBank, ACB.

Pacific Ethanol Pekin, LLC ("Pekin"), an indirect wholly-owned subsidiary of Pacific Ethanol, Inc., has entered into an amendment to extend the payment and covenant terms of its credit agreements with CoBank, ACB to November 15, 2019. In March 2019, the Company announced initiation of strategic initiatives to improve the Company's liquidity and strengthen its balance sheet. The extension of credit terms with CoBank provides the Company with additional time and liquidity to help facilitate the Company's strategic initiatives.

Neil Koehler, Pacific Ethanol's president and CEO, stated, "We continue to make good progress on our strategic initiatives to improve liquidity, reduce our debt and to provide greater financial flexibility to pursue future growth opportunities and increase shareholder value and are pleased to be working collaboratively with our lenders to allow time for us to pursue these initiatives. This extension reflects CoBank's continued support of Pacific Ethanol and, we believe, its confidence in the credit strength of the Pekin facilities, in management and in the long-term value of the industry."

Further details on the credit agreement(s) amendments and related agreements can be found in the Company's Form 8-K to be filed with the Securities and Exchange Commission by July 19, 2019.

### **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 CO<sub>2</sub>. 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](http://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 Pacific Ethanol's estimated or anticipated future results or other non-historical expressions of fact, including statements regarding Pacific Ethanol's progress on its strategic initiatives to improve liquidity, reduce debt and to provide greater financial flexibility to pursue future growth opportunities and increase shareholder value, 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, statements concerning future market conditions, including the supply of and domestic and international demand for ethanol and co-products; future margins; the anticipated outcome of Pacific Ethanol's strategic initiative to improve liquidity and reduce debt; international trade disputes; E15 adoption and related effects on ethanol demand and margins as well as the ability to achieve, and the effects and timing of year-round use of E15; and Pacific Ethanol's 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 and high-quality alcohols; export conditions and international demand for ethanol and co-products, including the resolution of trade disputes with China; fluctuations in the price of and demand for oil and gasoline; raw material costs, including ethanol production input costs, such as corn and natural gas; and the ability of Pacific Ethanol to timely and successfully execute on its strategic initiative to improve liquidity and reduce debt. 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, regulations and governmental policies, including with respect to year-round use of E15; the loss of key senior management or staff; 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 May 3, 2019.

### **Company IR Contact:**

Pacific Ethanol, Inc.

916-403-2755

[Investorrelations@pacificethanol.com](mailto:Investorrelations@pacificethanol.com) 415-433-3777

### **IR Agency Contact:**

Kirsten Chapman

LHA

### **Media Contact:**

Paul Koehler

Pacific Ethanol, Inc.

916-403-2790

[paulk@pacificethanol.com](mailto:paulk@pacificethanol.com)



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Source: Pacific Ethanol, Inc.