

June 26, 2013



Pacific Ethanol, Inc. Closes Second Installment of Financing Transaction

Eliminates All Plant Debt Due in 2013

Increases Ownership in Plants to 85%

SACRAMENTO, Calif., June 26, 2013 (GLOBE NEWSWIRE) -- **Pacific Ethanol, Inc.** (Nasdaq:PEIX), the leading marketer and producer of low-carbon renewable fuels in the Western United States, announced the company closed the second installment ("Tranche B") of its financing, issuing \$8.0 million in subordinated convertible Series B notes. As announced on March 28, 2013, the company entered into an agreement to raise up to \$14.0 million in two installments. The first ("Tranche A") closed on March 28, 2013 and included the issuance of \$6.0 million in subordinated convertible Series A notes, together with Series A Warrants and Series B Warrants. On June 21, 2013, the company purchased the remaining \$4.1 million of Plant debt due on June 25, 2013 for \$3.0 million, extending the maturity of \$2.9 million of the purchased debt to June 2016 and retiring \$1.2 million of the purchased debt. The company also purchased an additional 2% ownership interest in the Pacific Ethanol Plants for \$0.2 million, increasing its total ownership to 85%.

"With the approval of our shareholders, we have closed the second tranche of this financing and have eliminated all of our Plant debt due in 2013 by purchasing the remainder at a discount," stated Neil Koehler, the company's president and CEO. "The financing as a whole strengthens our balance sheet by reducing plant debt and extending debt maturities."

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (Nasdaq:PEIX) is the leading marketer and producer of low-carbon renewable fuels in the Western United States. Pacific Ethanol also sells co-products, including wet distillers grain ("WDG"), a nutritious animal feed. Serving integrated oil companies and gasoline marketers who blend ethanol into gasoline, Pacific Ethanol provides transportation, storage and delivery of ethanol through third-party service providers in the Western United States, primarily in California, Arizona, Nevada, Utah, Oregon, Colorado, Idaho and Washington. Pacific Ethanol has an 85% ownership interest in New PE Holdco LLC, the owner of four ethanol production facilities. Pacific Ethanol operates and manages the four ethanol production facilities, which have a combined annual production capacity of 200 million gallons. The facilities in operation are located in Boardman, Oregon, Burley, Idaho and Stockton, California, and one idled facility is located in Madera, California. The facilities are near their respective fuel and feed customers, offering significant timing, transportation cost and logistical advantages. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets ethanol from Pacific Ethanol's managed plants and from other third-party production facilities, and another subsidiary, Pacific Ag. Products, LLC, markets WDG. For more information please visit www.pacificethanol.net.

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

With the exception of historical information, the matters discussed in this press release including, without limitation, the ability of Pacific Ethanol to continue as the leading marketer and producer of low-carbon renewable fuels in the Western United States are forward-looking statements and considerations that involve a number of risks and uncertainties. The actual future results of Pacific Ethanol could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, adverse economic and market conditions; changes in governmental regulations and policies; 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-K filed with the Securities and Exchange Commission on April 1, 2013.

CONTACT: Company IR Contact:
Pacific Ethanol, Inc.
916-403-2755
866-508-4969
Investorrelations@pacificethanol.net

IR Agency Contact:
Becky Herrick
LHA
415-433-3777

Media Contact:
Paul Koehler
Pacific Ethanol, Inc.
916-403-2790
paulk@pacificethanol.net

Source: Pacific Ethanol, Inc.