

April 16, 2020



Pacific Ethanol, Inc. Closes Sale of its Ownership Interest in Pacific Aurora, LLC

SACRAMENTO, Calif., April 16, 2020 (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, announced today it has closed on its agreement to sell its 74% ownership interest in Pacific Aurora, LLC to Aurora Cooperative Elevator Company (Aurora Cooperative) for a total valuation of \$52.8 million. After working capital adjustments and settlement of certain payables between the parties, the Company received at closing \$20.2 million of cash, before fees and \$16.5 million in promissory notes. Approximately \$14.5 million of the cash proceeds will be used to pay principal payments to its lender, CoBank.

Neil Koehler, Pacific Ethanol's president and CEO, stated, "We are pleased to have completed our sale to Aurora Cooperative and its farmer owners, which represents a significant step in achieving our strategic initiatives to reduce debt and continue to focus our resources on delivering high value alcohol and feed products in the markets we serve."

Chris Vincent, Aurora Cooperative President and CEO, stated, "Aurora Cooperative is pleased to protect these local destination and rail markets for our farmer owners by gaining full ownership of these ethanol plants, elevator, and rail assets. Through this acquisition Aurora Cooperative will safeguard our markets and be 'Tougher Together' for our owners, employees and the communities we serve."

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.

About Aurora Cooperative

Aurora Cooperative is one of the largest agricultural retailers in the nation, ranking 28th in the nation among all agricultural cooperatives. Aurora Cooperative has been a partner in the

success of agriculture for over 112 years, providing high quality, competitive products and services growers rely on every day. Headquartered in Aurora, Nebraska, Aurora Cooperative has over 700 employees across 82 locations in seven states where they provide service and expertise in grain, agronomy, animal nutrition, and energy. In 2019, Aurora Cooperative had total sales over \$1 billion, serviced more than 4 million acres, merchandised over 120 million bushels of grain, and had over 34,000 equity members. Aurora Cooperative is a well-established, competitive and innovative cooperative that is built upon providing our owners with profitable solutions that meet their specific needs. We do this by proactively putting our owners' equity to work, every day, for their farm, their cooperative and for their future. For more information on Aurora Cooperative, please visit www.auroracoop.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 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 about the benefits of the sale of Pacific Ethanol's interest in Pacific Aurora, LLC; the anticipated outcome of Pacific Ethanol's strategic initiatives; 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 failure of a resolution of United States 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 initiatives. 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; 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-K filed with the Securities and Exchange Commission on March 30, 2020.

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