

March 7, 2018



Pacific Ethanol to Sell CO2 From Its Stockton California Plant

SACRAMENTO, Calif., March 07, 2018 (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 its agreement with Airgas USA, LLC, an Air Liquide company, and the leading U.S. supplier of industrial gases, welding technologies, and safety products, to sell CO2 from the Pacific Ethanol Stockton plant located in Stockton, CA. Airgas plans to construct a liquid CO2 production plant adjacent to the Stockton facility.

Neil Koehler, Pacific Ethanol's president and CEO, said: "The opportunity to utilize the CO2 from our ethanol production process as another co-product for sale further diversifies our revenues and improves Pacific Ethanol's profitability. We anticipate Airgas's new CO2 processing plant in Stockton to begin operations by the end of 2018 and to contribute at least \$1.0 million a year in operating income."

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 three 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, the expected

construction of a liquid CO₂ production plant adjacent to Pacific Ethanol's Stockton, California facility; the timing of commencement of operations of the CO₂ plant; the effects of CO₂ sales, including improved profitability and the anticipated contribution to operating income; 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, including CO₂, and changes in governmental regulations and policies. These factors also include, among others, the inherent uncertainty associated with financial and other projections; the risks and uncertainties normally incident to the ethanol production industry; the risks and uncertainties normally incident to construction projects; 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; 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 November 9, 2017.

Company IR Contact:

Pacific Ethanol, Inc.
916-403-2755

Investorrelations@pacificethanol.com

IR Agency Contact:

Kirsten Chapman
LHA
415-433-3777

Media Contact:

Paul Koehler
Pacific Ethanol, Inc.
916-403-2790

paulk@pacificethanol.com



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