Pacific Ethanol, Inc.

NEWS

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FOR IMMEDIATE RELEASE

KINERGY MARKETING, LLC SIGNS ETHANOL MARKETING AGREEMENT WITH FRONT RANGE ENERGY, LLC

Fresno, California, September 7, 2005, **Pacific Ethanol, Inc. (Nasdaq SmallCap: PEIX)** announced today that its wholly-owned subsidiary, Kinergy Marketing, LLC, has entered into an ethanol marketing agreement with Front Range Energy, LLC. Front Range is constructing a 40 million gallon per year ethanol production facility located in Windsor, Colorado that is expected to begin operations in April 2006.

Under the terms of the agreement, Kinergy Marketing will market all of the ethanol produced by Front Range at its Windsor facility.

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Bill Jones, Chairman of Pacific Ethanol, commented "We are very pleased to enter into this marketing agreement with Front Range as we continue to execute our business plan. This agreement builds upon our core strength and allows us to continue to increase our presence in the market."

About Pacific Ethanol, Inc.

The primary goal of Pacific Ethanol, Inc. is to become a leader in the production, marketing and sale of ethanol and other renewable fuels in the Western United States. Established in 2003, Pacific Ethanol is planning to construct a large-scale ethanol production facility in Madera County, California. Kinergy Marketing, LLC, a wholly-owned subsidiary of Pacific Ethanol, is the largest West Coast-based marketer of renewable fuels. Once Pacific Ethanol has successfully constructed its ethanol production facility, it plans to identify and develop new renewable fuels and technologies such as cellulose-based ethanol production.

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 are forward-looking statements 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, the ability of Front Range Energy, LLC to successfully complete construction of its Windsor, Colorado ethanol production facility by April 26, 2006 or ever; assuming the successful completion of such facility, the ability of Kinergy Marketing to successfully market all of Front Range's ethanol produced at the facility; the ability of Pacific Ethanol to obtain all necessary funding to complete construction of its planned ethanol production facility at its Madera County, California site and, assuming all such funding is obtained, the ability of Pacific Ethanol to successfully complete construction of the facility; the ability of Pacific Ethanol to successfully capitalize on its internal growth initiatives; the price of ethanol relative to the price of gasoline; and those factors contained in the "Risk Factors" section of Pacific Ethanol's Form 10-QSB for the quarterly period ended June 30, 2005.