



Pacific Ethanol, Inc.

FOR IMMEDIATE RELEASE

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PACIFIC ETHANOL ANNOUNCES CLOSING OF \$325 MILLION SENIOR SECURED CREDIT FACILITY

Sacramento, California, February 28, 2007 – Pacific Ethanol, Inc. (Nasdaq GM: PEIX) today announced that it has closed on a \$325 million senior secured credit facility. The facility includes a \$300 million senior secured construction and term loan, which will be used to recapitalize the Company's Madera, California ethanol plant, to provide take-out financing on the completion of the Company's Boardman, Oregon ethanol plant, and to provide both construction and term loan financing for the Company's Burley, Idaho ethanol plant and two additional ethanol plants that the Company has under development. The loan facility also includes a \$25 million working capital and letter of credit facility.

WestLB AG, New York Branch, acted as the joint lead arranger, sole book manager and administrative agent, and Mizuho Corporate Bank, Ltd., acted as the joint lead arranger and syndication agent.

Pacific Ethanol's CEO, Neil Koehler, stated, "We believe that this credit facility provides us with sufficient debt financing for the construction of our first five plants, which will represent over 220 million gallons of annual production by mid-2008. This credit facility enables us to act as our own construction contractor for the plants in question, providing us with greater design flexibility, shorter time to market and lower cost. This facility also demonstrates our lenders' confidence in our destination business model."

About Pacific Ethanol, Inc.

Pacific Ethanol is the largest West Coast-based marketer and producer of ethanol. Pacific Ethanol has an ethanol plant in Madera, California, two additional plants under construction in Boardman, Oregon and Burley, Idaho, and owns a 42% interest in Front Range Energy,

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LLC which owns an ethanol plant in Windsor, Colorado. Central to its growth strategy is its destination business model, whereby each respective ethanol plant achieves lower process and transportation costs by servicing local markets for both fuel and feed. In May 2006, Pacific Ethanol completed an equity funding of \$138 million which provided the Company with sufficient cash to both accelerate its stated goal of completing five ethanol production facilities totaling 220 million gallons of capacity per year by the middle of 2008 and its plans to complete additional ethanol production facilities, increasing total capacity to 420 million gallons per year by the end of 2010. In addition, Pacific Ethanol is working to identify and develop other renewable fuel technologies such as cellulose-based ethanol production and bio-diesel.

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, Pacific Ethanol's belief that the proceeds from the debt financing is sufficient to allow Pacific Ethanol to complete construction of its first five ethanol plants and that Pacific Ethanol will have in excess of 220 million gallons of annual production capacity by mid-2008, 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 Pacific Ethanol to successfully conform to the funding and other requirements of its debt financing with WestLB AG and Mizuho Corporate Bank, Ltd.; the ability of Pacific Ethanol to successfully and timely complete construction of its ethanol plants in Boardman, Oregon and Burley, Idaho; the ability of Pacific Ethanol to accelerate, maintain and timely complete, in a cost effective manner, its plant build-out program for additional ethanol plants and to successfully capitalize on its internal growth initiatives; the ability of Pacific Ethanol to operate its plants at their planned production capacity; 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-Q filed with the Securities and Exchange Commission on November 20, 2006.

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