



Pacific Ethanol, Inc.

FOR IMMEDIATE RELEASE

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**PACIFIC ETHANOL PREPARES TO
RESUME OPERATIONS AT ITS MAGIC VALLEY FACILITY**

Sacramento, CA, November 25, 2009 – Pacific Ethanol, Inc. (NASDAQ GM: PEIX), (the “Company”), announced today that it is preparing to resume production of ethanol at its 60 million gallon per year Magic Valley facility located in Burley, Idaho. In February 2009, the Company suspended production at the Magic Valley facility due to extended unfavorable market conditions. In May 2009, the Company’s subsidiaries which own its four ethanol production facilities, including the Magic Valley plant, filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code in the District of Delaware in an effort to restructure their indebtedness.

Market conditions for producing ethanol have improved and the Company plans to restart the Magic Valley facility in January 2010, subject to approval by the bankruptcy court, final documentation and a number of other conditions, including rehiring and training staff and restocking corn and other raw materials. The bankruptcy court is expected to consider the planned restart at a hearing on December 14, 2009, at which the lenders providing debtor-in-possession financing for the Magic Valley facility are expected to support the initiative.

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 Pacific Ethanol to obtain approval from the bankruptcy court to restart the Magic Valley facility; support of this initiative by lenders providing debtor-in-possession financing to Pacific Ethanol’s subsidiaries; completion of final documentation; the satisfaction of a number of other conditions, including rehiring and training staff and restocking corn and other raw materials; and sustained improvement in market conditions for producing ethanol; and the factors contained in the “Risk Factors” section of Pacific Ethanol’s Form 10-K filed with the Securities and Exchange Commission on March 31, 2009 and the “Risk Factors” section of Pacific Ethanol’s Form 10-Q filed with the Securities and Exchange Commission on November 9, 2009.

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