



Pacific Ethanol, Inc.

FOR IMMEDIATE RELEASE

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Pacific Ethanol, Inc. Announces Results of Annual Stockholders' Meeting

Fresno, California, January 3, 2006, **Pacific Ethanol, Inc. (Nasdaq: PEIX)** announced today that it held its annual stockholders' meeting on Friday, December 30, 2005.

At the meeting, Bill Jones, Chairman of the Board of Pacific Ethanol presided, and, together with CEO Neil Koehler, reviewed the significant progress the Company made in 2005.

After management's presentations, the results of the stockholder vote were announced. All director nominees were re-elected to serve as members of the Board of Directors. The issuance of shares of Series A Cumulative Redeemable Convertible Preferred Stock pursuant to the Purchase Agreement between the Company and Cascade Investment, L.L.C. and the form of Certificate of Designations, Powers, Preferences and Rights of the Series A Cumulative Redeemable Convertible Preferred Stock were approved by the stockholders. Finally, the selection of the Company's independent public accountants to audit the Company's consolidated financial statements for 2005 was ratified.

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About Pacific Ethanol, Inc.

The primary goal of Pacific Ethanol, Inc. is to become the leader in the development, production and marketing of renewable fuels in the Western United States. Established in 2003, Pacific Ethanol is constructing its first large scale ethanol production facility in Madera County, California, and is developing four additional plants on the West Coast. Kinergy Marketing, LLC, a wholly owned subsidiary of Pacific Ethanol, is the largest West Coast based marketer of ethanol. 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 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 complete the financing with Cascade Investment, L.L.C.; the ability of Pacific Ethanol to obtain all necessary debt financing to complete construction of its planned ethanol production facilities and, assuming all such funding is obtained, the ability of Pacific Ethanol to successfully complete construction of the facilities; 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 September 30, 2005.

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