



FOR IMMEDIATE RELEASE
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Genesis Energy, L.P. Exits Non-Core Legacy CO2 Pipeline Business and Accelerates Its Repayment of Debt

HOUSTON – (BUSINESS WIRE) – Genesis Energy, L.P. (NYSE: GEL) announced today that it has executed agreements with a subsidiary of Denbury Inc. (“Denbury”) to sell 100% of the Free State CO2 pipeline and to accelerate remaining payments owed under the NEJD financing lease. During the 4th quarter Genesis received proceeds of \$22.5 million for the Free State CO2 pipeline and is scheduled to receive an additional \$70 million in cash, to be paid over four equal quarterly installments of \$17.5 million, starting in the first quarter of 2021 for the remaining amounts owed under the NEJD financing lease.

As previously disclosed, we received approximately \$41 million in cash from Denbury which will be included in segment margin and Adjusted Consolidated EBITDA in the third quarter. When combined with the transactions announced today, we will receive a total of approximately \$134 million in cash from Denbury, all of which will be used to reduce the outstanding indebtedness of the partnership.

Grant Sims, CEO of Genesis Energy, said, “This transaction will allow Genesis to exit our non-core CO2 pipeline business that would have otherwise materially ended in 2026. We will use all proceeds to pay down amounts outstanding under our senior secured credit facility or opportunistically repurchase certain unsecured notes in the open market. All of the proceeds from these transactions will be recognized as Adjusted Consolidated EBITDA under our senior secured credit facility and will provide us additional cushion under our covenants as we effectively manage through the near-term effects of the COVID-19 pandemic and the disruptions experienced from one of the most active hurricane seasons on record.”

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Genesis Energy, L.P. is a diversified midstream energy master limited partnership headquartered in Houston, Texas. Genesis’ operations include offshore pipeline transportation, sodium minerals and sulfur services, marine transportation and onshore facilities and transportation. Genesis’ operations are primarily located in the Gulf Coast region of the United States, Wyoming and the Gulf of Mexico.

This operations and commercial update includes forward-looking statements as defined under federal law. Although we believe that our expectations are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Actual results may vary materially. All statements, other than statements of historical facts, included in this operations and commercial update that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including but not limited to statements relating to future financial and operating results, the impact of Hurricane Laura and the associated timing and costs, the COVID-19 pandemic, and our strategy and plans, are forward-looking statements, and historical performance is not necessarily indicative of future performance. Those forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside our control, that could cause results to differ materially from those expected by management. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including a decline in the price and market demand for products, the outbreak or continued spread of disease, and other uncertainties that are described more fully in our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission and other filings, including our Current Reports on Form 8-K and Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement.

Contact:

Genesis Energy, L.P.

Ryan Sims

SVP – Finance and Corporate Development

(713) 860-2521