



FOR IMMEDIATE RELEASE
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Genesis Energy, L.P. Sells 36% Minority Equity Interest in its Cameron Highway Oil Pipeline System

HOUSTON – (BUSINESS WIRE) – Genesis Energy, L.P. (NYSE: GEL) announced today the closing of the sale of a 36% minority equity interest in its Cameron Highway Oil Pipeline System (“CHOPS”) to an undisclosed financial party at an 8/8ths valuation of \$1.16 billion, which results in gross proceeds to Genesis of approximately \$418 million. Proceeds from the sale, net of fees and expenses, will be used to repay the full \$300 million outstanding under its term loan with the remainder going to pay down outstanding amounts under the revolving portion of its senior secured credit facility and results in a pro forma bank leverage ratio of 4.96x¹. Genesis now owns 64% of CHOPS and will remain operator of the pipeline.

In conjunction with this announcement, Genesis has made the decision to fund the remaining capital required for its Granger expansion project over and above the minimum of \$250 million Genesis is required to draw from its asset level preferred security. Genesis intends to fund the remaining capital through a combination of its internally generated free cash flow and availability under its senior secured credit facility.

Grant Sims, CEO of Genesis Energy, said “This transaction confirms the significant value and longevity of our midstream assets focused on moving the low-carbon footprint crude oil produced in the deepwater areas of the central Gulf of Mexico, and importantly knocks off over a full half turn from our bank leverage ratio calculated on a pro forma basis. The transaction also provides Genesis with significant financial flexibility to use our increasing levels of free cash flow to continue to reduce debt and/or pursue the highest return projects in our portfolio. As we look forward, we remain very encouraged with the trajectory of our market-leading and diversified businesses.”

Citi served as financial advisor and Akin Gump Strauss Hauer & Feld LLP served as legal advisor to Genesis.

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¹ As of September 30, 2021.

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.

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