



FOR IMMEDIATE RELEASE  
May 23, 2022

## **Genesis Energy, L.P. Fully Redeems Alkali Asset-Level Preferred Units**

HOUSTON – (BUSINESS WIRE) – Genesis Energy, L.P. (NYSE: GEL) announced today that it has redeemed 100% of the Alkali asset-level preferred units that were originally issued in 2019 to fund the expansion of our Granger soda ash facility. In conjunction with the redemption, certain subsidiaries of Genesis, which own, directly or indirectly, Genesis’ trona mineral mining and processing assets (excluding the SPV and the ORRI, each as defined below), are now once again restricted subsidiaries, which substantially increases the credit support for our secured lenders and unsecured bond holders.

On May 17, 2022, a wholly-owned subsidiary of Genesis Alkali Holdings Company, LLC (“Genesis Alkali”) sold a 10% limited term overriding royalty interest (“ORRI”) in substantially all of Genesis’ trona mineral leasehold interests to a special purpose vehicle (“SPV”) indirectly and wholly-owned by Genesis Energy, L.P. In conjunction with the sale of the ORRI, the SPV issued \$425 million of 5.875% senior secured notes due 2042 (the “Notes”) to certain insurance accounts advised by Blackstone. The proceeds from the Notes were used by the SPV to purchase the ORRI and by Genesis to fully redeem and retire all of the outstanding asset-level preferred units and to re-pay certain amounts outstanding under its senior secured revolving credit facility.

The Notes issued by the SPV will be serviced solely by the cash flows from the ORRI and any excess available cash at the SPV, after debt service and certain cash reserves, will be distributed to our wholly owned Alkali subsidiary. The holders of the Notes will have no recourse to the underlying assets of Genesis Alkali or Genesis Energy, L.P. and are only secured by the equity and assets of the SPV, including the ORRI and cash flows therefrom.

Grant Sims, Chairman and CEO of Genesis Energy, said “This transaction represented an attractive opportunity for Genesis to redeem our asset-level preferred units, immediately simplifying our corporate structure while enhancing the credit support for both our secured lenders and unsecured bond holders. We were able to remove any perceived re-financing risk associated with the asset-level preferred units which was otherwise due in 2026, while also preserving the upside on soda ash prices. The sale of the ORRI and associated financing allowed us to raise attractively priced 20 year money at 5.875% while remaining leverage neutral under our calculated



bank leverage ratio. The remainder of the proceeds from this transaction will be used to finish our high return Granger expansion as well as for general corporate purposes, including paying down outstanding debt under our senior secured revolving credit facility. I would also like to thank Blackstone for their support and long-term belief in Genesis.”

RBC Capital Markets served as sole financial advisor and placement agent and Akin Gump Strauss Hauer & Feld LLP served as legal advisor to Genesis.

Blackstone Credit is one of the world's largest credit-focused asset managers, with \$230 billion in AUM. Blackstone Credit seeks to generate attractive risk-adjusted returns for its clients by investing across the entire corporate credit market, from public debt to private loans. Its capital supports a wide range of companies across sectors and geographies, enabling businesses to expand, invest, and navigate changing market environments.

Certain presentation materials on the transaction are available and may be downloaded by visiting the Partnership’s website at [www.genesisenergy.com](http://www.genesisenergy.com) under “Presentations” under the Investors tab.

This press release 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 press release 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 and the anticipated benefits of our Notes offering and related refinancing and other transactions and our ability to satisfy our obligations under the Notes, compliance with our senior secured credit facility covenants, the timing and anticipated benefits of the Kings Quay and Argos developments, our expectations regarding our Granger expansion, construction and anticipated benefits of the SYNC pipeline and expansion of the capacity of the CHOPS system, the expected performance of our other projects and business segments and the potential impacts of the Covid-19 pandemic and the war in Ukraine, 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 (which may be affected by the actions of OPEC and other



oil exporting nations) and a reduction in demand for our services resulting in further impairments of our assets, the spread of disease (including Covid-19), the impact of international military conflicts (such as the conflict in Ukraine), the timing and success of business development efforts and other uncertainties. Those and other applicable uncertainties, factors and risks that may affect those forward-looking statements are described more fully in our Annual Report on Form 10-K for the year ended December 31, 2021 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.

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