



FOR IMMEDIATE RELEASE

IES TRANSITIONS TO DEDICATED LOGISTICS AND RETAIL OPERATIONS, COMPLETES SALE OF SELECT REFINERY ASSETS TO PAR PACIFIC HOLDINGS, INC.

IES to continue to serve Hawaii's energy needs as a reliable, cost-effective local supplier

KAPOLEI, Hawaii – December 19, 2018 – Island Energy Services, LLC (“IES”) today announced it has completed its transition to dedicated logistics and retail operations. Concurrently, IES closed the previously announced transaction in which Par Pacific Holdings, Inc. (“Par”) purchased select refinery assets from IES. As part of the transaction, IES has entered into a long-term agreement with Par under which IES will provide Par fuel storage and throughput services.

To help strengthen IES's position as a trusted supplier of fuel products in Hawaii, IES plans to reinvest net proceeds from the sale to further expand its logistics and retail capabilities. This includes expected investment in expanded bulk import facilities on Oahu and additional retail stations throughout Hawaii, including the opening of a new Texaco® branded retail station in Kapolei in early 2019. To supply its customers across Hawaii, including IES's Texaco® branded stations, IES plans to continue to source fuel products from a network of local and global suppliers.

“The completion of this transaction should better position IES to continue to play a significant role serving the current and future energy needs of the state of Hawaii,” IES President and CEO Jon Mauer said. “It helps position IES to innovate and evolve with Hawaii's changing energy landscape. This includes exploring growth opportunities in renewable fuels as we respond to Hawaii's long-term energy mandate, while continuing our strong legacy of serving the current energy needs of our customers and the state.”

As part of the transition, Par has hired approximately 80 IES employees to continue refining operations with the acquired assets and to support Par's existing Hawaii operations. “We want to thank all of our dedicated employees for their tireless efforts over the past several months as we have transformed IES into a logistics and retail-focused company,” Mauer added. “With our large-scale Kapolei import terminal, we believe that IES is well-positioned as a world-class logistics provider for Hawaii.”

ABOUT ISLAND ENERGY SERVICES, LLC

Island Energy Services, LLC is a Hawaii-based fuels marketing and logistics business providing premier petroleum products for the State of Hawaii. The company reliably serves retail, industrial, aviation, and utility customers throughout the state through a network of key storage and distribution assets comprising fuels terminals and pipelines. Assets include an import terminal in Kapolei, product distribution terminals in Honolulu and on Maui, Kauai and Hawaii Island, pipeline distribution systems and additional related logistics infrastructure throughout the state. In addition, IES's retail network includes 56 Texaco®-branded gas stations. Island Energy is headquartered in Kapolei and managed locally.

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