



CADIZ CORPORATE OVERVIEW

JUNE 2021



Safe Harbor Agreement



During the course of this presentation, we will make forward-looking statements. Any statement that is not a historical fact is a forward-looking statement. Forward-looking statements refer to expectations, projections or other characterizations of future events or circumstances about Cadiz Inc. (the "Company"), and such statements include, but are not limited to, statements relating to the progress and plans of the water development project, the expected pricing for water supply and water storage services, the expected pricing for agricultural land and products, and necessary permits to construct facilities. Actual results may differ materially from those expressed in these forward-looking statements due to a number of risks and uncertainties, including the factors detailed under the caption "Risk Factors" and elsewhere in the documents we file from time to time with the Securities and Exchange Commission (the "SEC"), including our annual and quarterly reports. We undertake no obligation to update these forward-looking statements, which speak only as of the date of this presentation.

Cadiz Inc.

Corporate Highlights



1

California land & water business built over three decades with a present Enterprise Value of approximately \$650M.

2

Ownership and control of the western U.S.'s premier groundwater asset: supply, storage and conveyance.

3

Cumulative investment to date of over \$200M has secured ownership of 45,000 acres of substantially-contiguous land in California with significant underlying water reserves, below-ground storage capacity, and associated developed water infrastructure assets, including wells and pipelines.

4

Vested rights to utilize groundwater for supply, storage and irrigation.

5

Assets concentrated in key Southern California location at intersection of water and utility infrastructure.

6

Water and land price continued steep escalation supports robust asset valuation and continued growth.

7

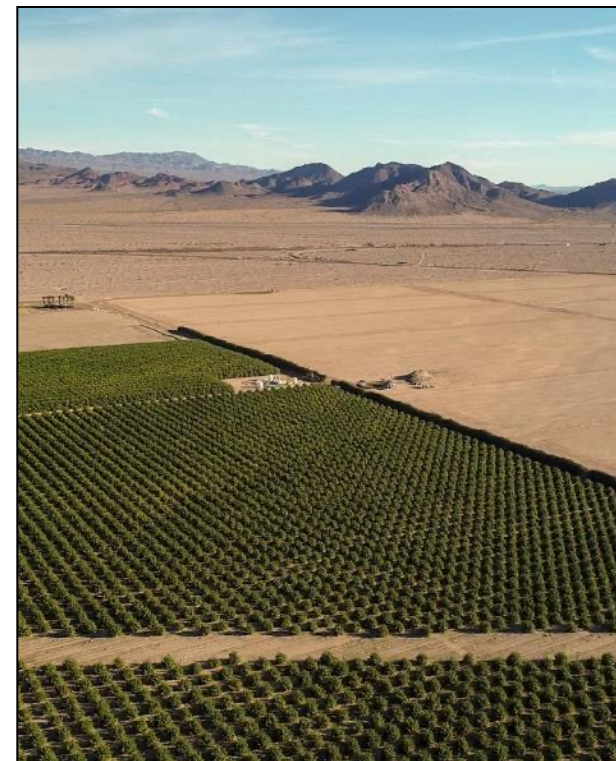
Business plan is focused on enhancing value of Company's significant land and water assets via storage, delivery and exchange of water supply together with continued cultivation.

About Cadiz



Cadiz Inc. is a publicly-traded (NASDAQ: CDZI), California-based natural resources company with significant land and water assets dedicated to delivering sustainable water and agriculture projects.

- Largest private landowner in California's Mojave Desert: 45,000 acres (70 sq. miles) of land with water rights & permitted farming.
- Contiguous land-holding (35,000 acres) with water rights in large, closed-basin watershed with no overlying land competition, excellent water quality to support a variety of uses and massive aquifer capacity. (20M+ AF)
- Current wellfield has production capacity of 25,000 acre-feet (AF) per year. (1 AF = 326,000 gallons) – 1 MAF storage capacity.
- Active and permitted farming for 9,600 acres.
- Ownership of 220-mile water conveyance pipeline connects supply and storage most of California.
- Vested right to provide a pump a 50yr water supply for municipal and industrial: 50K AFY (400,000 people annually) derived from conservation without adverse environmental impacts.
- Cadiz Water Project was recognized as Top Sustainability-Green Infrastructure Project of 2020.

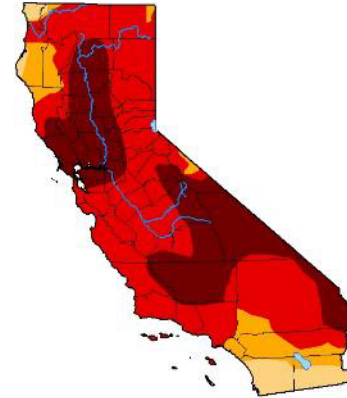


California Water Supply-Demand Imbalance

U.S. Drought Monitor
California

June 15, 2021
(Released Thursday, Jun. 17, 2021)
Valid 8 a.m. EDT

California suffers from systemic supply shortages resulting from long term structural deficiencies, failing infrastructure and regulatory limitations. New supply options are limited, and recurring drought exacerbates challenges. Disadvantaged communities disproportionately impacted.



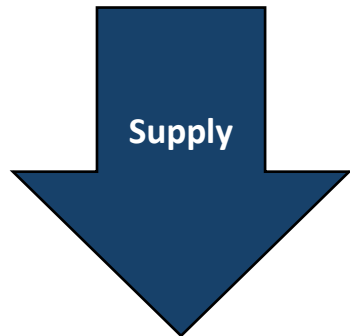
Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

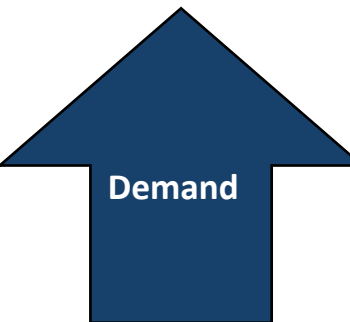
The Drought Monitor focuses on broad scale conditions. Local conditions may vary. For more information on the Drought Monitor go to <https://droughtmonitor.unl.edu/about.aspx>

Author:

Curis Riganti
National Drought Mitigation Center



- **Cyclical weather** – unpredictable wet and dry year pattern.
- **Increasing cutbacks to surface and groundwater supplies** caused by climate change, regular drought conditions, and regulatory restrictions.
- Lack of affordable housing for all Californians, inadequate supplies to address housing needs .
- More than **1 million people** in over 300 California communities **do not have reliable drinking water due to outdated infrastructure or lack of access to public systems.**



- **Uneven distribution of reliable local and regional supply** to offset cutbacks, address drought, and balance Ag vs. Urban demands.
- **Water prices continue to increase** reflecting sustained limitations on access to reliable supply.

California's drought and wildfire dangers rising at stunning pace

"The current drought, which [blankets the entire state](#) and a broad swath of the western United States, according to the [U.S. Drought Monitor](#), is already outpacing the state's devastating 2012-16 drought."

Los Angeles Times

California's Epic Drought Is Parching Reservoirs and Worrying Farmers

"As any movie fan knows from the classic film Chinatown, California is an infamously thirsty place. But this year, even by its own standards, the state is shockingly, scarily parched. So far in 2021, the state has received [half of its expected precipitation](#); ...third driest year on record."

Bloomberg

Drought saps California Reservoirs as Hot, Dry Summer Looms

"While droughts are common in California, this year's is much hotter and drier than others, ... The state's more than 1,500 reservoirs are 50% lower than they should be this time of year."



Satellite images show extreme drought drying up California reservoirs

"Eleven of the state's twelve major reservoirs are below their historical average, according to [California's Department of Water Resources](#). Although [California's drinking water](#) largely relies on groundwater and the Colorado River, its reservoir system is vital to the massive agriculture industry in the state."



The Western Drought Is Bad. Here's What You Should Know About It.

"Drought emergencies have been declared. Farmers and ranchers are suffering. States are facing water cutbacks...There appears to be little relief in sight. "

The New York Times

An entire California town is without running water — in a heat wave

"This is how California's water crisis is going these days: ...700 residents without running water as temperatures in the Central Valley soared to triple-digits in a drought."



California Needs Water Storage Capacity

To address fundamental change in the precipitation patterns (persistent, record dry-periods), California policy supports aquifer storage over dams / surface storage facilities as the better option.



60% Ocean Runoff / Evaporation: The majority of California's annual precipitation runs to the ocean / stream unregulated flows for the benefit of instream uses (fisheries) or is lost to evaporation.



Systemic Shortage: California State Water Project limited to 5% of capacity in 2021, while Colorado River basin also critically dry, and expected first shortage declaration in 2021. Central Valley Project cut to 0% of capacity.



Need for Storage: Changes in long-term precipitation patterns require greater quantities of storage in wet years to normalize supplies over long periods. Surface storage is fiercely resisted by environmentalists and has turned focus on aquifer storage option.

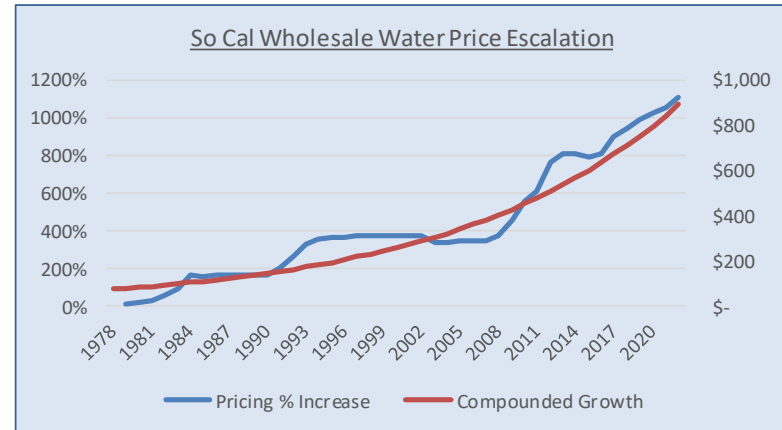
Water Pricing



Pressure on supply, increasing demand reflected in pricing in CA:

Wholesale Pricing ⁽¹⁾

Water prices paid by Southern California water agencies to acquire imported supplies have increased by 1,000%, or a 5.83% CAGR, since 1978.



New Supply Pricing ⁽²⁾

The cost to acquire new supplies is generally higher than wholesale pricing in Southern California. When ranked among other options in a recent report by a regional water wholesaler, Cadiz supply and storage were among the most cost-effective projects.

New Supply	
Cadiz Phase 1	\$1,276 – 1,652/AF (est.)
Poseidon Desal HB	\$2,200/AF
Carson Recycling	\$1,830/AF (assumes subsidies)
Charles E. Meyer Desal Plant	\$3,125/AF
New Storage	
Semitropic Bank	\$1,500/AF reserve capacity
Cadiz Phase 2	\$1,500/AF reserve capacity (est.)
Strand Ranch	\$2,000/AF reserve capacity

Spot Market ⁽³⁾

California has an active water market, allowing parties to address supply imbalances outside of traditional wholesale/retail arrangements. In 2019, the state’s water market had +\$1.1 billion in activity. Between 2010 and 2019, approx. 10 million acre-feet was transferred among participants. In the most recent drought cycle, spot prices reached \$2,300 per acre-feet, while in a wet year they hit around \$500 per acre-feet. In 2021, a drought year, spot prices are trading at all time highs.

1. MWD of Southern California, Water Rates & Charges, Financial Information, www.mwdh2o.com
2. 2018 Orange County Water Reliability Study, MWD/OC/CDM Smith Inc.
3. WestWater Research Nasdaq Veles California Water Index (NQH2O).

Solutions

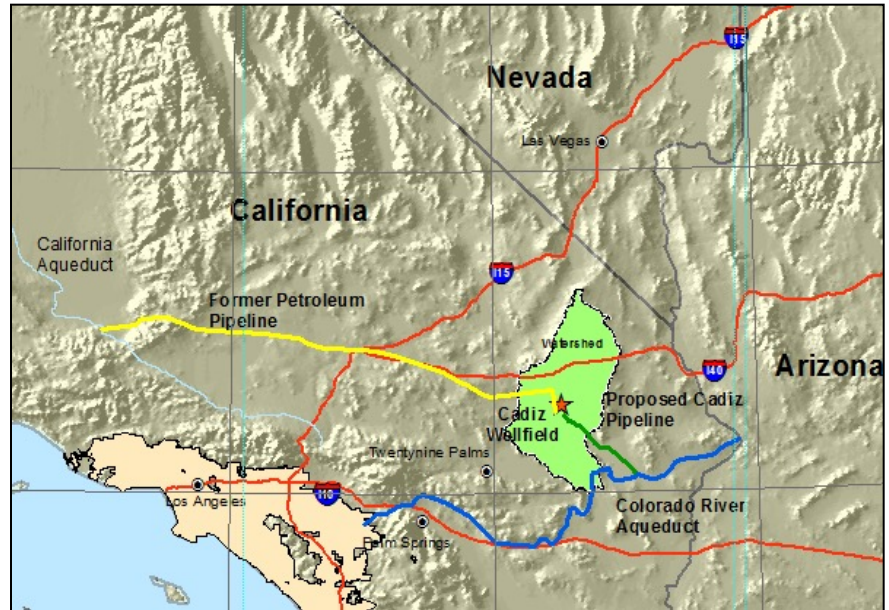
Cadiz will address these challenges by offering long-term sustainable solutions to California communities not served by the status quo.



Sizeable Private Water Source: Cadiz Valley Watershed



- 35,000 acres at base of 1,300 square-mile, topographically-diverse watershed in Mojave Desert.
- Groundwater aquifer system with 20+ million AF in storage, federally protected headwaters.
- Snowpack and rainfall in upper elevations recharges system, estimated at 32,500 AF/year.
- Water quality at Cadiz meets drinking water standard, low TDS <330.
- Watershed closes at saline, dry lake playas where groundwater naturally evaporates at a rate of approximately 35,000 AF/year. (Approximately 9 Billion gallons annually)
- Ongoing sustainable agriculture needs met entirely from groundwater at Cadiz site.



The Cadiz Water Project



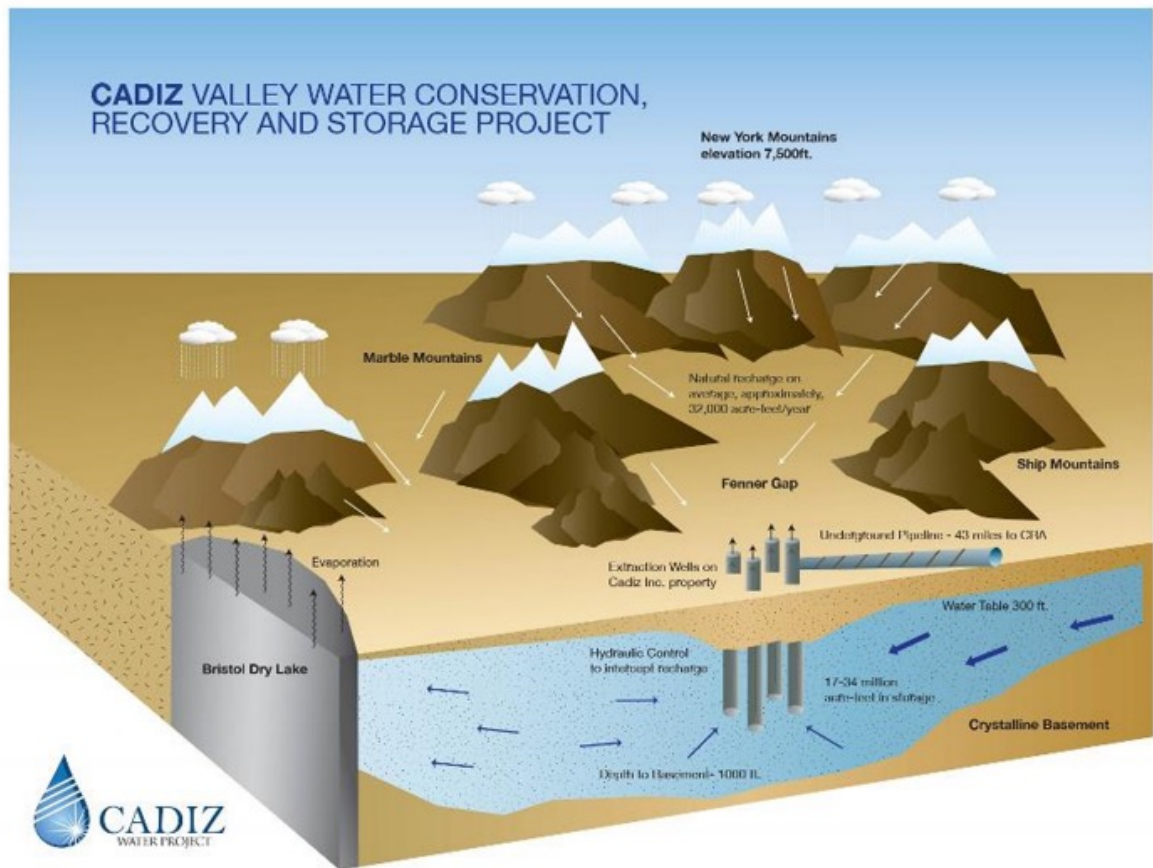
The Cadiz Valley Water Conservation, Recovery and Storage Project will manage the groundwater basin to stop the loss of water to evaporation, conserve a sustainable quantity of water for beneficial uses and provide optimal aquifer storage and operation. The project will make available a new reliable supply of water that will supplement needs in California underserved communities. In a second phase, the managed aquifer system will offer significant below-ground aquifer storage capacity.

Supply:

- Expand wellfield on Cadiz Ag property to conserve water in transition before it evaporates.
- **Entitled right to pump 2.5 million** acre-feet of groundwater over 50 years (up to **75,000** acre-feet in any year) - an annual supply for approx. **400,000** people.
- Via pipelines connecting to the property, the project will deliver all years - wet and dry.

Storage:

- In-lieu storage capacity of 150,000 AF.
- Total storage capacity of 1 Million AF.
- Use Phase 1 facilities.

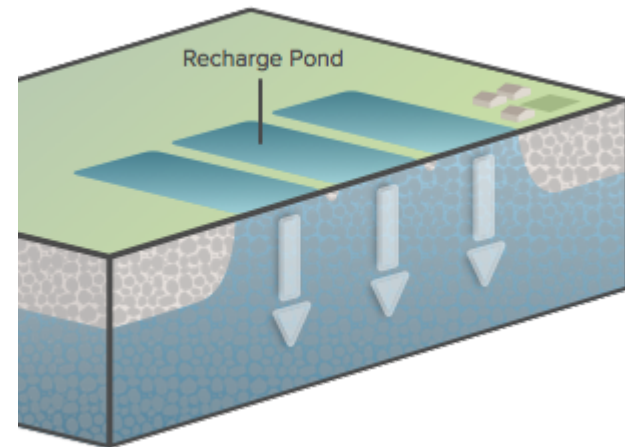


Groundwater Storage Opportunity

Phase 2 of Cadiz's Water Project would create new underground water storage, a more cost effective, sustainable, and environmentally friendly way of storing water.

- The Cadiz Water Project provides up to 1 million acre-feet of storage in its underground aquifer for use by municipalities to store excess water during wet years.
- Cadiz will use recharge spreading basins on the surface to allow water to slowly infiltrate through the soil into the Cadiz aquifer.
- Benefits of groundwater storage include:
 - Substantially lower cost than surface reservoir expansion.
 - Less water loss to evaporation.
 - Reduced energy use and greenhouse gas emissions.

Direct Artificial Recharge through Recharge Ponds



Court-Validated Environmental Review and GW Entitlement



Cadiz successfully secured Court-validated environmental review and groundwater entitlements that authorize delivery of 2.5 million AF of sustainable, high quality water supply for Southern California over 50 years.



Sustainable: Environmental review completed and further validated by California's Courts; fully-vested rights, no further legal challenges to environmental review or groundwater entitlements permissible.⁽¹⁾



Science: Extensive hydrological and geological analysis supports project operation. County enforced groundwater management plan includes 100 monitoring features and regular reporting.



Safe: Project will deliver high-quality water that meets all drinking water standards; Project features innovative treatment and monitoring technology.

1) 2012 California Environmental Quality Act (CEQA) Environmental Impact Report (EIR), 2014 Superior Court Rulings, and 2016 Court of Appeal Rulings.

Facilities – Southern Pipeline



To convey conserved groundwater from the Cadiz wellfield for distribution throughout Southern California communities, the Project is approved to construct a conveyance pipeline, the Cadiz “Southern Pipeline.”

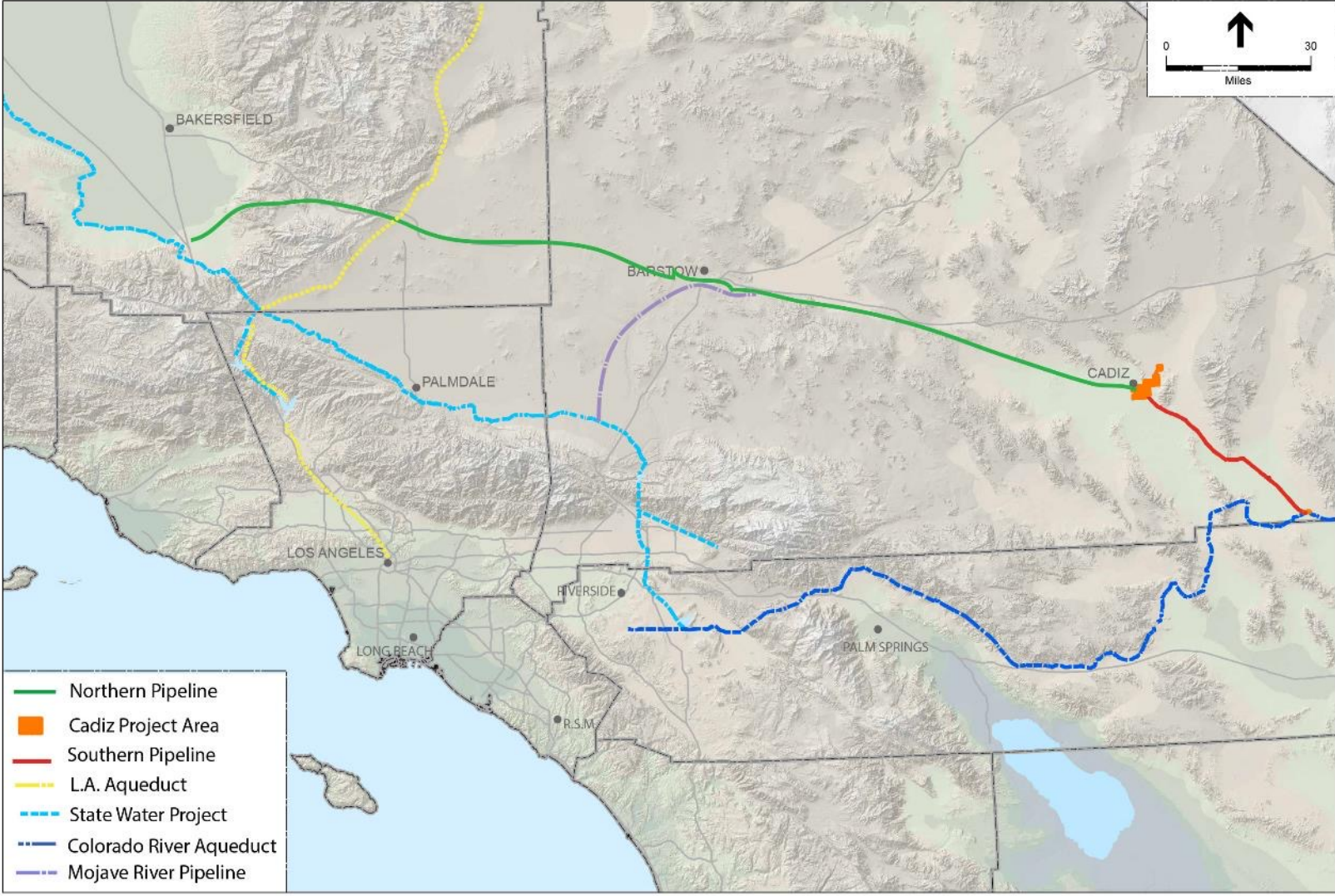
- Single barrel, pressurized steel pipeline with nominal design flow of up to 250 cfs.
- Size between 55” to 84” diameter.
- 43-miles from Cadiz to Rice, CA at Colorado River Aqueduct, owned by Metropolitan Water District of Southern California.
- Pipeline entirely within the active ARZC Railroad ROW under 99-year lease to Cadiz.

Steps to operation:

- Finalize water exchange and access agreements with the Metropolitan Water District
- Finalize contracts.
- Obtain State Lands Commission finding per Water Code Section 1815.
- Construct the infrastructure elements:
 - Water treatment facilities, regulating reservoir and railroad benefits.
 - Build out of booster pumps, power infrastructure, and interconnecting lines.
 - Pipeline within ARZC Railroad Right of Way.
- Infrastructure improvements will be financed by contracts with AA-rated public agencies.



Cadiz Interconnected with Southern California Water System



SOURCE: California State Water Project;

Cadiz has farmed its desert property, the Cadiz Ranch, for 30 years sustainably irrigating with underlying groundwater and successfully growing a variety of crops.



About the Cadiz Ranch



Cadiz Valley, site of the Water Project, is currently farmed and irrigated with sustainable, naturally replenishing underlying aquifer.

- Largest agricultural operation in SB County.
- Similar climate and crop mix as Imperial, Palo Verde and Coachella Valleys.
- In 1993, County permitted ag development on 9,600 acres, including water rights to irrigate entire acreage. Option to put additional acreage into agricultural use upon further County approval.
- 2,100 acres leased for a variety of crops.
- Active groundwater use for 25+ years, water table at all-time high with NO adverse impacts.
- Current infrastructure includes 9 wells for ongoing operations, capacity to deliver 25,000+ AF/ year.
- Excellent transportation dynamics at intersection of BNSF & AZRC Railroads and crossed by Historic Route 66.
- Labor camp & commissary for 300 laborers, office, equipment facilities
- Airstrip on property.

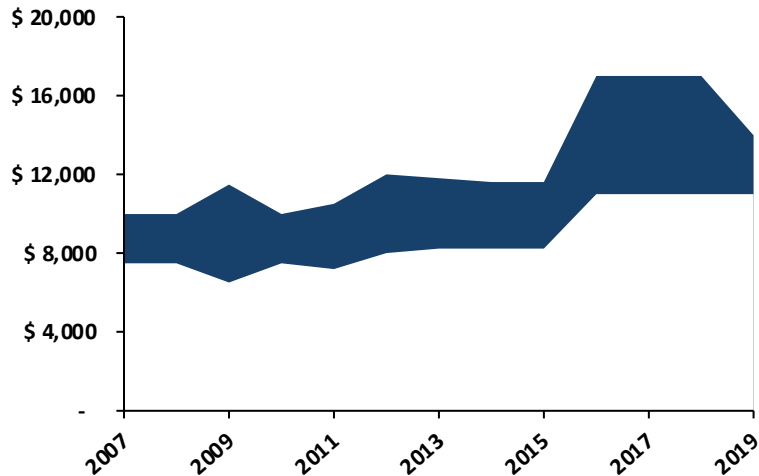


Agricultural Land Value

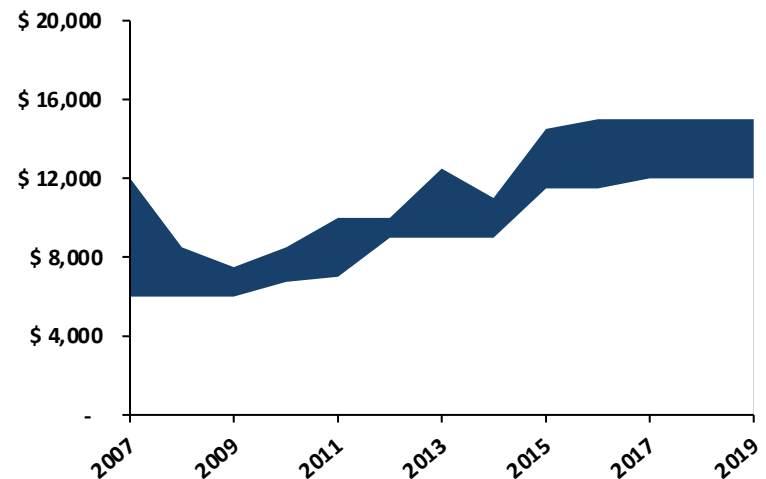
- Value of agricultural land assets with water resources continues to appreciate over time.
- Comparable developed land with water rights in Palo Verde and Imperial Valleys sells for approximately \$14,000 per acre for developed farmland.
- Large contiguous parcels can trade at higher values due to desirability for farming without competition.



Palo Verde Valley Land Comps \$ / Acre⁽¹⁾



Imperial Valley Land Comps \$ / Acre⁽²⁾



Source: Ag land prices from the 2020 CalASFMRA Western Ag Professionals Trend Report

1) Field crops land

2) Good adaptability land

Construction and operation of water pipelines are expected to support valuable cash flows from projects:

Recurring Cashflow Stream



\$50M+ of Annual Cash Flow projected from Agriculture, Water Delivery, and Storage

Significant Value from Water Storage



\$1.5B of Additional Cash Flows Projected from the Sale of Water Storage Rights

Substantial Annuity Value

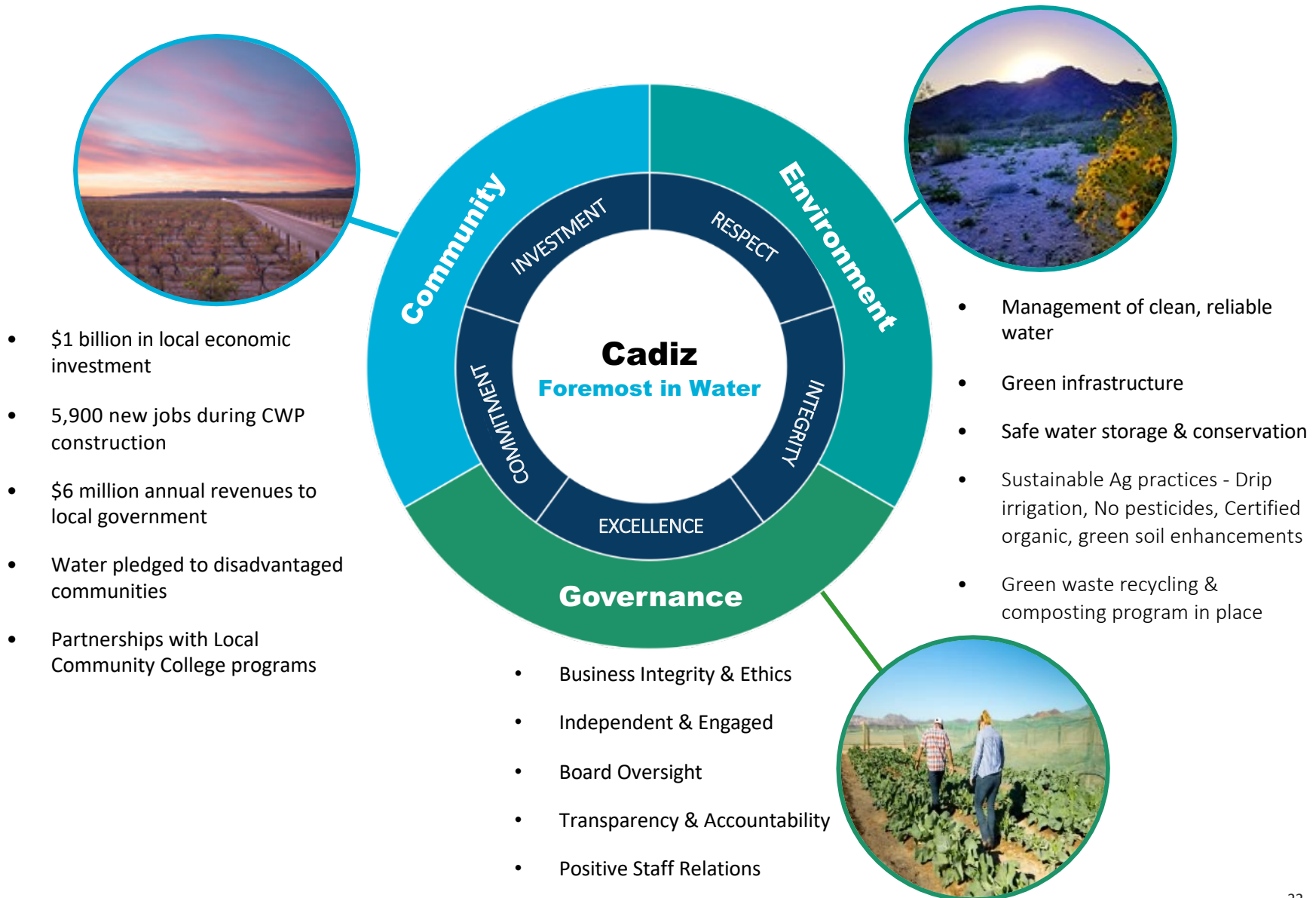


Projected \$2.0B Net Present Value of Water Delivery, Storage and Agriculture Cash Flows

Cadiz is dedicated to sustainably providing reliable water access and agricultural opportunities for our community and contributing to a sustainable environment well beyond our borders.



Sustainability Mission



Stewardship Programs

- Cadiz leads multiple sustainable farming programs / best practices, including a **Composting Program**, **Drip Irrigation** systems, and has **CCOF Certified Organic Operations** with no use of pesticides.
 - Cadiz’s Composting Program hosts a repository for recycled residential green waste that helps improve vitamins in their crops, as well as reducing water loss by increasing the holding capacity of the soil.
 - Cadiz’s drip irrigation program is a subsurface system buried 8 inches below the surface, reducing evaporation and minimizing water use per acre/per crop.
- Cadiz also has **sustainable water management practices** in place, having numerous permits and court approvals.
 - Company has robust **water monitoring / management** practices under local, state, and federal laws that help conserve water that is lost to high-salinity at dry lakes that otherwise evaporates.
 - Cadiz’s Groundwater Management Program is **Court approved** and features **100+ monitoring installations**.



Sustainability Focused Leadership

It is a Cadiz core value to follow and implement sustainable practices in all aspects of our business.

- Ensuring sustainable solutions to California's resource challenges is embedded in **values and business strategy** from management and cascades to leadership at the sites.
- Long-term **maintenance of leadership**, staff, and corporate responsibility practices.
- Maintain **positive staff relationships** and longevity on staff satisfaction, embrace diversity of experience and ideas.
- Dedicated to highest level of ethical and legal conduct in all business activities, embodied **culture of do the right thing**.
- Continuously striving to **embrace evolving stakeholder expectations** and implement best practices.

Being a Responsible Producer means ensuring sustainability in everything Cadiz does, everywhere, every day.



Corporate Governance



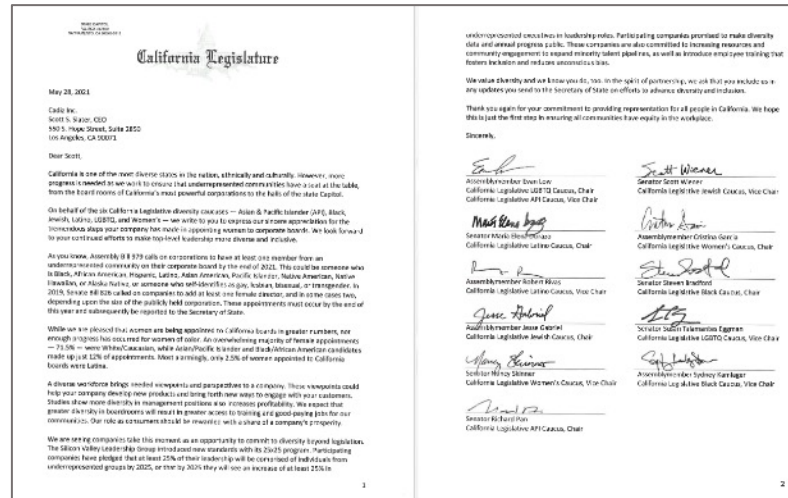
Cadiz's leadership fosters proper business behavior through strong and sustainable corporate governance and business ethics.

- Active oversight from Board of Directors through the independent directors in the audit, compensation, corporate governance, and nominating committees.
- Cadiz recognized by the California Legislature for its leadership in Board Governance Diversity & Inclusion practices.
- In 2020, 4 board meetings were held with an average board attendance of 93%.
- Cadiz's Code of Conduct and Ethics communicates their expectations and guiding principles. In 2020, 100 % of Cadiz's employees signed this code.
- Positive shareholder relations and approval of Board.

38% Women on board

78% Independent Directors

11 Years Average Tenure on board





CADIZ

For more information:

www.cadizinc.com

www.cadizwaterproject.com

Email:

ir@cadizinc.com

Social:

Twitter – @CadizWater

Facebook – Cadiz Water Project