

NEWS

# CADIZ

CADIZ, INC. | DEC 2020



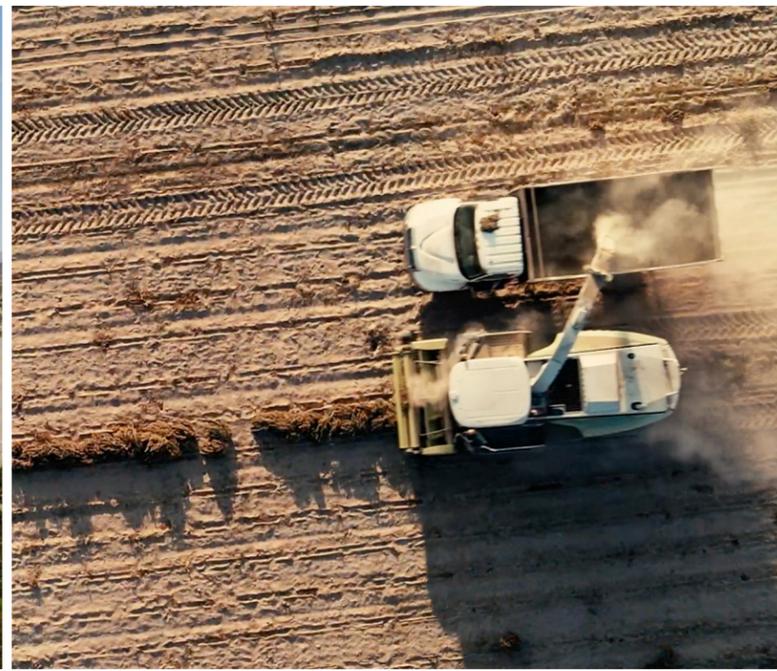
## CADIZ REPORTS

IMPORTANT DEVELOPMENTS  
FOR ITS 220-MILE NORTHERN  
PIPELINE ASSET

WATER BANKING  
BENEFITS

SO CAL HEMP  
COMPLETES  
ITS 2020 HARVEST







Dear Shareholders:

On this eve of the New Year I hope this communication finds you and your family healthy and safe.

We are pleased to inform you that Cadiz is ending this universally challenging year on a positive note. Our operations remain substantially unimpeded by Covid-19 virus and the associated stay at home orders. We have been able to successfully carry-on our work efforts remotely.

Last week, we accepted two final right-of-way grants from the US Bureau of Land Management under a single record of decision authorizing the Company to convey water or natural gas through the 220-mile pipeline we acquired from El Paso Natural Gas (EPNG) in a series of agreements first entered into in 2011.

The first right-of-way authorized the assignment of a portion of EPNG's existing federal right-of-way granted under the Mineral Leasing Act permitting the conveyance of petroleum and natural gas over federal lands crossed by the 220-mile segment.

The second right-of-way is a new grant issued to the Company under the Federal Land Policy and Management Act that expressly provides for the transportation of water over federal land underlying the same 220 mile pipeline segment. Thus, the Company has secured the right to convey both natural gas and water through its pipeline.

These grants follow on the heels of the Second Amendment to the Purchase and Sale Agreement with EPNG, executed earlier this month, that extended final payment for the pipeline to June 30, 2021. Copies of the 8-Ks related to these positive developments are linked [HERE](#).

This acquired pipeline, which we have named the Cadiz Northern Pipeline, represents a transformative asset of substantial value to the Company and the Californians we are committed to benefit. The Northern Pipeline, which has the capacity to transport up to 30,000 acre-feet per year, extends northwest from the Cadiz Ranch to California's Central Valley and crosses diverse farming, energy, mining, military and rural residential communities, as well as the State Water Project, the Los Angeles Aqueduct, and the Mojave River Pipeline – major water conveyance facilities delivering water to more than half of the State's residents.

For more than a decade, Cadiz has been deeply committed to enhancing California's water transportation network and improving water access for California's underserved communities. As a component of our water resources development business, we focused on the opportunity to repurpose existing facilities to convey water without the traditional environmental disturbances attributable to pipeline construction.

After conducting feasibility assessment and due diligence, in 2011 Cadiz optioned from EPNG this 220-mile pipeline segment for acquisition along with appurtenant lands, easements and rights-of-way. In 2014, Cadiz obtained the first part of the pipeline from Cadiz to Barstow (96 miles) while retaining options to a second segment from Barstow to Wheeler Ridge (124-miles). Closing of the acquisition of the entire line, which was finalized in 2018, required the renewal and delivery of the existing BLM right-of-way and having it assigned to Cadiz.

This 220-mile pipeline is adjacent to disadvantaged and rural communities that need reliable access to clean water. We will now continue in our efforts to seek a mix of public and private partners that can benefit from the location and capacity of this 30-inch pipeline to improve system redundancy between communities along the route, matching water supplies with communities in need.



While many ongoing efforts to secure additional water conveyance in the State have continued to struggle, the need for water conveyance capacity remains a persistent problem. Consequently, we are pleased to now have these approvals in place, which allow us to execute on our longtime strategy of helping to add to the state's water conveyance network. Following these authorizations, Cadiz has acquired a significant pipeline asset already in the ground with no prospect of causing substantial environmental disturbances to put it into use. An effort to construct a water pipeline of this magnitude within the current regulatory environment would be extremely difficult at a cost conservatively estimated at greater than \$200M. While our conveyance of water through our pipeline remains subject to applicable law, its potential is real and the opportunity significant – both for the Company and the communities that stand to benefit.

We are acutely aware that in the decade since Cadiz first contemplated this pipeline acquisition, California's lack of reliable access to water for all Californians, especially disadvantaged communities, has been identified as a growing problem in the State. The State itself has identified more than 1 million Californians who lack access to clean, safe, reliable water particularly in underserved areas, including areas accessible from the Northern Pipeline route.

We will also continue our exploration of legally permissible and complementary ancillary uses of the Pipeline. The suburban communities of Kern, San Bernardino and northern Los Angeles County traversed by the Northern Pipeline are already home to millions of people that demand essential services, including water. The continued shift to "work from home" in a post-Covid environment will likely increase these demands.

We are poised to meet new challenges ahead with the same resolve that was exhibited in the year that was "2020". We are committed to doing our part in the coming year and look forward to sharing more good news in 2021.

Happy Holidays to All!

Sincerely,  
Scott Slater | Cadiz, Inc. CEO



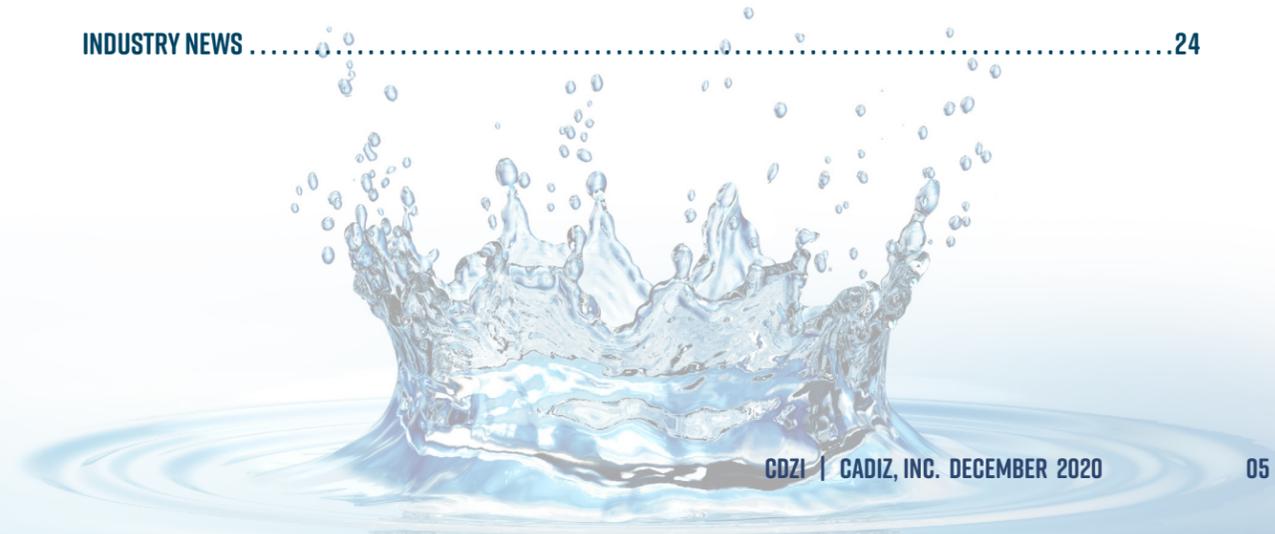


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# CADIZ INC

## CADIZ REPORTS IMPORTANT DEVELOPMENTS FOR ITS 220-MILE NORTHERN PIPELINE ASSET

ANNOUNCEMENT | NOVEMBER 16, 2020

As reported on Form 8K, 12/23/20

Today, Cadiz Inc. (the “Company”) reported that the U.S. Bureau of Land Management (“BLM”) has granted to our subsidiary, Cadiz Real Estate LLC, two right-of-way permits that now enable the Company to transport water through an existing 30” buried pipeline asset that crosses over both the State Water Project and the Mojave River Pipeline on its 220-mile route from Cadiz, California to Wheeler Ridge, California (the “Northern Pipeline”). The first right-of-way was issued pursuant to an assignment of a portion of an existing right-of-way held by El Paso Natural Gas (“EPNG”) and renewed by BLM under the Mineral Leasing Act in October and enables the continued transportation of natural gas. The second right-of-way was issued under the Federal Land Policy and Management Act and authorizes the conveyance of water over BLM-managed lands.

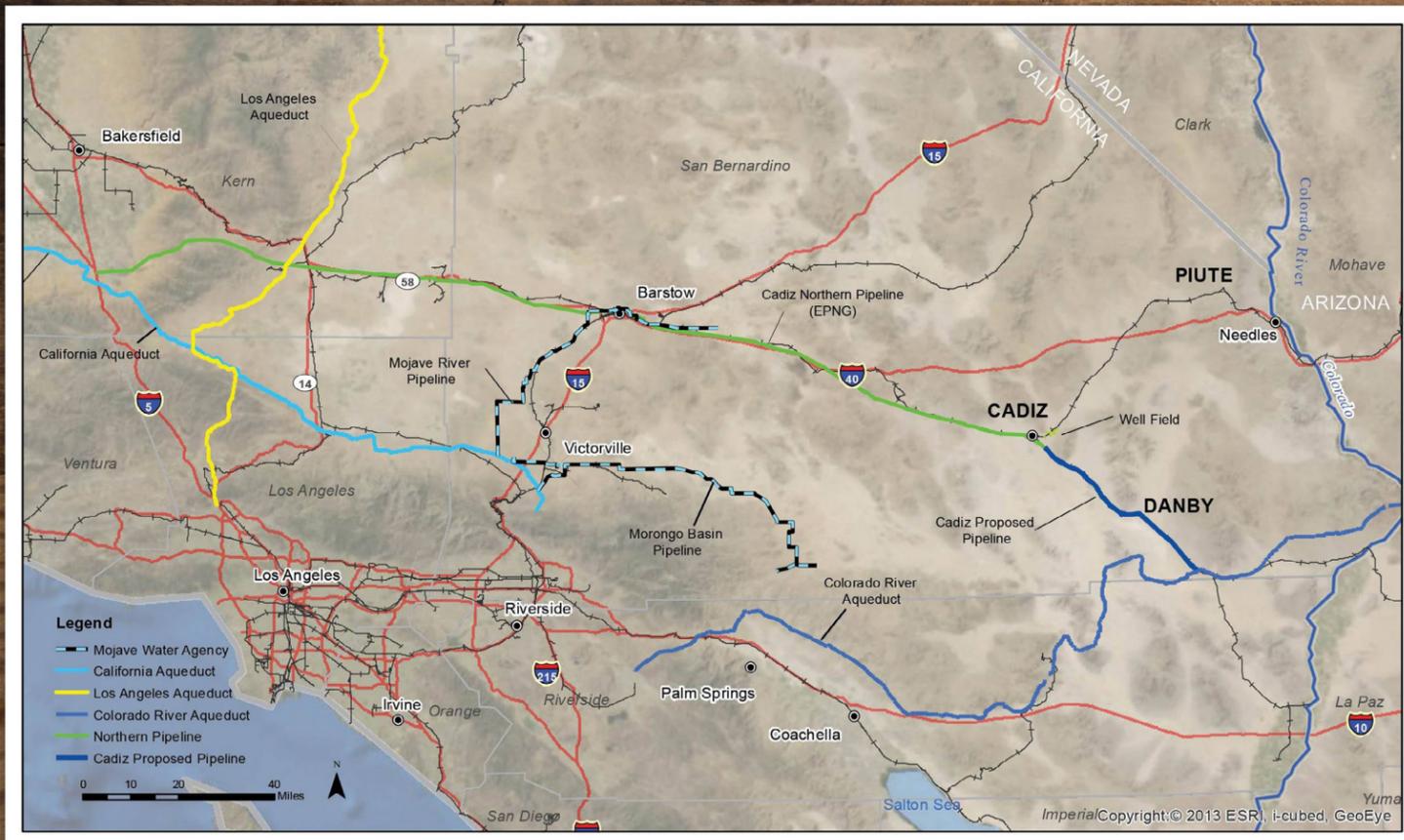
The Company acquired the Northern Pipeline from EPNG pursuant to agreements originally executed in 2011 with the intention of repurposing idle oil and gas pipeline assets that could diversify water conveyance for the benefit of communities in underserved areas of Kern, Los Angeles and San Bernardino Counties in California. The Northern Pipeline provides California water purveyors with a unique asset and corresponding opportunity to connect available supplies with rural areas of the State that need it most.

The Company completed the acquisition of a 96-mile segment of the Northern Pipeline from Cadiz to Barstow, California in 2014. The acquisition of the remaining 124-mile segment of the Northern Pipeline from Barstow to Wheeler Ridge, California was subject to certain conditions precedent including the BLM right-of-way grants noted above. With these BLM grants, the conditions precedent have been satisfied to finalize the Company’s acquisition of the Northern Pipeline. As recently reported, the Company’s final payment of \$19 million to EPNG is required to be made no later than June 30, 2021 in accordance with the Second Amendment to the Purchase and Sale Agreement.

Any water conveyed through the Northern Pipeline will be in accordance with all applicable local, state and federal law.

As reported on Form 8K, 12/11/20

The Company reported that on December 4, 2020 Cadiz Inc. (“Cadiz” or the “Company”) entered into a Second Amendment to its existing Purchase and Sale Agreement (the “Agreement”) dated December 31, 2018 with El Paso Natural Gas Company (“EPNG”). As amended, the Agreement extends the period within which the Company must fund the acquisition of the pipeline segment contemplated by the Agreement for up to 180 days, through June 30, 2021. In consideration of the Agreement, the Company made a payment of \$1 million to EPNG with the balance of the purchase price of \$19 million payable at closing. A copy of the Agreement was included with the filing.





# SO CAL HEMP

## COMPLETES 2020 COMMERCIAL HARVEST OF MOJAVE DESERT GROWN INDUSTRIAL HEMP

**ANNOUNCEMENT | NOVEMBER 16, 2020**

SoCal Hemp JV LLC (“SoCal Hemp”), a joint venture of Cadiz Inc. and Glass House Group to farm, harvest, process and market sustainable hemp and hemp-derived products, announced the completion of its first commercial harvest of industrial hemp at the Cadiz Ranch in California’s Mojave Desert. The successful crop, planted on 240 acres in Spring 2020, produced more than 300,000 pounds of dried hemp biomass and hemp flower suitable for a variety of hemp and hemp-derived products. The harvested product is being transported to processors and assessed for product development, including hemp-derived cannabidiol (“CBD”) and other cannabinoid products.

SoCal Hemp’s 2020 crop included 8 different varieties structured for CBD products sought by consumers for its antioxidant, anti-inflammatory and pain-receptive properties. Hemp is a variety of cannabis that is low in THC, but with beneficial cannabinoids including CBD. SoCal Hemp conducted regular testing throughout the growing process and the entire crop successfully harvested below the 0.3% THC federal limit and with strong CBD and other cannabinoid assessments.

“Despite hundreds of years of use and our ancestors’ well documented trust in the hemp plant’s properties, hemp was pushed to the background of agricultural products resulting in a dearth of information about its benefits as a commodity and also as a farmed crop capable of giving back to the planet,” said Graham Farrar, SoCal Hemp CEO and President of Glass House Group. “We are proud of our commitment to reintroduce hemp to America through a sustainable crop that will support products that serve the ailments of society in a natural way.”

A key focus of SoCal Hemp is to grow a sustainable crop perfected in the Mojave Desert sun. No pesticides were used during the growing process and organic material was applied for fertilization to augment the soils. Hemp is a lower water using crop due to its adaptability and its coordination with soils. Applying drip irrigation, the crop required less than 2.5 acre-feet of water per acre, far less than other desert grown crops. Desert weather conditions proved advantageous in keeping humidity low, allowing for a faster drying process and no loss of crop to mold or pests. SoCal Hemp has a Memorandum of Understanding with Victor Valley College to ensure the factors influencing growing hemp in the desert are documented and available to educate agricultural students and practitioners in California and across the country.

“We are thankful for our community of partners who are instrumental in our effort to deploy the best practices for sustainably farming and producing hemp,” said Scott Slater, CEO of Cadiz Inc. and principal at SoCal Hemp. “Hemp is proving to be exactly what we thought it could be – the perfect crop in this desert environment – and the cornerstone of a vertically integrated operation.”

The SoCal Hemp harvest carried out over several weeks included a combination of hand cutting and machine harvesting operations. The highest quality flower was hand cut and dried with the intention of ultimate use in a smokable hemp-derived CBD product. Most of the crop was machine harvested then chopped and baled. The harvest team readied hundreds of bales that are being transported to processing partners in Southern California and Oregon.

Delivering on our mission of offering a full seed-to-sale hemp solution, SoCal Hemp is planning to market and sell completed products including cannabinoid (CBD and CBG) extracts for use in smokable flower, cosmetics and health products. We are also evaluating partners for the remaining stem and stalk which can be used for additional products including feed and soil enhancement material.

The market for hemp-derived products remains robust and has continued to grow despite economic weakness during the COVID-19 pandemic and regulatory uncertainty for CBD. U.S. retail sales of hemp-derived CBD products are expected to total \$4.7 billion in 2020, up from \$4.1 billion in 2019, and forecast to reach \$12.4 billion by 2023.

# CADIZ WATER PROJECT

## RECOGNIZED AS TOP GREEN INFRASTRUCTURE PROJECT AT THE NORTH AMERICAN INFRASTRUCTURE LEADERSHIP FORUM

OCTOBER 28, 2020



WATER PUMP 22

Cadiz Inc. (NASDAQ: CDZI) (“Cadiz”, the “Company”) is pleased to announce that the Cadiz Water Project, the Company’s public-private partnership with California water providers to deliver new water supplies and groundwater storage for Southern California, was recognized today by global infrastructure strategy organization CG/LA as the Sustainability/Green Infrastructure Project of the Year at the North American Infrastructure Leadership Forum held virtually from Washington D.C.. The Infrastructure Project of the Year Awards, which are sponsored by Oracle Construction and Engineering, recognize projects identified for creating infrastructure opportunities via outstanding commitment across five categories:

Job Creation, Sustainability/Green Infrastructure, Finance/Funding, Engineering, and Strategic

“Infrastructure projects change people’s lives and we remain committed to supporting transformational, innovative and sustainable projects like the Cadiz Water Conveyance Project that can help ignite our economy and create opportunity for all communities as we move beyond the COVID-19 pandemic,” said Norman Anderson Chairman and CEO of CG/LA Infrastructure, host of the Forum.

Scott Slater, CEO and President of Cadiz, accepted the award for the Company and stated:

“Access to clean, reliable water is among the highest priorities for California and yet is difficult to attain. Unfortunately, in far too many communities we have fallen short. To solve this challenge it will take innovation, cooperation, and commitment to build, develop and sustain critical infrastructure to bring water from where it is to where it is needed.

“Reliable water can help communities provide for housing, jobs and economic opportunity where they are needed most. Through our judicially validated public-private partnership and with support from labor and the disadvantaged communities we plan to serve, we believe we can help.

“We are grateful for CG/LA’s efforts to shine a light on the need for bi-partisan and multi-disciplinary commitment to infrastructure in the U.S. and for highlighting our enduring commitment to sustainability as we continue our efforts to be part of the solution to California’s systemic water supply challenges.”

# WATER BANKING

## THE GROUNDWATER BANKING SOLUTION FOR CALIFORNIA

SEPTEMBER 29, 2020

California's water infrastructure was designed to provide protection from the fluctuations between wet and dry years that characterize its climate. Over the last century, engineers built a sprawling network of reservoirs and canals to store and deliver a consistent, reliable supply of water throughout the state.

However, this infrastructure is not always capable of providing an adequate supply of water to the state's growing population. During droughts, California's primary infrastructure projects – the Central Valley Project (CVP), State Water Project (SWP) and Colorado River Aqueduct (CRA) – reduce water deliveries to districts throughout the state, putting a strain on residents, farms, and businesses. Climate change and the failure to address infrastructure challenges in the Sacramento / San Joaquin Delta are creating a critical situation where finding suitable storage is imperative – especially south of the Delta.

Simply building more dams and reservoirs would boost the state's capacity to store and deliver water, but groundwater banking is an innovative strategy offering the added benefits of less surface disturbance, reduced losses attributable to evaporation, and a reduced carbon footprint. It is a solution being adopted by many districts across the state.

What is groundwater banking?

Banking water during wet years provides water districts with a cushion of protection during droughts. It also conserves any unused water, rather than letting it run out to the sea or be lost to evaporation.

Groundwater banking or, aquifer storage, is a process that stores water naturally in underground basins or aquifers, rather than in open-air reservoirs above ground. The stored water creates a bank of supply from which withdrawals can be made through a well in future dry years. It's as simple as adding money to a savings account to build a rainy-day fund.

Many districts across California and other Western states already use groundwater banking. During a wet year, excess runoff and imported water from the SWP, CVP, and other delivery systems is diverted into shallow ponds, spreading basins or wetlands. The water seeps into the ground, eventually reaching the aquifer. Water can also be injected directly into the aquifer through wells.

According to the Public Policy Institute of California (PPIC), California's groundwater basins can store three times as much water as the state's dams in a cost-effective manner. PPIC also expects groundwater banking will become more important to the state's water supply as the climate warms and shrinks the mountain snowpack further augmenting the need to storage in California.

California has 517 groundwater basins across the State. Stanford's Water in the West institute estimates that the capacity of underground water storage in California, is at least 20 times greater than that of the state's reservoirs and lakes. However, there is a lack of conveyance to bring surplus water into storage and return it in dry years. Environmental Defense Fund, Sustainable Conservation and other non-governmental organizations have noted that the pressure to improve management of groundwater in accordance with the Sustainable Groundwater Management Act of 2014 has created the opportunity to expand recharge basins and banking particularly in agricultural areas.

Why consider groundwater banking?

Storage of water in California and the West has historically been principally obtained through the construction and operation of dams and surface reservoirs. As the need for additional storage to accommodate changing hydrology has increased, California has largely retreated from the construction of dams as the primary water supply strategy in California due to cost and environmental concerns. The last major dam built in Northern California was New Melones Dam in Calaveras County, in 1979, with a capacity of 2.4 million acre-feet. In 2003, the Metropolitan Water District built Diamond Valley Lake, an off-stream surface storage facility which holds 800,000 acre-feet at a cost of over \$2 billion. The combination of the current environmental regulatory framework and limited public funding for large infrastructure projects without state and federal subsidies have made it extremely difficult to construct dams.

Groundwater banking offers a number of benefits, including minimal surface disruption, no interference with beneficial uses of surface water and little to no evaporation. For example, the Colorado River's largest reservoirs Lake Mead and Lake Powell lose as much as 500 billion gallons of water to evaporation annually – that's five times more water than the city of Denver uses in one year. In California, there are limited studies on the total amount of water that evaporates from reservoirs and open-air water infrastructure. The CA Department of Water Resources once estimated that California's reservoirs and ponds generally lose 1 to 2 meters of water to evaporation every year. On a summer day, a reservoir or pond might lose about 9,000 gallons per acre of water surface.

Climate change requires California to make investments in water supply reliability. Groundwater banking has the advantage over other supply options of being effective in a variety of settings and typically in a cost-effective manner. Delta protection is requiring those agencies exporting water from the Delta to make investments in reducing their reliance on exports – and this will require storage. Meanwhile, the Delta Conveyance program to improve reliability of Bay-Delta supplies for southern California carries a price-tag of more than \$15B in its current formulation. The feasibility of design, building and financing that project is presently under intense scrutiny and without storage to regulate deliveries, it likely faces tough sledding. Desalination, although fiercely resisted by environmentalists in some locations, has been successfully permitted in San Diego and Santa Barbara at price points of \$2,150 and \$3,150 per acre-foot respectively. Comparatively, groundwater storage provides a less costly, less impactful option that offers added flexibility that is beneficial to local communities, especially for banks that can convert surplus water into reliable supply for communities in need. Recently the Municipal Water District of Orange County evaluated supply augmentation projects available to its service area and all options were conservatively valued at more than \$1000/acre-foot.

# WATER BANKING CONT'D



## How The Cadiz Water Project Will Boost California's water Storage System

Located on privately owned land in the Mojave Desert, the Cadiz Water Project area overlays a massive aquifer with federally protected headwaters. Scientists estimate that this aquifer contains more than 20 million acre-feet of water, rivaling Lake Mead—the largest reservoir in the US. —. Groundwater that is not used for farming at Cadiz slowly flows to hyper-saline dry lakes, where it turns salty and evaporates. By better managing this aquifer system which has been farmed since the late 1980s without any adverse environmental impacts, the Cadiz Water Project would augment supply and storage capacity in Southern California.

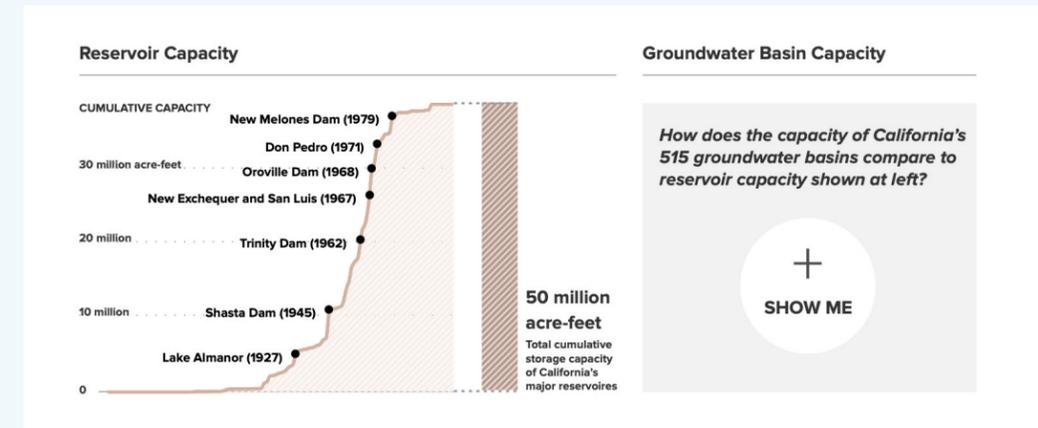
In Phase 1, the Cadiz Water Project will capture an average of 50,000 acre-feet of fresh water annually that would have otherwise been lost to evaporation. This conserved water will be delivered to communities across Southern California via a pipeline. Phase 1 also offers up to 150,000 acre-feet of carry-over storage (water stored by preventing loss of fresh water to high-salinity and evaporation). The Project will operate under a groundwater management plan that has been approved by San Bernardino County.

In Phase 2, the Cadiz Water Project will provide new storage space for banking imported surplus water in wet years. The project will be accessible by two pipelines connecting to Southern California's main sources of imported water supplies. The first would be a pipeline to be constructed wholly within a 43-mile railroad right of way and interconnect with the Colorado River Aqueduct ("CRA"). The second will utilize an existing 30" steel pipeline to move water northwest through San Bernardino, Los Angeles and Kern Counties. As a result, participating water agencies could bank excess water from the Colorado River Aqueduct, the State Water Project, and potentially the Los Angeles Aqueduct in Cadiz's underground basin for future dry years. The Cadiz area has an estimated 1 million acre-feet of imported storage capacity.

Once implemented, the Cadiz Water Project would be the only large groundwater bank adjacent to the Colorado River Aqueduct and have the ability to directly interconnect with the State Water Project and other northern California sources of supply.

### The Project offers:

- Minimal losses in recharge, migration or uncontrolled pumping;
  - Highly porous clays and silts support high infiltration rates, and ease of management and recovery;
  - Very low TDS;
  - Spreading and in-lieu storage;
  - Two conveyance inputs and outputs connecting the State;
  - Judicially validated groundwater management plan;
  - No overlying land competition and protected headwaters.
- Cadiz has the flexibility to be integrated into a variety of portfolios while maintaining overlying farming and fully protecting the environment and ensuring sustainability. Groundwater banking will continue to be an optimal solution to manage California's rapidly changing water supply and demand, Cadiz is well-positioned to help.



## Successful Groundwater Banking Projects

Here's a look at three prominent groundwater banking programs that are already operational.

**Chino Basin Bank** – The Chino Basin lies at the intersection of eastern Los Angeles County, south western San Bernardino County and western Riverside County. It is subject to a Court adjudicated management plan that authorizes storage of both local and imported water for the principal benefit of the \$2 billion economy that is dependent upon reliable water. Chino Basin has a court-approved process that facilitates storage, transfers and withdrawal on an expedited basis that has enabled the successful banking and storage of nearly 600,000 acre-feet of water. The bank has been able to benefit from improvements in water recycling and the construction and maintenance of extensive groundwater recharge basins that capture and store local and imported water through collaborative spreading agreements carried out among the County of San Bernardino Flood Control, the Inland Empire Utilities Agency and the Chino Basin Watermaster. Of the supply presently held in the basin, more than 80% is reserved for public and private local needs with the balance being accessed by the Metropolitan Water District of Southern California, the region's primary water wholesaler. Although the bank operates within a largely developed and ever urbanizing area it has exceeded all expectations and is now evaluating methods to safely increase the quantity of water held in storage up to 800,000 acre-feet.

**Semitropic Water Bank** – Perhaps the largest capacity held by any water banking system in the world, the Semitropic Groundwater Storage Bank offers six major water agencies a place to store excess water in wet years. Participating agencies include the Metropolitan Water District of Southern California, the Santa Clara Valley Water District, the San Diego County Water Authority, as well as private parties that hold water in storage directly or through the cooperation of water districts that store water on their behalf. The bank has a design capacity of around 1.65 million acre-feet—about the same capacity of Lake Berryessa, one of the State's largest reservoirs. In a dry year, when the SWP is only able to deliver half the water it has contracted to provide to water agencies, Semitropic can provide 356,500 acre-feet of water to supplement their supplies. Semitropic has a developed share structure for participating agencies, with participants generally funding long-term shares of reserved capacity in the bank.

**Kern Water Bank** – The Kern Water Bank was created in 1995 to provide a more reliable supply of water for farmers, residents, and businesses in the San Joaquin Valley, especially during dry years, when water imports from the Central Valley Project and the State Water Project aren't enough to satisfy demand. During wet years, surplus water flows into shallow ponds, where it slowly percolates underground, recharging aquifers. As an added benefit, flooding these shallow ponds has created a seasonal wetland habitat for more than 40 species of native and migrating birds. The Kern Water Bank has successfully operated for more than 20 years and as of October 2017, the Kern Water Bank reported that it has recharged 2.6 million acre-feet of water and recovered over 1.5 million acre-feet of water from storage during operations.



# CADIZ: BEHIND THE SCENES

WELCOME TO THE RANCH



During 2020, a universally challenging year, the Cadiz Ranch and our farming operations remained open and Covid-19 free. Operations are overseen by veteran Cadiz employee Lesley Thornburg and farming expert Pedro Sett. Check out these videos to learn more about them and their days on the Ranch.



CLICK HERE TO SEE LESLEY VIDEO

CLICK HERE TO SEE PEDRO VIDEO

### CADIZ INNOVATION:

Founded in 1983, Cadiz Inc. is a natural resources leader that owns 70 square miles of property with significant water resources in Southern California's Mojave Desert. We are dedicated to pursuing sustainable water, habitat and agricultural projects through the responsible stewardship of our unique land, water and infrastructure resources. This new video provides an introduction to Cadiz with new imagery of this special area.

CLICK HERE TO SEE CADIZ VIDEO



# CADIZ INC. JOINS SIXTH ANNUAL “IMAGINE A DAY WITHOUT WATER” CAMPAIGN TO RAISE WATER AWARENESS

OCTOBER 21, 2020

Today, Cadiz Inc. (NASDAQ: CDZI) joins elected officials, water utilities, community leaders, educators, and businesses from across the country as part of the sixth annual Imagine a Day Without Water, a nationwide day of education and advocacy focused on the value of water. Led by the US Water Alliance’s Value of Water Campaign, over one thousand organizations will raise awareness today about the crucial need for investment in our nation’s water systems and the importance of water in our daily lives.

Most Americans take access to clean water for granted.. Yet, even in this great Country many Americans still face the challenge of finding access to safe, clean ,and affordable water. The absence of water deprives communities of basic human dignity and denying them water to drink, access to housing and the right to earn a fair wage. Without a reliable water supply, economic opportunity is stifled..

Today, Cadiz joins the Imagine a Day Without Water campaign to draw particular attention to California’s systemic water challenges including an ongoing crisis that has left more than 1 million Californians without reliable access to safe, clean water.

Scott Slater, CEO of Cadiz Inc., said: “Water is the lifeblood of our economy and plays a critical role in manufacturing, energy production, transportation, and more. Yet the nation’s water infrastructure is aging and in need of innovation and investment to meet the economic demands of the future.”

Renewing our aging infrastructure will create jobs, protect public health, and avoid massive costs that would result if we allow these systems to continue to deteriorate. Every job created in the water sector helps add another 3.68 jobs in the national economy and every \$1 spent on infrastructure improvements in the U.S. generates \$6 in returns.

“We’re thrilled that Cadiz Inc. is a part of Imagine a Day Without Water. This national day of action educates our neighbors and public officials about the essential role water plays in all of our lives,” said Radhika Fox, CEO of the US Water Alliance and Director of the Value of Water Campaign. “This year showed us the critical importance of water service to safeguard public health and the economy. But the infrastructure and service it takes to bring water to our homes and businesses and take it away is not free and can’t be taken for granted. We all need to educate ourselves about where our water comes from and the investment these critical systems need.”

Imagine a Day Without Water is an opportunity for diverse organizations, from environmental advocates to coffee shops, aquariums to car washes, city halls to water utilities, to talk about what water is important to them. Over the past five years, it has provided a platform for educating the public and advocating for leaders to prioritize investing in water today, so in the future no American will have to imagine a day without water. Learn more at [imagineaday-withoutwater.org](https://www.imagineaday-withoutwater.org) and follow the conversation on social media at [#ValueWater](https://twitter.com/ValueWater).



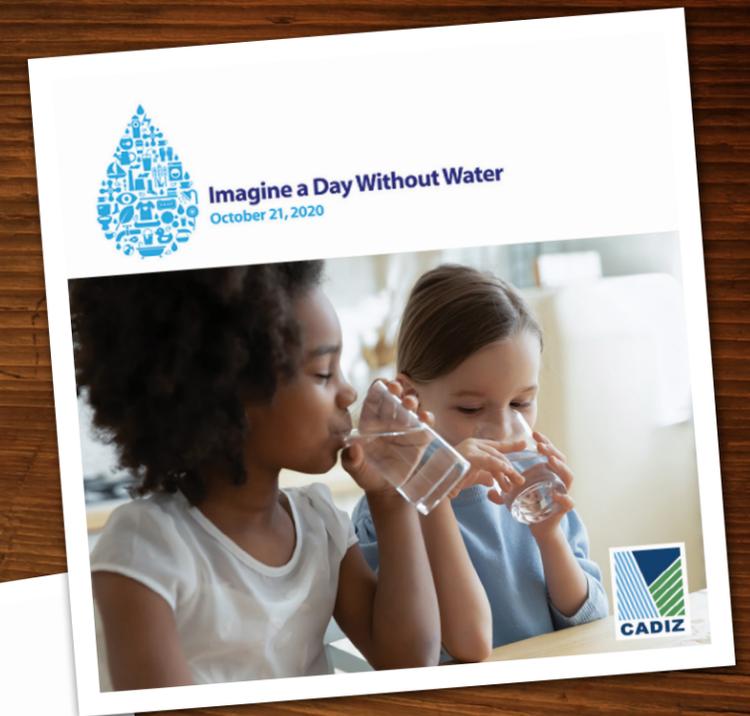
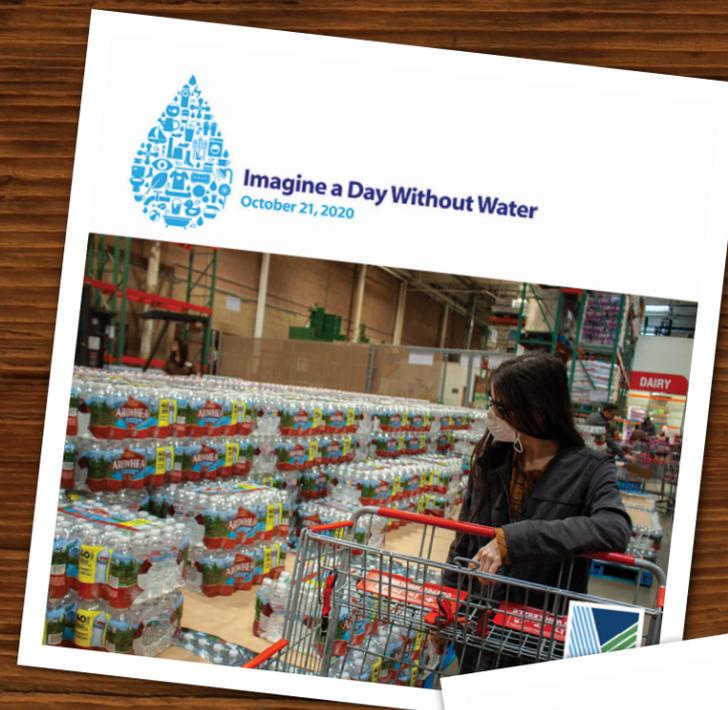
# 2020 IMAGINE A DAY WITHOUT WATER

Imagine a Day Without Water is a national education campaign sponsored by the Value of Water Campaign that brings together diverse stakeholders to highlight how water is essential, invaluable, and in need of investment on one day each year – October 21st. The Value of Water Campaign was created by the US Water Alliance a national nonprofit that represents utilities, municipalities, businesses, environmental organizations, community organizations, policy organizations, and academics interested in water supply reliability. Here are some fast facts social media posts about water infrastructure and its impact on our lives:

- In 2019, total capital spending on water infrastructure fell \$81 billion short of the capital need. If funding needs and #infrastructure #investment trends continue, the annual gap will grow to \$136 billion by 2039. #ValueWater
- There is no industry that does not need water. If we fail to invest in #water #infrastructure, the businesses that are most reliant on water will spend \$250 billion in 2039 on water service disruptions. #ValueWater
- As #water #infrastructure ages and deteriorates, damage from storms will also increase. Costs incurred by American households due to water and wastewater failures will be seven times higher in 20 years than they are today. Invest in water. #ValueWater
- If the nation closes the #water #infrastructure #investment gap, the US GDP would grow by \$4.5 trillion in 20 years and the economy would gain 800,000 new jobs. #ValueWater
- Support for #water #infrastructure #investment cuts across demographic, political, and geographic divisions. More than 3 in 4 Democrats, Republicans, and Independents all broadly support increasing federal investment. #ValueWater
- 73 % of Americans support investing in #water #infrastructure to increase #resilience to climate change, even with a \$1.27 trillion price tag. #ValueWater
- Unfortunately there are American communities that already have to imagine a day without water. More than 2,000,000 Americans live without basic access to safe drinking water and sanitation. #ValueWater

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# CADIZ INC. AIDS IN RE-INTRODUCTION OF NEARLY 150 DESERT TORTOISES TO CALIFORNIA'S MOJAVE DESERT

NOVEMBER 15, 2020

Los Angeles, CA –Cadiz Inc (Cadiz) is pleased to announce that a team of biologists—including members from the U.S. Geological Survey (USGS), Bajada Ecology, LLC and San Diego Zoo Global—released nearly 150 juvenile desert tortoises into the eastern Mojave Desert reared at the Cadiz Ranch and Edwards Air Force Base. The release of the tortoises was a result of a San Diego Zoo led Head Start program, which aims to protect newborn and juvenile tortoises from predators and other threats in the wild.

In 2018 Cadiz sponsored a new rearing site at the Cadiz Ranch. This location and Edwards AFB have been home to the head-starting program where mother tortoises laid eggs and nests were kept. This fall nearly 150 tortoises head-started in the program locations were released into the wild.

Roughly 7,500 acres of Cadiz' land in the Mojave Desert is reserved as a desert tortoise conservation bank. That bank was permitted by the State of CA in 2012 and Cadiz works with with the San Diego Zoo and San Diego Habitat Conservancy to manage it.

The desert tortoise is the largest terrestrial turtle in the United States and is a keystone species in the Mojave Desert ecosystem. The desert tortoise spends 95% of its time in burrows beneath the desert soils and can live to be 50 years old in the wild. The desert tortoise is a federally-listed threatened species under the Endangered Species Act and the State of California is considering endangered status under the California state Endangered Species Act (CESA). The San Diego Zoo estimates there has been a 90% decline in the CA desert tortoise population over the last 20 years. In recent years ensuring the survival of the tortoise has become an increasing challenge due to loss of habitat.

The re-introduced tortoises are being monitored by scientists through a radio tracking system which will follow their movements. This information will help scientists improve translocation protocols for future releases.

Cadiz CEO Scott Slater said, "We are proud to be a partner in this project which is part of our mission to sustainably utilize and maintain the Mojave Desert land in our care."

Cadiz is the largest private landowner in the eastern Mojave Desert of San Bernardino County and follows a Sustainability Compact to guide the management of its properties in a holistic manner.



## CNN BUSINESS

### Investors can now trade water futures

Futures tied to the Nasdaq Veles California Water Index, which measures the volume-weighted average price of water, began trading under the ticker NQH2O on the Chicago Mercantile Exchange on Monday.

Water has never been traded this way before.

Before the futures came along, the buying and selling of water rights, which allow the holder to pump water from the ground or reservoirs, only happened in the spot market. In dry years, when more water is required to grow crops and supply municipalities, it meant that buyers were facing high prices and a lot of uncertainty.

<https://www.cnn.com/2020/12/07/investing/water-futures-trading/index.html>

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## CA DEPARTMENT OF WATER RESOURCES

### DWR Releases Initial State Water Project Allocation

With California off to a dry start for the water year, the California Department of Water Resources (DWR) today announced an initial State Water Project (SWP) allocation of 10 percent of requested supplies for the 2021 water year. DWR's eight precipitation stations in Northern California recorded a record-low zero percent of average rainfall in October and 53 percent in November. Most of the state's major reservoirs are lower than historical average to date compared to a year ago. <https://water.ca.gov/News/News-Releases/2020/Dec-20/DWR-Releases-Initial-State-Water-Project-Allocation>

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# HIGH COUNTRY NEWS

In California, 1 million people lack access to clean water

When Sara Gallego\* turns on her faucet, she's never sure what will come out. "In the mornings, it's the color of coffee," she said. At other times, "It's super yellow." Gallego is one of the roughly 1,900 residents of the Oasis Mobile Home Park, a community of 220 dilapidated trailers in the unincorporated community of Thermal, California. Located on Torres Martinez Indigenous land, Oasis is home to low-income people with few other housing options. Many are farmworkers, and many are also undocumented.

<https://www.hcn.org/issues/52.12/south-pollution-in-california-1-million-people-lack-access-to-clean-water>

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# CAPRADIO

Is California heading for a multi-year drought?  
The odds aren't in our favor, experts say.

"With no rain in the forecast for the rest of 2020 — thanks to a La Niña weather pattern pushing storms north of the state — the probability of California entering a multi-year drought is increasing. "We did fortunately get some rain in November," said Michelle Mead, a warning coordination meteorologist with the National Weather Service in Sacramento. "However, since that time, it has been drying, and we even had some wind events. So we're very quickly back into fire season." ... " Read more from Capital Public Radio here: Is California heading for a multi-year drought? The odds aren't in our favor, experts say.

<https://woods.stanford.edu/news/california-heading-multi-year-drought-odds-aren-t-our-favor-experts-say>



# WATER MARKET INSIDER

Western agricultural water values diverge, with expansion in permanent and high-value crops

Westwater Research writes, "Recent trends in the Western U.S. toward high-value and capital-intensive crops that depend on irrigation are changing the importance and value of water in agriculture, and such changes have important implications for water trading and water market prices. WestWater compiled data on agricultural sales and irrigation water use to provide a unique spatial look at the value of water in agricultural use across the Western states. Please enjoy a short Water Market Insider summarizing the data on agricultural water values, and feel free to take a closer look with our online GIS story-board."

<https://files.constantcontact.com/5cefd21210170be9017-6e04-4d07-a2b1-ff7297878b63.pdf>

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