

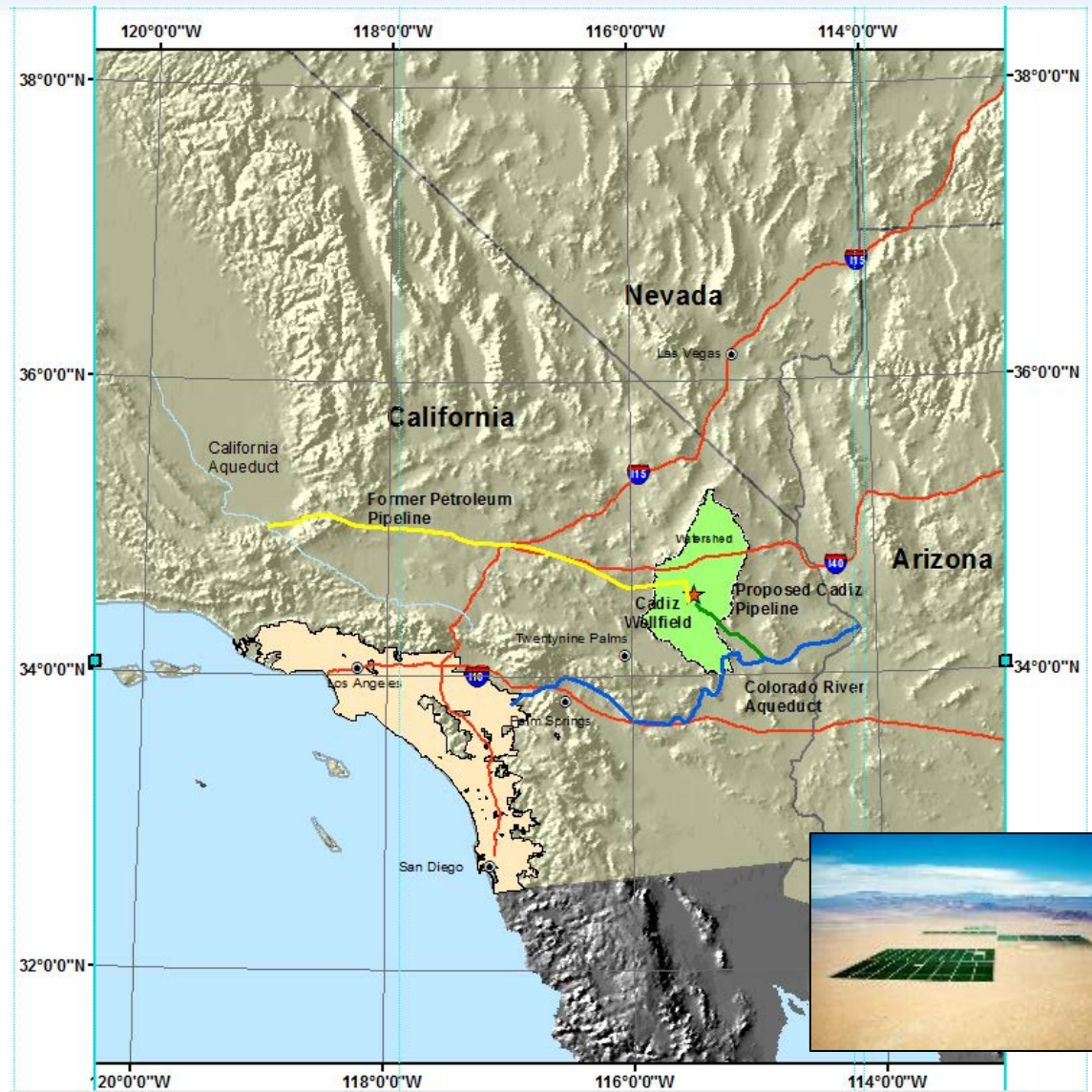


Cadiz Inc.
Corporate Presentation
November 2017



Cadiz Valley

- * 1,300 square-mile watershed in Mojave Desert.
- * Aquifer system holds approx. 20 million AF, like Lake Mead.
- * Natural recharge 32,500 AF/year.
- * Cadiz Inc. largest private land-owner.
- * Prolific groundwater resource provides irrigation for agricultural operation.



Problem: Loss of Water at Dry Lakes

- * Cadiz/Fenner Watershed terminates at dry lakes where groundwater is presently evaporating at a rate of approximately 32,000 acre-feet/ year.



Bristol Dry Lake Crust

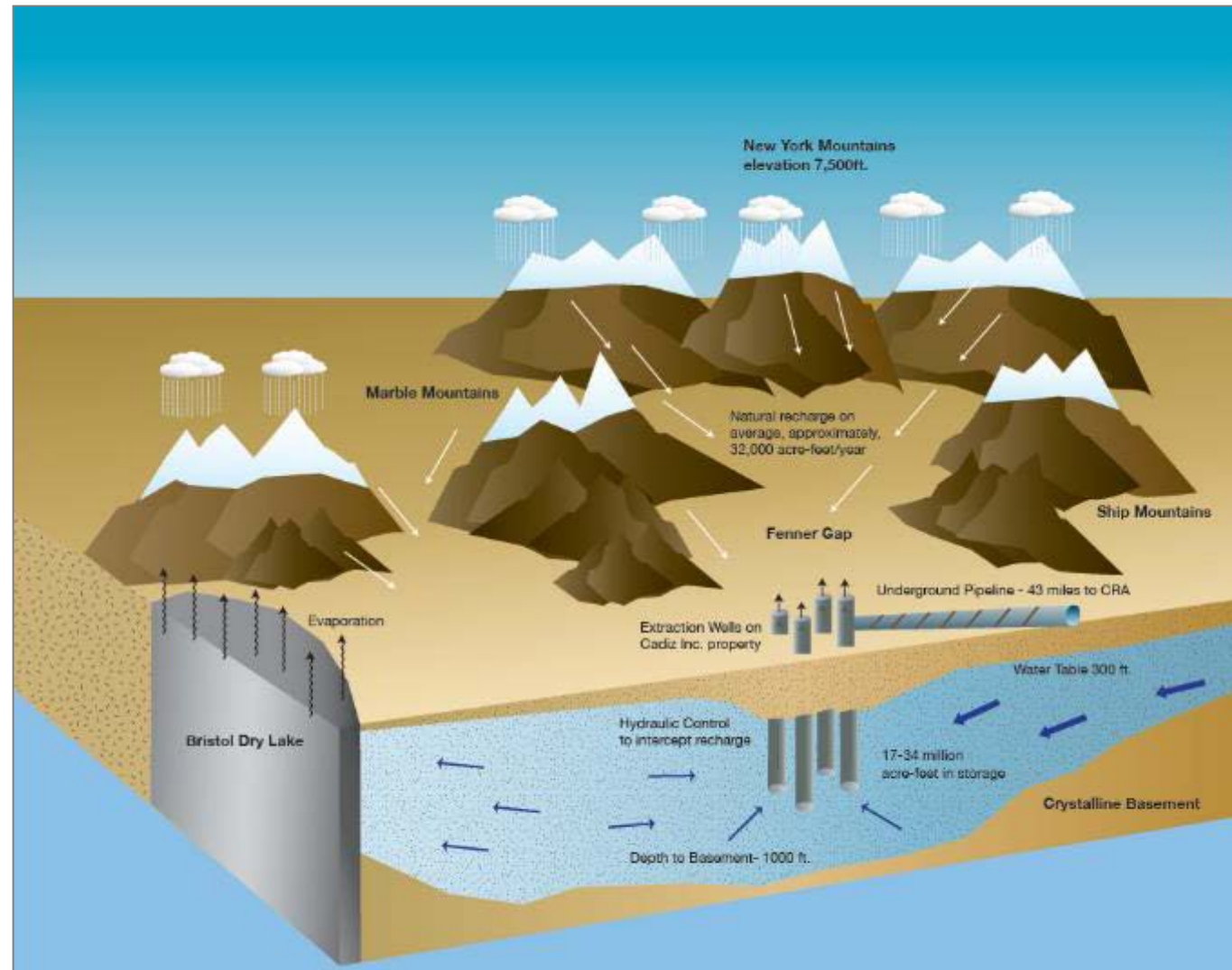


Beneath Dry Lake Surface

- * Groundwater beneath dry lake surface is highly saline (10 times the salinity of Pacific Ocean)

Solution: Conservation & Recovery

- ❖ Science & field work demonstrate potential to capture and conserve groundwater before it reaches dry lakes.
- ❖ Put that fresh water to beneficial use.
- ❖ Better manage the basin for storage.



Cadiz Water Project

Innovative and Sustainable Water Source for Southern California

Phase 1

- ❖ Wellfield on Cadiz property will capture & conserve groundwater.
- ❖ Via pipeline, convey average of 50,000 acre-feet/year over 50 years.
- ❖ Deliver water for 400,000 people in 6 Counties.
- ❖ No environmental impacts. CEQA permits vested.

Phase 2

- ❖ Via pipeline, import water in wet years and store underground at Cadiz.
- ❖ Total storage capacity = 1 million acre-feet.
- ❖ Unique Southern California banking opportunity, “off CRA”, larger than most local reservoirs.
- ❖ Subject to additional permitting.



Phase 1&2 Connect CA's Major Water Transportation Routes



Facilities, Costs & Construction

- **Phase 1 build-out ~\$250M, creates & supports 3,100 jobs.**

- ❖ Well field and power facilities
- ❖ Treatment facilities
- ❖ 44-mile conveyance & related RR improvements
- ❖ Aqueduct intertie
- ❖ Monitoring facilities



- **Phase 2 (cost \$TBD), creates and supports 2,900 jobs.**

- ❖ Convert existing 30" Barstow-to-Cadiz pipeline to water conveyance
- ❖ Construct recharge basins on Cadiz Property to accept storage water
- ❖ Build additional pump station

Project Development

2017 in Review

- ☀ **US & CA political dynamic changes following Presidential election**
- ☀ **CA water market – ongoing debate over how to meet long-term supply-demand imbalance**
- ☀ **Cadiz Water Project completes important milestones**
 - Apollo debt transaction for Construction Finance.
 - US BLM concludes project within scope of right-of-way in October 2017.



Final Steps

❖ Final Contracts

- ☀ Participating agencies finalize contracts

❖ Metropolitan Water District transportation

- ☀ Terms and conditions to move water in the Colorado River Aqueduct

❖ Construction Permitting & Planning

- ☀ Engineering design; contractor selection
- ☀ CA and County ministerial permits
- ☀ Final financing terms



Phase II

❖ Cadiz Water Project Phase II

- ☀ What is it? – proposal to import and store surplus water on the Colorado River or CA State systems underground at Cadiz. Return stored water in future dry years. Capacity = 1 Million AF.
- ☀ Who participates? – State and CR contractors with excess supplies in wet years.
- ☀ Facilities required? – Existing pipelines, spreading basin, pump station.
- ☀ Permitting required? – Programmatic EIR done. Add'l State and Federal permits required.
- ☀ Metrics? – annual maintenance charges ~\$20/AF/Y; storage fees ~ \$1,500 AF.
- ☀ Timing? – Initiate permitting in 2018.



Timeline

2018

2019

2020

2021



Contract negotiations



Metropolitan WD application



Engineering & Planning



Final Construction Permits

Phase 2 Permitting



Phase 1 Construction



Phase 2 Construction



(Estimated)

Financials

(As of 9/30/17)

Shares Outstanding	22.8 M
Working Capital	\$14 M
Debt – Sr. Secured *	\$61.3 M
Debt – Convertible **	\$70.3 M
Lease buy-back Provision ***	\$14 M

* Senior Secured Mortgage - 8% Interest (6% PIK and 2% cash quarterly), Maturity in May 2021 or “Springing Maturity Date” 91 days prior to March 2020.

** Convertible Notes - \$1.4M Convert at \$8.05/share, 7% Interest PIK, Maturity March 2018. \$68.9M Convert at \$6.75/share, 7% Interest PIK, Maturity March 2020.

*** Lease buy-back amount increases at 10% per Annum.