



PRESS RELEASE  
Date: April 24, 2024

## **Cadiz Announces Water Supply Agreement with Solstra Communities to Support Bold Attainable Housing in Santa Barbara County**

***Innovative “Solomon Hills” project will support 4,000 Central Coast working families near Vandenberg Space Force Base***

Los Angeles, CALIFORNIA (04.24.24) - Cadiz, Inc. (NASDAQ: CDZI / CDZIP, the “Company”) announced today that the Company and Fenner Gap Mutual Water Company (“Fenner Gap”) signed a water supply agreement with Solstra Communities California LLC (“Solstra”) for delivery of 1,275 acre-feet per year of water from the Cadiz Water Supply and Storage Project to support development of more than 4,000 homes for military and working families along the Central California coast.

Today’s announcement is the first time Cadiz has contracted with a housing developer for water supply. Water supply from Cadiz will be delivered through exchanges of water with regional water contractors utilizing the Company’s Northern Pipeline, a 220-mile natural gas pipeline originally built to transport oil from the California coast to Texas oil refineries. The water supply agreement announced today (“Solstra Agreement”) follows execution of three additional water supply agreements entered since the beginning of the year reserving a total of 15,000 acre-feet per year (AFY). Following execution of the Solstra Agreement, 65% of the capacity of Cadiz’s Northern Pipeline is under contract.

“We need water to solve the housing crisis in California,” said Susan Kennedy, CEO of Cadiz, Inc. “We are proud to work with innovative companies like Solstra who are at the forefront of building sustainable communities with safe neighborhoods and affordable homes for working families.”

Solstra, owner of private land near Vandenberg Space Force Base, is pursuing development of up to 4,000 sustainable housing units, parks, trails, open space, to support military families and a diverse workforce in the aerospace industry as well as education, manufacturing, and healthcare services in the area. Approximately 70% of the homes are intended for working families and first-time buyers.

In a statement about the Agreement, Solstra said: “Solstra’s vision for Solomon Hills is to create attainable homes for working families in a new, sustainable community. Cadiz’s innovative approach to deliver sustainable, clean, reliable, affordable water to meet California’s housing needs is aligned with Solstra’s bold vision for the Solomon Hills project. Solstra is excited to partner with Cadiz, and for Cadiz to become part of a diverse portfolio of water supply sources needed for a development of the scale.”

Under California’s state housing plan, one million of the 2.5 million required homes that must be built by 2030 to address the state’s urgent housing crisis must meet the needs of lower-income

households. California law also requires new housing development to demonstrate access to reliable water prior to construction.

Under the terms of the Solstra Agreement, water supply will be made available to Solstra via the Coastal Branch of the State Water Project through an exchange with one or more contractors of the California State Water Project. Cadiz expects to receive net revenue of approximately \$850 per AF in 2024 dollars for water purchased by Solstra over the contract term.

The Company's Northern Pipeline has a delivery capacity of 25,000 AFY. Following execution of the Solstra Agreement, approximately 65% of the delivery capacity of the Northern Pipeline, or 16,175 AFY, has been reserved under water supply agreements, with the remaining capacity in the final stages of contracting.

The Company anticipates final development of the Northern Pipeline conversion project will occur in 2024, with construction beginning in 2025 and commencement of water delivery as early as 2026.

### **About Solstra Communities California, LLC**

Solstra Communities California, LLC is a U.S.-based company backed by private investors dedicated to creating thoughtful, sustainable, resilient communities through the repurposing and revitalizing of unique properties such as Solomon Hills. Solstra leadership has a demonstrated track record of creating sustainable neighborhoods, engaging in extensive community collaboration efforts, and managing complex, long-term projects in Denmark and throughout Europe. They have assembled a local project team, along with international sustainability experts, to guide them in creating a model sustainable community for Santa Barbara County's working families. Solstra purchased Pacific Coast Energy Company (PCEC) and its assets in 2019. The acquisition included the 1,903-acre Solomon Hills area in northern Santa Barbara County.

### **About Cadiz, Inc.**

Founded in 1983, Cadiz, Inc. (NASDAQ: CDZI) is a California water solutions company dedicated to providing access to clean, reliable and affordable water for people through a unique combination of water supply, storage, pipeline and treatment solutions. With 45,000 acres of land in California, 2.5 million acre-feet of water supply, 220 miles of pipeline assets and the most cost-effective water treatment filtration technology in the industry, Cadiz offers a full suite of solutions to address the impacts of climate change on clean water access.

Fenner Gap Mutual Water Company is the non-profit corporation established by Cadiz to distribute water supplies from the Cadiz Water Conservation, Supply and Storage Project.

For more information, please visit [www.cadizinc.com](http://www.cadizinc.com).

Contact:

Courtney Degener  
[cdegener@cadizinc.com](mailto:cdegener@cadizinc.com)  
213-271-1603

Ben Humphrey  
[ben@solomonhillsca.com](mailto:ben@solomonhillsca.com)  
805-456-4457

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*FORWARD LOOKING STATEMENT: This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, the ability of the Company to achieve its strategic objectives related to the Cadiz Water and Storage Project, including the Company's objectives to complete final project design, engineering and related permitting of the Northern Pipeline in 2024, begin construction in 2025 and commence water delivery as early as 2026, which ability is subject to significant business, economic, political and competitive risks and uncertainties, many of which are beyond the control of the Company. Although the Company believes that the expectations reflected in our forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Factors that could cause actual results or events to differ materially from those reflected in the Company's forward-looking statements include potential delays in achieving our strategic objectives resulting from delays in the supply chain for materials or other factors detailed in the Company's Securities and Exchange Commission filings. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.*