Cadiz Executes Guaranteed Maximum Price Construction Contracts for Northern Pipeline Project

Guaranteed Maximum Price Contracts Support Project Financing Efforts and Advance Northern Pipeline into the Construction Phase

LOS ANGELES, July 28, 2026 /PRNewswire/ -- Cadiz, Inc. (NASDAQ: CDZI, CDZIP) ("Cadiz" or the "Company") Following federal approval of the right-of-way ("ROW") grant for the Northern Pipeline, Cadiz Inc. (NASDAQ: CDZI) ("Cadiz" or the "Company") today announced that its affiliate Fenner Gap Mutual Water Company ("Fenner Gap"), has executed the principal construction contracts for the Northern Pipeline conversion project ("Northern Pipeline"). The agreements utilize a Construction Manager at Risk ("CMAR") delivery model that establishes guaranteed maximum prices for the Northern Pipeline's principal construction components, including pump stations and pipeline replacement. These contracts, together with contractual pricing for owner-procured equipment and materials, as well as purchase options and supplier quotations for other necessary components establish the estimated capital expenditures required to place the Northern Pipeline into service at approximately $403.3 million.

The CMAR delivery structure provides Fenner Gap with contractually established guaranteed maximum prices for the project's principal construction packages while allowing the Company to directly procure major long-lead equipment and materials. This approach is intended to reduce construction cost uncertainty, preserve flexibility to competitively procure major equipment and materials, and establish a defined construction capital budget that can be used in connection with the Company's project financing activities for the Mojave Groundwater Bank.

As previously announced on July 10, 2026, the U.S. Bureau of Land Management ("BLM") approved a ROW grant authorizing construction, conversion and operation of the Northern Pipeline for water conveyance across BLM-managed lands under Title V of the Federal Land Policy and Management Act ("FLPMA"). Following issuance of the ROW grant to Fenner Gap, the Company completed the customary submittals required by the BLM, including payment of a reclamation bond, construction notifications and other documentation required under the grant.

Earlier this year, San Bernardino County and Fenner Gap formed the San Bernardino Water and Power Authority, a Joint Powers Authority, to support the planning and development of water and energy infrastructure projects in San Bernardino County. The Authority is expected to play a key role in supporting the project financing through the issuance of municipal bonds and other debt instruments.

The Company continues to advance efforts to secure equity capital, municipal debt, and federal infrastructure financing. The CMAR contracts are expected to support these financing activities, including the Company's previously announced application for up to $194 million in financing through the U.S. Environmental Protection Agency's Water Infrastructure Finance and Innovation Act ("WIFIA") program.

Reducing construction risk through maximum price guarantees is also expected to advance ongoing discussions with potential equity investors in the Company's water infrastructure projects. Importantly, the contracts establish a benefit sharing mechanism to incentivize our construction partners to further reduce the project's total cost.

About Cadiz, Inc.

Cadiz, Inc. (NASDAQ: CDZI) is a water solutions and natural resources company developing long-term water supply, storage, conveyance and treatment solutions for communities, businesses, farmers and public agencies across the Southwest. Founded in 1983, Cadiz owns approximately 45,000 acres of land and 220 miles of pipeline assets in California's Mojave Desert. Its assets include Cadiz Ranch, the largest agricultural operation in San Bernardino County; the Mojave Groundwater Bank, one of the largest new water supply and groundwater storage projects in the Lower Colorado River Basin; and ATEC Water Systems, which provides specialized groundwater treatment technology throughout the western United States. Visit the Company's website at www.cadizinc.com

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by words such as "expects," "anticipates," "plans," "believes," "estimates," "intends," "projects," "may," "will," "could," "should," and similar expressions.

Forward-looking statements in this press release include, without limitation, statements regarding: the execution, scope and performance of the contracts for the Northern Pipeline conversion project; the estimated capital expenditures required to place the Northern Pipeline into service; the ability of the guaranteed maximum price structure to reduce construction cost uncertainty and establish a defined capital budget; the anticipated roles of the San Bernardino Water and Power Authority in supporting project financing; the Company's ability to secure equity capital, municipal debt and federal infrastructure financing; the benefit sharing mechanism and its expected effect on total project cost; and the broader development, construction, financing and operation of the Mojave Groundwater Bank and related infrastructure projects.

These forward-looking statements are based on current expectations, estimates and assumptions and are subject to significant risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward-looking statements due to a variety of factors, including, without limitation: the ability to obtain required financing on acceptable terms or at all; the failure to satisfy conditions of, or obtain approval under, the WIFIA program or other federal financing programs; delays in obtaining permits, approvals or other governmental authorizations; changes in construction schedules or project scope; contractor performance issues; labor shortages; supply chain disruptions; equipment availability constraints; the impact of lawsuits that have been filed or may be filed against the Company or its projects; increases in material, transportation, labor, energy or other project costs; differing site conditions; weather or environmental conditions; changes in applicable laws, regulations or governmental policies, including with respect to federal land management or water rights; disputes under project agreements, including the CMAR contracts; the ability of the San Bernardino Water and Power Authority to issue municipal bonds or other debt on acceptable terms or at all; and other economic, business, regulatory and market factors that could affect the Company's projects, operations or financial condition.

Additional information regarding risks and uncertainties is contained in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and subsequent filings under the Exchange Act and the Securities Act. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

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