



**A Pledge to Support Local Jobs and Investment in San Bernardino County**

***Cadiz Inc. pledges 50% of labor force and 80% of infrastructure spending for Cadiz Valley Water Project to County residents and businesses***

Cadiz Inc. [NASDAQ: CDZI] (“Cadiz”), a land and water resource development company with 45,000 acres in California’s San Bernardino County, is making a significant pledge to support County-based labor and materials upon implementation of the Company’s Cadiz Valley Water Conservation, Recovery and Storage Project (“Project”).

Today we pledge the following:

- **Local Investment in County-based Businesses & Materials** – As we move to implement the Project, Cadiz guarantees that 80% of spending on materials necessary to construct the Project’s facilities will be dedicated to San Bernardino County businesses, including steel and pipe manufacturers.
- **Jobs for County residents** – When hiring begins for Project construction and implementation, Cadiz commits that 50% of the new jobs created will be reserved for San Bernardino County residents.
- **Jobs for County Veterans** – Veterans in San Bernardino County, including those based in nearby Twentynine Palms, have been among the hardest hit by economic downturn in the County. We will offer local veterans first preference over a minimum of 10% of available Project jobs and will work with local military bases to ensure this goal is achieved.

Founded in 1983, Cadiz Inc. maintains 45,000 acres of land in three locations of San Bernardino County - the Cadiz Valley (34,000 acres), Piute Valley (9,000 acres) and near Danby Dry Lake (2,000 acres) - including an ongoing agricultural operation in Cadiz. As longtime members of these eastern Mojave Desert communities, we are committed to support local jobs and businesses as part of our Cadiz Valley Water Conservation, Recovery and Storage Project.

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The Project proposes to capture and conserve groundwater flowing in the vast aquifer system beneath our property in the Cadiz Valley with a goal of providing a new, reliable municipal water supply for approximately 200,000 Southern Californians. This groundwater currently flows to the nearby Bristol and Cadiz Dry-Lakes, where it becomes highly saline and is lost to evaporation.

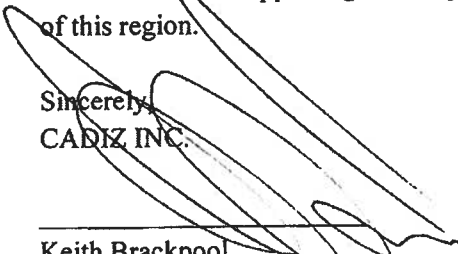
The Project includes a state of the art monitoring and mitigation program to provide the broadest assurance that it will be operated in a manner that causes no harm to the community or the environment. All Project facilities, including a 43-mile steel pipeline to the Colorado River Aqueduct along the Arizona and California Railroad, wells, and pumping facilities, will be built on private land to ensure protection and preservation of nearby wilderness areas and undisturbed lands. The Project is currently undergoing an environmental review and permitting process according to the California Environmental Quality Act (CEQA) led by the Santa Margarita Water District, a Project participant. Five additional southern California water providers, including Three Valleys Municipal Water District, Suburban Water Systems, Golden State Water Company, Jurupa Community Services District and California Water Company, are also participating.

The Project is expected to have a significant economic impact on the County of San Bernardino. Construction costs are estimated to be approximately \$275 million in Phase I of the Project and approximately \$258 million in Phase II, an imported storage component that is currently contemplated but would require additional CEQA review. Last year, Inland Empire economist Dr. Husing estimated that the Project would support a net local four year economic impact of \$878 million and create an annual average of approximately 1,100 direct and indirect jobs over the construction period. Over the long term, Dr. Husing forecasts that the Project would annually increase property tax revenue to San Bernardino County by approximately \$5.4 million per year, including approximately \$613,000 for the Needles Unified School District.

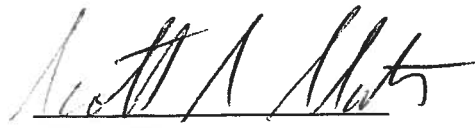
Unemployment in San Bernardino County was reported at 12.6% in March 2012, much higher than the national average. In communities that could serve construction needs of the Project, unemployment is even higher -- Barstow (15.4%), Victorville (14.8%), Twentynine Palms (14.8%), Adelanto (18.9%), Fontana (12.8%) and the City of San Bernardino (16.5%). We recognize the negative impact this level of unemployment has on our community, friends and neighbors.

Improving economic and employment conditions in San Bernardino County is important to everyone at Cadiz and those supporting the Project. We are committed to local jobs and local investment and the prosperity of this region.

Sincerely,  
CADIZ INC.



Keith Brackpool  
Chief Executive Officer &  
Chairman of the Board



Scott Slater  
President & General Counsel